



# DÁIL ÉIREANN

## DÍOSPÓIREACHTAÍ PARLAIMINTE PARLIAMENTARY DEBATES

### TUAIRISC OIFIGIÚIL OFFICIAL REPORT

IMLEABHAR 594

VOLUME 594

*Dé Céadaoin, 1 Nollaig 2004.*  
*Wednesday, 1 December 2004.*

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

*Paidir.*  
*Prayer.*

#### Leaders' Questions.

**Mr. Kenny:** Yesterday I raised in the House the prospect of a successful conclusion to the discussions and negotiations in so far as the Good Friday Agreement and the restoration of the Assembly in Northern Ireland are concerned. In doing so I wished the Taoiseach and his Ministers well in the negotiations. Deputies will recall that last autumn we were tantalising close to completion of a successful series of negotiations. Subsequently, when the matter became public knowledge earlier this year, it transpired that one of the issues apparently under discussion was the prospect of the early release of the killers of the late Detective Garda Jerry McCabe. At the time this caused public outrage throughout the Twenty-six Counties. It has been suggested that there is now a similar situation. In view of the guarantees given by the Government, both by the Taoiseach and the previous Minister for Justice, Equality and Law Reform, will the Taoiseach confirm one way or the other whether this matter is under discussion or part of any outstanding matter to be dealt with?

**The Taoiseach:** On the general point, the discussions will continue for the next few days. I stated yesterday that I thought it would be a few

days as there were still a number of difficult issues that we had to deal with. On the specific question, in the discussions on Northern Ireland for the past five years the release of prisoners has been a major issue. At the time of the Good Friday Agreement we had a large number of prisoners, some of whom were released in 1998 and the remainder in 1999.

In regard to the murder of Jerry McCabe and the injuring of Ben O'Sullivan, we took the view that the prisoners would not be released — it is exactly five years since we said they would not be released — under the Good Friday Agreement. In the subsequent discussions in March last year and one year ago, it was clear that if we were to get to a position where we would have decommissioning of IRA arms held by the IRA leadership in GHQ and there would be instructions to IRA volunteers, the Government, as part of a comprehensive agreement, would give consideration to the early release of the prisoners, not under the Good Friday Agreement but under the earlier Acts, of which I think two are involved. That is still the position of the Government. I have confirmed this a number of times. I know the difficulties involved and that we would have to engage in discussions with the families, which we would do, and the Garda representative body.

[The Taoiseach.]

It is still an outstanding issue. To be frank and open — this is the place to say it — it is my belief that if we are to have a comprehensive agreement, this is an issue that will have to be part of the final deal.

**Mr. Kenny:** The Taoiseach stated in February 1999:

I have continually and unambiguously made clear since Good Friday, 10 April 1998, that any reference by the Sinn Féin negotiators regarding the release of the late Jerry McCabe's murderers could not be considered ... At no time was anyone given any comfort about these people and neither will they be.

Am I to understand the Taoiseach is confirming that, in the context of a successful conclusion to the discussions which are at a sensitive stage, the killers of the late Detective Garda McCabe will be given early release?

**The Taoiseach:** Obviously, the Government would have to have consultations with the families, their representatives and those of the Garda. This is not a question on which I want to have ambiguity. If we are to have a comprehensive deal, this matter will be part of it and I would recommend that that be the case. I do not see how we will be able to deal with it otherwise.

**Mr. Rabbitte:** I wish to ask the Taoiseach about the up-to-date position on Aer Lingus, the chairman of which resigned in July. I understand its acting chairman is due to resign on 3 January. The Taoiseach's dithering on policy and the way forward for Aer Lingus provoked the resignation of the chief executive and his two chief officers, including the chief financial officer. The chairman has resigned and the acting chairman is about to go. So far the Government's only response has been the Taoiseach's outburst in the House which served to undermine value in the company. When is it proposed to appoint a chairman to Aer Lingus? Is it not the case that until the Government fixes on a firm policy in terms of the future direction and ownership of the company, it will not be possible to find a quality chief executive or put an appropriate chairman in place? When will an announcement be made about the impending resignation of the acting chairman? Has a new chairman been found? Has the Government decided the future ownership of Aer Lingus and the future direction of that important company?

**The Taoiseach:** I have to correct the Deputy. The last chairman, Mr. Tom Mulcahy, resigned from Aer Lingus due to issues unrelated to the company. To put it in that light is a total misrepresentation of the facts. The current chairman, which is doing a good job, took over when Mr. Mulcahy felt it was important to resign because of unrelated matters. I still do not understand the

motives for those who have recently resigned. They knew exactly the position of the Government. It was not a question of anyone not making decisions. The only issue we took up with them was the question of an MBO. There was no other issue or request.

The board of Aer Lingus met on Monday. It decided to begin the process of recruitment of a new chief executive by establishing a sub-committee comprised of the acting chairman and two other non-executive directors. It is charged with identifying and recommending the appointment of a replacement chief executive to the board. It also approved a challenging budget for next year, which is totally consistent with the implementation of the company's business plan. I do not deal with the day to day issues of Aer Lingus, but I completely support the business plan. The Cabinet sub-committee established to examine the issues relating to the future ownership of Aer Lingus had a meeting last week. It considered and published the Goldman Sachs report on the airline. It was agreed that a decision on the future ownership would be made before Christmas, in the interests of the airline and its stakeholders. We will have a meeting again on 9 December and some work is being undertaken by the Minister prior to that. Prior to any final Government decision, there will be engagement between the Department of Transport and the social partners on the future of Aer Lingus. The Cabinet sub-committee accepts that to do nothing is not an option, given the nature of the aviation sector internationally. We will make those decisions as soon as possible. We are dealing with an important State company and we will not be bounced into any decision. Far from dithering, we have turned around a company that was in major difficulty after 11 September 2001——

*(Interruptions).*

**An Ceann Comhairle:** Allow the Taoiseach without interruption.

**The Taoiseach:** We worked with the management to turn the company around. Against what has happened internationally in aviation, Aer Lingus stands out like no other. We are glad that it has done that. That is the second time that we have had to do that in a decade.

**Mr. Rabbitte:** Before the Taoiseach got to his scripted reply, which usually consists of a description of the problem and not an answer to the questions raised on this side of the House, he spent the first part of his answer telling me that Mr. Tom Mulcahy resigned for reasons that had nothing to do with Aer Lingus. I never said why Mr. Mulcahy resigned. I made no reference to the circumstances that caused him to resign. The Taoiseach answered a question that I did not ask and refuses the questions that I asked. The fact is that the Taoiseach was quite prepared to put the electoral fortunes of Fianna Fáil in north Dublin

and in the Shannon region before the fortunes of the national airline. That is the issue. Having dug this hole for himself, having provoked the resignation of the chief executive and the senior management, what is the Taoiseach doing about it? It must be the final galling experience for Mr. Willie Walsh, whatever one thinks about the direction he was leading the company, to hear the Taoiseach seeking to claim credit for what he did in turning the company around with the workers, having berated him last week. The Taoiseach says he has nothing to do with the day to day business of Aer Lingus yet he claims that his Government has turned it around again. The workers and the management turned it around. The Taoiseach provoked the resignations purely for Inchydoney reasons and the electoral fortunes of Fianna Fáil. Now we are left without a chairman, an acting chairman, a chief executive and a chief financial officer. The national airline has no chief pilot and no chief navigator. The Taoiseach is still dithering and answering questions that he was not asked.

**The Taoiseach:** I might have misheard the Deputy saying that we had a former chairman leaving. Only one former chairman left, namely Mr. Mulcahy. If he was not referring to Mr. Mulcahy, I am not sure to whom he was referring. I heard him state that the former chairman had left and the former chairman was Mr. Mulcahy who left for a reason——

**Mr. Rabbitte:** Answer the question.

**The Taoiseach:** The Deputy should not ask a question when he does not like the answer.

**Mr. S. Ryan:** Come on, be serious.

**The Taoiseach:** When I say that we had turned it around, I am referring to the collective efforts of this Government. Following 11 September 2001, Aer Lingus was in a total spin as was every other airline, it took the efforts——

**Mr. Rabbitte:** This sounds like total spin to me.

**The Taoiseach:** ——of Mr. Mulcahy and others who were in Government buildings time and again to seek assistance. I did not handle that. The then Minister of Transport, Deputy Brennan, successfully helped them to turn it around.

*(Interruptions).*

**Mr. Allen:** His fellow socialist.

**An Ceann Comhairle:** Allow the Taoiseach without interruption please.

*(Interruptions).*

**An Ceann Comhairle:** The Taoiseach is entitled to exactly the same courtesy as every other Member in this House. Deputy Rabbitte was allowed to ask his question without interrup-

tion and the Chair will see to it that the Taoiseach is afforded the same courtesy.

**Mr. C. Lenihan:** The Opposition is moving to the right.

**The Taoiseach:** It is quite clear where we now stand.

**Mr. Rabbitte:** It is quite clear the Taoiseach gave Deputy Brennan and Mr. Willie Walsh——

**The Taoiseach:** The Deputy had his time.

**An Ceann Comhairle:** The Deputy must allow the Taoiseach without interruption.

**The Taoiseach:** They have got their instructions not to let me answer. It is quite clear what line Deputy Rabbitte is taking. He really does not care two damns about the management, the staff or the future of Aer Lingus, which is doing quite well.

**Mr. Rabbitte:** I beg your pardon.

**The Taoiseach:** The Deputy is now defending the person who put forward the management buy-out, which was the worst of all options for Aer Lingus.

**Mr. S. Ryan:** The Government has supported them all the way.

**The Taoiseach:** That is the defence. The Government was not going to go down that route. It will make the right decisions for Aer Lingus and for the management and staff.

**Mr. J. O'Keefe:** These acting lessons are bad for the Taoiseach. He should go to the Gaiety Theatre to take some more.

**The Taoiseach:** We will not be dictated by anything other than the best interests of the company. The Labour Party loves to raise party political issues by calling meetings in the hangers and as soon as they are over, it does sweet nothing. We will not do that on this side of the House.

**Caoimhghín Ó Caoláin:** While the Minister for Finance is preparing for the annual budget ritual this afternoon, people in the real world are continuing to suffer as a consequence of the failed policies of this Administration. Is the Taoiseach aware, despite all the hype and commitments made by the newly appointed Minister for Health and Children, that our accident and emergency units are still in crisis? The Minister visited New York recently to appraise herself of private hospital care in that city. Will the Taoiseach visit Tallaght Hospital with the Minister? Yesterday, some 59 patients at the hospital were kept on trolleys, reclining chairs and couches. An accident victim with suspected spinal injuries was kept on a spinal board in an ambulance because no trol-

[Caoimhghín Ó Caoláin.]

ley, let alone a bed, was available for that victim to be brought in for full triage attention. Will the Taoiseach join with me in commending those nurses who are at the coal-face of what is a health delivery system in chaos? These are the people we depend on most to expose the reality with which they and patients must contend daily. Statistics revealed yesterday by the Irish Nurses Organisation showed 175 patients kept on trolleys, reclining chairs and couches at different hospitals. The organisation described the ongoing crisis as almost akin to third world conditions. It attributes this to either an underfunding of the health system or a misdirection of funding, which the Taoiseach will probably remind me is the largest ever provided.

Will the Taoiseach correct the record of the House where a number of weeks ago the Minister for Health and Children, in response to a question from another Deputy, indicated a bed was always a bed in terms of statistics? Documentation from her own Department shows couches, reclining chairs and trolleys have all been counted as beds in statistics offered by both the Minister and Taoiseach. The 59 patients on trolleys in Tallaght Hospital were most likely included in the statistics which showed an increase of 284 day beds over the past three years. Will the Taoiseach undertake to ensure statistics provided with regard to health services are accurate and honest and reflect reality, and are not couched in such a way as to misinform and confuse?

**The Taoiseach:** The Deputy asked about the Estimates process for this year and next year. The problems of accident and emergency departments are those experienced by the entire health service. Actions spelt out by the Tánaiste are designed as a package to take a whole system approach to improving patients' experience of health care, in particular A&E services. There will be an additional €70 million in current expenditure, a large part of which will go to staff, for which resources are required, mainly in nursing. Some actions are aimed at minimising the need for people to go to A&E by accessing care from medical professionals and nurses in stand-down facilities. Other actions are designed to free up hospital beds for people awaiting admission. The development and expansion of minor injury units, chest pain clinics and respiratory units in hospitals to relieve pressures in A&E departments, the provision of a second MRI centre in Beaumont Hospital, and the provision of acute medical and non-surgical units at Tallaght, St. Vincent's and Beaumont Hospitals were all announced ten days ago. High-dependency patients will be transferred to suitable private nursing home care. An increase in the number of private nursing home beds to alleviate pressures on acute hospitals is also underway. Negotiations are taking place with the private sector to meet the annual needs of 500 people for intermediate

care for up to six weeks. These are older people awaiting discharge to nursing home care or a return to their own home with appropriate support. There is also a provision for more out-of-hours GP services in order to minimise the need for people to go to A&E departments. These are all the initiatives we have resourced, and they will take effect from now and through 2005.

With regard to the situation at Tallaght Hospital yesterday, I have been informed that management at the hospital cancelled elective operations in line with agreed policies to alleviate current pressures in A&E. The regional health authority reported the number of patients awaiting admission to the hospital this morning was 25. It had to work to get the figure down to that amount. A new medical unit at Tallaght Hospital is one of the initiatives which will help. Funding has been provided to facilitate short and medium term solutions to problems associated with A&E. There is no doubt pressures exist. Measures announced by the Tánaiste less than two weeks ago will hopefully help alleviate them.

**Caoimhghín Ó Caoláin:** The Taoiseach has not indicated whether he will visit Tallaght Hospital in conjunction with the Minister for Health and Children. I urge him to do so. Will the Taoiseach also instruct that statistics offered with regard to the health care system reflect the truthful position and the reality people experience? When we ask for statistics regarding bed provision, that is what we should get. A bed is a bed, not a trolley, a reclining chair or a couch. Is the Taoiseach aware that despite repeated questions to the Minister and the Department we are unable to establish the number of people seeking first consultation for elective surgery and procedures? Allegedly there are no statistics available from the Department showing the number of people trying to get on waiting lists. We have waiting list figures, but countless thousands of people are unable to get on waiting lists and therefore are not included in statistics. This is an absolute disgrace. The Taoiseach must face reality and reflect it. He must ensure Government spokespersons, in particular the Tánaiste and Minister for Health and Children, offer the real picture in truthful statistics that represent what nurses experience at the coal face and people suffer daily in hospitals.

**The Taoiseach:** I have visited Tallaght Hospital many times officially and privately to visit people. I am familiar with the hospital, and continue to visit. I know the Tánaiste is extremely familiar with the hospital for many reasons, both privately and officially.

There are about 1.25 million attendances at A&E departments each year, which is an enormous amount. We have provided for a large amount of staff and back-up facilities, but still there are major problems. Many of our initiatives this year and over the past few years are helping alleviate these, but they are not enough. There are issues with regard to stand down bed facili-

ties. Many cities, in particular Dublin, do not have out of hours GP services, which means more pressure on A&E departments. The Tánaiste announced a range of measures to provide the service. Two issues are vitally important with regard to this problem. We have provided staff, nurses and resources, but hospitals fill up. Out of hours services are extremely important as is providing stand down beds. These are two key measures. On top of the resources provided every year for the past number of years, we have endeavoured to provide significant resources for these two areas. We also need the co-operation of GPs to help get the out of hours service up and running as quickly as possible.

## Ceisteanna — Questions.

### Departmental Staff.

1. **Mr. Kenny** asked the Taoiseach the number of staff vacancies at his Department; and if he will make a statement on the matter. [25200/04]

2. **Mr. Sargent** asked the Taoiseach the number of staff vacancies in his Department; and if he will make a statement on the matter. [26392/04]

**The Taoiseach:** I propose to take Questions Nos. 1 and 2 together. There are no vacancies in my Department at present.

**Mr. Sargent:** My question will be slightly longer than the Taoiseach's reply. I was interested in knowing a bit about the staffing position in the Taoiseach's Department because the Estimates show a 4% increase in staff. Last year, the Taoiseach said there were no vacancies in his Department. Has he lost staff in the time since? The figure of 4% does not indicate an increase and yet there is a 23% increase in consultancy services. Is there a change in direction in terms of outsourcing some of the work of his Department? Is that a trend which he thinks will continue or increase? What is the reason for the 23% increase in consultancy fees compared to the staffing position?

**The Taoiseach:** My Department, under agreements with the Department of Finance and other Departments, has been asked to reduce its numbers by 4% between 2003 and 2005, two years of which has already passed. My Department is relatively small and achieving that target will not be too big a task. I can confirm that the Department is on course to meet its target. It is proposed to achieve the reduction through the restructuring of workloads as vacancies occur and, where feasible, by exploiting efficiencies and economies in new technologies. The process is kept under review by MAC.

Most of the consultancies undertaken in my Department relate to work engaged in under the social partnership process or within the infor-

mation technology unit. There is little consultancy in terms of normal departmental work.

**Mr. Sargent:** Why the increase?

**The Taoiseach:** The consultancies relate to work undertaken in connection with the social partnership process. Such work would not be undertaken by staff but by outside consultancies. My Department takes up the cost of outside consultancy reports on agriculture and for trade unions and employers. Also, the IT unit undertook an extensive survey, the report of which was published this year but I am not sure if it was costed last year or is included this year. That is from where the figure for consultancies arises.

**Mr. Kenny:** Will the Taoiseach confirm whether a member or members of his staff are mandated to liaise with Independent Members of the House with a view to——

**An Ceann Comhairle:** That matter is well outside the scope of the questions.

**Mr. Durkan:** No, it is within the scope of the question.

**An Ceann Comhairle:** The questions refer to staff vacancies.

**Mr. Kenny:** Have any vacancies been filled by staff who are mandated to liaise with Independent Members of the Oireachtas, with a view to giving them——

**Mr. Rabbitte:** Or, are any vacancies likely to be created as a result of——

**The Taoiseach:** No, there are no vacancies in that area. As was the case in the previous Government, a member of my staff linked to the Chief Whip's office keeps in touch with Independent Members of the House.

**Mr. Rabbitte:** Did the Minister with responsibility for tourism have any role in that?

**Mr. O'Donoghue:** He is a tourist himself.

### Official Engagements.

3. **Mr. Kenny** asked the Taoiseach if he will report on his attendance at the formal signing of the European constitutional treaty in Rome on 29 October 2004; and if he will make a statement on the matter. [26997/04]

4. **Mr. Rabbitte** asked the Taoiseach if he will make a statement on his participation in the ceremonies in Rome for the signing of the new European treaty. [27162/04]

5. **Mr. Rabbitte** asked the Taoiseach the discussions he had with other EU leaders on the margins of the ceremonies in Rome for the signing of the new European treaty; and if he will make a statement on the matter. [27163/04]

6. **Mr. Rabbitte** asked the Taoiseach the contact with or discussions he has had with the President of the European Commission, Mr. Jose Manuel Barosso, regarding his decision to withdraw his proposed Commission following strong opposition from the European Parliament to the proposed appointment of a person (details supplied) to the position of Commissioner for Justice and Home Affairs; and if he will make a statement on the matter. [27165/04]

7. **Mr. Kenny** asked the Taoiseach if he will report on his attendance at the recent European Council meeting in Brussels; and if he will make a statement on the matter. [27736/04]

8. **Mr. Kenny** asked the Taoiseach if he will report on his bilateral meetings on the margins of the recent European Council meeting in Brussels; and if he will make a statement on the matter. [27737/04]

9. **Caoimhghín Ó Caoláin** asked the Taoiseach if he will report on his participation in the summit in Rome to sign the EU constitutional treaty; and if he will make a statement on the matter. [27739/04]

10. **Mr. Rabbitte** asked the Taoiseach if he will make a statement on the outcome of the meeting of the European Council in Brussels on 4 and 5 November 2004. [27850/04]

11. **Mr. Rabbitte** asked the Taoiseach the discussions he had with other EU leaders in the margins of the European Council summit in Brussels on 4 and 5 November 2004. [27851/04]

12. **Mr. Rabbitte** asked the Taoiseach the matters discussed and conclusions reached during his recent meeting with the Chief Secretary for Administration of the Hong Kong special administrative region, Mr. Donald Tsang; and if he will make a statement on the matter. [27852/04]

13. **Mr. Sargent** asked the Taoiseach if he will report on the formal signing of the European constitution in Rome in October 2004; the meetings he had with other EU leaders on the margins of those ceremonies; and if he will make a statement on the matter. [27999/04]

14. **Mr. Rabbitte** asked the Taoiseach if he has had contact or sent a message to President George Bush following his re-election as President of the United States; and if he will make a statement on the matter. [28068/04]

15. **Mr. J. Higgins** asked the Taoiseach if he will report on his contacts with President George W. Bush since his re-election as President of the United States. [28629/04]

16. **Mr. J. Higgins** asked the Taoiseach the meetings he had on the margins of the ceremony to sign the EU's constitutional treaty in Rome; and if he will make a statement on the matter. [28631/04]

17. **Mr. J. Higgins** asked the Taoiseach if he will report on his visit to Rome to attend the signing of the EU's constitutional treaty. [28632/04]

18. **Mr. Sargent** asked the Taoiseach if he sent a message to President George W. Bush following his re-election as President of the United States; and if he will make a statement on the matter. [29646/04]

19. **Mr. Sargent** asked the Taoiseach if he will report on the outcome of the European Council in Brussels in early November 2004; and if he will make a statement on the matter. [29647/04]

20. **Mr. Sargent** asked the Taoiseach the agenda for the European Council in December 2004; and if he will make a statement on the matter. [29648/04]

21. **Mr. Rabbitte** asked the Taoiseach the matters discussed and the conclusions reached at his meeting in Dublin with the Vice-Chairman of the People's Republic of China, Mr. Huang Ju; and if he will make a statement on the matter. [29956/04]

22. **Mr. Rabbitte** asked the Taoiseach the matters discussed and the conclusions reached at his meeting in Dublin with the US Treasury Secretary, John Snow; and if he will make a statement on the matter. [29957/04]

23. **Caoimhghín Ó Caoláin** asked the Taoiseach if he has been in contact with the President of the United States since his re-election; and if he will make a statement on the matter. [29972/04]

24. **Mr. J. Higgins** asked the Taoiseach the matters discussed and conclusions reached at the November 2004 European Council in Brussels; and if he will make a statement on the matter. [30194/04]

25. **Mr. J. Higgins** asked the Taoiseach if he will report on bilateral meetings that he held on the margins of the November 2004 European Council meeting in Brussels. [30195/04]

26. **Mr. J. Higgins** asked the Taoiseach if he will report on his meeting with the Chief Secretary for Administration of the Hong Kong special administrative region, Mr. Donald Tsang. [30196/04]

27. **Mr. J. Higgins** asked the Taoiseach the matters discussed and conclusions reached at his meeting with the Chinese Premier, Mr. Huang Ju; and if he will make a statement on the matter. [30198/04]

28. **Mr. Allen** asked the Taoiseach the level of funding to be allocated to the National Forum on Europe for 2005; and if he will make a statement on the matter. [30051/04]

29. **Mr. Sargent** asked the Taoiseach if he will report on his meeting with the Chinese Deputy Prime Minister, Mr Huang Ju, in Dublin; and if he will make a statement on the matter. [30928/04]

**The Taoiseach:** I propose to take Questions Nos. 3 to 29, inclusive, together.

On Friday, 29 October, the Minister for Foreign Affairs and I joined our European Council colleagues in Rome to officially sign the text of the treaty to establish a constitution for Europe. The treaty will not come into effect until it has been ratified by all member states in accordance with their constitutional requirements. The target date for its entry into force is 1 November 2006.

Given the role played by Ireland during its Presidency of the EU in reaching a consensus agreement on the text of the constitution, I was asked to speak at the official ceremony. The text of the speech I gave has been laid before the Houses of the Oireachtas. In addition to the signing ceremony, I also hosted a reception for the Irish religious community in Rome and visited a number of Irish religious houses in the city. My address at that reception has also been laid before the Houses of the Oireachtas.

Other than my bilateral meetings with Prime Minister Blair at the signing ceremony in Rome, and again at the European Council in November, which I will cover in my reply to questions tabled on Northern Ireland issues, I did not have any formal bilateral meetings with other EU leaders on the margins of the signing ceremony in Rome or the November European Council.

On 10 November, I made a detailed statement to the Dáil on the discussions and outcome of the European Council which took place on 4 and 5 November. I propose, therefore, to briefly summarise the issues discussed. Mr. Wim Kok made a presentation to the European Council on the main recommendations of the high level group which had independently assessed, in the context of the mid-term review, progress to date on the Lisbon Agenda. The European Council agreed that the Commission should report by the end of January on the necessary proposals for the mid-term review. The Council discussed the communicating Europe ministerial process, launched during Ireland's Presidency.

The European Council adopted the Hague Programme on strengthening the area of freedom, security and justice. The Commission will now prepare an implementation plan for the programme. The Commission President presented the latest Commission reports on the future enlargement of the EU. External relations were also discussed, in particular Sudan-Darfur, Iraq, Iran and the Middle-East. The European Council also welcomed the revised proposals for the new European Commission, as outlined by President-designate, Mr. José Manuel Barroso. I am pleased that this Commission has now been approved and has taken office. I did not have any bilateral discussions at the Council with President-designate Barroso about the withdrawal of the Italian nominee and the presentation of a new list of commissioners.

The agenda for the December European Council has yet to be finalised. However, it is expected to take decisions on outstanding

enlargement questions such as the opening of negotiations with Turkey and Croatia and the conclusion of negotiations with Bulgaria and Romania. In addition the Presidency will present a report to the European Council on progress achieved since June 2004 on the Financial Framework 2007-2013. The Council is also expected to review progress made since June this year in the fight against terrorism.

The National Forum on Europe has been allocated funding of €1.3 million for 2005, as opposed to €1.151 million in 2004. This represents a 13% increase on the funds provided for 2004. As an independent body, it is a matter for the National Forum on Europe to decide how it will utilise these funds during the year.

On 1 November, I met the Chief Secretary of Hong Kong, Mr. Donald Tsang during his official visit to Ireland. We discussed our excellent bilateral economic relations including co-operation in the areas of science and technology, education, justice and health. We also discussed Hong Kong's efforts to progress its economic and trade agenda with the European Union and the wider world.

I met with the Chinese Vice-Premier, Mr. Huang Ju during his official visit to Ireland. We noted that Ireland and China enjoy excellent bilateral political and economic relations. I said I was very much looking forward to my visit to China next January as it will provide an invaluable opportunity to strengthen our bilateral ties. I indicated to the Premier that I would be accompanied on my visit by a large trade delegation from a range of Irish businesses who look forward to developing business links and contacts with Chinese business leaders.

The Vice-Premier and I discussed co-operation in education, research and culture and noted the value of the bilateral agreements signed in these areas. I said that we were pleased to have a strong and vibrant young Chinese community living in Ireland. We discussed the steady progress in EU-China relations and the improvement of our interaction through the ASEM process.

I wrote to Mr. George Bush offering my congratulations on his re-election as President of the United States and wishing him success in meeting the challenges that he will face over the next four years in office. I also looked forward to building even closer relations with the United States both at national level and at the level of the European Union. I have also written to Senator John Kerry wishing him the best for the future.

I met with the US Secretary of Treasury, Mr. John Snow, on 15 November. We reviewed international economic issues and our bilateral trade and economic relations. We also had a brief discussion on a number of key political issues, including the Middle East peace process. Secretary Snow briefed me on the post election agenda for President Bush and on his plans for the future of the US economy.



**Mr. Kenny:** I thank the Taoiseach for his lengthy reply. Progress on the Lisbon Agenda was discussed at the European Council meeting and the President of the Commission welcomed the report by Mr. Wim Kok. However, he described the findings as a realistic but worrying assessment of progress being made.

Will the Taoiseach comment on the National Competitiveness Council's statement that Irish prices rose by 22% more than in other EU countries during 1999-2003? Economic consultants say a lack of competition in the banking sector is costing small business €500 million and Friends First has also stated that Irish competitiveness has been seriously eroded by a sharp increase in the overall cost base which it says will not be reversible. Will the Taoiseach say how he expects Ireland to contribute to achieving elements of the Lisbon Agenda if its competitiveness is in serious decline?

Also, will the Taoiseach comment on the proposals published by Mr. Kofi Annan in respect of United Nations reform? Has Ireland contributed in any way to the panel's published proposals? Does he intend to attend at the summit conference in September to which leaders of Governments have been invited to discuss this matter? What is the Taoiseach's view of the expansion of the Security Council which, as I have repeatedly stated, was set up to reflect a world which no longer exists?

**The Taoiseach:** The Deputy raised two questions. On the Lisbon Agenda, Ireland continues to grow, taking into account OECD and EU projections, by at least twice the European average. In that regard I am looking at foreign direct investment and other indicators of a decade ago which put Ireland in 40th place; we are now in fourth place. In output, we are producing far more than any other country. Last year, exports stood at €331 billion. Employment is strong and unemployment is low. Our contribution to the Lisbon Agenda is second to no one when one looks at the GDP to debt ratio, salary levels and the level of wealth. There is a direct correlation between the level of wealth and salaries and the level of prices. The National Competitiveness Council is right when it does not look at the areas we do well but instead at the hidden sectors, which it claims are the professions.

The National Competitiveness Council is due to publish a report on the banking sector in December or January. However, in the last several years, enormous changes in competitiveness levels have occurred. The State banks, the ICC and ACC, and the Bank of Scotland have moved into the private banking sector. Irish Permanent Building Society amalgamated with the TSB. All these factors have brought competition in the sector to an all-time high. There are concerns about maintaining Irish banks, such as AIB and Bank of Ireland, and that such competition is a threat to them. I wonder and worry about what would happen if that occurred. I do not believe it would

be good for competition. There is a counter-argument that if they were taken out, it would. However, I do not share that view. The more competition in the banking sector the better, as the banking profession has also realised. Much of the lower end market has moved to the credit unions because of legislation passed by successive Governments and the level of services they now provide. A far greater degree of competition exists in this sector.

I accept the Competition Authority's claims that other sectors, such as the legal, pharmacy and other professions where there are strong vested interests, must be tackled. A series of reports from the Competition Authority have been released. Its final report will be reflected in the pharmacy Bill, which will be before the House in the new year. The report will also reflect on other sectors. There is no doubt that competition drives prices down. Deputy Kenny will know that in going through these sectors, one will hit a large vested interests brigade, for one reason or another. The current campaign to drive prices further down calls for larger supermarkets and multiple-stores. The campaign began five years ago and is now back on the agenda with many arguments put forward. The Competition Authority and the National Competitiveness Council have bought into these arguments. However, there is a social downside to such developments too. There are as many people arguing against them as for them.

Recently a major survey on people's perceptions of stores was conducted. Those interviewed perceived that prices had gone up by approximately 15% in the last year. However, when checked, a large amount of consumer items had only gone up by under 6%. How does one answer that? I accept Deputy Kenny's points about competition and hitting some sectors. Car insurance has come down by 19.2%, which is a large drop. That is because of the focus on the industry. I accept that if the focus is not kept, results will not be achieved. A few years ago, if I claimed that by taking measures on legal issues and the courts regarding insurance we could drive down insurance costs on average by 20% and 46% for young people, many would have said it could never happen. However, it did happen because the vested interests were tackled and competition was created. More competition will be created because many big players in the insurance industry are standing outside the Irish market, waiting to see if this continues before entering it. Competition creates better prices for the consumer and makes everyone sharper. Deputy Kenny will accept that the vested interests get up to high doh, arguing against it. We will always have to contend with this as an issue.

I hope to attend the UN summit in September. We have put forward reform measures. I support Kofi Annan's measures into which he has put an enormous effort. He has had his wise men group examining them and he discussed them at length with me at Farmleigh during his recent visit to

Ireland. If his measures are not adopted or implemented, there will not be another chance for a decade which would be a terrible mistake. A new UN Secretary General will be appointed in the next 18 months but this opportunity will not arise again. Kofi Annan is highly respected in the UN and internationally and he has a clear blueprint for reform. Next September will be crucial for these. Although it may be too much to hope for, I hope there is an EU voice on it and that the reforms will be passed.

**Mr. Rabbitte:** I want to ask the Taoiseach about tax harmonisation and, more properly, approximation. Do I get the impression that this issue is not disposed of in European circles and institutions? Has the Taoiseach or his Government's view evolved on this matter? I take it as read that the Taoiseach read the ICTU document on this issue. Whatever the criticisms of the document, it certainly opened the argument as to whether in the medium to long-term Ireland will benefit from what is termed "the race to the bottom". One gets the impression it will remain an issue in European politics.

After President Bush's election, the Taoiseach said:

Looking at the policies in the manifestos of both candidates, had Senator Kerry been elected, US multinationals abroad would be subject to a new taxation, which would have had a significant impact on the Irish economy.

I would have begun immediately a process of lobbying to ensure such a tax would not have been introduced.

I am still puzzled why the Taoiseach made this statement. Can I ask him to address pertinently the issue of the Bill that President Bush signed into law that imposes a 5.25% tax on multinational companies for a temporary period and is designed to suck profits back into the domestic US economy? What is the Taoiseach's assessment of the impact of this measure on the Irish economy? Was this issue raised at the Taoiseach's meeting with the US Treasury Secretary, John Snow?

**The Taoiseach:** Tax harmonisation in Europe, as we have been discussing it on and off over the last decade from Amsterdam in 1995 onward, is no longer an issue. There has been a significant change. As French Premier, Lionel Jospin was a great advocate of harmonisation and had broad based support. At one stage during negotiations on the Nice treaty, it looked as if harmonisation might be introduced as there was a French Presidency, but the debate is now over. The concept of harmonisation of anything and everything will continue to be considered by some European bureaucrats and research groups. While a group within Germany which continually examines methods of harmonisation will keep coming forward with ideas, the Government and opposition in that country will not.

There is a technical working group in Brussels of which I am always suspicious. It has enormously complicated terms of reference which I have read several times and had several people explain to me their precise meaning. Perhaps it is simply that I do not understand the terms of reference, but I am quite suspicious of what they mean. The group works on harmonisation in the bowels of a building in Brussels and I have no doubt I will not like the report it produces despite not knowing its terms of reference. I am inherently suspicious of the way some of these people operate, which is a view I am sure Deputy Rabbitte shares. My suspicions are not to do with the social and economic policies of these people, they are related to the way in which they always seem to work on a line when it is mathematically handy to do so whereby information is presented on a chart which depicts everyone on an equal basis. In that way, it looks very easy to read which is why I am suspicious.

I have had the opportunity to be on the same platform with these people within and outside the Presidency and have noted that they work with what is convenient and seems to be good policy while discounting the peripherality of some countries and the fact that there is a stretch of water between us and everywhere else. They discount the fact that ours is a fairly spread out population, much of our land is not great and we do not have natural resources. They always present the boxes nicely, but fail to take into account the issues I have outlined. Those people will surface again with a report and harmonisation will be presented in some other guise.

Deputy Rabbitte will be as aware as I am of strong moves in many countries to consider what we did a decade ago. They are considering what is the real rate of tax. We are enormously transparent in our Revenue processes and in legislation, which is a credit to the system here as against the systems operated in other countries. To ask what is the rate of corporation tax in these countries is to pose a good question. If a corporation is large enough, these countries will do a special deal with it. While we are bad enough here sometimes, I am glad we do not allow agencies and Ministers to operate that kind of system. Many countries are considering what would happen if shelters, allowances, exemptions and specially negotiated deals were removed and are asking what is the real rate of tax.

Estonia and other eastern countries are very advanced in this area. They have been making provisions as part of their EU preparations over the last decade and are quite extraordinary in the approaches they have taken.

**Mr. Rabbitte:** Estonia has a zero rate.

**The Taoiseach:** They do not have the other systems either and have got rid of many of the hidden costs. If one requires infrastructural development in some of these places, one must pay for it oneself. They have their own enlight-

[The Taoiseach.]

ened approaches and have powers to make companies undertake certain tasks rather than pay tax. It is an alternative, quite attractive method of getting things done.

There is a movement which is considering that it may be better to introduce a real rate of tax. People are looking at countries which are successful at attracting foreign direct investment such as Ireland, Scotland, which does very well as part of the United Kingdom, and Finland. Without being disrespectful to Finland, I note that one company attracts a great deal of foreign direct investment there. If one discounts that one company, the figures are very different. Perhaps the Finns would argue the same about Ireland in terms of information technology, chemicals and pharmaceuticals.

I raised all of these issues in the context of a meeting on the US administration's proposals with Treasury Secretary Snow. Deputy Rabbitte will not be surprised that I spent most of my time during the discussions trying to determine administration policy on the dollar and its future. It is the major issue. There is no threat at this stage from the administration's investment policy to the flow of capital to Ireland through foreign direct investment in the IFSC and pharmaceutical, chemical and information technology companies. The administration does not appear to plan to do anything to affect what is there. Industry representatives tell me they are not unduly worried.

My comments after the election on Senator Kerry's policies were based on an issue which had been highlighted a number of times over the last year in many Irish journals. It was an issue in America. Senator Kerry intended to subject US corporations abroad to a new tax and had outlined how he would do so. Companies in all sectors here felt this could create great difficulties for them. Whether or not it would have, companies raised the matter many times. I said that if Senator Kerry, who is a very fine person, had been elected, we would have begun a process of intensive lobbying to ensure that the proposals to introduce a new tax for US multinationals abroad would not have been introduced in the manner planned. It would have done a great deal of damage here. As Deputy Rabbitte knows, it is nothing new for us to lobby the USA about multinational firms. Whenever initiatives like this are proposed, we tend to engage in lobbying. We have done so several times and, no doubt, will do so again. That was the context of my remarks.

**Mr. Rabbitte:** What about the document of the Irish Congress of Trade Unions on corporation tax?

**The Taoiseach:** While congress would say more resources are obtained through corporation tax, there are long-term dangers. Companies which come to me in various ways always refer to long-term investment. It is always something of an eye-

opener to me that none of them speak about a decade. They tend to consider periods of 15 to 25 years and are concerned with certainty. They look far beyond the term most of us here consider to be a political life span.

In world terms, Ireland is significant in chemical related industries, pharmaceuticals, information technology and financial services. The companies in these sectors are here for a long haul of ten to 25 years. More often, the investment term is from 15 to 25 years rather than up to ten. Companies consider certainty in this context. While it is not impossible, change would be extremely difficult to contend with. Perhaps there are other approaches. Last year, we had to introduce a tax incentive to support research and development, which was an area in which we were not doing very well. We had to ask why Ireland was not an attractive location for research and development activity and the reason related to tax. I accepted the point and in discussions with the ICTU and others it was decided that a tax credit had to be introduced.

I have been saying to multinational companies that they cannot have it both ways. We cannot get the bottom line taxes down to the attractive rate of 12.5% and then come up with the bright idea of having a lower credit or discriminating against people. I have been pressing the IDA and others very hard on this and telling them that they cannot have all the jam without playing ball on the other issues. I believe they accept this point. However, I caution against changing the corporation tax rate for the reason set out because instability would be created, not that they fear that Deputy Kenny, Deputy Rabbitte or I, if there was a change of Government, might change it. It is a greater perception; it would be something we would not get over easily. That is my own personal experience on a long-term basis.

**Caoimhghín Ó Caoláin:** Can the Taoiseach confirm that the proposed referendum on the constitution will be held in 2006? Will he also confirm that if the result of the referendum represents a rejection, he will accept the outcome, in other words, that there will be only one referendum on the matter, not two as in the case of Nice I? Also, is the Taoiseach aware that the European Federation of Public Service Unions which represents some eight million workers across the Continent has expressed concern about the proposed EU directive on services in the Internal Market? It has voiced real concern that the directive will adversely affect public services and reduce the ability of member state governments to resist a drive towards privatisation and exploitation in a number of sectors. Effectively, the directive seeks to treat public and private sector workers in exactly the same way. My concern is that a situation would arise where competition rules would apply in the public sector regarding the provision of education and health in exactly the same way as they apply in regard to commercial businesses.

Given the views the Taoiseach expressed at the recent Ógra Fianna Fáil conference in Ballyconnell, County Cavan where he was very welcome, that the market serves the people, not *vice versa*, will he give the House his view on this directive and advise if he concurs with the express concerns of the European Federation of Public Service Unions?

**The Taoiseach:** About what directive is the Deputy talking?

**Caoimhghín Ó Caoláin:** The proposed EU directive on services in the Internal Market.

**The Taoiseach:** All these proposals that become directives are debated and passed by the House. I do not have any fears that we will be forced into some kind of privatised arrangements in public services. If anything, the demand across Europe, which the European Union is driving by its very actions, is to improve public services and the rights of public workers. That is happening day in, day out in France and Germany. If the Deputy wants to take up the issue of the particular proposal, the Minister for Enterprise, Trade and Employment is probably dealing with it but I have no concerns.

On the issue of the constitution, I have no doubt that with the considerable help of Sinn Féin this time and the fact that it wants to see employment and exports grow and investment in areas like north Monaghan which need more investment, it would want the referendum passed in order that they can move forward and not be viewed as a backwater—

**Caoimhghín Ó Caoláin:** Is that the *quid pro quo*?

**An Ceann Comhairle:** Please allow the Taoiseach continue.

**The Taoiseach:** I am sure with the assistance of the Sinn Féin electoral machine and resources—

**Caoimhghín Ó Caoláin:** Is that the *quid pro quo* in regard to the Taoiseach's commitment to invest in the Border counties?

**An Ceann Comhairle:** Deputy Ó Caoláin, in fairness to Deputies Sargent and Higgins who have questions submitted, I ask you to refrain from interrupting.

**Caoimhghín Ó Caoláin:** The Taoiseach made a mockery of a very important question, showed a total lack of knowledge of a directive I have raised and now he mocks—

**An Ceann Comhairle:** Deputy Ó Caoláin—

**Caoimhghín Ó Caoláin:** I am sorry but you should be equally sorry for the Taoiseach.

**The Taoiseach:** I answered the Deputy's question. I said there was no draft proposal for a directive that would force Irish companies or services to be privatised.

**Caoimhghín Ó Caoláin:** No, it is about competition—

**An Ceann Comhairle:** Deputy Ó Caoláin, I will have to ask you to leave the House because in fairness to your colleagues—

**The Taoiseach:** There are no white elephants like that running around—

**Caoimhghín Ó Caoláin:** On a point of information, a Cheann Comhairle—

**An Ceann Comhairle:** The Deputy is not entitled to make a point of information.

**Caoimhghín Ó Caoláin:** Clearly, the Taoiseach does not know what he is talking about. A point of information would be helpful to him.

**The Taoiseach:** There are no such fears.

**Caoimhghín Ó Caoláin:** Competition rules.

**Mr. Sargent:** The Taoiseach mentioned that we do not have natural resources. He might reflect on this given that the Germans would love to have our wind and wave power. Perhaps that is an area he needs to examine more closely.

I found his reply interesting when he said Reverend Jesse Jackson had been misquoted when he said that Ireland was in the line of fire regarding our allowance of Shannon Airport to be used by the US military. I have checked with *The Irish Times* and apparently he was not misquoted. It was directly taken from a tape. Was the Taoiseach told by Reverend Jesse Jackson that he did not mean to say it or does he want to provide some clarification for the House because it is a direct quote?

In regard to the Taoiseach's signing of the EU constitution on 29 October, is he able to explain, having given us many assurances during the Nice treaty campaign on enhanced co-operation not extending into the military field, the reason it is now possible for some member states to come together in enhanced co-operation in the area of defence? What has brought about this change and is the Taoiseach prepared for it? Does it have budgetary implications for this country, apart from policy implications in respect of neutrality?

Regarding the meeting with the Vice Premier of China, the Minister for Foreign Affairs stated events had moved on since Tiananmen Square, that the human rights situation was better and that, therefore, the sanctions imposed on China could be lifted. Will the Taoiseach indicate any specific improvements in China's human rights record that would justify lifting the embargo? If the Government believes there has been an improvement, what is the basis for that belief?

**Mr. J. Higgins:** When the Taoiseach reported on his meeting with Vice Premier Huang of China, he waxed lyrical about the excellent bilateral relations with China. Apart from the denial of human rights by the Chinese Government in many areas of life, was he briefed before the meeting on the wide-ranging struggles throughout China by Chinese workers against massive exploitation which they suffer in many workplaces, including those of foreign companies investing in China as the so-called Chinese Communist Party rushes to embrace the worst features of global capitalism? Was the Taoiseach aware that China had more trade unionists in prison for organising against exploitation and seeking their rights than any other country in the world? Was he aware that shortly before he met Vice Premier Huang ten workers, the youngest being a 16 year old girl, were jailed for work stoppages protesting against their working conditions in a foreign company, Stella International, a shoe-making concern, in the province of Guangdong? As the Chinese workers go through their 1913 experience, except on a much greater scale than their Dublin counterparts at the time, when the Taoiseach visits China next year, which he indicated he would do, and as he is being entertained in the Great Hall of the People and banqueted in Beijing, will he be prepared to stand in front of the world and denounce this gross exploitation of workers which any socialist would think duty bound to do?

**The Taoiseach:** In reply to Deputy Sargent, I stated that Mr. Jesse Jackson rang to say his views were not in the context that he put them and he wanted that to be known. That is what I reported. That is what the man said and I am sure that is what he meant.

The European constitution provides that declarations made on previous treaties shall be preserved unless they are deleted or amended. The Seville Declarations will, therefore, remain fully in force and the Government will continue to ensure the commitments made in the declarations reflected in article 29.4.9 of the constitution are fully maintained. The constitution contains a protocol on structured co-operation and we are totally covered. If we want to be involved in US-chartered initiatives, we will comply with the constitution but we will not be forced to do anything. That position is absolutely clear, let there be no doubt whatever about that.

I assure Deputies Higgins and Sargent in regard to China that when Premiers Zhu and Wen visited Ireland, I raised the fundamental issues of human rights. We actively called for the release of Falun Gong prisoners two years ago, which was deeply appreciated by the Chinese community in Ireland. We succeeded in a number of high profile cases. When Ireland held the EU Presidency earlier this year, we gave a commitment to the protection and promotion of human rights and fundamental freedoms. We recognised the efforts of the Chinese authorities to move

towards greater recognition of individual rights and freedoms. With the EU, we have been encouraging them to accept and recognise these and move away from where they have been.

I referred, in particular, at my recent meeting to the ongoing human rights dialogue, which is an important part of EU-China relations. Ireland was pleased to host a session of the dialogue in February, at which we raised all the issues.

**Mr. J. Higgins:** Workers are in jail.

**The Taoiseach:** Human rights issues are a constant point of discussion with the Chinese authorities at both national and European level and we will continue to raise them. If I visit China, I will raise them again in whatever hall. During our discussions, we reiterated Ireland's general commitment to the protection of human rights and fundamental freedoms, and that challenge continues. All EU governments are continuing to impress that on China. We also emphasised that Ireland is willing to share its experience and expertise with China in this area.

Co-operation and engagement should be favoured over criticism alone. During the EU-China seminars that took place in Beijing last June and on 8-9 November, we acknowledged the efforts of the Chinese authorities to move towards greater recognition of individual rights. We must continue to press this. The human rights dialogue allows us to raise a wide range of issues, including individual cases and the position of groups such as the Falun Gong. That is a positive development because until that was established, we were not able to raise these issues. I do not disagree with Deputy Joe Higgins. We will continue to use these forums to raise these issues and to press the Chinese authorities to follow proper human rights initiatives because it is important that they do so.

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

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

**Mr. Perry:** I seek the adjournment of the Dáil under Standing Order 31 to debate the following urgent matter: the closure of Irish Ferries services to France from Rosslare with up to 300 job losses, with no alternative employment, and the imminent 24 hour strike on all Irish Ferries vessels operating from all key ports.

**Mr. Kehoe:** I seek the adjournment of the Dáil under Standing Order 31 to debate the following urgent matter: the closure of Irish Ferries with up to 300 job losses and the imminent protest outside the gates of Dáil Éireann tomorrow, the 24 hour strike from tomorrow and the major impact and disturbance this will create at all Irish ports out of which Irish Ferries operate.

**Aengus Ó Snodaigh:** Ba mhaith liom rún a mholadh an Dáil a chur ar athló ar an ábhar tábhachtach agus práinneach seo: go ndéanann an Teach seo impí ar Fhoras na Gaeilge agus Interreg aistharraingt a dhéanamh ar na cinnidh de bharr feachtas polaitiúil ó dílseoirí sna Sé Chondae iarratas ón nuachtán laethiúil Gaeilge *Lá* a chur ar leataobh, toisc go bhfuil an nuachtán ag athrú ó chúig lá sa tseachtain go ceithre lá, agus go bhfuil cinneadh Fhoras na Gaeilge agus Interreg ag teacht salach ar Chomhaontú Aoine Chéasta agus a bhaineas leis.

**Mr. Morgan:** I seek the adjournment of the Dáil under Standing Order 31 to debate the following urgent matter: given that 1 December is the deadline for landlords to register with the Private Residential Tenancies Board, the necessity for the Minister for the Environment, Heritage and Local Government to address the fact that only a small percentage of landlords have registered and that tenants whose landlords have failed to register will not have access to the new dispute resolution services; the necessity for the full rigours of the law to be applied to landlords who evade registration and the necessity for the Minister to outline what measures will be taken to ensure full compliance by landlords with the law.

**Dr. Cowley:** I seek the adjournment of the Dáil under Standing Order 31 to debate the following urgent matter: why six Mayo people requiring dialysis must bypass a state-of-the-art dialysis unit in Mayo and travel to Galway for dialysis and why one man who is so ill that he is not fit to travel will die without dialysis.

**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. 17, motion re proposed approval by Dáil Éireann of the Criminal Justice (Drug Trafficking) Act 1996, back from committee; and No. 26a, Budget Statement and financial motions by the Minister for Finance — 2004, which shall be taken on the conclusion of questions to members of the Government. It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 8.30 p.m. and the motion for the general financial resolution shall be moved not later than 12 midnight whereupon business shall be interrupted and the Dáil shall adjourn forthwith; No. 17 shall be taken immediately after the Order of Business and shall be decided without debate; following the Budget Statement of the Minister for Finance, the following arrangements shall apply to the proceedings on No. 26a: the statements of the main spokespersons for the Fine Gael Party and the Labour Party shall not exceed 45 minutes in each case, the statements of the main spokespersons

for the Green Party, Sinn Féin and the Independent Members of the Technical Group shall not exceed 15 minutes in each case and the statements shall be confined to the main spokespersons in each case; following the statements the sitting shall be suspended for 30 minutes; and all divisions demanded on No. 26a shall be taken manually.

Private Members' business shall be No. 39, Planning and Development (Amendment) (No. 2) Bill 2004 — Second Stage, resumed, to be taken at 12 noon and to conclude after 90 minutes, if not previously concluded.

**An Ceann Comhairle:** There are four proposals to put to the House. Is the proposal for the late sitting agreed? Agreed. Is the proposal for dealing with No. 17, motion re proposed approval by Dáil Éireann of the Criminal Justice (Drug Trafficking) Act 1996, without debate, agreed? Agreed. Is the proposal for dealing with No. 26a, financial motions by the Minister for Finance, agreed? Agreed. Is the proposal for dealing with all divisions demanded on No. 26a agreed? Agreed.

**Mr. Kenny:** I refer to two Bills, Nos. 49 and 50 on the Government's legislative programme. The first Bill is to update and codify charities legislation. The Taoiseach stated that he will attend the UN summit next September. Legislation is proposed which governs Ireland's obligations under the nuclear test ban treaty. Given the proposals brought forward by the UN regarding its restructuring, which include a serious warning about proliferation of nuclear weapons among rogue countries and terrorists, when will the legislation in respect of our obligations be brought forward?

**The Taoiseach:** The charities regulation Bill is enormous. I had a briefing on it recently and there has been a four-month public consultation on the basis of a Government approved consultation paper. That was launched in February 2004. A total of 85 detailed submissions were received and an external report issued in September based on them. Legislation is in the pre-drafting stage and both the Attorney General and the Law Reform Commission are involved. The legislation is quite complex and because it covers the ancient ground of charitable bequests and standards, it involves quite tricky areas of old and new law. They are anxious to include charitable bequests in the legislation but it will take some time to sort out the legal issues. The Bill is a priority and it is hoped to make progress on it in 2005.

On the question on the test ban, the draft heads of the Bill are being prepared and the Bill is expected to come before the Government after the Christmas period. It is hoped that we will be able to move on it then.

**Mr. Rabbitte:** I wish to ask the Taoiseach about Nos. 37 and 38 on yesterday's Order Paper concerning financial motions by the Minister for Finance for 2002 and 2003. When does the Taoiseach intend that we return to these motions? I thought the Government was trying to draw a veil over those two budgets and I am surprised it is now trying to undo the damage done by both. Is the former Deputy McCreevy coming back to handle them or will they be taken—

**An Ceann Comhairle:** Has the Deputy a question?

**Mr. Rabbitte:** I am curious to know what these motions are doing on the Order Paper. The Government has been trying to banish the memory of these two budgets. I do not understand why they are on the Order Paper, but I am sure the Taoiseach will explain the reason. When will the Bill promised me by the Taoiseach on the redrawing of constituencies come before the House?

**The Taoiseach:** On the first issue, the motions must be dispensed with formally. That is all that is necessary on them. I understand the Bill on the redrawing of the constituencies is ready and will be taken after Christmas.

**Mr. Rabbitte:** Will they be redrawn again as mentioned by some of the Taoiseach's colleagues to the media?

**The Taoiseach:** That would be wishful thinking by some people who do not like them.

**Mr. Sargent:** I am interested in the Taoiseach's lack of awareness about the natural resources of this country.

**An Ceann Comhairle:** Has the Deputy a question on legislation? I remind Members that they only have time to put a short question.

**Mr. Sargent:** It is important that the Taoiseach would partake in the debate on the energy (miscellaneous provisions) Bill. The legislation is expected soon. Will the Taoiseach organise to be in the House for it so that he can hear more about natural resources available in the country?

**The Taoiseach:** The energy (miscellaneous provisions) Bill is due next year. I am trying to get Deputy Sargent's support for wind energy throughout the country. If he lent his name with mine, perhaps we would be able to get on with all the objectors.

**Mr. Stanton:** On the Department of Transport's website there is a proposal to set up an independent public transport procurement and regulatory body. Is legislation pending on this or will it be incorporated in some other legislation?

**The Taoiseach:** There is no promised legislation on that. The Deputy should submit a parliamentary question on the matter.

**Mr. M. Higgins:** Will the Taoiseach make Government time available for a discussion on the report just published on reform of the United Nations?

**An Ceann Comhairle:** Is a debate promised?

**The Taoiseach:** The Government Chief Whip has informed me that he is favourably disposed towards a debate if we can organise it. It may be after Christmas if that is agreeable.

**Caoimhghín Ó Caoláin:** Will the Taoiseach advise us of the specific date for publication of the adoption Bill which will also see the ratification of the Hague Convention? Will the heads of the Bill be published in advance?

**The Taoiseach:** The adoption Bill is due next year. The feedback from the consultation process, which is now completed, is being examined by the Minister of State at the Department of Health and Children, Deputy Brian Lenihan. The heads of the Bill are expected to be completed by Christmas.

**Mr. Durkan:** In view of the volatility of the day that is in it, when is it proposed to introduce the gas regulation Bill? There may be cause for gas later on today.

**The Taoiseach:** The heads of the Bill are almost completed and it is hoped that will be done before Christmas. The legislation is due next year.

**Mr. Sherlock:** Given that the Health Bill 2004 will be passed by the Dáil, will the Taoiseach inform the House when the names of the executive will be given to us? We read in the newspapers that some of them are being—

**An Ceann Comhairle:** The Deputy should submit a question to the Tánaiste.

**Mr. Sherlock:** May I ask the question of the Taoiseach? When do we expect the names of the executive will be produced?

**Mr. J. Higgins:** With only two full weeks of business before Christmas, will the promised debate on the Goldman Sachs report on Aer Lingus and the Cabinet committee conclusions be debated before Christmas?

**The Taoiseach:** No, I do not think they will.

**Mr. J. Higgins:** When will they be debated?

**The Taoiseach:** Early in the new session.

**Mr. O'Dowd:** Given that the Dáil constituency review report has been on the Taoiseach's desk gathering dust for 11 months, when will the electoral (amendment) (No. 2) Bill be published?

**The Taoiseach:** I have answered that. I think it has already been passed by Cabinet. If it has not been passed, it is ready and will be taken early in the new year.

**Mr. Costello:** The recent task force report on alcohol highlighted the high exposure of alcohol products to young people at this time of the year. Considering we have only two weeks left before the Christmas recess, will the Taoiseach inform the House whether the alcohol products (control of advertising, sponsorship and marketing practices/sales promotions) Bill will be delivered as promised by Government before the end of this year?

**The Taoiseach:** The heads of the Bill were approved by the Government in the summer. The drafting has continued and the Bill is due and listed for the spring session.

**Mr. Sherlock:** I apologise, but I must rise again. The Health Bill 2004 has been debated here and we are being told in the media of names of the executive —

**An Ceann Comhairle:** That does not arise. I ask the Deputy to resume his seat as an order of the House mandates us to move to Private Members' Business at 12 o'clock and we have other business to dispose of beforehand.

#### **Criminal (Drug Trafficking) Act 1996: Motion.**

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

That Dáil Éireann resolves that sections 2, 3, 4, 5, and 6 of the Criminal Justice (Drug Trafficking) Act 1996 (No. 29 of 1996), shall continue in operation for the period ending on 31 December 2006.

Question put and agreed to.

#### **Private Members' Business.**

#### **Planning and Development (Amendment) (No. 2) Bill 2004: Second Stage (Resumed).**

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

**Mr. Andrews:** I am sharing my time with a number of other speakers and with the permission of the House will inform it of their names in due course.

I welcome the opportunity to debate this interesting issue. Public rights of way have been

covered in different ways by the Oireachtas over recent years. The issue has also been covered by local authorities, especially in Dún Laoghaire-Rathdown. The Green Party made a submission to the All-Party Oireachtas Committee on the Constitution that a constitutional change would be necessary to elevate and protect public rights of way. I presume it did not do that lightly but for a reason, which was that it felt no proper legislative change could occur without such protection. It is therefore surprising that it now introduces this legislation without constitutional protection. I do not doubt the bona fides of the party's interest nor am I trying to patronise the party. I have met the former Deputy, Roger Garland, on the issue. He was of considerable assistance to members of the Dún Laoghaire-Rathdown local authority during the course of the preparation of its development plan. However, I feel there is an inconsistency in the manner in which the Green Party is approaching this issue.

The legislation is unnecessary. I also consider it extreme as it puts undue pressure on local authorities.

Section 10 of the current legislation lists mandatory objectives that a county council must include in its development plan. In the First Schedule there is a long list of discretionary objectives that may be listed in county development plans.

The Bill simply takes one of those discretionary objectives out of the First Schedule and puts it into the list of mandatory objectives. It is taken almost word for word from that First Schedule. We must question if this change is necessary.

Section 14 of the Planning and Development Act 2000 allows for a specific right of way to be carried over from one plan to the next without going through the normal procedures in the section. Section 206 of the Act deals with the creation of a public right of way by agreement. A perfectly adequate legislative framework is already in place for local authorities.

The example of Dún Laoghaire-Rathdown County Council in this regard will back up what I have said. A total of 28 new public rights of way were created in the Dún Laoghaire-Rathdown county development plan which is in force from 2004 to 2010. Of the 28 public rights of way created by the county council, 14 are now before the Circuit Court under section 14. There is obviously a problem if half of these cases have gone to court under section 14. Some people would say the jug is half-full while others would say it is half-empty. I consider it excellent that 14 public rights of way have been created in the county development plan but it is worrying that another 14 rights of way are being contested in the courts.

The county development plan was agreed about six months ago and no progress has been made in the courts on any of the 14 contested cases. That is a real problem. The elevation of a discretionary function to mandatory status will create even more pressure. The responsibility will



[Mr. Andrews.]

be on local authorities to establish the status of every single right of way to be included in the development plan. There are no resources to do this and local authorities do not have the capacity to include it in their development plans. It is unnecessary to include this as a mandatory function. Of the 14 cases under dispute I am aware that a number of them are legitimate but some of them are unfounded. The system currently in place is perfectly acceptable.

The constitutional review group recommended the establishment of a countryside recreation council similar to the one in Northern Ireland. The use of the Northern Ireland model would make it easy for the alignment of joint tourism projects as well as the avoidance of heavy initial mapping costs. There was no recommendation for new legislation or a change in the status of discretionary powers under the Planning and Development Act. However, it did acknowledge that planning authorities had an important role to play in the use of their statutory powers.

There are more than adequate functions in the Planning and Development Act and I hope the current example of Dún Laoghaire-Rathdown will be instructive for the future. I oppose the Bill.

**Mr. Sargent:** Not everybody lives in Dún Laoghaire-Rathdown.

**Mr. Nolan:** I wish to share time with Deputies Dennehy, O'Donovan and O'Connor.

**An Ceann Comhairle:** Is that agreed? Agreed.

**Mr. Nolan:** I welcome the opportunity to speak on this Private Members' Bill, which is correctly opposed by the Government. The Minister has outlined the reasons for this. The Planning and Development Act 2000 was one of the major legislative achievements of recent years. That legislation goes a long way towards covering what is addressed in the Bill before the House.

In recent years, planning has become the focus of much attention and criticism. Much of the publicity has, unfortunately, not been of a positive nature. Planning is the one area where local authorities appear to have been caught unprepared for the substantial growth in the economy in the past ten to 15 years. Many local authorities had an insufficient number of professional planners to deal with the large volume of applications which has been a feature of recent years. Some of the excellent planners who came up through the local authority planning system have gone into private practice which is again leaving local authorities understaffed in this area. According as more applications come to them, local authorities have resorted to seeking further information from planning applicants in order to buy more time to deal with their heavy workloads.

I take the opportunity to congratulate the Minister, Deputy Roche, on his new portfolio.

This is one area where he could look at ensuring resources are made available to local authorities for the employment of new planners. This aspect of local authorities' work generates a great deal of income due to the development levies imposed in conjunction with planning permissions.

Public access to the countryside is better dealt with through co-operation and consultation with landowners than by means of the proposed legislation. It can be difficult to establish the existence of a public right of way. The Bill proposes a right of appeal to the Circuit Court to any person who has been served notice of a planning authority's recommendation to include in a development plan a public right of way across his or her land. If the legislation were to be passed, the courts, which are already under severe pressure, could be even more clogged up by such appeals going to the Circuit Court.

Property owners have a right to protect their land and property. I am strongly of the view that this protection should be afforded to them in any legislation we pass in this House. Security and the fear of litigation are two of the main concerns of property owners who allow the public to use their lands for walking. Access to the seashore, lakeshores and riverbanks should be available to the public, but the way to protect these rights of way is by negotiating with landowners.

I am opposed to the Bill. I encourage the Minister to ensure, where possible, that access to seashores, lakeshores and riverbanks is negotiated through local authorities.

**Mr. Dennehy:** Like previous speakers, I welcome the opportunity to speak to this Bill and discuss the matter in the House. As we discovered last night, there are many differing views on this issue, many of which depend on whether one represents a rural or an urban area. Deputy Boyle and I have a split in our constituency, with 37% of constituents designated as rural dwellers, which gives us a view from both sides. Nearly all of us have experienced both the urban and rural situations regarding rights of way, and there are diametrically opposed views on the issue, especially in respect of this Bill. It is worth bearing in mind the comment made last night by the Minister for the Environment, Heritage and Local Government, Deputy Roche, that the Government wants to promote and maximise access to the countryside but with the co-operation and assistance of those involved, which is a crucial element. One can argue for and against different locations, which issue we can discuss further. This is in some ways a poor Bill and it is untimely.

One of the reasons it is poor is that it is an attempt to use a one-size-fits-all approach, which will not work. I also have suspicions about the timing of the Bill after years of confrontation and public demonstrations, some of them incited by individuals and groups which saw difficulties in certain areas. The Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, only

established Comhairle na Tuaithe in February and it has been working in a co-operative fashion. Why has the Bill been introduced at this point and why does it propose a mandatory requirement where, up to now, discretion has been the order of the day? It is important that those of us who have participated in local government point out that the discretion is in the hands of the public representatives who are the people in a given location who can judge what is best for the people they represent and their area. I do not agree with the removal of this discretion to make this provision mandatory.

Most Deputies referred to their experiences. My experience is primarily as a fisherman of rivers and freshwater lakes, mainly in Kerry and west Cork. I have wide experience of the use of public rights of way, especially on river banks, and have had little difficulty. I could number perhaps two or three occasions over 30 years on which I had difficulty. Therefore, I can base my arguments on that point. Why try to rock the boat with this change at this time?

It was pointed out that there are two aspects to this argument, namely, the urban and the rural aspects, which have different needs and wishes. Deputy Boyle referred to the situation in Cork city where laneways on North Main Street were closed off. However, he did not mention that Cork City Council, of which we are both members, has had to put aside €500,000 this year alone to rail off, wall off, and block off other alleyways in the suburbs. All of these alleyways came out of the Essex guide to town planning of the 1960s, the Bible of planners at the time, but the alleyways have turned out to be an unmitigated disaster. One is forced into drawing the line between which are acceptable and which are not. This comes back to the local public representatives who make the choices. People are suicidal in these situations. Deputy Finian McGrath also referred to lanes in cities which feature scenes reminiscent of warfare given the outdoor drinking which takes place in them. It is great to have a romantic ideal of the old historic laneways and state that we should preserve them, but we are living in a modern world.

Difficulties have cropped up in the rural context, the solution to which is co-operation. There are differing views about what should happen. For example, the Paps Mountains behind Rathmore in County Kerry contain a lake. There are approximately 12 different means of accessing the lake but they all start at the one point, namely, through a laneway into a small farm yard and on from there. Depending on the weather and various other factors, I can take any of these routes and I have never been stopped by the farmer or anyone else in 30 years. The journey takes approximately 45 minutes through bogland and, therefore, a range of people would not undertake it.

If we accepted the diktat in this Bill, rights of way would be identified but that would be the end of story and one would be stuck with that. At

Lady's View, one can see beautiful scenery but there are also hundreds of tourists. I want to be able to access the river valley far below but I do not want hundreds of tourists coming on to the same patch. That is the case throughout the country. Hill walkers say that their attraction to a given place is the loneliness and that not many people travel there. Are we to prescribe a right of way for the few? We dealt with the same argument in the context of the Burren interpretative centre. The argument against developing that centre was that it would draw too many people into using or misusing the area. One can apply the same argument to almost any situation. It is a negative approach to prescribe access and state that a right of way exists regardless of any other factor.

The ancillary issues of safety, insurance and so on must be dealt with and taken into consideration, which is happening through the Minister's approach. I am happy that what will be proposed will be acceptable to all. The Green Party has an interest in all of this although I was fascinated to hear Deputy Gogarty refer to the Green Party as a friend of the farmer. I do not know whether it is in the interests of farmers that the Bill is proposed, but some of the policies I have seen ascribed to the Green Party suggest it is not a friend of the farmer.

Deputy Cowley made the point that people are frightened in certain situations. I have been in isolated areas on the sides of mountains around places like Glencar and residents, not farmers, are afraid. Deputy Morgan managed to be both on the side of the farmers and the visitors in his comments. However, some people are terrified and they must have a say as to whether there is a right of way past the front of their cottage or through their farm, whether it is large or small. They must be included. I will not agree to any Bill which dictates to such people that whether they like it or not, there will be a right of way which will be included in a register and which anyone from any part of the world can use. Tourists will receive information about the rights of way in the local tourist guide. That is not the approach we want. Rather, we want a co-operative approach. Deputy Cowley is correct that people have been driven out of areas because of difficulties with access.

All of us who use rights of way would be horrified at some of the damage which can be done by people walking or fishing or those who are ignorant of the countryside. Substantial damage has been done on occasion by gates being left open and so on. The extreme example of quad bikes was raised last night but damage can equally be caused by people walking and manoeuvring. I have seen fences, in place to corral sheep, which were broken by people who wished to get to the bank of a river. None of us subscribes to that.

The main objective we seek in this area is co-operation. Comhairle na Tuaithe is the forum through which we should work. Given that it has secured a discussion on this issue, I appeal to the

[Mr. Dennehy.]

Green Party to withdraw the Bill with the right to resubmit it when Comhairle na Tuaithe reports and when something is planned in this area. None of us disagrees with the concept of rights of way but a one size fits all approach will not work. There are dozens of cases, such as Lady's View, the mountains in Kerry and the Burren, where it would not be suitable to have the same rule apply to all. We need to be a little more careful in our approach.

Various points were made by Members during the debate last night and many of them were diametrically opposed. I do not wish to see clashes in here or to have Members claiming to represent farmers, big or small, and expressing the view that people should not be allowed to walk on the land. The usual example of the Old Head of Kinsale was trotted out as the argument for passing this Bill. I do not subscribe to that argument. There is a difficulty in that area and it has gone through the courts.

A rational discussion is needed on this issue. I am glad we are having such a discussion and I hope it will continue. However, I appeal to the leader and deputy leader of the Green Party, who are present, to withdraw the Bill at the end of this debate, consider the points made by Members and try to work with Comhairle na Tuaithe. It is most important that this forum is used. We do not wish to have similar scenes to those in the House of Commons, where one group stormed it one week for the right to go hunting and the opposing group stormed it the following week for the right to stop all hunting. I hope we are more practical and sensible and that we will resolve this situation.

I cannot, as I usually do, commend the Bill to the House because I have concerns about it.

**Mr. O'Connor:** I am grateful for the opportunity to speak on this legislation. I have been a regular contributor to the debates on Private Members' business since I was first elected to the House. I have always welcomed the subjects put forward for debate by the Opposition parties because they provide Members with the opportunity to discuss important issues. In that regard, I welcome the attendance of the Minister for the Environment, Heritage and Local Government. Like my colleagues, I sincerely wish Deputy Roche every success in his office.

Occasionally I have suggested during debates of Private Members' business that some of my colleagues on the Opposition benches are just seeking soundbites for the media and highlighting issues without offering solutions. In fairness, however, we should thank the Green Party for its initiative. I am glad Deputies Sargent and Gormley have taken the time to listen to my contribution.

**Mr. Gormley:** It is always a pleasure.

**Mr. O'Connor:** I wish them well. They have done a service by putting this matter on the agenda, although what happens afterwards is another matter.

I am concerned about the content of the Bill, particularly the simplistic suggestion that we can in legislation protect rights of way by spinning words such as "access to our seashore, mountains, lakes and other areas of natural beauty and recreational utility". I wish we lived in such a utopia. Over the years, however, I have encountered numerous cases in places such as Firhouse, Greenhills, Templeogue and Tallaght where rights of way have become centres of anti-social behaviour and a nightmare for local residents. What are my colleagues in the Green Party trying to achieve? Where does the Bill deal with this issue? Many constituents continue to contact me about this problem and I am not prepared simply to tell them that they must put up with it because legislation allows it to happen. That is an important point.

I agree with, and have received many representations from constituents on, the need for a right of way code which would benefit walking groups and rural tourism development. In that regard, I congratulate the Minister, Deputy Ó Cuív, on his initiative in founding Comhairle na Tuaithe, the countryside recreation council, in January this year. This excellent group is working as a partnership based on a genuine and inclusive consultation process to assist in the management of countryside recreation in Ireland. Its objective is to develop and update national countryside and outdoor recreation strategic approaches and covers such matters as ensuring that all means necessary are used to resolve conflicts that arise about access, raise awareness of the benefits and the responsibilities of recreational use of the countryside and carry out research and planning on related issues. This work should be supported by all sides of the House.

The involvement of representatives of agriculture, forestry, heritage, conservation, tourism and health interests and many recreational activity user groups as well as farmers and landowners is to be supported in preparing a country code. That is an achievement in itself and reflects the complexity of the matter, to which the quick fixes proposed in the Bill are no help. As an open and consultative process, this group's work provides a platform where the opportunity to influence and debate is exercised in a proactive and productive way. Comhairle na Tuaithe provides a forum where the interests of all are balanced with the needs of many. Its work is worthwhile and the outcome of its activities should not be hindered by a pre-emptive move by a party to dictate the position through legislation without allowing the consultative process to be completed.

On this and many other occasions the views of some colleagues appear to be continually expressed in the form of demanding legislation as opposed to accepting the opportunity for open debate and influencing opinion, which serves our

democracy better. I support the recent comment of the Minister, Deputy Ó Cuív, that after 2002 we must never again have an incident where people using advertised and agreed walkways are accosted. The damage caused by such incidents is not good for our international tourism reputation.

I am aware of a case where German visitors, accustomed to order and regulation, found themselves in such a position. After an incident, they cut short their visit to the west by four days and returned to Tallaght. While the rest of their visit was great, as one would expect, the first item of conversation on their return to Bonn was the confrontation with a landowner. This type of incident damages rural areas, many of which use tourism as a local development activity.

It is important to understand the merits of the subject before the House. I will not go overboard in criticising the Green Party but I will support the Minister, Deputy Roche, at 1.30 this afternoon. I commend the Government's position on the Bill.

**Mr. Quinn:** I congratulate the Green Party on introducing this Bill. The Labour Party will support it at 1.30 p.m. Like much legislation that comes before the House, the Bill requires amendment. Many authors of legislation are willing to facilitate such amendment and, no doubt, the Green Party will be willing to do the same.

I wish to declare my interest at the outset. I am a member of Keep Ireland Open. I am a weekly hill walker now that I have more time to indulge in the activity. I have experienced at first hand the ranting, foaming, raging anger of aggressive and intimidating farmers who have screamed and roared at people, including women and young children. It is not a pleasant sight. In this case the people were not trying to go on to clearly designated private land but to walk up a tarred road that was a continuation of what appeared to be a public road. I refer to an area in Bunowen-Ballyconneely in Connemara. I met tourists who were trembling because they had been confronted and shouted at by farmers on the side of Glen Inagh and who inquired if it would be possible for them to walk up the Maam Turks down which I had just descended. The figures speak for themselves. They have decreased from 322,000 to 241,000 people. We do not know how many of these individuals are walkers because we do not possess the raw data. It might be interesting, in the context of rural tourism, for the CSO and the bodies responsible for policy to provide a breakdown of these figures. Perhaps some qualitative research could be undertaken in order that we could deduce whether there is a problem.

As a citizen of this Republic, I have a problem because access to the countryside is a presumed convention, not a right. While the legislation may not be complete or satisfactory, there is no doubt that we need to consider the legal basis upon which we can construct an integrated policy. The legal position, referred to with some authority by Deputy Deenihan, on the right to roam and rights

of way is — for a host of legal and historical reasons with which Members will be familiar — fundamentally different from that in Great Britain. The Labour Party studied this matter and published its view in its policy manifesto for the most recent general election. The manifesto states:

Labour recognises that hill walking and countryside rambling have now become pastimes that thousands of our citizens and many tourists enjoy. We firmly support the right to roam. We will, in consultation with local community groups and landowners, explore ways how this can be recognised and enhanced while protecting the property and livelihood of the farming community. The social partners, including farming organisations, have a positive role to play in this development.

The logic of the establishment of Comhairle na Tuaithe follows this path.

The right to roam, as distinct from rights of way, is what hill walkers want. They do not necessarily want to be corralled down a series of lanes. Most hill and recreational walkers will state that, given a choice, the last place they want to be is on a waymarked way on a tertiary or minor road because they must walk in fear of their lives. In summer, when the hedgerows have not been trimmed back, visibility for both drivers and walkers is limited. It is dangerous to walk or drive down such roads during the summer months. By definition, many of the waymarked ways, including large sections of the Wicklow Way, run on tarred road surfaces which are open to multiple vehicle use and which, consequently, are not as safe as one would like.

Hill walkers, including me, many others and members of Keep Ireland Open, want the right to roam across open countryside above a certain level. Historically, the land to which I refer has been the commonage. It amounts to 500,000 acres and is owned by 12,000 farmers in a complex and old form of legal ownership which makes legislation extremely difficult to construct. What we are seeking — as are Keep Ireland Open and others interested in this matter — is the right to roam, subject to codes, conditions, etc., above a certain level. The figure frequently touted in respect of the latter is 150 metres or 500 feet above sea level and above all arable farming activity. However, getting from a public roadway to that level of commonage causes problems in many instances. It is in this context that we need to consider the introduction of legislation following consultation. I am convinced that some form of legislation will be required and that this will probably entail amending the Occupiers Liability Act 1995 which my former colleague, Mervyn Taylor, introduced.

Farming communities have legitimate concerns, particularly when one reads the judgment handed down in the Donegal case. I wish to refer to part of that judgment in the interests of balance. If this happened to me, I would be

[Mr. Quinn.]

incensed. In the case in question a young woman who had sustained elbow and leg injuries after falling down a cliff at a County Donegal beauty spot was awarded damages of more than €84,000. Under the Occupiers Liability Act 1995, it was found that she had been 25% negligent and that the owner of the land had been 75% negligent. The woman involved left a local restaurant and walked to a nearby and well known beauty spot where she slipped and hurt herself. Whatever about the validity of her claim — the judgment in the case is under appeal — it has understandably helped to transform the debate.

We must all openly recognise — I include myself — that landowners faced with that kind of judgment have legitimate concerns. We can do two things: first, we can simply do nothing and allow the *status quo* to remain in place in the hope consultations involving Comhairle na Tuaithe will resolve matters; or, second, we can recognise that there is a need to change the law. It is my view that there is a need to change the law. Pending the outcome of the Supreme Court judgment, however, the precise form of that change remains unclear. I ask the Minister, or some other speaker on the Government side, to respond to this matter at some stage. From the way the taking of this legislation has been dealt with by the two Ministers involved, Deputies Roche and Ó Cuív, it is clear that there is a shared political responsibility between their Departments. This is a serious issue.

Deputy Dennehy asked why this matter had come to the fore now rather than five, ten or 15 years ago. The answer is that it has become an issue, on two fronts, because of money. First, farming incomes are static, if not declining. Over 70% of farming income comes from taxpayers. By and large, farming incomes have diminished relative to those earned by the remainder on this island and they are increasingly, regardless of how many in urban areas would like to assert the opposite, falling behind. The second reason is — this is, in part, one of the given reasons for the reaction in Sligo — that farmers have discovered in local book shops guides to walks in their areas. These guides which recommend walking routes and trails over lands owned by such farmers and offer advice on suggested points at which people may enter and exit those lands, are being sold commercially and involve no consultation with the farmers to whom I refer. The profits from the sale of these books go to the authors, not the farmers. It is understandable the latter are of the opinion they should obtain part of the profits these authors are getting from organising these walks.

The size of the walks to which I refer is different. The Minister will be familiar with the position at Scar, County Wicklow. Four weeks ago we encountered a group of 35 people on one particular walk there. Some of the individuals involved also had mountain bikes. If one is walking in an area where the land is being used for

grazing and other purposes, damage can be done. Standards must be set. Fortunately, Scar happens to be part of the public property. One of the reasons publicly owned uplands in County Wicklow are heavily used is they are one of the few areas of uplands to which one can go without feeling uncertainty as regards the reaction of landowners. I know of a particular guided tour walker in the west who has effectively had to move out of the business because of this ambiguity. His customers were being berated by farmers and were then asking him if he had them there on false pretences because they had paid €15 or whatever per head and appeared to be in breach of the law.

There is an absolute need for legislation and legislative clarity. The Green Party's Bill provides the basis on which to proceed in that regard. There is a need to address the question of obtaining rights of way, in terms of access, from the public domain — public roads and network systems — across privately owned lands and on to uplands commonage where people have a right to roam. If we are going to do this, I suggest that it should be done in an integrated way. We must clarify legally the right to roam on uplands. We must also agree access and rights of way in moving from the public space of a road through a series of fields in order to reach the uplands. The limit of liability should be designated very clearly to the point of zero if that can be done properly. It is a matter for lawyers and others to get the balance right. We must clarify to the minimal point possible the exposure of property owners in respect of allowing people to walk across their land. Those tracks must be clearly designated and there must be provision of stiles and other physical artefacts to enable people to cross boundaries without damaging them. I have seen damaged walls where inconsiderate walkers have taken down stones to get over a wall or have climbed over a stone wall and have not had the decency to take the extra ten or fifteen minutes to put the stones back in again. Consequently sheep are lost or some damage is done to livestock in the area.

This is a two-way process and it must be a partnership. There are responsibilities as well as rights for people like me who want to enjoy ourselves on other people's land, which is what we are asking for the right to do, in effect. Where a local authority has, following consultation, recognised that in the designated area of that authority there may be a need for four or five kilometres of defined tracks and defined points of access to rights of way, the owners of that land or people close to them could be given some kind of payment for the maintenance of the upkeep of those stiles. Somebody must be responsible to ensure that the stiles and the crossings are kept in good condition. The local authority would have a role to play in this regard. I suggest to the Minister for the Environment, Heritage and Local Government, that a local authority, particularly in those areas where this is a significant activity, would be responsible for maintaining a watch on

rights of way and access and ensuring that any potential problems, such as a stile in a clearly dangerous condition, are rectified so that they do not cause a person serious injury. These matters must be considered.

The potential for integrated tourism is enormous. I received a letter which describes what was done in County Leitrim but the writer says it would not be possible to do the same thing now:

We returned to Manorhamilton and set up a Glens Hillwalking Committee. We raised £5,000 approx to pay for our marketing tools, namely Brochures (in German, French and English), Hillwalking Videos, and Guidebooks. Thirty two different suitable routes were identified, which involved finding out who the owners were — over 150 landowners were approached and consents obtained; the start of each walk was signposted and given a number; each walk was tested before final publication and public liability was taken out. We set up and promoted our Hillwalking Festivals held here each Easter and October. Finally, having done all this we got all the accommodation provided in the area to join together and form the North Leitrim Accommodation Co-Op ... I firmly believe that if some person or group were to set about the work detailed in the above paragraph today, they would find it impossible to make any progress due to the anti-hillwalking feelings now prevalent and the problems with insurance.

Integrated rural development groups may be able to undertake these kind of activities. Under the derelict sites legislation of the late 1980s, in the case of a derelict building of which the ownership is unclear, there is a provision for a local authority to put a confiscation order on the building following due process. That property can be acquired by the local authority and renovated for use as a hostel. Alternatively, groups of farmers in particular areas and with financial assistance could provide overnight accommodation for campers and charge them for that service and for food, as referred to by the Minister for Community, Gaeltacht and Rural Affairs in his contribution.

This is more than just about access and rights of way although of necessity those are the narrow confines of the Bill. It is about how recreation in rural Ireland is dealt with. An eminent Irish landscape architect, Mr. Conor Skehan, said at a recent conference that if one were to look at the future of commercial farming on this island when the reforms in agriculture have concluded in 15 to 20 years' time or probably even sooner, one could draw a line from Dublin south-west to Limerick and everything north of that line would be outside the territory of viable commercial agriculture. In those circumstances the configuration and appearance of the landscape will change dramatically by virtue of the change of its use. If we wish to use land for recreational purposes and sustain rural communities, not all of whom are

directly involved in agriculture, we need to have an integrated and proactive plan which is not in place. One of the reasons for that is because of the legal uncertainty about compensation, insurance liability, rights of access and the right to roam.

This is fundamentally a legislative problem which the Oireachtas must address. The Green Party Bill goes part of that way and it is welcome. I ask the Government to accept the Bill, refer it to a relevant committee of the House and bring forward constructive measures to add to and improve it.

**Mr. Gregory:** I wish to share time with Deputies Connolly and Ferris. Ba mhaith liom tacaíocht a thabhairt don Bhille tábhachtach seo agus comhghairdeas a ghabháil don Chomhaontas Ghlas as é a chur os comhair an Tí.

I welcome the opportunity to support the Planning and Development (Amendment) (No. 2) Bill 2004, or the rights of way Bill as it is being referred to. As I see it, its immediate purpose is to include in county development plans and, I presume, city development plans, a list of all known existing public rights of way. For that reason alone, I cannot see what the objection is to the objective of this Bill. Like Deputy Quinn, I hope the Government accepts it.

I compliment the Green Party and Deputy Gogarty on bringing forward this initiative. The former Deputy Roger Garland of the Green Party has displayed a great interest in this issue and worked hard on this proposal when he was in the House. The issue as to whether a list of existing public rights of way should be a mandatory requirement for inclusion in county and city development plans has been debated at some length in this House, most notably on Committee Stage of the Planning and Development Act. My recollection is that it received widespread support, other than from the then Minister for the Environment and Local Government, Deputy Noel Dempsey.

The issue of public rights of way and their defence by local people against the attempts of private individuals to take them over has been one which I have watched with interest and a minor peripheral involvement since I became politically active as far back as the late 1960s. At that time the campaign to protect public rights of way at Brittas Bay received widespread publicity and public support. It was a community-based campaign led by local councillors, especially the then Sinn Féin councillor, the late Seamus Costello, who represented Bray Urban District Council and Wicklow County Council. More recently, also in Wicklow, we saw the efforts of local hill walkers led by Niall Lenoach to defend the rights of people to walk traditional public rights of way.

This is a relevant, long overdue Bill about an issue many local authorities have preferred to sweep under the carpet and ignore in the hope that it might go away. Thanks to local leadership, such as that to which I have referred, the issue

[Mr. Gregory.]

has not gone away and progress has been made by some local councils in recent times. I understand, for example, that Dún Laoghaire-Rathdown, South Dublin, Wicklow, Clare and south Tipperary county councils have made progress on the issue and that when the matter was raised at these councils, it met with virtually no opposition from any of the elected councillors.

The main difficulty for those who wish to use public rights of way is that there is no legal right of access for the public. The fact that there are few designated routes is the main cause of many disputes with local landowners. For far too long, local authorities have neglected this important part of our heritage. A way must be found to preserve public rights of way when it is in the public interest to do so.

I agree with Deputy Quinn that this is not a one-sided issue. I support his view that consultation with local landowners is a valid requirement which should be built into any attempt to address rights of way. I also agree that access to rights of way from public roads must be addressed because, as the Deputy noted, a large number of inconsiderate or irresponsible walkers can cause serious damage. His point that the issue involves responsibilities and rights was well made.

While I am probably regarded as a representative of an urban, inner city area, I have links with the countryside, having spent many weeks in my youth hill walking in the area of Croghan Hill. More recently, I managed without great difficulty to climb Carrantuohill which, if I remember my geography lessons correctly, is the highest mountain in Ireland. Rights of way are also an urban issue. Some of the most protracted disputes in my constituency have related to laneways, short cuts and traditional routes which some people regarded as public rights of way while others, particularly those who live beside them, considered major problems. There are two sides to this issue and the legislation provides a basis on which to address them.

**Mr. Connolly:** I welcome the opportunity to speak to this Bill. The issue of public rights of way should be addressed in an integrated manner at national, regional and local council level. This will be essential if we are to prevent the list of local angry confrontations, such as recent cases in counties Donegal, Mayo and Sligo, from lengthening further. Ironically, the most intractable problems occur in the west, the part of the country which attracts fewest walkers and an otherwise prime area for developing hill walking and other outdoor recreational activities as tourism attractions.

There are many problems of access. Day trippers and casual walkers can no longer walk on the Old Head of Kinsale, a traditional pastime for many people in Cork and the surrounding area. Hill walkers can no longer visit parts of mountain ranges such as the Ben Bulbin area of County Sligo, the Twelve Bens in Connemara and parts

of the Dingle and Beara peninsulas in counties Kerry and Cork. Archaeologists can no longer visit important megalithic tombs, for example, at Carbane in County Westmeath. Bird watchers are increasingly cautious about walking through areas in which they want to study birds. Even beaches are not immune from the problem. Ugool beach near Westport has been a public amenity for decades and although supposedly in State hands, access to the beach has been blocked for years by a local landowner. In contrast, the Seven Heads walk, a spectacular route along cliff tops crossing private land on the Timoleague-Courtmacsherry-Bayside route along the railway line has been an outstanding success.

The Bill proposes to introduce a mandatory requirement to list all public rights of way in the drafting of each local authority's development plan. Ireland has a poorly developed network of established rights of way and is one of only two EU countries where access to the countryside is restricted. Accordingly, the proposal to list public rights of way on a county by county basis is timely and appropriate.

Rights of way serve a wide range of functions in rural and urban settings and this must be recognised in any overall assessment. In the process of drawing up a county development plan, it will be necessary to arrive at an appropriate network of rights of way to serve the needs of the whole community. Each county should establish a rights of way forum with the function of addressing and resolving the issues of compensation, maintenance costs and rules of usage.

The Bill does not distinguish between clearly defined public rights of way and informal rights of way across property. The responsibility of local authorities to protect the public's right to access public rights of way in each local authority area, as provided for in the Roads Act 1993, is meaningless. For example, a person accosted by an angry landowner while walking along a hill path he has used for many years may assert the path is a right of way. The landowner, however, could then demand to know the reason the walker believes he has rights to walk through the land, given that no right of way is marked on a map and there is no signpost indicating the path is a right of way. The only basis on which the walker can claim to have a right of way is that he has used the route for years. That is the legal position here, whereas in other western European countries recreational users, walkers, rambblers and bird watchers have legal rights to walk in the countryside. In some countries, people have the right to walk anywhere apart from obvious places such as crop growing areas.

Under the Planning and Development Act 2000, the owner of private land may apply to a local authority to have a public right of way removed from a part of his or her land. In such cases, the local authority may close off or extinguish a part of the land in question from public access and use its power to recover the cost involved from the landowner.

In the case of private property rights of way, consideration should be given to the concept of a right of way licence similar to licences available for salmon fishing. This would require a person wishing to engage in walking activity to purchase a licence covering the area or county in which he or she wishes to walk. The licence would insure walkers against all possible accidents and indemnify the landowner. The walker would receive a specially numbered disk for his or her vehicle and a copy of a code of practice governing behaviour while walking. Participating landowners could, for example, receive an annual payment from the income generated by the licence. The licence details and vehicle sticker would facilitate identification by landowners in the event of complaints being made about the behaviour of walkers on their property. Registration would address the problem that landowners cannot identify such people. Such a licensing system would establish an organised procedure to facilitate formal and informal access to the landscape.

The Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, proposes the establishment of a countryside council, under which the Government would enter a pact with landowners which would result in the opening and maintenance of designated waymarked paths. The main question for the council is how to identify suitable paths and landowners and pay them for maintenance, similar to the terms of a rights of way licence.

The Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, described the proposed legislation as using a sledgehammer to crack a nut. I hope he is not referring to the farmer. However, he acknowledged that there was a nut to be cracked and extolled the virtues of arriving at a consensus between users and landowners. Nobody will quibble with this. What does he find objectionable in listing rights of way in county development plans, as is the case in the United Kingdom? Nobody is seeking to abolish public rights of way. The legislation merely seeks to formally set in stone all existing public rights of way in the various counties. Section 73(10) of the Roads Act 1993 states, "A person who obstructs, impedes or otherwise interferes with a public right of way or who destroys or damages a public right of way save as is provided for in law shall be guilty of an offence". Section 73(11) states, "It shall be a function of a local authority to protect the right of the public to use public rights of way in its administrative area".

Section 12 of this Bill would provide that even where a public road may be abandoned in so far as the roads authority no longer becomes responsible for its maintenance, the public right of way would continue unless it was specifically extinguished by the appropriate procedures. On the basis of these facts, the Minister's analogy of a sledgehammer hardly applies since the proposed legis-

lation would merely list existing rights of way for each local authority.

Walkers are a most important component of our tourism industry. In 1993 we had over 300,000 walkers, which number had reduced to 220,000 by 2002. The figures to date this year amount to around 170,000, therefore, we have a problem. Walkers are important to the tourism industry. We should not neglect this fact.

Other areas of natural outstanding beauty such as Slieve Beagh in County Monaghan are largely forgotten about. There is a job required to sell the beauty we have in abundance. The proposed legislation would provide for an essential component of a local authority's development plan, particularly regarding the place of rights of way in a council's leisure and recreational facilities.

The issue of consultation must also be addressed. The people must get out and consult farmers whose big worry is that people will walk onto their land, suffer an injury and then make a claim. These issues must be addressed. We will find that landowners actually want to open their lands, particularly when they realise the tourism value to the rest of the country.

**Mr. Ferris:** I generally welcome the Bill. As Deputies from the Green Party and others have said, the countryside is part of our heritage and every person ought to enjoy access to sites of interest.

The problem is how to balance this interest against the legitimate interests and concerns of those whose land is crossed by walkways. The initiative of the Minister for Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, goes some way to addressing the issue and there appears to be sufficient goodwill and common-sense to ensure that in the vast majority of cases walkers, sightseers and farmers will be able to co-exist.

There are, however, other issues which require that rights of way and walkways are given proper protection under the law. This does not necessarily concern the issue of farmland, but has more to do with the growth of other forms of private property in the countryside that cut across traditional amenity areas and areas of historical interest. I refer particularly to golf courses, hotels and so on, where large chunks of the countryside are removed from public access, often with little or no benefit to the community in which they happen to be situated. Private developers are moving in, buying up property that is beyond the reach of local farmers, closing the land off and then charging people for the right to enjoy expensive private amenities. A good example of such problems is to be found in Cork where the Old Head of Kinsale was closed off due to a golf course development in respect of which there was a court ruling that the public had no right of access, even though generations had enjoyed the amenity. Such cases prove that there is a need to legislate in favour of rights of way.



[Mr. Ferris.]

I understand the concerns of farmers regarding the safety of their land, crops and stock when people are crossing their property. A gate left open can often lead to cattle escaping and endanger the public, or the freeing of dogs can have detrimental effects on a farmer's livelihood, especially when he or she is attempting to survive on marginal income. Therefore, any solution to the issue of rights of way must have due regard for those concerns and show due consideration for the issues of insurance and liability. People who walk on agricultural land may come across contaminated land. If walkers go through different sections, they may spread such contamination.

We must never lose sight of the fact that rural Ireland remains a place in which individuals and communities attempt to make a livelihood for themselves. Traditionally, this has meant that the emphasis has been on farming but in the past 30 years there has been a drastic decline in the number of farming families. An effort has been made in the recent past to replace jobs in farming with alternatives but the historical experience of rural Ireland over the history of the State has been one of population decline, none more so than in the past 30 years. If this is to be halted or even reversed, rural Ireland has to be treated as a viable economic reality. This means that small to medium family farms must be supported and food processing and other connected industries located in rural areas in order to take advantage of local resources and supply much needed employment. While tourism has a role to play, we must not allow ourselves to fall into a situation where scenic and otherwise favoured rural areas are made solely dependent on the tourism industry.

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

**(Mr. B. O'Keeffe):** I am glad to have had the opportunity to listen to the interesting points made in this debate. However, the Government believes this Bill, while well intentioned, is misguided as it would lead to more bureaucracy and do little for the real objective of promoting greater access to the countryside.

The Bill proposes to make a change to the Planning and Development Act 2000 by requiring the inclusion of mandatory objectives for the preservation of all rights of way in the development plan and the consequent listing of all rights of way. Several issues became apparent during the debate that reinforce the points made by the Minister for the Environment, Heritage and Local Government and the Minister for Community, Rural and Gaeltacht Affairs on why the Bill should not be approved by the House.

The partnership and consultation process is more appropriate to solving access disputes. The initiative of the Minister, Deputy Ó Cuiv, in establishing Comhairle na Tuaithe is to be welcomed. The Bill would seriously undermine the

dialogue under way between all the interests involved.

**Mr. Sargent:** I disagree.

**Mr. B. O'Keeffe:** It can be difficult to establish whether there is actually a right of way. Many perceived public rights of way have no legal basis but are places where the public may walk with the consent of the landowner which may be withdrawn at any time. Mandatory listing of all these routes would lead to numerous objections and court challenges that could clog up the courts for years. The effect on access to the countryside would most likely be negative as landowners would probably close many of these walkways or access points for fear of them becoming listed public rights of way.

This Bill would lead to further strain on planning authorities' resources. While it may have been intended to apply to the rural situation, it would also possibly apply to a myriad of urban laneways and walkways. Several members identified a vast number of urban walkways as being of particular concern. Under the Roads Act 1993, all roads are classified as public rights of way. Cataloguing and mapping of all such routes would be a mammoth task for local authorities and would divert scarce resources away from priority operational and strategic tasks, such as the zoning of land for housing, the making of planning decisions and the improvement of the service to the public. Including a list of all public rights of way in the development plans would make them too complex.

After several years of legislating, it is now time to allow the planning system bed down and to give it operational breathing space. The discretionary powers of planning authorities to preserve and create public rights of way, together with the consultative approach followed by Comhairle na Tuaithe, is the best way to deal with the issue. We should be mindful that Comhairle na Tuaithe is facilitating dialogue between representatives from the key parties which include the farming organisations, the Irish Sports Council and the Irish Uplands Forum with the aim of establishing basic principles on which all can agree and developing mechanisms for conflict resolution. We all aspire to these aims. The proposed Bill would be prejudicial against the dialogue developed by Comhairle na Tuaithe in a spirit of partnership.

**Mr. Gormley:** I am sharing time with Deputies Cuffe and Sargent. I am proud the Green Party proposed this legislation, and I thank Opposition Deputies for their support. I am disappointed and exasperated the Government has not found the inclination to support this far-seeing legislation. I should not have been surprised by the speech given by the Minister for the Environment and Local Government, Deputy Roche, yesterday evening. He has a very different approach to his

predecessor, the Minister for Transport, Deputy Cullen. He is less confrontational.

**Mr. Gogarty:** He is more arrogant.

**Mr. Gormley:** Perhaps, but he is certainly more personable. However, the net effect is the same in that it is still a Fianna Fáil-Progressive Democrats policy. The Minister used the right language and it was conciliatory.

**Mr. B. O’Keeffe:** It is reasoned argument.

**Mr. Gormley:** Yes, but he then inserted a stiletto between our shoulder blades. He spoke of unforeseen consequences. He must have seen the consequences because he then spoke about a bureaucratic nightmare. The Minister of State spoke about a mammoth task. This is absolute nonsense. He has not given us the evidence for this assertion nor has he shown how it could happen. It is a relatively simple matter, but the political will does not exist to carry it out. That is what this is about. The Minister and the Minister of State spoke of reasoned arguments, a sensible approach, partnership, consultation and discussion. All that is missing from their argument is that we have a group hug.

**Mr. B. O’Keeffe:** We are heading in that direction.

**Mr. Gormley:** The Minister, Deputy O’Keeffe wants to avoid confrontation, controversy and force. Those are fine words, but not in keeping with Fianna Fáil’s record on other issues. Fianna Fáil and the Progressive Democrats have a diktat and Stalinist approach when it comes to other issues such as foisting a waste plan on a community and giving them incinerators. Where is the dialogue in these situations? Where is the consultation? It does not happen, because when the Government wants its way it forces it through. Where was the dialogue when dealing with the situation in Carrickmines or Tara? There was no dialogue.

**Mr. B. O’Keeffe:** For years, the Green Party sought the independence of An Bord Pleanála and the Environmental Protection Agency—

**Mr. Gormley:** In terms of a partnership approach, an organisation such as Keep Ireland Open wants to proceed with this legislation, because it knows it is a step in the right direction. The points made by Deputy Quinn regarding occupier’s liability are legitimate. Changes in legislation are required to deal with that matter also. The Government could start there, but it will not start anywhere because it does not want to. The political will does not exist.

Two different philosophies are at play here. Thomas Drummond said “Property has its duties as well as its rights.” The Government does not believe in this assertion. Fianna Fáil is not a republican party in the true sense of the word, because it does not believe in the *res publica* or public space. What is Fianna Fáil’s political phil-

osophy at this time? Is it socialism, as the Taoiseach claims? Is it pragmatism, as the Minister for Finance, Deputy Cowen, claims? Or is it cynicism, as I claim? Cynicism is the political philosophy of Fianna Fáil because it knows the price of everything and the value of nothing.

**Mr. O’Dowd:** Hear, hear.

**Mr. Gormley:** We are talking about intrinsic value. Years ago my colleague, Mr. Roger Garland, said the best things in life are free.

(Interruptions).

**Mr. Gormley:** As far as Fianna Fáil is concerned the best things in life are no longer free. If it had its way, it would charge the public for the right of walking the hills. It does not require a giant leap of imagination to envisage a subcommittee of the National Roads Association charging tolls on the hills at some future date. People might say this notion is far fetched, but I do not believe so. It could happen, given what I have seen over the seven and a half years of this Government.

I am a hill walker, and have walked in particular in the hills of Wales. There are national parks there such as the Brecon Beacons, Pembrokeshire Coast and Snowdonia. We should create and extend national parks in Ireland. We want a better quality of life for all citizens. I ask the Minister of State to contemplate that, and think about what we are saying. If he believes in dialogue, he will listen to what we are saying and introduce his own legislation. If not, Comhairle na Tuaithe will remain a talking shop.

**Mr. Cuffe:** There are lines from a song which say:

Oh, give me land, lots of land under starry  
skies above

Don’t fence me in

Let me ride through the wide open country  
that I love

Don’t fence me in.

**Mr. Kehoe:** Were those words written by William Butler Yeats?

**Mr. Cuffe:** Not quite. They are lyrics of a song written over 60 years ago by Robert Fletcher and Cole Porter.

**Mr. Kehoe:** I thought the Deputy might quote Patrick Kavanagh.

**Mr. Cuffe:** I could wax lyrical about Patrick Kavanagh also. The sentiment of not being fenced in is difficult to exercise in Ireland today 60 years after the song was written. Had Cole Porter set out on 19 September of this year from Enniskerry to try to assert his right to roam on the Old Coach Road down into County Wicklow he would possibly have been humming that song when he encountered a large metal barrier

[Mr. Cuffe.]  
illegally erected by Mr. Joe Walker. He would have been prevented from asserting his ancient right to travel that way. He might then have retraced his steps and taken another old walking route across the head of Glencree valley. Again, in this instance, Niall Collen, head of the Collen construction company, would have stopped him in his tracks. This story is being repeated throughout Ireland. As Keep Ireland Open stated in its submission to the All-Party Committee on the Constitution, open commonages have been divided and fenced and access to beaches, archaeological sites and other amenities has been denied. Clearly, a problem exists in Ireland in terms of trying to assert one's right to roam. People are being fenced-in and prevented from exercising their ancient right to walk across lands.

The Minister for the Environment, Heritage and Local Government, Deputy Roche, last night described this Bill as being misguided, bureaucratic, not workable but possibly well intentioned. We must be doing something right if he is getting so worked up about us. It is not good enough to say dialogue can and should resolve such issues. We have had dialogue for the past 11 years. Groups such as Keep Ireland Open feel they are talking to a brick wall on this issue. I do not think dialogue is working. I would accept such a statement if this issue had arisen only in the past six months but not when people seeking these rights have tried for more than a decade to have them made manifest. It can be done.

The UK Countryside and Rights of Way Act 2000 may not have got everything right but it is a step in the right direction. I am quite often accused of advocating the Swedish model in Ireland. Swedish legislation provides that all persons shall have access to nature in accordance with the rights of public access. We must look abroad at what is happening to ensure our ancient rights are protected. The procedure is a simple one. Dún Laoghaire-Rathdown County Council, in the course of its last development plan, obtained all-party consensus to a list of rights of way. The list was included in the draft plan—

**Mr. B. O'Keefe:** Is the Deputy arguing against himself now and saying the rights exist under the current development plan?

**Mr. Gogarty:** It is the exception that proves the rule.

**Mr. Cuffe:** I am simply suggesting that—

**Mr. B. O'Keefe:** The Deputy is saying that such a right is included in the development plan.

**Mr. Gormley:** The Minister of State should not interrupt.

**Mr. Boyle:** Other county councils can choose not to do it, and are not doing it.

**Acting Chairman (Dr. Cowley):** The Minister of State should allow Deputy Cuffe to speak.

**Mr. Cuffe:** I thank the Chair for defending my right to speak. While Dún Laoghaire-Rathdown County Council included the list in a discretionary manner, the majority of county councils are not bothering to do so because it is not a mandatory provision of their development plans. You know that well, Minister of State. How dare you suggest that all councils would politely follow the lead of Dún Laoghaire-Rathdown County Council.

**Acting Chairman:** Deputy Cuffe should address his remarks through the Chair.

**Mr. Cuffe:** The rights of way are listed in the draft plan, landowners' concerns are considered by the manager and are either dropped, amended or curtailed. The revised list is then agreed by the council and an advertisement is placed in the newspapers. It is then up to the council to approve the list. This is not rocket science; it can be done. We are simply stating that enactment of this Bill would ensure it is done, which is a long way away from the point of view of the Minister of State.

The Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, and the Minister for the Environment, Heritage and Local Government, Deputy Roche, asked what would happen if a right of way was left out. One can state that the list is not a complete list, thereby ensuring other rights of way could be included. I do not see any particular problem arising. Mention was made that all the planning legislation had recently been reviewed and the question was asked why we should go back to review a small part of it. The Government filleted the heart out of the social and affordable legislation a mere two years after it was passed. How dare the Minister of State suggest we should not amend the Planning and Development Act 2000 which he states is perfect. The Government plucked the guts out of social and affordable housing and left Minister of State, Deputy Noel Ahern, trying to defend a miserly 300 social housing completions out of 70,000 private houses built last year.

**Mr. B. O'Keefe:** I will talk to the Deputy after the budget.

**Mr. Cuffe:** How dare the Minister of State suggest that we should not tamper with an Act that looks so great.

**Mr. Boyle:** *Mañana* fever again.

*(Interruptions).*

**Acting Chairman:** Deputies should not mention the names of people outside the House.

**Mr. B. O'Keefe:** Do not be so provocative. I am in fear and trepidation in my seat.

**Mr. Sargent:** Gabhaim buíochas as mo chomhghleacaí, an Teachta Gogarty, urlabharaí turasóireachta, as an Bhille seo a ullmhú agus a chur os ár gcomhair, agus leis na Teachtaí Glasa eile a labhair go láidir ar a shon. Gabhaim

buíochas fosta leis na Teachtaí neamhspleácha, Sinn Féin, Páirtí an Lucht Oibre agus Fine Gael a thug tacaíocht don Bhille seo.

This is a Bill, as the Minister of State knows, which deals only with rights of way and not with mass paths, green roads or private access routes. When living in Cork, I had to pass through a farmer's yard to get to my house, even though it was not a public right of way. It is important we do not try to confuse the issue which is, as Deputy Deenihan said, only about a relatively small number of routes. It is important to at least clarify that much in law.

I am surprised there is no Progressive Democrats Member in the House. The *status quo* victimises farmers, landowners and walkers in that the uncertainty surrounding basic issues of rights of way does nothing other than excite and interest ruthless speculators who can then purchase the land, have it rezoned and then privatise the route to the particular amenity and profit hugely on the back of legal clarity. Perhaps the Progressive Democrats Members did not contribute to the debate because they want the *status quo*. Who knows?

We need to thank the Keep Ireland Open group for its initiative, the Mountaineering Council of Ireland for its work and all the walking groups such as the Fingal Walking Club in my constituency, the landowners, the ICMSA and IFA who have given advice on this Bill. It is important to recognise that this Bill has come about through consultation.

Aithnítear go bhfuil traidisiúin tuisceanach i measc formhór úinéirí talúin a thugann cead do agus a chuireann fáilte roimh shiúlóirí, ach tá an cairdeas sin faoi bhagairt ag cúpla úinéir talúin atá inmíoch faoi shiúlóirí toisc cúpla siúlóir a thugann droch-chlú ar shiúlóirí eile, agus ag an titim mhór i líon na siúlóirí. As my colleague, Deputy Gogarty, said last night, walking is an important but declining part of our tourism industry. According to Fáilte Ireland, approximately 320,000 overseas walkers visited Ireland in 1993 but, by 2002, 100,000 of them had been lost to us and it is possible they will never return. Last year,

50,000 fewer walkers visited Ireland, representing a 23% decline in 12 months. Given the remaining sectors of the tourism industry are only holding up following the atrocities of 11 September 2001, why is Ireland haemorrhaging walking tourists? That is a valid question. We are endeavouring to provide some clarity. Níl aon dabht má tá Comhairle na Tuaithe le réiteach tuisceanach a fhorbairt le leas siúlóirí agus úinéirí talúin gur gá freastal ar na cuairteoirí a thagann anseo, a cheannaíonn léarscáileanna agus atá ar lorg bealaí siúil.

Mention has already been made that other countries — Ireland is the exception — such as England, Wales, Scotland and others throughout Europe have legally recorded hundreds of thousands of miles of pathways on maps. The Government is running away from and ignoring this issue. One must ask what is its motivation in ignoring such a basic issue. Is gá athbhreithniú gach cúig bhliain ar phlean forbartha an chonadae mar scriosann stoirmeacha roinnt cosáin atá cois farraige. It is valid that there be reviews of development plans. This issue is not only affected by landowners but by storms which take away rights along our coast. It is important we have an opportunity to review and amend such plans. Mar a dúirt an Teachta Mildred Fox, is gá an soiléiriú. Nach fearr an soiléiriú ar léarscáil tar éis oibre an chomhairle chonadae seachas ag geataí na feirme? Much of the review is done at the farmgate which is a confrontational way. Tá doras na cúirte níos measa fós. Tuigeann go leor uinéirí talúin gur fiú fáilte a chur roimh shiúlóirí. Má tá feirmeoir gortaithe ar a thalamh, is fearr go mbeidh siúlóirí ag teacht thart air seachas é a bheith ina aonar. Aontaím leis an Aire, an Teachta Ó Cuív, gur fiú Comhairle na Tuaithe ach tá muid ag iarraidh air aontú linne gur fiú cosán dleathach agus aontaithe a chur i bplean an chonadae, mar a tharlaíonn thar lear. Níl an Comhaontas Glas amháin ar lorg reachtaíochta, tá an ICMSA ar lorg reachtaíochta, it is asking us to look at the 1994 example in New Zealand, agus tá muid ag rá go bhfuil leigheas againn ar an scéal agus nach bhfuil ag an Rialtas ach siopa cainte.

Question put.

The Dáil divided: Tá, 58; Níl, 80.

Tá

Allen, Bernard.  
Boyle, Dan.  
Breen, Pat.  
Broughan, Thomas P.  
Connaughton, Paul.  
Costello, Joe.  
Coveney, Simon.  
Crawford, Seymour.  
Crowe, Seán.  
Cuffe, Ciarán.  
Deasy, John.  
Deenihan, Jimmy.  
Durkan, Bernard J.  
English, Damien.  
Enright, Olwyn.  
Ferris, Martin.  
Gogarty, Paul.  
Gormley, John.  
Gregory, Tony.

Healy, Seamus.  
Higgins, Joe.  
Higgins, Michael D.  
Hogan, Phil.  
Kehoe, Paul.  
Kenny, Enda.  
Lynch, Kathleen.  
McCormack, Padraic.  
McGinley, Dinny.  
McGrath, Finian.  
McGrath, Paul.  
McManus, Liz.  
Mitchell, Olivia.  
Morgan, Arthur.  
Moynihan-Cronin, Breeda.  
Murphy, Gerard.  
Neville, Dan.  
Noonan, Michael.  
Ó Caoláin, Caoimhghín.

## Tá—continued

Ó Snodaigh, Aengus.  
O'Dowd, Fergus.  
O'Keeffe, Jim.  
O'Shea, Brian.  
O'Sullivan, Jan.  
Penrose, Willie.  
Perry, John.  
Rabbitte, Pat.  
Ring, Michael.  
Ryan, Eamon.

Ryan, Seán.  
Sargent, Trevor.  
Sherlock, Joe.  
Shortall, Róisín.  
Stagg, Emmet.  
Stanton, David.  
Timmins, Billy.  
Twomey, Liam.  
Upton, Mary.  
Wall, Jack.

## Níl

Ahern, Bertie.  
Ahern, Dermot.  
Ahern, Michael.  
Ahern, Noel.  
Andrews, Barry.  
Ardagh, Seán.  
Blaney, Niall.  
Brady, Johnny.  
Brady, Martin.  
Breen, James.  
Brennan, Seamus.  
Browne, John.  
Callanan, Joe.  
Callely, Ivor.  
Carey, Pat.  
Carty, John.  
Cassidy, Donie.  
Collins, Michael.  
Coughlan, Mary.  
Cregan, John.  
Cullen, Martin.  
Curran, John.  
Davern, Noel.  
de Valera, Síle.  
Dempsey, Tony.  
Dennehy, John.  
Devins, Jimmy.  
Ellis, John.  
Fahey, Frank.  
Finneran, Michael.  
Fleming, Seán.  
Fox, Mildred.  
Gallagher, Pat The Cope.  
Glennon, Jim.  
Grealish, Noel.  
Hanafin, Mary.  
Harney, Mary.  
Haughey, Seán.  
Healy-Rae, Jackie.  
Hoctor, Máire.

Jacob, Joe.  
Keaveney, Cecilia.  
Kelleher, Billy.  
Kelly, Peter.  
Killeen, Tony.  
Kitt, Tom.  
Lenihan, Brian.  
Lenihan, Conor.  
McDaid, James.  
McEllistrim, Thomas.  
McGuinness, John.  
McHugh, Paddy.  
Moloney, John.  
Moynihan, Donal.  
Moynihan, Michael.  
Mulcahy, Michael.  
Nolan, M. J.  
Ó Cuív, Éamon.  
O'Connor, Charlie.  
O'Dea, Willie.  
O'Donnell, Liz.  
O'Donoghue, John.  
O'Donovan, Denis.  
O'Flynn, Noel.  
O'Keeffe, Batt.  
O'Keeffe, Ned.  
O'Malley, Tim.  
Parlon, Tom.  
Power, Peter.  
Roche, Dick.  
Sexton, Mae.  
Smith, Brendan.  
Smith, Michael.  
Treacy, Noel.  
Wallace, Dan.  
Wallace, Mary.  
Walsh, Joe.  
Wilkinson, Ollie.  
Woods, Michael.  
Wright, G. V.

Tellers: Tá, Deputies Boyle and Stagg; Níl, Deputies Kitt and Kelleher.

Question declared lost.

*Sitting suspended at 1.45 p.m. and resumed at 2.30 p.m.*

### Ceisteanna — Questions (Resumed).

#### Priority Questions.

#### Tourism Industry.

56. **Mr. Deenihan** asked the Minister for Arts, Sport and Tourism the actions he intends to take

to restore the competitiveness of tourism here; and if he will make a statement on the matter. [31546/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** There is widespread agreement that the main challenge for our tourism industry is to restore the competitiveness that Ireland enjoyed in the boom years of the 1990s. I have outlined clearly on more than a few occasions my views that it must be addressed in a number of ways: first, through a concerted focus by the industry on improving its capability and performance in areas such as quality assurance, productivity enhancement, cost and yield management, use of new information and communication

technologies and adoption of best human resource practices — Fáilte Ireland is working to support the industry in this regard; second, through attractive price and discount offers, imaginatively packaged and marketed to the customer, of which there are many recent examples; and, third, with the Government facilitating the development of the tourism industry through a range of macro-economic and other policies that will enhance the business environment for the sector, in particular, by improving competition and moderating taxes and charges for public services.

Competitiveness is a function of the overall Irish tourism experience for customers relative to other competing locations. As I indicated previously, my contribution towards the restoration of competitiveness is to see a coherent tourism action plan implemented effectively in co-operation with all the major players. To this end, I have established a high level implementation group to advise and assist in driving forward and monitoring the comprehensive action plan set out in the report of the tourism review group. I received the first progress report from the implementation group at the end of August. Few people involved in the industry were surprised to learn that the group found that strong areas of concern remain in relation to the competitiveness and value for money available in wide segments of Irish tourism.

On 17 November last, at my invitation, the implementation group organised the first annual forum of the tourism industry, one of the recommendations arising from the New Horizons report. The purpose of the forum was to report to the industry on progress to date on the implementation of the new tourism strategy and to consider developments in the tourism sector. It also provided representatives of the industry with the opportunity to advise the implementation group and the Government of its views on the current status of the industry.

One of the key outcomes of the forum was the reaffirmation that, collectively, we must get the industry back on a sustained course of renewed growth to achieve the ambitious targets that have been set by the review group. I understand the level of debate and participation in the working groups was excellent and I believe there is a renewed confidence and commitment to take the steps necessary to further develop the sector and to address the challenges that lie ahead.

**Mr. Deenihan:** To date in 2004, we have seen an increase of just 2.8% in tourist numbers — the expected increase was approximately 4% to 5% — and tourist numbers are expected to double by 2011, but there must be something wrong if the number of tourists coming here from the United Kingdom is down 7% over the September figures for 2003. It is not only those in the tourism industry who must become competitive. The tourism industry generally is very competitive but the Government, through its indirect and stealth

taxes, is forcing up prices and making Ireland less competitive. For example, Ireland has the second highest VAT rate on accommodation in the eurozone, at 13.5%. It has the second highest VAT rate on meals in the eurozone. Excise duty on wine is the highest in the eurozone and excise duty on sparkling wine is the highest in the world. We have the second highest beer excise duty in Europe behind Finland and it is approximately ten times the Spanish level. Stealth taxes, such as ESB charges and other energy costs, have increased by approximately 30% in the past four years. Because of the underfunding of local authorities, those in the tourism industry also have to pay high commercial rates, water and refuse charges.

Will the Minister agree that the reasons for upward pressure on pricing in the tourism industry are mainly Government taxes and Government inaction in this area? I accept the Minister has done his bit by setting up the tourism review group but he must admit that the reason for the upward spiral in prices and the lack of competitiveness is our taxation system as it applies to the tourism industry.

**Mr. O'Donoghue:** As I said, it is the function of everybody to tackle the competitiveness issue and it is not today or yesterday that I highlighted the need for our industry to give value for money. I am pleased that the industry has responded in several respects. Among the main contributors to inflation in the past five years have been restaurants and pubs, alcohol and tobacco, recreation and culture, and food and non-alcoholic beverages. The average price of Irish goods and services has increased well beyond the increases experienced by our trading partners. Value for money for overseas holiday visitors in terms of satisfaction has declined by approximately 22% over three years. This is due, primarily, to sharp drops in British and North American perceptions.

What should be stressed in response to Deputy Deenihan's charges against the Government is that we have a relatively high wage, low tax economy in terms of income tax. There is a difficulty with the value of the euro against the dollar and sterling. The US dollar has declined against the euro and, in tandem, the euro has strengthened against both sterling and the dollar over the same period.

We did not experience the growth we targeted for the year in the order of 4%. However, in a year when, internationally, experiences were not great in the industry, it is heartening that our share of the market increased by 2% plus. Increased access from the Continent and, it is hoped, the United States of America, will drive the figures upwards. That is something which, as the Deputy is aware, the Government is examining carefully. In that context, the decision by Ryanair to add nine routes from Shannon is particularly welcome and I look forward to improving access from the United States of

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America to further improve the figures. I believe we will achieve the target of increasing the number of visitors between now and 2012 from 6.1 million to 10 million.

### **Football Association of Ireland.**

57. **Mr. Wall** asked the Minister for Arts, Sport and Tourism the discussions he is engaged in with the Football Association of Ireland regarding its future and the appointment of a chief executive; if funding from the Government is in jeopardy as a result of the difficulties in the organisation; and if he will make a statement on the matter.

[31548/04]

**Mr. O'Donoghue:** I met officials of the Football Association of Ireland on 3 November 2004 arising from the recent developments within the FAI which resulted in the departure of the chief executive officer of the association. I have had no further meetings with the FAI since then.

At the meeting, I reiterated to the FAI officials in attendance that the Government looks to the association to become a dependable, effective and efficient organisation capable of accepting and discharging its responsibilities in regard to projects to which the Government has committed substantial support from public funds. These include the redevelopment of Lansdowne Road stadium, the development of a sports campus at Abbotstown, funding under the sports capital programme for soccer clubs at national, regional and local levels and the funding provided to the association by the Irish Sports Council.

I fully support the delivery of the reform agenda mapped out in the Genesis report and I have indicated to the FAI that the positions of chief executive and director of finance should be publicly advertised by the end of this year and that the terms of reference for both these posts be agreed beforehand by the joint Sports Council and the FAI group which oversees the implementation of the Genesis report. I welcome the confirmation by the FAI that it intends to advertise these positions by the end of the year.

No direct funding is made available by my Department to the FAI. Funding is provided, however, under my Department's sport capital programme to clubs affiliated to the FAI towards the development of soccer facilities, and this arrangement will continue.

The Irish Sports Council provides funding in respect of programme costs and I understand that already this year an amount of €1.5 million has been paid out in respect of the implementation of the technical development plan of the FAI. The Irish Sports Council has indicated that an amount of €300,000, which was set aside for the implementation of the Genesis recommendations, will not be paid, while the Irish Sports Council will decide at its meeting on 21 December next whether to pay an outstanding balance of €200,000 in respect of the technical development plan.

I look forward to working closely with the FAI in the continued development of the game of soccer, particularly in the many infrastructural projects which are being developed and which it is hoped will have a major positive impact on Irish soccer.

**Mr. Wall:** The Minister will agree we should be discussing the development of soccer and its benefits to our youth, not the administrative side of the game. However, it must be ensured a proper administrative structure will be in place. Has the Minister received feedback from his representative on the FAI-Irish Sports Council liaison committee regarding the date on which the advertisements for the two positions will be placed or is it still up in the air?

I worry when statements are made that funding such as the €200,000 due to the FAI in this instance could be withheld. Who will lose out? The funding is for technical development. Therefore, it will be used to increase staff numbers and train young people in schools. They will lose out rather than the FAI. Perhaps the Minister will correct my interpretation of technical development.

I agree the Genesis report must be implemented and that we must get away from discussing administration and officials to discuss development of the game. However, we must not reach a point where money is withheld from a sector in which youngsters can better themselves. What is the Minister's feeling on this? Has he had feedback from the Irish Sports Council regarding this funding? Will the money be allocated, given that the two positions will be advertised, according to the FAI president, Milo Corcoran?

**Mr. O'Donoghue:** With regard to the Deputy's first question, I received a letter from the president of the FAI to the effect that the two positions of chief executive officer and financial director would be advertised in accordance with the Government's wishes by year end. I accept that letter in good faith and I am satisfied the FAI will advertise both positions before year end.

With regard to the funding withheld by the Irish Sports Council, €300,000 related to the implementation of the Genesis report while €200,000 related to implementation of the technical development plan. The council made that decision because it is concerned, as am I, that the Genesis report should be implemented at the earliest date. The report has been available for a considerable period and it is time to move to implement it.

The joint Irish Sports Council-FAI liaison group will meet next Monday, 6 December. It will finalise the arrangements for the advertisement of the posts within the timeframe set by the Government. The group must also put in place the necessary arrangements for conducting the selection process, for example, identifying a recruitment agency and the members of the selection committee. I will be available to meet the

FAI following the meeting of the liaison group, should such a meeting be deemed necessary.

No direct funding is made available by my Department to the FAI but funding is channelled by my Department through other sources, including the Irish Sports Council and the sports capital programme. The council is responsible for the funding of the FAI in respect of programme activities and set aside €2 million this year for distribution to it, of which €1.5 million has been paid in respect of the organisation's technical development plan. The balance comprises €300,000 for implementation of the Genesis report recommendations. The council has indicated that payment of this amount was suspended. The question of the balance of €200,000 will be considered at its next meeting on 21 December.

### National Theatre.

58. **Mr. Deenihan** asked the Minister for Arts, Sport and Tourism if the Office of Public Works has recommended a site for the new national theatre; and if an announcement will be made by the Government before the end of 2004 on the new location. [31547/04]

**Mr. O'Donoghue:** I have given a commitment that the Government will specify its choice of location for the development of the Abbey Theatre before the end of the theatre's centenary year. I expect to honour this commitment. The Office of Public Works has completed its evaluation of potentially suitable city centre locations and indicated its preferred option. I intend to convey the OPW recommendation to the Cabinet in the next week or so, following which I will make an announcement. Out of courtesy to my Cabinet colleagues, the Deputy will understand I cannot comment further on this issue in advance of a Government decision.

**Mr. Deenihan:** I welcome the Minister's historic and important announcement. I acknowledge that he made a commitment in this regard following Opposition pressure and stuck to it. It is fitting that the announcement should be made in the Abbey Theatre's centenary year. There is no better way to celebrate its centenary than by making the announcement on its new location. I hope the Coláiste Mhuire site will be selected because it is suitable. The Dublin Writers Museum and the Hugh Lane Art Gallery are located in Parnell Square and the Gate Theatre is nearby. There would be a synergy between both the visual and the performing arts and it would be a good location.

I also acknowledge the Minister's allocation of €2 million to the Abbey Theatre which has run into debt. That is also good news for it because it did not generate the amount it had hoped through sponsorship. Given that the Minister will shortly make a recommendation on the site to the Cabinet, will he give a commitment that work on the project will commence in 2005 or 2006? If it cannot, when does the Minister expect it to com-

mence and be completed? In the meantime, will the theatre be kept open to continue the Abbey's current programme?

**Mr. O'Donoghue:** The Abbey will be kept open pending completion of work on a new theatre. We are at the point of selecting the site for the new national theatre and I expect to be in a position to go to the Government within the next week or so to obtain its decision which I have promised will be conveyed to the Abbey Theatre board and the public before the end of the year, given that this is the centenary of the theatre. I acknowledge the support of Deputies Deenihan and Wall and other Opposition Deputies for the construction of a new theatre.

Despite the fact that this is one of the most creative and imaginative generations of Irish people, there is no signature building giving expression to that creativity and imagination. Therefore, the new theatre is of pivotal importance, not just in terms of the continuation of the Abbey but of giving expression through public architecture of that creativity and imagination to realise the ambition of providing the people with a new national theatre. This is something which has general support and I look forward to the Government's decision.

I am not in a position to state when building work might commence. However, I hope to make the announcement on the site prior to the end of the year in order to mark the centenary of the Abbey and as a matter of necessity. I hope we can then progress the construction of the new theatre at the earliest possible opportunity. I will not be found wanting in that regard.

**Mr. Deenihan:** Will provision be made in the budget or has it already been made in the Estimates to provide funding for the new theatre and allow the preparatory work to commence?

**Mr. O'Donoghue:** No funding has been provided in the Estimates for 2005 for the construction of a new theatre. Obviously, it is something which will require much planning. I would be astounded if the Minister for Finance, Deputy Cowen, was to surprise me this afternoon in the budget.

**Mr. Deenihan:** Is there funding for design work and so on?

### Other Questions.

**An Leas-Cheann Comhairle:** I remind the House that supplementary questions are limited to one minute as are the replies.

### Tourism Promotion.

59. **Mr. Gogarty** asked the Minister for Arts, Sport and Tourism his views on the decline of walking tourism since the 1990s and the fact that Wales, a smaller region, caters for almost seven times as many walking tourists. [31440/04]



89. **Mr. Stanton** asked the Minister for Arts, Sport and Tourism if he is concerned at the decline in the number of tourists travelling here for the purpose of engaging in hill walking; and if he will make a statement on the matter. [31475/04]

**Mr. O'Donoghue:** I propose to take Questions Nos. 59 and 89 together.

The marketing and promotion of niche tourism products such as walking and other holiday activities is carried out by the tourism State agencies, not my Department. Fáilte Ireland has legislative responsibility for supporting the tourism industry in the areas of product development and niche-specialist product marketing, while Tourism Ireland markets the island of Ireland overseas. Fáilte Ireland formulates marketing and promotion campaigns for niche tourism products which Tourism Ireland delivers overseas.

Fáilte Ireland recently published its detailed analysis of the data on the activities in which overseas visitors engaged while in Ireland in 2003. It confirms the downward trend in activity based visits, including walking holidays, evident in recent years. The fact sheets are available on Fáilte Ireland's corporate website, [www.failteireland.ie](http://www.failteireland.ie).

To halt the downward trend requires concerted and complementary actions by the State tourism agencies and a range of stakeholders. The product providers must ensure they know what their consumers want, how their behaviour is changing and that they are in a position to meet changing needs. An environment of evolving consumer choices and needs is here to stay and the Irish tourism industry needs to take cognisance of this.

The changing nature of the British market which provides nearly 60% of our overseas visitors and which was particularly significant for various activity segments presents a particular challenge. Some of the relevant issues are: the preference for shorter, city breaks; the fact that the number of bed nights by British visitors outside Dublin is down significantly; the drop in the own-car segment, making visitors less mobile and more bound to the area around the point of arrival; and the perception of the quality of some of the product offerings.

Tourism Ireland, in conjunction with the industry, has undertaken a major review of the British market with a view to identifying the reasons for the changes in consumer behaviour and the responses needed by the tourism industry to address them and grow this market. I regard the British market as of pivotal importance. It represents approximately 4.75 million of our visitors every year. Therefore, this study is of immense importance.

I understand the first phase of the Tourism Ireland research has been completed and that phase two, currently under way, is the largest qualitative research exercise ever undertaken by a tourism agency of the British consumer. Informed by the results of the research, tangible and relevant responses to shifting demand pat-

terns and other challenges being presented by the British market are being and will continue to be developed by Tourism Ireland with its partners in the tourism industry.

Some of the emerging issues and priorities will be outlined by Tourism Ireland in its marketing strategy and plans for 2005 to be presented to the industry early this month. The increased funding of 14% that I secured in the recent Estimates, to bring the tourism marketing fund to almost €35.8 million in 2005, will allow Tourism Ireland to step forward confidently with its plans to reshape and reinvestigate its marketing and advertising campaigns in the British and other key markets.

The Minister for Community, Rural and Gaeltacht Affairs is, via Comhairle na Tuaithe, addressing various issues around access to the countryside. In addition, a Supreme Court ruling is also awaited on the question of the liability of landowners. It may well be that progress on the access issue will have to await the outcome of that crucial judgement.

There is a lot of focus on the access issue, which is understandable, but it would be wrong to think access is the only issue. Even if we had no problems with access — I believe we exaggerate the extent of the problem — we would still have major challenges in the walking and other activity segments. To address the wider challenges, Fáilte Ireland has undertaken a series of case studies on key tourism products some of which should be available early in the new year.

**Mr. Gogarty:** I noted that the Minister was present to vote on the Bill I brought forward in the House yesterday. I hope some of the suggestions made by the Opposition in that debate will be taken on board. What is the Minister's opinion on why the number of overseas visitors who came here on walking holidays declined from approximately 320,000 in 1993 to 170,000 in 2003? Has he any valid reason for this when in the face of the events of 11 September 2001 the rest of the tourism figures held up well? What leadership role will he take in this regard?

Given that the Minister holds the record for passing and refusing questions via the Arts Council, the Irish Sports Council or Fáilte Ireland, what leadership role will he play in the light of the Bill that was defeated and of the reality that walking in Ireland is seen as a no-go area among tourism specialists throughout Europe? All the walking magazines in the United Kingdom and elsewhere in Europe advise people to get out of Ireland and go to Scotland and Wales. What is the Minister going to do to address this imbalance in the next five years? Will he, for example, set up a task force separate from Comhairle na Tuaithe to designate new areas for walking, such as County Monaghan, and make Ireland a welcoming, inviting place once again?

**Mr. O'Donoghue:** I do not believe there is any one reason for the decline in walking holidays in Ireland. I am not so sure that comparisons with

Wales are valid because Wales is part of Britain to which people can drive. The bulk of the Welsh walking business is domestically driven, mainly from England which has a population of just under 50 million.

In Ireland the level of domestic participation in walking last year totalled 235,000 while the number of overseas visitors came to 168,000. After historical and cultural activities, walking remains the largest niche area. There is no doubt that access to the countryside presents a difficulty. The Donegal case in which judgment has been reserved by the Supreme Court will prove pivotal in addressing the problem.

The British Government introduced very demanding legislation in regard to legal rights of access for walking activities across Britain. Having looked at the situation, I am strongly of the view that because of the rights to private property in the Constitution, such legislation would not survive constitutional challenge here and that represents a real difficulty. I do not say access is the only problem, but it is certainly one of the problems with which we are faced. Until such time as that is resolved, it is difficult for us to market walking holidays in Ireland in the manner in which we would like.

I compliment my colleague, the Minister, Deputy Ó Cuív, for setting up the countryside recreation council, Comhairle na Tuaithe, in January last year. It has established three working groups which are examining the contentious issue of access, but no further progress can be made pending the decision of the Supreme Court appeal in the Donegal case where, as Deputy Gogarty is probably aware, a landowner was held to be 75% negligent in regard to injuries sustained by a walker.

It is the function of Tourism Ireland to market the island of Ireland, including physical activities, on the international stage. Fáilte Ireland, which has responsibility in this jurisdiction, also has a great interest in that. I hope we will be able to make further progress on this important issue following the delivery of the reserve judgment in the Donegal case. We will then be in a position to review the situation with a more optimistic outlook.

**Mr. Deenihan:** I am sure the Minister is aware that more walkers came to Ireland last year than golfers. Some 133,000 golfers came here in 2003 whereas 168,000 walkers came. People do not realise that walking is a great deal more valuable to Ireland than golf. The multiplier is also large. Does the Minister agree that of all leisure activities, walking makes the greatest impact in the regions and rural Ireland? Some 96% of walkers go to rural areas, including the peninsulas of County Kerry, where the Minister and I come from. Tourism numbers have gone down considerably in the regions.

In view of the importance of walking to tourism, should action not be urgently taken by Tour-

ism Ireland, Fáilte Ireland and the Department? As Deputy Gogarty pointed out, the number of walkers has declined from 325,000 in 1993 to 168,000 last year. This must give rise to concern.

**Mr. O'Donoghue:** We are concerned at the decline in the number of people coming here on walking holidays. I explained that walking holidays are very much dependent, although not exclusively, on British holidaymakers. I also explained how Fáilte Ireland is engaged in one of the most comprehensive examinations of attitudes among British visitors ever undertaken by any tourism agency with a view to improving business from Britain, which, in turn, and as a matter of consequence would also improve the number of people coming here on walking holidays from Britain. This is something we treat very seriously.

At a time when farming is in decline, rural tourism has become far more important and the focus on rural tourism will become ever greater. That is why I am inclined to ask landowners to carefully reflect on this in terms of excluding people from their lands. I understand why there would be a certain amount of concern among landowners in regard to negligence actions and so on, but I have stated that we expect the Supreme Court to deliver its judgment in the Donegal case relatively soon whereupon matters should become clearer.

In the meantime, the tourism industry remains our best bet in terms of regionalisation. It does not require a deliberate act of decentralisation and in that respect it is important that the best welcome which can be extended is extended to visitors to rural areas who seek to go hill walking.

#### **Sport and Recreational Development.**

60. **Ms B. Moynihan-Cronin** asked the Minister for Arts, Sport and Tourism the number of race courses which are totally or partly in private ownership with regard to funding for race courses recently announced by him under the capital development fund; and if he will make a statement on the matter. [31423/04]

**Mr. O'Donoghue:** Horse Racing Ireland, HRI, was established as the statutory body with responsibility for the horseracing industry under the Horse and Greyhound Racing Act 2001. The general functions of HRI, as outlined in the Irish Horseracing Industry Act 1994, as amended by the Horse and Greyhound Racing Act 2001, include the development and promotion of the Irish horseracing industry, including the development of authorised race courses and the making of grants, loans and other disbursements to authorised race courses.

HRI receives a guaranteed level of funding from the horse and greyhound racing fund which is based on accrued excise duty on off-course betting, subject to a minimum level based on the 2000 level adjusted for inflation. Any shortfall in the amount generated by excise duty is made up

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by direct Exchequer subvention. The Government has decided to increase the limits of the horse and greyhound racing fund to €550 million to continue the fund for a further four years to 2008. By the end of 2004, Horse Racing Ireland will have received €206.4 million from the fund.

The new race course capital development fund that HRI has put in place provides a matching funding scheme for Irish race courses to substantially upgrade their facilities over the next five years. The total investment by race courses and HRI combined will be almost €200 million over the period. HRI will provide up to €110 million of the money in grant aid and the race courses will finance the balance from their own resources.

There are 25 race courses in operation in the State, of which 23 are totally or partly in private ownership. At present, the HRI owns Leopardstown and Navan, as well as holding a 78% share in Tipperary and owning the lands at Cork race course. HRI is in the process of acquiring a 50% share in Punchestown.

HRI proposes to allocate 55% grant aid to any privately owned race course which can contribute the remaining 45% towards the cost of any capital development undertaken. All projects will be thoroughly evaluated by HRI prior to the allocation of grant aid and the appropriate security will be taken by HRI over those race course lands and assets.

**Mr. Wall:** It was reported in the media and elsewhere that an all-weather track could be sited at Abbotstown. I assume this race course would come under the auspices of Horse Racing Ireland. As so many courses are privately owned, does the Minister consider it would be to the advantage of Horse Racing Ireland to acquire a controlling interest in more race courses than it has at present? Why was it decided to invest in Punchestown as opposed to any other privately owned race course? In future, is it intended that Horse Racing Ireland will take a controlling interest in more race courses?

Are we any closer to a decision on the location of an all-weather track and will it be located at Abbotstown or Dundalk? Has the position advanced further than what the Minister stated during Question Time on the last occasion?

**Mr. O'Donoghue:** If Deputy Wall will excuse the terminology, at this point Abbotstown is a non-runner. We are examining the question of whether Dundalk will be in a position to proceed with the all-weather track. HRI has made clear at this stage that it is in favour of an all-weather track, as am I. In Horse Racing Ireland's strategy statement, having an all-weather track in the country is one of the set objectives. Dundalk is in all probability the most suitable location for an all-weather track for a number of reasons, not least of which is that the course appears to be suitable for it in terms of length and has the added advantage that a greyhound racing facility

is already in place. Moreover, its proximity to the North of Ireland is of importance because more than a few punters of consequence happen to live there.

That aside, Horse Racing Ireland is willing to put up 55% of the cost of an all-weather track. However, it does not believe that the specifications that were pursued in the case of Dundalk would be adequate and has suggested that such a development would cost €18 million to €20 million. In that context, it has sought confirmation from the Dundalk executive that it would be in a position to put up €8 million with HRI putting up the remainder.

Deputy Wall asked about the position on Punchestown, in regard to which he knows there were difficulties in recent years. These are being resolved. One of the principle reasons HRI would be interested in acquiring a significant shareholding in Punchestown is that it is one of our flagship tracks. To many people, it is the Cheltenham of Ireland, particularly to followers of national hunt racing. It is desirable for HRI to pursue the acquiring of interests in the remainder of the racecourses. However, realistically it is constrained by the amount of capital available to it as well as the reluctance of owners of privately-owned tracks to sell. In that connection, it would be remiss if I did not acknowledge the contribution and interest which has always been shown by the private owners of such courses.

#### National Conference Centre.

61. **Mr. P. Breen** asked the Minister for Arts, Sport and Tourism if invitations to tender have been issued to the three pre-qualified candidates for the national conference centre; when it is expected that an announcement will be made on the successful bidder; and if he will make a statement on the matter. [31451/04]

90. **Mr. Boyle** asked the Minister for Arts, Sport and Tourism whether administrative practices within his Department are impacting on the development of a national conference centre; and if he will make a statement on the matter. [29977/04]

99. **Ms Lynch** asked the Minister for Arts, Sport and Tourism if he would provide an update on the provision of a new national conference centre; the number of interested parties at this stage; the likely timescale for the project at this stage; and if he will make a statement on the matter. [31434/04]

**Mr. O'Donoghue:** I propose to take Questions Nos. 61, 90 and 99 together.

On 7 July last, I announced that three of the four candidates who had submitted expressions of interest in the provision of a national conference centre in the Dublin area had been short-listed to proceed to the next stage of the competition. As required, each short-listed consortium proposed an acceptable site in the Dublin area.

As I have explained to the House in response to similar questions, most recently on 20 October last, the Government decided that procurement of the national conference centre should be in the form of a public private partnership. The procedures involved are complex and are set out in the Department of Finance's interim guidelines for the provision of infrastructure and capital investments through public private partnerships but are designed to ensure a transparent process. The key elements, such as the determination of public sector benchmark, an affordability cap and an economic evaluation of the project, are largely in place. The preparation of detailed project contract documentation has been very demanding and time-consuming but this is also close to completion.

Subject to final consideration of these matters by the NCC steering group next week, the Office of Public Works, which is managing the procurement process, expects to be in a position to issue invitations to tender to the three pre-qualified candidates on 10 December next. Assuming this is the case and allowing several months for engagement with the selected tenders, it is to be hoped that a preferred bidder could be selected by mid-2005.

As I have said before, my personal priority and that of the Government is to have this project brought to a conclusion at the earliest possible date while ensuring that the relevant procedures and guidelines pertaining to the process are closely observed and that nothing is done that might jeopardise its successful conclusion.

**An Leas-Cheann Comhairle:** I call Deputy Deenihan.

**Mr. Gogarty:** On a point of order, the question was from a member of the Technical Group, therefore, a member of that group should have priority.

**An Leas-Cheann Comhairle:** The first question here is Question No. 61, which is in the name of Deputy Deenihan.

**Mr. Deenihan:** Given that international business tourism is worth approximately €40 billion and that every city in Europe now has a dedicated conference centre and Barcelona, for example, has four, will the Minister ensure there are no further delays in processing the contract documents and moving this project to tender?

I also understand that Fáilte Ireland has established a business unit to attract business tourism into Ireland and is therefore ready at this stage. I welcome the progress which has been made but it is important that further progress is made as soon as possible following the receipt of the contract documents when they are returned. It may not be the responsibility of the Minister, but I ask him to make representations to the Minister for Finance to allow the VAT paid on business tourism to be refunded. It is a major issue which was

raised by the Irish Hotels Federation before this budget. If the Minister for Finance will not deliver in this budget, I would appreciate it if the Minister made strong representations to him to consider it in the Finance Bill or the next budget.

**Mr. O'Donoghue:** It is my intention to try to ensure that the saga of the national conference centre is brought to a close. There have been many unsuccessful efforts over 20 years to deliver a national conference centre in Ireland and, on this occasion, I am determined that we will be successful. As Deputy Deenihan stated, it is of considerable importance that we succeed. There is no doubt that conference business would increase substantially and some estimates put the gain to the economy, in particular in the Dublin area, at between €30 million and €50 million. This is the estimated yield from a conference centre with a capacity of 2,000 people.

I have written to the Minister for Finance, outlining my views on the IHF's recommendations in its budget submission, including its views on business tourism. I welcome the establishment of the business tourism group as it can only be beneficial. I greatly look forward to the next stage of improving business tourism in Dublin.

**Mr. Gogarty:** Given the strategic importance of establishing this long-awaited national conference centre, has the Cabinet discussed any measures in regard to public transport as part of the tendering process? If the public private partnership route is being followed, the Minister will acknowledge that promises of a Luas in five years' time are insufficient and that if one wants a national conference which will allow overseas business visitors to access it easily without being clogged up in the M50 ring road, it is important to ensure that the location of such a conference centre is close to all forms of public transport, whether they are bus and taxi lanes or a rail link of some description. Will this issue form part of the questions which will be asked of those companies? We know about the EU aspects of the tendering process, but will any questions be asked about whether the concerns involved will be able to guarantee that incoming business people will be able to get from A to B? The N7 is in total gridlock. We do not want business people to get a bad impression of Ireland because a conference centre is built in the suburbs where there is no transport access.

**Mr. O'Donoghue:** I feel sure that the assessment panel will take all relevant factors into account, including the question of its strategic location of the site. However, Deputy Gogarty will appreciate that it is of immense importance that the Government maintains an arm's length principle in terms of the selection process. Therefore, I will leave it to the good sense of those involved to ensure that the site which is chosen is suitable in as many respects as possible.

### Ministerial Appointments.

62. **Mr. Howlin** asked the Minister for Arts, Sport and Tourism if progress has been made in filling the position of Chief Herald of Ireland; and if he will make a statement on the matter. [31435/04]

**Mr. O'Donoghue:** Sections 12 and 13 of the National Cultural Institutions Act 1997 deal with the responsibility of the board of the National Library of Ireland for genealogy and heraldry and for the appointment of a chief herald. It is my intention to bring into effect the provisions of the 1997 Act giving the autonomy to the National Library as soon as discussions between officials at my Department, the Department of Finance and staff of the museum, now nearing finality, are brought to a conclusion. I expect to move on this over the next few weeks. I am satisfied that the best course is to await the appointment of the new board of the National Library and allow it to appoint a chief herald as it is required to do under the Act.

### National Theatre.

63. **Mr. Murphy** asked the Minister for Arts, Sport and Tourism his views on the sites that are being considered for the location of a new national theatre building; and if he will make a statement on the matter. [31473/04]

82. **Mr. Coveney** asked the Minister for Arts, Sport and Tourism if, in the event of a new site for the national theatre being chosen, a decision has been made with regard to the use of the current building on Abbey Street; and if he will make a statement on the matter. [31472/04]

94. **Mr. J. O'Keefe** asked the Minister for Arts, Sport and Tourism if a decision will be made on the development of a new national theatre building in 2004; and if he will make a statement on the matter. [31471/04]

98. **Mr. Sherlock** asked the Minister for Arts, Sport and Tourism the position regarding the relocation of the Abbey Theatre; when he will make a decision on the matter; the timescale involved as he foresees it; and if he will make a statement on the matter. [31426/04]

**Mr. O'Donoghue:** I propose to take Questions Nos. 63, 82, 94 and 98 together.

I refer the Deputies to my reply to Question No. 58 earlier this afternoon.

**Mr. Deenihan:** We had a lengthy debate on this issue earlier. Will a public announcement be made on 10 December after the Minister takes the matter to Cabinet?

**Mr. O'Donoghue:** Clearly, that is dependent on the Government reaching a decision on that date. The announcement will be made, if possible, this year. That is what I promised.

### Swimming Pool Projects.

64. **Mr. Gogarty** asked the Minister for Arts, Sport and Tourism the plans there are to provide a swimming pool for the Lucan area following the increase in budget for swimming pools in the Estimates for 2005. [31441/04]

**Mr. O'Donoghue:** There are 55 projects that have been or are being dealt with in the current phase of the local authority swimming pool programme which closed to applicants on 31 July 2000. Thus far, 14 projects have been completed, a further eight are under construction and 33 more are at various stages of the preparatory process. The current programme does not include the provision of a swimming pool in Lucan as South Dublin County Council, which at that time proposed to provide a pool in Lucan on the basis of a public private partnership arrangement, did not submit an application by the closing date.

Although the local authority swimming pool programme remains closed, an expenditure review of the programme, which will assist in the formulation of policy for future programmes, is under way. This review is examining, among other things, how the programme has worked to date, the benefits which have accrued to the areas where pools have been built through the existing programme and what amendments, if any, are required to ensure the effective and efficient delivery of the programme. The potential contribution of options such as private sector involvement in the provision of swimming pool facilities will also be evaluated. The expenditure review is scheduled to be completed during the first half of 2005.

**Mr. Gogarty:** I apologise for being somewhat parochial and constituency orientated in this question. Is the Minister aware of the reason for the lack of a swimming pool in the Lucan area? South Dublin County Council was advised by the Department of Arts, Sport and Tourism that it could not make a submission for a public private partnership swimming pool until guidelines were published by the Department. In response to a question I tabled to the Minister about this, I was informed that, in general, swimming pools are not necessarily public private partnership concerns in the first instance. As a result of the two year delay, Lucan was late putting in an application through South Dublin County Council and it appears that it will not have a swimming pool for at least five years.

Lucan is the fastest growing town in Ireland. It has been badly planned, badly built and has no facilities. While towns such as Birr and Navan have swimming pools, Lucan is left behind. It must be made a special priority. Given the bureaucratic wrangling that took place and that a mess was made of a swimming pool application, will the Minister give a commitment to fast-track the swimming pool for Lucan in the next two or three years?

**Mr. O'Donoghue:** While the Deputy should, in my hard experience, always apologise for being general locally, he should never apologise for being local generally.

**Mr. Gogarty:** That is generally true.

**Mr. O'Donoghue:** There is no proposal for a swimming pool for Lucan with the Department at present. To set the record straight, early in 2000 South Dublin County Council wrote to the Department of Tourism, Sport and Recreation, as it was then known, about developing swimming pool projects and to advise it of its intention to evolve an overall county council water leisure strategy. In response, the Department advised the council of the expanded new local authority swimming pool programme and that under no circumstances should a local authority proceed with a PPP proposal without prior approval from the Department. A pool project for Lucan was not indicated at that time and no application was made in respect of Lucan by South Dublin County Council before 31 July 2000, which was the deadline for receipt of applications under the programme.

In 2002, in response to a query about a possible Lucan project, the Department advised that any guidelines relating to the involvement of local authorities in a public private partnership approach for the procurement of swimming pools would be finalised in the context of launching a new programme. Local authorities would be advised by the Department when the new programme would be initiated. However, no such new programme was launched. If and when such a programme is launched, Lucan will be sympathetically considered at that point.

#### **Sports Capital Programme.**

65. **Mr. Connaughton** asked the Minister for Arts, Sport and Tourism the amount allocated by his Department in national lottery funding for 2004; if he will transfer responsibility for the allocation of this funding to an independent authority; and if he will make a statement on the matter. [31466/04]

**Mr. O'Donoghue:** The national lottery funded sports capital programme, which is administered by my Department, allocates funding to sporting and community organisations at local, regional and national level throughout the country. The programme is advertised on an annual basis. Under the 2004 sports capital programme, €61 million was allocated in respect of 738 projects. An amount of €100,000 was also allocated this year towards the renovation of the accommodation at Mosney, which is used to house the participants in the national finals of the Community Games.

I have no plans to transfer responsibility for the allocation of this funding to an independent authority. The current arrangements for administering the sports capital programme, which have been

applied by successive Governments over many years, have been extremely successful in ensuring that the programme is responsive to local needs.

It is entirely appropriate that the Minister with responsibility for sport should be in a position to use this important instrument of sporting policy to achieve objectives such as supporting projects of particular local or regional significance or encouraging the development of as many sports as possible. Over the six year period, 1999 to 2004 inclusive, €323.3 million was allocated to 4,026 projects. This massive investment in the creation of a sporting infrastructure is now yielding benefits both in terms of local community developments and increased participation in sport. The scheme is administered in accordance with predetermined eligibility criteria, all of which must be satisfied before projects may access funding allocated to them.

As Minister for Arts, Sport and Tourism, I am directly accountable to Dáil Éireann for the operation of the sports capital programme. This accountability is ongoing and finds expression, for example, through parliamentary questions, adjournment debates, Estimates debates and engagement with Oireachtas committees. This is a feature which would be notably absent were the administration of the sports capital programme to be made the responsibility of an independent board.

Apart from the obvious issue of how one determines independence, experience elsewhere has shown that decisions by independent boards do not always receive universal acceptance. Where a grant scheme attracts a level of applications well in excess of available funding, as is the case with the sports capital programme, unsuccessful applicants will always experience an understandable sense of disappointment whatever the decision making process.

**Mr. Deenihan:** Would the Minister not consider the Irish Sports Council, through the local sports partnership, a more appropriate agency to allocate the national lottery funds? This method of allocation would be less political, less contentious and controversial and, perhaps, more transparent. Surely the Minister would trust the Irish Sports Council to allocate the funding on a fair basis.

**Mr. O'Donoghue:** Yes, and I sincerely hope the Irish Sports Council has trust in me. I am confident that the administration of the scheme as it exists at present is transparent and accountable. I am required to come to the House and answer questions from Deputy Deenihan and others about the administration of the fund. It is working extremely well. There has been an emphasis on areas of disadvantage, CLÁR areas and areas in RAPID regions. This is to the benefit of people who are more vulnerable and it has resulted in an increase in participation in the regions concerned.

I sincerely hope we can continue with the programme in future years and that we can build the

[Mr. O'Donoghue.]  
type of infrastructure to which most people in the country with an interest in sport aspire.

**Mr. Gogarty:** Regardless of the validity of the accusations, the Government will always be open to accusations of geographical bias in the allocation of national lottery funds. This does not reflect well on the Government, regardless of how egalitarian it attempts to be in weighing the competing demands of sports organisations. Does the Minister not agree that the local sports partnerships mentioned by Deputy Deenihan would be a fairer and more transparent vehicle for the allocation of funds, given that they are in place in a number of counties?

Were the Minister to plan over a three year period to go down the local sports partnership route, it would create an impetus to have a local sports partnership in every county. The process involving the latter has stalled in recent years.

**Mr. Wall:** How many applications have been successful in being granted funding? In a number of instances, local groups, despite the quality of their applications, have not been able to raise funding. No one could be critical of the officials in the Department who deal with this matter because they are more than helpful on all occasions. However, will the Minister consider if there are possibilities for funding for local groups with good, positive proposals that would be of benefit to their areas? Would there be a possibility, for example, of their being given more time to acquire funding? The legislation states they must have matching funding but there have been cases where local groups were caught out in that regard. As a result, many good proposals have not been proceeded with.

**Mr. O'Donoghue:** I will reply to Deputy Wall's question first. No funding can be released under the programme until the criteria have been adhered to. Unless the local funding is forthcoming, the simple truth is that the Department will not be in a position to provide matching funds. It cannot pay out anything unless all of the criteria to which the grants are subject are adhered to. Extensions are given on occasion — following representations etc. — to enable groups gather the necessary resources. If anything, the Department has been relatively liberal in that regard, particularly in entertaining representations from all Members of the House.

Deputy Gogarty suggested that we should proceed to have the money distributed through the sports partnerships. Such partnerships are in their infancy. The knowledge to be gleaned from their experience will be of considerable help in years to come. As of now, they have not spread to every county. There are 16 such partnerships. It is hoped to expand this number in the coming years to ensure there is one in every county. A closer examination of the current distribution will show a remarkably even spread, particularly if

one takes into account the length of time the programme has been in place.

#### Access to Sporting Facilities.

66. **Mr. R. Bruton** asked the Minister for Arts, Sport and Tourism if he has made contact with the GAA on the matter of opening Croke Park to a greater variety and number of sports; and if he will make a statement on the matter.  
[31469/04]

91. **Mr. O'Shea** asked the Minister for Arts, Sport and Tourism his views on recent comments (details supplied) that any decision to open up Croke Park to other sports would depend on further funding from Government; if he has had any discussions with the association in this regard; and if he will make a statement on the matter.  
[31418/04]

**Mr. O'Donoghue:** I propose to take Questions Nos. 66 and 91 together.

It has always been my position that the use of Croke Park is a matter for the GAA. Accordingly, at no stage have I sought to dictate to the association as to how it ought conduct its business. It would be counterproductive were I to attempt to do so. Nevertheless, I am encouraged by the recent statement by the president of the GAA which make it clear that it is the intention of the association to deliberate in a responsible and mature manner on the complex issues involved.

I am also pleased to confirm that the Government will before the end of the current financial year release the further payment of €40 million promised to the GAA to alleviate the debt burden associated with the redevelopment of Croke Park. It will bring the level of the Exchequer contribution for the development of Croke Park to €110 million. I reiterate that there are no side conditions relating to the opening up of Croke Park attached to this grant.

**Mr. Deenihan:** It is fascinating to hear the Minister state he would not, in any way, become involved in internal GAA matters——

**Mr. Cassidy:** Throw the ball in.

**Mr. Deenihan:** ——when he has advised the FAI on how to appoint a chief executive. Will he explain the difference between the GAA and the FAI? Are they both autonomous bodies——

**Mr. Cassidy:** There is no offside in the GAA.

**Mr. Deenihan:** ——or is the Government running the FAI? I remind Deputy Cassidy that I am addressing my comments to the Minister who appears intent on appointing the chief executive of the FAI or telling that organisation how it should proceed in that regard. At the same time, however, he has repeatedly stated in the House that he will not become involved in deciding what will happen in respect of Croke Park. There is a

contradiction in that regard. I am sure the Minister will join me in supporting the president of the GAA in his public statement that he favours the opening up of Croke Park to other sports.

**An Leas-Cheann Comhairle:** Does the Deputy have a question for the Minister? This is Question Time.

**Mr. Deenihan:** Will the Minister join me in supporting our fellow countyman in calling for the opening up of Croke Park?

**Mr. O'Donoghue:** As regards Deputy Deenihan's first question about the difference between the FAI and the GAA, I am not sure whether he posed it from a theological or philosophical perspective. Either way, I will not attempt to answer it.

**Mr. Deenihan:** Are they two autonomous bodies? Does Fianna Fáil own the FAI? The Minister is behaving as if he owns it. In fairness to the GAA—

**An Leas-Cheann Comhairle:** Order, please.

**Mr. Deenihan:** There are people in the FAI who believe the Minister owns the association. Has he bought it out?

**Mr. O'Donoghue:** Fianna Fáil exercises no ownership rights over the FAI and I am certain the association exercises no ownership rights over my party either. It is not a question of people dictating to the FAI but of the association adhering to a report compiled after the most recent World Cup. The recommendations set out in that report have not yet been but must be implemented. The simple answer to the question as to whether this would arise in respect of the GAA is that such a situation has not arisen in respect of that organisation. I am merely asking the FAI to implement the Genesis report. That is perfectly reasonable and I do not believe anyone in the House, including the Deputy, will disagree with me.

I have outlined my position on Croke Park on several occasions. The question as to whether the venue should be opened up to other sports remains, in the final analysis, one to be answered by the GAA congress. The GAA must make a decision in accordance with its rules and I will allow it to do so.

**Mr. Deenihan:** Will the Minister join me in supporting the president of the GAA?

**Mr. Wall:** There are two issues here, namely, first, the opening up of Croke Park and, second, what will happen as regards international soccer matches during the redevelopment of Lansdowne Road. I fully support the opening up of Croke Park during the period in which Lansdowne Road is being redeveloped. I will support the Minister in any action he takes in asking the GAA to

ensure Croke Park is opened up during the period in question. I do not believe it is within our remit, or that of the Minister, to tell the GAA what to do. That organisation will do what it wants to do when the congress is held in April.

I ask the Minister to continue to make representations to the GAA. Has he engaged in any further meetings with the association in recent days, particularly in view of the fact that, instead of being given in the form of two payments, the €40 million in funding will now be given in one tranche? Has he had any further meetings with the president of the GAA, Seán Kelly, in respect of this matter or has there been any change in the Government's attitude towards the association in respect of the opening up of Croke Park during the redevelopment of Lansdowne Road?

**Mr. O'Donoghue:** Deputy Wall has identified an important point regarding the position of the FAI and the IRFU during the period, mid-2006 to approximately the end of 2008, in which Lansdowne Road will inevitably be closed. It would be a great pity if international rugby and soccer matches were played outside the country. I sincerely hope — as a matter of national dignity, if nothing else — this will not happen. Deputy Wall's comments were, as always, sensible. The GAA will take whatever decision it sees fit in its own time. The Deputy and I have been in agreement about this for a long period. I see no reason to change that view at this stage. Let us hope the issue can be resolved. I suggest we await developments in that regard.

**Mr. Gogarty:** The Minister is obviously aware that he has shown a certain nuance in his dealings with the various bodies. Diplomacy is always one method of getting one's way in the end. Will the Minister acknowledge, given the importance of maintaining a ground in Ireland for the forthcoming international matches, that this is an urgent matter? The president of the GAA has spoken in favour of Croke Park as a venue for other sports and many GAA members are of this opinion. The Minister will be aware that to treat the GAA in a heavy-handed manner would be to risk uproar. I congratulate him for not doing so. Will he acknowledge that a positive statement from him stating he would welcome a once-off gesture from the GAA regarding the forthcoming international matches may help to support those GAA clubs in my constituency and around the country which are pushing to have Croke Park opened up to gain additional revenue for the GAA? It would be a positive rather than a negative development if the Minister made a public statement but in a non-confrontational manner.

**Mr. O'Donoghue:** My personal position is well known. While I favour the opening up of Croke Park by the GAA to other games on specified occasions, I have always qualified this by stating it is a matter for the GAA in the final analysis. I advise the Deputy that I was chairperson of my



[Mr. O'Donoghue.]  
local GAA club, a great club, for a number of years and that I like to think I understand the GAA. In fact, I will go further and say that in a two year period as chairman of my local club I think I made more enemies than in 17 years in national politics.

**Mr. Gogarty:** Is the Minister sure of that?

**Mr. O'Donoghue:** That might give the Deputy some indication of the difficulty in which the GAA might find itself.

*(Interruptions).*

**Mr. O'Donoghue:** I will leave it to its own devices. They are grown adults, know what the situation is and what the requirements are. Perhaps they know what the public's wish is but it is an independent organisation and I will let it make its own decision.

### **Sports Capital Programme.**

67. **Mr. O'Dowd** asked the Minister for Arts, Sport and Tourism the number of new floodlit playing pitches, constructed since 2002, aided by his Department; and if he will make a statement on the matter. [31459/04]

73. **Mr. Naughten** asked the Minister for Arts, Sport and Tourism the number of new gymnasia, constructed in 2002, aided by his Department; and if he will make a statement on the matter. [31462/04]

**Mr. O'Donoghue:** I propose to take Questions Nos. 67 and 73 together.

Under the national lottery funded sports capital programme administered by my Department, funding is allocated to projects which provide sports and recreational facilities at local, regional and national level. Since June 2002 a total of €117.46 million has been allocated to 1,367 projects under the 2003 and 2004 sports capital programmes.

The projects funded through the programme form the backbone of sporting infrastructure in the country and provide the means for greater public participation in sports activities. These projects include facilities such as the development of natural playing surfaces, synthetic and all-weather surfaces, floodlighting, indoor sports halls, gymnasia, changing facilities and a vast range of sports equipment.

**Mr. Quinn:** It must be bad news because we cannot hear the Minister.

**Mr. O'Donoghue:** The nature of the data created in respect of the sports capital programme does not lend itself to easy identification of the type of facility referred to by the Deputy. Commitments relating to the provision of sports facilities are outlined in An Agreed Programme

for Government and being implemented nationwide.

*Written Answers follow Adjournment Debate.*

### **Message from Select Committee.**

**An Ceann Comhairle:** The Select Committee on Transport has completed its consideration of the Road Traffic Bill 2004, and has made amendments thereto.

### **Financial Resolutions 2005.**

#### **Budget Statement 2005.**

**An Ceann Comhairle:** Before calling on the Minister for Finance, I remind Members that the budget documents being circulated remain confidential until the Minister has announced them. They should not be taken from the House before the conclusion of his statement. I now call on the Minister, Deputy Cowen, to make his statement.

**Minister for Finance (Mr. Cowen):** I am very honoured to introduce this my first budget to the House. In doing so I pay tribute to my predecessor, Deputy McCreevy, who made a major contribution to this country's sound budgetary position and who has left us a lasting legacy in this regard.

*(Interruptions).*

**Mr. Quinn:** He was sacked.

**Mr. Cowen:** While this is my first budget as Minister for Finance, it is not the first time I have been involved in the budgetary process. Any budget should reflect Government policy and the economic realities of the time, as well as the economic and social demands of the future. The budget is an initiative of the Government as a whole, not simply the work of the Minister for Finance.

By another measure, this is my 21st budget. I was first elected to this House in 1984 and have observed the budget from the back benches, the Opposition benches and my position in different Departments. In framing this Government's budget I have been influenced by what I have observed over that period.

I will spare the House any history lesson on the events since my first budget experience sitting on the benches opposite. Six Governments and six Ministers for Finance later, the economy has been completely transformed. With that transformation has come dramatic improvements in society. We have made great strides towards becoming a vibrant, pluralist and modern European country. This has not all been achieved by our economic growth but it is this economic progress that underpins much of what we now enjoy. All of this progress is not without challenge. The Govern-

ment has a responsibility to ensure the benefits of our economic performance permeate society as a whole. Proper budgetary policy involves careful evaluation. Our task is to put together an economic model that builds a society of which we can all be proud. This is the context in which the budget is framed.

Our economic strength must be protected as it gives us the leverage to create wider social reform. I will build on the progress we have already made in this and my next two budgets in an effort to meet the needs of the people and deliver on the Government's programme. These changed times bring fresh challenges. Recent successes give us more opportunities and widen the scope for new policy approaches.

This is a budget for the people as a whole. It is a budget that will protect and increase jobs in a more competitive business environment; build up and modernise our economy through major capital programmes; distribute the fruits of growth to all our people through better services and a fairer sharing of resources; and redouble our efforts to help those most in need, particularly those with disabilities.

Good government and sound policies created these opportunities and good government will ensure we succeed in addressing the needs of all our people in the future. Good government does not mean responding blindly to headlines or being pressured into half-responses. It means sensible policies, soundly based, with realistic, achievable and prioritised targets.

A single budget cannot achieve all that we desire, nor should it try to do so. There are always risks to the economic outlook, especially in a small and open economy such as ours. Therefore, it is important to take into account the unpredictable nature of our economic environment. Ordinary taxpayers know that this makes sense. I hope they will recognise the firm resolve of the Government to secure their welfare now and for the future.

#### *Budgetary targets*

We are determined as a Government to meet the priorities we have set ourselves. To make progress in doing so we are setting the following budgetary targets for 2005: an allocation of almost €45 billion for gross spending on public services or 9.1% more than in 2004; an Exchequer borrowing requirement of just under €3 billion or 2.3% of GNP; a general Government deficit of 0.8% of GDP; and a debt ratio of 30% of GDP. These targets seek to ensure that public spending growth is correlated with growth in revenues, while keeping borrowing to a prudent level to fund priority investment needs. This approach will help contain inflationary pressures.

#### *Economic outlook*

We are part of a single currency area in which our partners will continue to keep inflation close to 2%. We cannot determine the prices we can charge for our exports — international markets

do that. We must continue to compete, not just to sell our goods and services but also to continue attracting foreign direct investment and creating high quality jobs. Economic competitiveness, therefore, remains critical to our future well-being.

The prospects for the economy are fairly positive for the next few years. If international growth holds up and we do the right things, we have the potential to grow at around 5% per year in real terms and to keep inflation in the 2% to 3% range. Of course, our economic situation also contains risks. The main question mark arises from the international economic situation where answers to some questions are not so easy. For example, how will oil prices fare? Last December few would have predicted that oil prices would reach \$50 per barrel during the course of this year. How will international exchange rates evolve? What will be the international policy response in terms of interest rates? The answers to these questions and the response of the world economy will have a significant influence on our prospects.

Assuming no major shocks arising from the risk factors to which I have just referred, we forecast for 2005 that the Irish economy will grow by 4.7% in GNP terms and 5.1% in GDP terms; employment will grow by approximately 35,000; unemployment will remain low at 4.4%; and price inflation will come in at 2.5%, close to the European Union average.

Making factual comparisons with our EU counterparts, it is important to point out that our rate of economic growth is more than twice the average in the eurozone area; our rate of spending increase in 2005 is three times the EU average; our rate of public investment, at nearly 5% cent of GNP, is almost twice the EU average; our unemployment rate is half the EU average; and our debt burden is among the lowest in the EU.

Naturally, there are areas in which we can do better and we will do so. We should not, however, be shy about our achievements either. I know from my time as Minister for Foreign Affairs that many of our colleagues in the European Union would love to have our record. Many have beaten a path to our door to inquire how we did it. We did not achieve all this merely by chance. The actions of Government in setting a sound economic and fiscal policy played a key role in achieving our current success.

An Irish model for continuing growth should include the following elements: a coherent and equitable approach to public services and the economy through social partnership; better skills, training and education for those in a flexible labour force; a low tax burden on activities that create and promote employment and labour; building competitiveness in all areas of the market; and an appropriate business environment that creates prosperity with the support of Government.

The reduction in the tax burden for all has formed part of this policy. This did not mean a less-

[Mr. Cowen.]  
 ening of our commitment to spending on public services. Between 1997 and 2004, economic growth generated an extra €30 billion in annual resources for the State. Two thirds of these resources, €19 billion, were used to fund additional day-to-day spending. Some €4 billion was allocated for additional public investment annually and approximately €6 billion went towards tax reductions.

These are the facts. Lower tax rates, in particular the 12.5% corporation tax rate to which the Government is committed, have meant more revenue and economic growth. It is the revenues generated by economic activity which keep public services going, rather than higher tax rates as some would have us believe.

#### *Public spending*

To demonstrate that point and to provide more public services and better infrastructure, this budget means gross voted spending of almost €45 billion in 2005. This is more than €3.7 billion more than in 2004. This increase reflects the sustainable growth in resources. However, we must maintain economic growth if we are to support our ambitions to make better provision for those in need in our society. Investing in a major capital programme increases our capacity to grow and is important if we are to continue on this path.

#### *Infrastructural investment/capital envelopes*

Last year we moved to a multi-annual programme for capital spending so as to plan more effectively for such large-scale expenditure. This year was its first year of operation. The multi-annual basis allows Departments to carry over to the next year up to 10% of the voted annual allocation to assist programme planning and delivery. The carry-over from 2004 to 2005 is €237 million or 4% of the 2004 voted capital allocation. I am providing €334 million in additional Exchequer capital for 2005. This will bring the total Exchequer cash available for capital spending next year to almost €6,300 million, 20% ahead of the 2004 cash outturn. This means that for 2005-09 we will maintain our high level of investment in infrastructure at nearly twice the European average.

**Mr. P. McGrath:** The Minister will long since have gone.

**Mr. Cassidy:** Deputy McGrath may also have gone.

**Mr. P. McGrath:** The Deputy should look after his own seat.

**Mr. Cassidy:** He can thank mammy for his.

**An Ceann Comhairle:** Allow the Minister to continue without interruption, please.

**Mr. Cowen:** Total investment within the envelope over the next five years will be €36.3

billion, which is €2.7 billion more than last year's capital envelope. Further details are set out in the budget summary. I am making provision in these totals for the Government's decentralisation programme.

**Ms O. Mitchell:** Shame.

**Mr. Cowen:** This programme is moving forward. Considerable progress has been made and its implementation is well on track.

#### *Developing capital envelopes further — transport*

The 2005-09 capital envelope, as it is called, represents the total planned spend by all Departments. This includes almost €10.2 billion in respect of investment in transport infrastructure. The Government regards transport investment as particularly important for the promotion of competitiveness, sustainable economic growth and balanced regional development. We have seen many important projects coming on stream and starting to make a real difference and we know that more remains to be done.

Major capital projects in the transport sphere are multi-annual in nature, involving long planning lead times and substantial construction phases. Given this time consideration and the scale of the projects and investment involved, I have agreed in principle with the Minister for Transport that an extended capital envelope of ten years is more appropriate in the case of investment in transport. Proposals for such a ten year investment will be submitted shortly for consideration by Government. This is a necessary development in forward budgeting. It will afford the Government greater flexibility and clarity in planning and, most importantly, in delivering a 21st century transport infrastructure for a 21st century economy. This is a new initiative we must put in place if we are to position the economy to continue to grow and compete over the medium term.

#### *Value for money for capital expenditure*

I am extremely conscious of the need to optimise the value for money from the very significant levels of capital funding now in place and I am determined to take whatever action is required to bring this about. The multi-annual envelope system is designed to facilitate the objective of securing value for money through careful planning and implementation. My Department will also shortly issue to Departments revised guidelines on the appraisal and management of capital projects. Work is also continuing on changes in public sector capital project contracts to ensure that risk is transferred to those best able to manage and control it. These are practical and important steps in ensuring that the taxpayer gets better value for money in this area.

4 o'clock

### *Public private partnerships*

The Government is committed to developing the PPP process as a viable procurement option for appropriate projects. However, progress has been slow in some areas. The targets set last year for PPP projects funded by unitary payments from the Exchequer have been adjusted accordingly to reflect information currently available on the lead-in time required to bring projects to construction stage. This reflects the fact that, for various reasons, PPPs have been slower to get off the ground in some areas than was envisaged. We are actively examining how to resolve that issue.

### *Taxation policy*

Ensuring a fair and balanced tax system is a priority for this Government. Our record testifies to the many key measures we have taken. These actions have greatly reduced tax on the lower paid who now pay less than 6% of the total income tax bill compared with 14% in 1997. We have eliminated unfair tax structures through the introduction of tax credits, we have closed down abusive tax loopholes and we have made sure individual reliefs focused more on their essential purpose in encouraging jobs and investment. The primary aim of our tax policy has been the use of the tax system to expand our economy, reward work and alleviate the burden on taxpayers, especially for those on lower pay. In continuing to reduce the tax burden for those on lower pay I am making the following changes. I am increasing the employee tax credit by €230 to bring it to €1,270 per year. I am also increasing the personal tax credits by €60 for a single person and €120 for a married couple to bring those to €1,580 and €3,160 per year, respectively. This will benefit all workers and will ensure that all those on the minimum wage are fully outside the tax net.

**Deputies:** Hear, hear.

**Mr. Stagg:** About time.

**Mr. P. Breen:** The Government has got enough tax from them for long enough.

**Mr. Cowen:** As a result of these increases, more than 650,000 of the 1.9 million income earners will be exempt from paying tax on their earnings. It also means that for standard rate taxpayers, an additional €1,450 per year or almost €28 per week is exempt from tax in the case of a single person and €1,750 or almost €34 per week for a married couple where one person is earning. As it was not possible to widen the standard rate band over the past two years, I am now increasing it by €1,400 per year for all earners. As a result, a single person on the average industrial wage next year will pay 14% or €11.50 per week less tax as a result of the changes in this budget. There are also increases in the band for single and widowed parents. In total, we estimate that 52,100 taxpayers will be taken off the higher rate of tax.

There are a number of specific tax reliefs in the tax system for the aged, the disabled and for widows. The income tax exemption limits for those aged 65 or over are being raised by €1,000 single and €2,000 married to bring them to €16,500 and €33,000 per year, respectively. Combined with this, the other income tax changes announced today will remove more than 66,000 income earners from the tax net. This includes 4,700 elderly who will be removed from the tax net. The tax credit for an incapacitated child is being doubled to €1,000 per year. The blind person's tax credit is being increased to €1,000 single per year. The tax credit for a widowed parent in the first five years after bereavement will be increased by €200 in each year and the widowed person's credit is being increased to €400 per year.

### *Health levy threshold*

The 2 % health levy currently applies to those earning over €356 per week. I am providing for a substantial increase in this threshold to €400 per week which is an increase of almost 12.5%. This will be of particular benefit to the 95,200 persons concerned. The total cost of these income tax and levy changes in a full year is €682 million, more than double last year's total.

### *Tax reliefs*

The debate on tax reliefs has attracted much comment in recent weeks. In any such debate we must be clear which reliefs we are talking about. First, many tax reliefs are in fact inherent in the tax system and others lessen the burden on taxpayers with specific payments or expenses. This is the case with mortgage interest relief, medical expenses relief and pension contributions. Second, other normal reliefs allow for the expenses of business, such as depreciation, interest and accumulated trade losses. If they did not, the real cost to business of capital investment would not be provided for and business and employment would suffer as a result. One can limit the potential for abuse of these reliefs, as this Government has done, but it is not appropriate to eliminate them. The great bulk of the €8 billion cost of the major tax reliefs generally referred to in recent public discourse falls into those categories which are used by ordinary taxpayers and businesses.

Finally, there are those reliefs included in the €8 billion which were designed to incentivise economic and social development. The annual cost of these reliefs has been tentatively estimated by the chairman of the Revenue Commissioners, in recent evidence to a Dáil committee, as in the order of €200 million per year. These include the series of property reliefs which were introduced, broadened and enhanced by Governments of all shades in the past. This was done for good reasons at the time, to regenerate the economy and the many parts of our cities and towns which were affected by recession and had poor economic prospects. Such schemes and initiatives were not the preserve of just one part-

[Mr. Cowen.]  
 icular Government. We can see clear examples of where they have succeeded, particularly in regenerating town and city centres and areas in need of development. Despite supporting many of these reliefs, there are those who seem unhappy when people with the capacity to use them have done so, which is not a consistent stance to take.

My aim is to seek to improve the equity of the tax system, taking into account the social and economic benefit of reliefs in delivering investment in housing, enterprise, urban and rural renewal, tourism, films and health facilities. Because of the complex nature of this issue, the interaction of such reliefs with economic activity and the unintended consequences that untimely action may have for investment, I want to take the time necessary to strike a careful and considered balance in what I do. For the successful operation of such schemes and to achieve the common good, we need to ensure the right balance is achieved between the benefit to the investor and the good of the community. The time is now right to conduct a full review of these incentive reliefs and to evaluate in detail their impact and how they are operating in practice. My preference is for a complete and comprehensive reform of the system rather than a piecemeal approach. For this reason, I have directed my Department, together with the Revenue Commissioners, to undertake a thorough evaluation of the effect of all relevant incentive reliefs and exemptions and to bring forward proposals which would achieve the balance to which I have referred.

I am now making it clear that I intend to include appropriate follow-up measures in next year's budget. Those using this particular group of reliefs should therefore realise that the concept of unlimited or unrestricted reliefs is no longer viable or acceptable to the general tax-paying public in current-day economic circumstances. I want to make sure that everyone makes an appropriate contribution to the State.

**Deputies:** Hear, hear.

**Mr. Cowen:** I wish to confirm to the House that the termination dates for various schemes laid down previously in this year's Finance Act remain unchanged. I have no problem in maintaining justifiable reliefs and extending them, where appropriate, including the particular cases to which I now turn.

#### *Stamp duty relief for first-time house buyers*

I am aware of the difficulties that many first-time buyers face in their efforts to get onto the property ladder. To assist first-time buyers of secondhand houses, I am providing for a significant reduction in stamp duty for them. Full details are set out in the budget summary.

**Deputies:** Hear, hear.

**Mr. Cowen:** As a result of this, there will be no stamp duty on first-time purchasers of second-hand houses up to €317,500 in value and reduced rates on such purchases up to €635,000.

**Deputies:** Hear, hear.

**Mr. P. McGrath:** They will now have to pay €75,000 instead of €85,000.

**Mr. Cowen:** This new exemption threshold is above the national average price for second-hand houses and above what the average first-time buyer pays for a secondhand house anywhere in the State. Examples of the savings involved are given in the budget summary.

#### *Rent relief*

I am conscious those living in private rented accommodation also face costs. A tax allowance is currently available at the standard rate for rent payments of up to €1,270 per year for a single person under 55, and €2,540 per year for those over 55, with double the amounts for widowed and married persons. I propose to increase these to €1,500 and €3,000 per year respectively for single persons and €3,000 and €6,000 for married and widowed persons. I know this substantial increase in tax relief will be welcomed by those living in rented accommodation.

#### *Tax relief on certain third level fees*

Many students are currently able to claim tax relief on their third level fees. Parents can also claim the relief on their children's behalf. The maximum limit on such qualifying fees will be increased from the current €3,175, to €5,000 per year for the academic year 2005-06. These reliefs are claimed at the standard rate of income tax in respect of certain approved colleges.

#### *Indirect taxation*

I am making no changes to the main VAT and excise rates in this budget. This decision will play a significant role in keeping consumer price inflation at the low level we have successfully brought it down to in 2004.

I propose to introduce in the Finance Bill an excise reduction for alcohol production by micro-breweries. This aims to assist the development of employment and investment in this sector and will ultimately promote more competition in the brewing industry.

#### *Farming reliefs*

The reform of the Common Agricultural Policy, the decoupling of farm supports from production, the recently agreed WTO framework agreement and the demands of environmental standards represent major challenges for the farming community. It is vital that we build up the viability and capacity of the farming sector to cope with these changes. A strong farming sector is crucial to maintaining a vibrant rural community. For these reasons, I am proposing the fol-

lowing tax measures which will assist in achieving that goal.

First, to help young trained farmers starting off I propose to extend their special 100% stock relief for a further two years. I also propose to extend the 25% relief for all other farmers for a similar period.

In order to assist in achieving farm consolidation, I will introduce in the Finance Bill a special stamp duty concession to ensure there is no charge for two years on exchanges of farm land of the same value for consolidation purposes.

I am also enhancing the capital allowance for expenditure on farm pollution control to assist in meeting the requirements of the EU nitrates directive. It is important environmental measures required by this directive should be put in place without delay and that we assist farmers in doing so.

The Finance Bill will also provide for measures to address the issue of income averaging in the context of the changeover to the new single farm payment system.

The rate of farmers flat rate VAT for 2005 is being increased from 4.4% to 4.8% to reimburse unregistered farmers for the VAT they pay on their inputs as calculated by the Central Statistics Office. This is worth €16 million in a full year.

#### *Other taxation measures*

There is at present a special duty of 1% on the formation of companies and in the raising of share capital. This rate is higher than that in many other EU member states and may inhibit our attractiveness to investment. In order to maintain our attraction as a location for headquarters and other enterprises, I propose to cut this duty to 0.5%. This will benefit the financial services sector, which is important to employment in this economy.

The Finance Bill will also contain measures to eliminate a double stamp duty charge on financial cards where a person is merely switching from one provider to another. This rectifies a side-effect of recent legislation and will remove a barrier to competition between financial card providers.

#### *Social welfare*

The Government's overall strategy is to secure economic growth on a sustainable basis so we can generate the resources to address the needs of society. The needs of the most disadvantaged have a particular claim on our collective resources. One of the principal means of meeting our responsibilities in that regard is through the social welfare system.

The improvements in social welfare payments that I am announcing today will amount to an additional €874 million in a full year.

Even within such a large sum, priorities must be set. This year it is right that we give special consideration to those on the lowest incomes,

while still providing substantial real increases for all beneficiaries.

#### *Old age pensions*

This Government has a proud record of improving income support for pensioners. It is an area which we have concentrated on since our return to office. I am increasing the full personal rate of old age and related pensions by €12 per week which is an increase of over 7%. This will bring the old age contributory pension to €179.30 per week and means we will be well on the way to achieving the programme for Government commitment to increase the State pension to €200 per week by 2007. In 1997 the old age contributory pension was €99.04 per week. In 2005 it will be €80.26 per week higher, which is an increase of just over 80%. The new rate for the old age non-contributory pension will be €166 per week. The increased rates for old age and related pensions will help support a well-deserved improvement in the living standards of our older citizens.

#### *Other weekly welfare payments*

Unemployment assistance and all other non-old age pension personal weekly social welfare rates will be increased by €14 per week. This will bring the lowest full personal social welfare rate to €148.80 per week, an increase of over 10%, which is four times the expected rate of inflation. In 1997, the lowest full personal social welfare rate was €83.04. In 2005 it will be €65.76 per week higher, an increase of just under 80%.

The level of increase in 2005 for those in receipt of these payments reflects the fact that they have seen their living standards rise at a somewhat slower rate than other recipients of social welfare payments. Therefore, the Government believes it is appropriate to make this slightly higher provision next year for these groups.

#### *Child benefit*

In 2005, the monthly rate for the first and second child will increase by €10 to €141.60 and the rate for third and subsequent children will increase by €12 to €177.30, which represent increases of over 7% in both cases. I will complete the transition to a higher rate of child benefit in next year's budget. This Government has substantially increased the rates of child benefit. The monthly rate for the first and second child in 1997 was €38.09.

**Mr. Durkan:** The cost of child care has increased.

**Mr. Cowen:** In 2005 it will be €103.51 higher, an increase of more than 270%.

#### *Other social welfare measures*

The budget summary contains a range of other social welfare improvements, the full details of which will be announced by the Minister for Social and Family Affairs. Among these measures are an increase of €39 per week in the family

[Mr. Cowen.]

income supplement income thresholds, improvements to the maternity benefit scheme, and improvements in the support provided to carers, particularly in the area of respite care. The respite care grant will increase to €1,000 and it is expected that over 9,000 new recipients will benefit from the grant.

The very real increases in social welfare which I have just announced are a significant step towards the implementation of our commitments in the programme for Government and in Sustaining Progress.

I am also providing a sum of €5 million for the Department of Community, Rural and Gaeltacht Affairs to support the development of community services in disadvantaged areas and to complement the contribution of workers employed for service delivery under the social economy and job initiative programmes operated by FÁS.

#### *Disability services*

On 21 September last, the Government launched the national disability strategy. This will put in place a programme of action to support and reinforce equal participation in society by people with disabilities.

While the Disability Bill, the Comhairle (Amendment) Bill and the six outline sectoral plans published by my ministerial colleagues are all essential parts of the strategy, the Government also gave a clear commitment to introducing a multi-annual funding programme for high priority disability support services.

When I published the expenditure Estimates last month, I explained that some €2.8 billion overall would be provided in 2005 specifically for people with disabilities. This represented an increase of €290 million or 11% on the 2004 figure. This level of resourcing represents significant progress over a number of years, with the 2005 provision more than three times the 1997 figure.

This €2.8 billion will fund health sector services specifically for people with an intellectual disability or autism, physical or sensory disabilities and mental illness; first, second and third level special needs education; specialised training and employment support services provided by FÁS; the cost of certain tax reliefs to assist mobility; and the adaptation of accommodation specifically for persons with disabilities. In addition to this €2.8 billion, many people with a disability receive income support, provided through the Department of Social and Family Affairs, and benefit from mainstream health services such as speech and language therapy and physiotherapy.

My colleagues, the Tánaiste and Minister for Health and Children and the Minister for Education and Science, have announced details of how the higher funding in 2005 will be used. In the case of the health sector, for example, an additional €70 million current expenditure is being allocated next year to provide a range of services, including more than 800 extra residential, respite and day places for persons with intel-

lectual, physical or sensory disability or autism; more than 200,000 extra hours of home support and personal assistance for persons with physical or sensory disabilities, in line with the philosophy of supporting independent living; and additional community-based mental health facilities.

I am pleased to announce that this extra €70 million current spending will be underpinned by a complementary capital allocation of €60 million included in the revised capital envelopes announced today.

**Deputies:** Hear, hear.

**Mr. Cuffe:** The Government is spending twice as much on decentralisation.

**Mr. Cowen:** In addition, the 2005 capital envelopes include an extra €3.7 million in respect of a once-off payment to St. Michael's House at Belcamp in Dublin towards the cost of a swimming pool for the disabled. They also include a further €500,000 payment to the Irish Wheelchair Association towards the cost of the final renovation phase at its Cuisle National Holiday Centre in Donamon, County Roscommon.

Increased investment in a systematic way over a number of years will deliver sustained service improvements. It is also important to identify priorities, to set clear targets and to put in place effective systems to monitor service improvement outcomes. The national intellectual disability database is a good example of what is required. It provides information on the numbers of persons with an intellectual disability, existing levels of service provision and current and future service needs over a five-year period.

As a former Minister for Health, I introduced the first ever three-year investment programme put in place by Government in 2000 to address the needs of persons with an intellectual disability.

**Mr. Crawford:** We remember.

**Mr. Cowen:** These needs had been identified in the 1999 annual report of the National Intellectual Disability Database Committee. This resulted in the provision of additional current and capital funding of €230 million between 2000 and 2002. Specific additional funding was also provided by the Government in 2003 and 2004 for services for people with disabilities. The impact of this investment is plain to see.

In 2004, nearly 24,000 people with an intellectual disability are receiving services, representing 94% of all those currently on the database, up from 89% in 1999. Key developments to note include a 45% growth in the number of people with an intellectual disability living full time in group homes within local communities; an increase in the provision of intensive residential placements designed to meet the needs of individuals with challenging behaviours, which has almost trebled to 311 places—

**Mr. McCormack:** Will the Minister staff them?

**Mr. Cowen:** —a 55% reduction in the number of people with an intellectual disability accommodated in psychiatric hospitals; a continued expansion in the availability of residential support services, in particular, planned or emergency centre-based respite services, which have more than quadrupled — for example, between 2001 and 2002 alone, an additional 443 people reported as being in receipt of these services; and increased provision in almost all areas of adult day services and in the level of provision of support services delivered as part of a package of day services to children and adults. This is social inclusion in practice making a difference to ordinary people's lives.

**Deputies:** Hear, hear.

**Mr. Cowen:** I want to build on the experience of that success. I am pleased, therefore, to be in a position today, as Minister for Finance, to announce a special disability multi-annual funding package of close to €900 million over the years 2006-09.

**Deputies:** Hear, hear.

**Mr. Cowen:** This funding is being dedicated for the period up to 2009 to ensure the delivery of these high priority disability services. This package includes guaranteed additional current spending of almost €600 million.

**Mr. McCormack:** Most of us will be retired by then.

**Mr. Cowen:** The Government has also agreed to allocate €300 million out of the revised capital envelopes to which I referred earlier to these high priority disability services. Further details are provided in the budget summary.

The bulk of the new funding package will go to the health sector where it will be invested in services for persons with an intellectual disability and those with autism, services for persons with physical or sensory disabilities and mental health services. It will focus, in particular, on the provision of extra residential, respite and day places, extra home support and personal assistance and extra places in community-based mental health facilities.

Together with the 2005 funding, it is estimated that by the end of 2009 more than 4,500 extra residential, respite and day places will be provided for persons with an intellectual, physical or sensory disability or autism—

**Mr. McCormack:** Will they be staffed?

**Mr. Cowen:** —approximately 600 persons with intellectual disability or autism will be transferred out of psychiatric hospitals and other inappropriate placements; approximately 1.2 million extra hours of home support and personal assist-

ance will be provided for persons with physical or sensory disabilities and 400 new places will be provided in community-based mental health facilities.

**Mr. Stagg:** Why not do it instead of promising it?

**Mr. Cowen:** The balance of the 2006-09 disability funding package is being allocated between four other Departments or offices. These resources will be used to enhance education services for adults with disabilities and expand pre-school provision; support projects which demonstrate an innovative and cost-effective approach to service provision and improve accessibility to public buildings and amenities. Details on this are set out in the budget summary.

The 2005 allocations for the four Departments or offices concerned are as follows: the allocation for the Department of Education and Science already includes an extra €5.5 million; the capital envelopes for the Department of the Environment, Heritage and Local Government and the OPW include €10 million and €5 million, respectively, and I am providing an extra €3 million for the Department of Justice, Equality and Law Reform.

I am dealing today with certain high priority services. However, I want to make it clear that other disability services will also continue to be dealt with as a normal part of the annual Estimates process and will receive extra funding as overall budgetary circumstances permit. My strong view, based on my experience as former Minister for Health, is that the disability programme was for many years at the end of the queue for resources. It did not benefit from the type of professional lobbying and support which the acute hospital and primary care programmes traditionally got from strong, organised interests in the health services. Families of people with disabilities had their hands full simply trying to cope.

**Deputies:** Hear, hear.

**Mr. Cowen:** Nor did it attract the same level of public attention as issues such as waiting lists, medical cards and so on. Instead, most of the running had to be made by voluntary organisations. The national disability strategy shows a clear political focus by the Government in addressing the needs of the disability sector in a concrete and specific manner.

**Ms O. Mitchell:** After seven years.

**Mr. Cowen:** We also need to build on the existing partnership between the statutory health service structure, the voluntary service providers, people with a disability and the voluntary organisations representing them. It is absolutely essential that all those concerned work together to ensure that those most in need get the improved services they require.



**Deputies:** Hear, hear.

**Mr. Cowen:** The funding package announced today and the services which will be provided as a result represent a considerable and guaranteed advance in the support available to people with a disability. The extra service capacity will meet in a very substantial way the needs which are projected to arise over those years and will make a real difference to the lives of people with a disability and their families. Today's actions give the lie to those who claim that the Government is indifferent to the needs of some of the most vulnerable members of our society.

**Deputies:** Hear, hear.

*(Interruptions).*

**Mr. Durkan:** It is easy to draw applause.

**Mr. Stagg:** We heard it all before. We want action.

**Mr. Cowen:** I recall that when Minister in 1997 the total emergency provision for disability services and intellectual disability was €1 million.

**Mr. J. O'Keefe:** That is a disgraceful——

**Mr. Cowen:** Before concluding, I would like to comment on the budgetary process. The policy decisions we take today impact on ordinary people's lives — that much is very clear. As I said at the outset, I have seen 20 budgets in this House. There have, however, been important recent changes in how the process evolves. We now publish three year economic and fiscal programmes in the EU stability programme updates included in the budget booklet. We have moved to multi-annual capital budgets which allow us to focus more clearly on the reasons we are investing and what we expect from such investment. Every Department of Government now publishes regular statements of strategy setting out what they are seeking to do.

What is missing, in my view, is a constructive debate and examination of all this material as part of the policy formation process. I am open to considering with the House how we can make improvements in the situation, while retaining the right and duty of the Government to direct and manage the budgetary process. I hope I am taken up on this offer. There is a general consensus that Ireland has a bright future.

**Mr. C. Lenihan:** Hear, hear.

**Mr. Cowen:** We can grow our economy to give us the resources we require to meet the needs and aspirations of our citizens. This requires balanced, consistent policies, seeking fairness in the distribution of resources and efficiency in the delivery of public services. This budget radically improves the funding for and delivery of services for the disabled, increases social welfare rates by

well above the rate of inflation, frees those on the minimum wage from income tax, seeks to reinforce the equity of the tax system through the plan of reform I have outlined, keeps inflation low to help those on lower incomes and enhances our capital spending to improve our public services. This budget shows the clear commitment of the Government to a fairer sharing of the resources for some of the most vulnerable of our citizens. It shows our commitment to improved public services which deliver value for money services to all our citizens. It demonstrates our determination to invest in our community, infrastructure and future.

The budget, the country and its future are in safe hands with this Government.

**Deputies:** Hear, hear.

**Mr. J. O'Keefe:** It would want to be.

**Mr. Cowen:** There is more to come in the next two budgets to be presented to the House. This budget is my first instalment. I commend the budget to the House.

**Deputies:** Hear, hear.

*(Interruptions).*

**Mr. Durkan:** They should applaud again but this time make it slower.

*(Interruptions).*

**Mr. D. Ahern:** Follow that.

**Mr. Davern:** Did the Opposition make a proper assessment of what would be done for disabilities?

**Mr. Gormley:** Look at all the socialists applauding.

**Mr. P. McGrath:** The Government benches should show more enthusiasm.

**Mr. R. Bruton:** I congratulate the Minister for Finance, Deputy Cowen, on the presentation of his first budget. However, I remind him that the same rapturous applause accompanied the presentation of last year's budget.

**Mr. Glennon:** And rightly so.

**Mr. R. Bruton:** However, that Minister for Finance is no longer here. A clap on the back in December turned into a knife in the back in July. The Minister should take heed. A scapegoat had to be found this year and Deputy McCreevy was that scapegoat. We will not hear any more talk about lefty pinkos. The whole scene has changed.

**Mr. Rabbitte:** We are all lefties now.

**Mr. R. Bruton:** This Budget Statement is crafty and cunning. It has been designed to push the right buttons. It has been designed to bury the McCreevy image.

**A Deputy:** Borrowing, borrowing, borrowing.

**Mr. Roche:** It is pushing the boundaries of Irish politics.

**Mr. R. Bruton:** The spin doctors say that it lost votes in the June elections, so it must be all changed.

**Mr. Allen:** They can blame the poor old local authorities.

**Mr. R. Bruton:** It is a budget pretending to say "Sorry, the Government messed up but everything is now changed. The Government is a reformed group."

**Mr. Roche:** Will the Deputy stick to the budget?

**Mr. R. Bruton:** The key test is whether it will change the realities of people's lives.

**Mr. Allen:** Hear, hear.

**Mr. R. Bruton:** That will be the standard against which this budget will be judged. Against that standard, it will not succeed. All that glitters is not gold. When this budget is rubbed, one will see the same dull, leaden surface underneath.

**Mr. Roche:** It is like the Deputy's rhetoric.

**Mr. R. Bruton:** The real challenge of political leadership, which Deputy Roche knows little about, is to use public moneys in a way that delivers effective results.

**Mr. Roche:** I know more about economics than the Deputy.

*(Interruptions).*

**An Ceann Comhairle:** Allow Deputy Bruton without interruption.

**Mr. R. Bruton:** Political leadership is not about seeking scapegoats to blame for the local authority elections results or the Government's failure to deliver the housing programme. That is not what the real challenge is about. It is about being willing to take decisions and deliver results for those who need it.

Ireland can do much better. It needs a Government willing to change so that things can work better for people who matter.

**Mr. McDowell:** Deputy Bruton should look around him.

**Mr. Roche:** That is why the Fine Gael Party will never be in office.

**Mr. R. Bruton:** Ireland deserves a Government that can drive an agenda of reform, deliver best practice and insist on high performance.

**Mr. Allen:** Deputy McDowell should be worrying about his case.

**An Ceann Comhairle:** Deputy Richard Bruton without interruption.

**Mr. R. Bruton:** Deputy McDowell has sat around the Cabinet table. This is the eighth budget he has participated in but eight years is too long to wait for real reform. It is not adequate to hang around for ten years to see this continuous grip.

**Deputies:** Hear, hear.

**Mr. Ring:** Deputy McDowell will have to get up the pole again.

**Mr. Hayes:** There is not a word about gardaí.

**Mr. Kenny:** Wait until we see the release papers.

**Mr. R. Bruton:** There are some welcome measures contained in the Budget Statement. It is welcome to see the minimum wage taken out of the tax bracket. However, in April it will be back into the tax bracket as the minimum wage increases. Tackling the minimum wage is long overdue. It is not an issue of great pride to take those earning €273 a week out of the income tax code. That is not an occasion for great celebration. It is something that they deserve. At the other end of the scale, 633,000 people will be on the top rate of income tax. A single person will earn €29,400. People below the average industrial wage are now deemed rich enough to pay the 42% rate while some of the super rich pay no tax at all.

**Mr. Connaughton:** They still will not be paying tax.

**Mr. R. Bruton:** At the end of the year, 47% of all those paying income tax will be at the top rate. On the measures that the Minister prefers to use, how many of all those in the tax net will be on the top rate? It will be 33%. He promised 20% and he is a long way from it.

It is disappointing that the budget has barely started to undo the damage inflicted on the least well-off in our community. No mention was made of reversing the savage 16 cuts that we were told would be redressed. Pensioners will receive an extra €12 a week. However, they already have seen it spent through increases in gas, electricity, health and bin charges and bus fares, to mention a few, which have absorbed €8 of that.

**Mr. Allen:** Wait until the local authority rents go up.

**Mr. R. Bruton:** I welcome the disability multi-annual programme but it is delivering on a long-awaited promise. It is built on a Disability Bill that is fundamentally flawed.

**Mr. Kenny:** Seven years waiting.

**Mr. F. McGrath:** It is unworkable.

**Mr. R. Bruton:** Many looked to this budget to see something real done for child poverty. The last Minister made a solemn commitment that he would increase child benefit by €17.60 by 2003. Almost two years later, only €10 of that has been delivered. That is not good enough. The Government is not willing to deliver on the promises made to the children. There is unanimity that the child dependant allowance needs to be addressed. Nothing has been done to help those on this allowance. I am glad to see there is some improvement in private rented accommodation in the way of tax relief. Is 88 cent a week going to make any significant difference to many people struggling on low incomes in private rented accommodation?

**Mr. P. McGrath:** Some 88 cent.

**Mr. R. Bruton:** The budget exercise is fundamentally flawed. It sidesteps the real challenge and only encourages short-term opportunism. Elections are in the air and people are asked to watch the deft hands of the Minister as he shuffles the last 1% of the thousands of millions of euro of taxation and spending around the board. I agree that last 1% can be used to make life better for people. However, the real issue is what is done with the other 99% of spending which is not delivering for people. That money is neither properly spent, delivers high performance nor gives improvement in services, despite doubling in overall volume in the last seven years. The opportunity is there to be seized for a Government willing to address the issues of reform. It seems the Government is willing to drift through its ten years in office without facing these challenges. Perhaps it does not see the scope for change. God knows, it has enough advisers, consultants and reports to point the way. Perhaps it is afraid of upsetting some cosy consensus, which would not surprise me. It may simply be the case that its members have been in office for too long.

**Mr. Durkan:** Hear, hear.

**Mr. McCormack:** Too long.

**Mr. R. Bruton:** Many families could have expected to see something in today's budget. There are young families struggling with the unaffordable cost of child care which has now reached a rate of €150 per week in Dublin. There is chaos in our traffic policy and people are struggling to make ends meet. Those seeking help for children with special needs are frustrated by the failure of the Government to deliver on its promises.

People are worried they cannot afford health care. Many older family members must shoulder responsibilities they never thought they would have to face. They are raising second mortgages to help their children step onto the first rung of the home ownership ladder and acting as unpaid childminders for their grandchildren. People face growing uncertainty as to whether they will be able to obtain emergency care for grandparents.

The budget is like the bad Santa who comes into our homes. He has paid for a trip to the South Pole of Inchydoney and been given a makeover.

**Mr. Martin:** The Deputy has been watching too many films.

**Mr. R. Bruton:** He comes in a large red coat and speaks incessantly about caring and sharing but people should beware of many of the gifts he leaves this year. They were nicked in the past two years from the very families to which they are being returned. Many of the promises on today's packaging will prove to be false. A new reindeer may be in the harness but the same bad habits remain. Many of Santa's backbench little helpers have already scattered, which is indicative of what little interest they have in the budget.

**Mr. D. Ahern:** In the Deputy.

**Mr. O'Donoghue:** They have gone to celebrate.

**Mr. R. Bruton:** They will experience the same bitterness next year as they did last week when the 53 nice packages which were to deliver 10,000 shiny, new civil servants to towns and cities ended up in wreckage on the floor. Of those packages, 29 were completely empty.

**Mr. Durkan:** That is a bad Santa.

**Mr. R. Bruton:** The Government has masqueraded for many years as a low tax Administration. Many of its members, including the Minister for Justice, Equality and Law Reform, Deputy McDowell, would love to promote this illusion. The truth is that the Government has increased its tax take massively. In 2005 taxation revenue will be an incredible €11 billion more than in 2002.

**Mr. McDowell:** That is growth.

**Mr. R. Bruton:** As a percentage of GNP, tax revenue will be far higher than in 2002.

**The Taoiseach:** It is high employment.

**An Ceann Comhairle:** Deputy Bruton to continue without interruption.

**Ms O. Mitchell:** People are paying it in tax.

**Mr. R. Bruton:** Average tax paid per household will have grown to €25,325.

**Mr. McDowell:** They used to be unemployed.

**Mr. R. Bruton:** Since 2002, the great bonanza year in which the Government won the general election, the average household has paid €4,100 more in taxation to fund services which are not being delivered to people in real need.

**Mr. McDowell:** There are more jobs.

**Mr. Kehoe:** There are more houses in Roscommon.

**Mr. R. Bruton:** The Minister for Finance likes to talk about the income tax relief he is giving to some people today. While a little progress has been made, it is still a disappointing state of affairs. The Minister chooses to concentrate on one aspect of taxation. While income tax may go down a little this year, it will not be enough to match indexation or give back what the Government took in the past two years.

A different tale of the increasing burden is being told in the areas of VAT, excise duty and vehicle registration tax. Stealth taxes on utilities and new charges have increased by an incredible €2,250 for affected families each year since the great election of May 2002. We have faced increases right across the board on everything from utility bills such as gas and the ESB to the cost of sending a child to college, obtaining a passport, examination fees, drug refunds, accident and emergency charges, inpatient charges, the price of stamps and the cost of television licences. In each case, costs have increased by three times the rate of inflation.

The Government is supposedly concerned with competitiveness, efficiency and living within its means. It is by no means living within its means but is instead using back-door taxes to siphon money out of people's pockets to pay for what is being partly given back today. This has been a low tax Government if one has gained development land, owns stallions, invested in property based schemes, subscribed up to €250,000 in a pension fund or has masterpieces hanging in one's home owned by one's company. There are earners in the State who pay no income tax at all. Ireland is certainly not a low tax country if one is an ordinary PAYE worker on an average income who must keep a car on the road, buy a house, drive a van for one's company and does not have significant sums of spare cash to invest in saving schemes and pension funds. Such people pay €2,500 in tax alone to keep their car on the road and €84,000 in tax to the Minister to buy a House, as the Taoiseach admitted.

Those earning the average industrial wage are deemed on the 48% marginal tax rate to be in the same band as the super rich. There has been no Government transformation. We are being presented with the same old package dressed up a little more slickly and more cunningly.

While I welcome today's change to the stamp duty regime for first-time buyers, we should not

forget how quickly house prices have risen. The Minister for Finance admits that the average second-hand house price will still attract stamp duty in Dublin. He indicated that a second-hand house in Dublin costing €400,000 would attract the very same stamp duty tomorrow as it did yesterday. A very narrow band of home purchasers will be assisted by this concession.

**Mr. N. Ahern:** First-time buyers.

**Mr. R. Bruton:** The Minister of State knows the figures in his own constituency.

**The Taoiseach:** That is not what the figures show.

**Mr. R. Bruton:** The average secondhand house price in Dublin today is €317,000.

**The Taoiseach:** How many first-time buyers pay €650,000? The Deputy should get a grip.

**Mr. J. Higgins:** What is to stop prices increasing by €7,000 a year?

**An Ceann Comhairle:** Deputy Bruton to continue without interruption.

**Mr. R. Bruton:** I welcome the Taoiseach's interruption. The average house price in Dublin is €317,000.

**Mr. P. McGrath:** It is €399,000.

**Mr. R. Bruton:** Sorry, €399,000. The Government will not give persons paying that price any stamp duty relief. While it asserts there are first-time buyers paying less, even they will face stamp duty under this regime. The Government has failed to exempt anything like a significant number.

It may hurt and rankle with its members to hear it but the Government has constituted a significant element of the rip-off society which has developed in recent years. Between stealth and indirect taxes, it has caused 60% of the increase in the consumer price index in the past three years. As the main beneficiary of the phenomenon, it has no credibility in facing up to anti-competitive practices and rip-offs elsewhere in the economy.

**Mr. J. Higgins:** It has let the speculators run riot.

**Mr. R. Bruton:** Most people do not need to make a pilgrimage to Inchydoney's exclusive health spa and resort to realise that progress in recent years has created an Ireland of sharp contrasts.

**Mr. Martin:** Perhaps the Deputy should go there himself.

**Mr. R. Bruton:** Today's budget was billed as one which would transform the approach to the less well-off but we must ask how well it fulfils this ambition. The child benefit package fails to deliver even on the commitment made in 2003 which was to be respected this year under Sustaining Progress. Of the 50,000 providing care for more than 39 hours per week, only 22,000 receive State support in the form of carer's allowance. The increased disregard of €20 per week will not bring any more carers into the support regime. At the end of this year there will still be 30,000 carers who do not get a brass farthing from the State. If the State had to fund the service provided by the people concerned, it would cost €500 per week per person.

I welcome the increase in the respite grant from €835 to €1,000 but if the Minister believes that an extra €3.50 per week will give a carer four weeks' holidays, he is living in a different world. That €1,000 will not provide respite on the scale that people who are caring on that basis are entitled to expect.

I welcome the commitments for the future in respect of disability. I am aware the Minister has a genuine and sustained commitment to this area, which is supported by the record. I hope that commitment delivers change but I give a warning. We need more than a commitment. We need fundamental change in the way we approach people with a disability if they are to have equal participation in our society. We need new thinking about independent living, training and working, education and legal rights. Many people who are concerned for people with a disability believe that the Bill the Minister is introducing is fundamentally flawed and that it will not bring about the change we need.

This budget is disappointing for people at the bottom of the scale, those on assistance. A couple on assistance living in rented accommodation who depend on a health board subvention will have just €234.50, and €16.80 for each child, as a result of this budget. It has not lived up to the billing that this was a new caring and sharing approach. What will happen to that family's rent supplement if one of them takes up a job? It will drop from 94% of their rent to zero. There will not be a brass farthing in support for that family which is trying to better itself by going out to work. Where is the caring and sharing for families like that? Many thousands of families are caught in the unemployment trap that has been created and not addressed in this budget.

One third of the children who are at risk of poverty today come from families where there is a bread winner at work but the needs of those people on low pay have again been overlooked. The increase in family income supplement is not enough but, worse still, it is not getting through to people who need it. There are only 12,000 people getting family income supplement but any survey of the income figures will show that at least three times as many should be getting it. Where is the commitment to ensuring that those families who

really need it get it? Why is it not paid through the tax code where there would at least be a guarantee that it would get through? That is the sort of change I would like to have seen in the budget but it does not appear to be there.

The Government needs to look much more closely at the Ireland of contrasts we have created and build policies that can break the cycle. Those policies are not in this budget. Our economic success has seen the value of development land multiply fourfold, and these gains can be taken up with only the lowest tax rate applying. How different is the lot of people who have been caught in the backwash of our progress? Our housing policy, health system and support towards pension contributions in the tax code are inherently unfair, and nothing is being done to change those. One thousand children leave our schools every year who do not even make it to second level, and 12,000 do not sit their leaving certificate.

The Minister for Justice, Equality and Law Reform tells us that inequality is essential for our economic progress—

**Mr. McDowell:** I never said that.

**Mr. R. Bruton:** —and the Taoiseach describes himself as Ireland's last socialist, but together they stand aloof as people in real need struggle with the reality of these contrasts.

**Mr. McDowell:** I never said it was essential for our economic progress.

**Mr. R. Bruton:** What is all this doing for our competitiveness? Unfortunately, the policy of stealth tax and creeping taxation is putting our long-term job prospects in jeopardy. There is a worrying complacency in Government about the enterprise sector. Few people realise that in the past four years, employment in the exposed sector of our economy has been in sharp decline. The rate of job losses has been more than double that of the mid-90s.

We are facing a tough time in export markets. Since May 2002, export prices have fallen by 15%. Companies trading and competing have had to tighten their costs by 15% but the utilities, stealth taxes, rates and all the other burdens the State puts on those companies have increased by 27%. There is no tightening of belts when it comes to those delivering those services but the companies which have to compete in export markets are feeling the squeeze. Companies are leaving these shores to go to cheaper environments.

I say to the Taoiseach that it is not enough to live off past successes and ignore the emerging challenges. There is too much complacency in the way he and his Government approach economic policy. Our low corporation tax regime is being matched by new competitors. The recent enterprise strategy found that six of the nine factors identified as being behind our surging costs are directly linked to Government action.

The challenges start with the 15 people sitting around the Cabinet table. It is they who must run their show more efficiently if we are to address the competitiveness challenges we face.

Huge infrastructural gaps seriously undermine our competitiveness. Ireland is a small, open economy. We depend on foreign investment and on international trade but a recent assessment of our public capital infrastructure showed that we are second last in a class of 12 countries studied. In critical areas vital to competitiveness we lag way behind. We are 15th of 15 in respect of ports; 11th of 12 in respect of motorways; 8th of eight in respect of the speed of delivery in the capital city; 18th of 21 in respect of broadband access; 15th of 16 in respect of energy infrastructure; 11th of 15 in respect of investment in telecommunications; and 8th of ten in respect of the cost of waste disposal. On every one of these areas we are falling behind, but there is a bright spark on the horizon.

In air transport the quality of our infrastructure is up to scratch. We rank 4th of 15, but a question mark must hang over our capacity to retain that high ranking as Government indecision and outmoded statist policies have brought Aer Lingus into serious crisis.

In tourism, we face a particularly tough challenge as tourists move to look to more cost efficient locations. Let us not forget that we have the highest rates of VAT and excise on tourism products than any other country in Europe. We are making it difficult to compete in those vital markets.

I welcome the additional €569 million announced today for the public capital programme. That will go some way towards meeting the 5% GNP target. A total of €875 million was needed to meet that target. I suppose we should welcome the fact that the Minister has gone some way towards that but the target has not been met since 2002, despite the huge gaps that exist in that regard.

Focusing on spending allocation only, however, is not enough. If we examine the way this capital programme is being managed, it is not living up to what we need. The Government has not proved capable of providing a framework where private sector participation can play a part and at the same time yield value to the taxpayer. It has failed to deliver on the Taoiseach's promised strategic national infrastructure Bill that was to make it quicker and easier to deliver projects. This year, poor planning saw €450 million of health facilities lying idle, although the taxpayer had been asked to fund them. The roads programme, which was the spine of the national development plan, was found by the Comptroller and Auditor General, when he examined it three years into its currency, to have already run 125% over budget and he found that 50% of the projects would not be delivered on time.

Many hopes have been raised by new spending announcements, and I am sure press conferences will be held shortly after we leave this House by

Ministers announcing that they have got a certain amount for their capital programme, but we have heard the promises before — the Cork School of Music, the National Sports Campus, the good news letters that were sent by the then Minister, Deputy Woods, to schools throughout the country.

**Mr. Martin:** Vision.

**Mr. P. McGrath:** The Minister, Deputy Martin, failed.

**Mr. R. Bruton:** They all disappeared, however, because the Government is not capable of delivering.

**Mr. P. McGrath:** What about Mullingar hospital on the day he left office?

**Mr. R. Bruton:** The tragedy is that no one is taking responsibility for maintaining the central coherence of the national development plan. No one is ensuring that the proper and accurate assessments of costs and benefits underpin the selection of projects. An unacceptable political "divvy out" has shunted such thinking aside and we have witnessed that again today with the capital programme held back until budget day and then announced to put the gloss on Ministers who have little else to celebrate. The trouble is the public capital programme is springing so many leaks that it is not acceptable to turn to the taxpayer to shore them all up. An urgent review of the quantity, quality and funding of key infrastructural projects is needed so that the programme can be dragged back into focus on key priorities the country badly needs.

The big question for Ireland is not what happens to the final 1% of public spending but what happens to the other 99% of the budget. Has any Government spent so much to achieve so little? The patterns of spending over the past seven years have been all wrong. Extra money and new staffing was poured in without reform. Expensive administrative structures squeezed resources for the front line, targets were obscure, analysis was perfunctory, performance was never measured and significant cost overruns were tolerated. When spending had to be reined in, the savings were meted out against people at the bottom of the pile.

We asked in our document, *Who Cares?*, which was published recently, what is happening to real indicators that affect people's lives. We examined the top priorities. The number of people with access to primary care declined over the seven year. The number of people who attended accident and emergency declined but they faced greater chaos. The number of hospital beds increased by a minimal 6% and the number of inpatients increased likewise, despite a trebling of the health budget.

**Mr. P. McGrath:** Deputy Martin failed.

**Mr. Martin:** That is a superficial analysis.

**Mr. R. Bruton:** Recruitment at the front line in health was a quarter the rate of administrators. I refer to crime. The detection rate of serious crime and drug seizures fell.

**Mr. McDowell:** So did crime rates.

**Mr. R. Bruton:** The detection of violent assault fell and public disorder exploded. Violent assault has increased by almost 600% since 1997.

**Mr. McDowell:** The trends are all going the right way.

**Mr. Martin:** Ireland is the number one country in which to live. An objective independent assessment stated this was the best country in which to live.

**Mr. R. Bruton:** Bus lanes have been freed but there are no new buses to use them.

**Mr. Kenny:** There are no communications and there are inferior facilities.

**An Ceann Comhairle:** Deputy Bruton should be allowed speak without interruption.

**Mr. R. Bruton:** These are the people on whose behalf we are supposed to deliver. We are supposed to make it easier for people to access primary care and get to hospital. We are supposed to stop children from dropping out of school at such a young age, but these initiatives are not being delivered despite the massive increase in spending.

I recently asked every Minister to name the priority performance indicators within their Departments and to set out the improvements that have been made in respect of these targets. I was initially heartened. The Taoiseach responded that key performance indicators in all Departments were crucial to see whether strategies were being achieved. However, the Taoiseach did not scan the replies from his ministerial colleagues. Not one Minister set out in his or her reply details of key performance indicators nor did he or she make even one attempt to quantify any progress that had been made on any target. The Tánaiste and Minister for Health and Children said indicators were in a development stage while the Minister for Transport hoped to develop performance indicators for the future. They will not be before their time if they are developed. The Minister for Education and Science stated the details were being assembled and would arrive in a few days. That was more than a month ago and nothing has appeared.

**Mr. Kenny:** Another broken promise.

**Mr. C. Lenihan:** The best indicator is the electorate.

**Mr. R. Bruton:** Most Ministers ducked the question. The truth is that outcomes and performance do not drive the allocation of public money and the Minister acknowledged as much towards the end of his contribution. The House is not using the Estimates and spending process correctly. Once again, there is a long list of spending commitments this year but not one target or achievement is indicated by which Ministers will be judged at the end of the year. That is not good enough in a modern country such as ours. No business or organisation in the State would spend its money in such a slipshod way and that is not good enough for the many people who depend on the State to deliver on their needs.

There is a major difference between big announcements and real delivery. We have seen the big announcements such as decentralisation, ending hospital waiting lists in two years, ending class sizes over 30 and providing 0.7% of gross national product in overseas development aid.

**Mr. C. Lenihan:** We will get there. We will not compare it with the Opposition's commitments.

**Mr. R. Bruton:** An additional 2,000 gardaí were to be on the street but all these announcements have crumbled to clay because they were never based on a proper foundation.

**Mr. McDowell:** What about the €20 million for taxi drivers?

**Mr. Durkan:** What about the additional 2,000 gardaí?

**An Ceann Comhairle:** Deputy Bruton should continue without interruption.

**Mr. R. Bruton:** No proper planning was undertaken to make sure they would be delivered. Real delivery must be built carefully and painfully. The tragedy is that the Government has been presented repeatedly with the opportunity for real reform and it refused to step up to the mark. Benchmarking was a golden opportunity but it was allowed to slip through the Government's fingers. The strategic management initiative in the public service has not been driven forward and the expenditure review initiative has been allowed to flop. An interesting report was published earlier this year regarding the past three years, which highlighted that virtually none of the promised reviews has been undertaken. Many have been abandoned and no serious examination of public spending is taking place within Departments. The expenditure review initiative was to be undertaken as a rolling programme with Government programmes to be studied every three years. That is not happening and I fear it will not happen under this Government.

**Mr. J. O'Keeffe:** It examines everything from a political perspective, as usual.

**Mr. R. Bruton:** The message from today's budget is that this is a Government posturing as it prepares to buy people's votes by instalments with their hard-earned money. We were here before in the two budgets that preceded the general election of May 2002.

**Mr. C. Lenihan:** The Opposition is going there again.

**Mr. R. Bruton:** As befits the start of the pantomime season, the name of the game is makeover. The aim is not to reform the poor delivery but to reshape the image. Promises that have not been completely discredited are being reheated while many solemn promises such as that on ODA have been abandoned in such a way that they are kept carefully away from the newly choreographed Taoiseach posing as Prince Charming.

**Mr. J. O'Keeffe:** He is posing as Karl Marx.

**Mr. R. Bruton:** However, the people see through that. The big bad wolf has been sent to Europe and the Taoiseach plans to pass off the new Minister for Finance as Little Red Riding Hood. On and off the stage we will see the same characters move in — the ostrich who cannot see rip offs in this country and the Minister for police who sees no crime.

**Mr. N. Dempsey:** What about the snails?

**Mr. R. Bruton:** However, the Government should heed the old pantomime warning, "Look out behind you". That is the warning people should look for when examining this festive budget. Inspect the goods, mind the wallet in one's back pocket, read the small print, do not give one's credit card details, look carefully at this festive budget and, remember, the value of promises may fall as well as rise. This Government is not regulated by the Irish Financial Services Regulatory Authority but by the electoral cycle. Beware the bad Santa.

**Ms Burton:** The Budget Statement opened with a tribute to the former Deputy McCreevy and ended with the longest apology to the people in the history of budgets. It is a case of the Government did wrong but Mr. McCreevy is to blame. The Minister for Finance may have praised him but he came to bury him. That is not much of an apology to the people wronged and hurt in the McCreevy years, especially over the past two years. It used to be that a firm purpose of intent was required in regard to contrition. I do not know whether Fr. Seán Healy was hearing political confessions in Inchydoney nor do I know whether he will be satisfied now because the legacy of Mr. McCreevy runs throughout the budget. The stallions will rest easy tonight, as will the millionaires who pay no tax, because there has been no fundamental change.

The Taoiseach paid good attention to Fr. Healy. One of the principal challenges he set for

the Taoiseach was to reform payments to the poorest families with children, in particular, the child dependant allowance as opposed to child benefit.

As I see no mention of child dependant allowance anywhere, I can only assume it remains as it was. That is one down as far as Fr. Healy's wish list was concerned.

**Mr. Durkan:** No general absolution.

**Ms Burton:** Despite the welcome expansion in the standard income tax band — the tables are set out in C22 — next year there will still be 25,000 more people paying tax at the top rate. It is important to focus on this. In his kind reply to a question I put in the Dáil two weeks ago the Minister said that there were 614,000, or 32.6%, of taxpayers paying tax at the higher rate in 2004. Despite this, the table provided in the Budget Statement indicates that on a post-budget basis taking the reliefs into account, some 633,740 taxpayers will pay tax at the higher rate. I have calculated on the back of an envelope, because we are not allowed calculators, this to be approximately 19,000 extra taxpayers in terms of the Minister's post-budget scenario on the tables. More than 50% of all taxpayers who pay tax — leave out those exempted as we are very happy about the change with regard to the minimum wage — will pay at the top rate. The percentage figure is 33.2% whereas the estimated outcome was 32.6% for 2004. It is some budget that has produced 0.4% of a difference. It almost sounds like the miserable changes that did not happen with regard to the overseas development aid target. The Minister promised that only 20% of taxpayers would pay tax at the top rate, but his budget does not make any significant change in the numbers who pay at that rate. Taxpayers will welcome a number of the innovations that the Minister is making, but this failure will count as the big black mark against the Government.

This is a budget of goodies, but not of strategies. It is a populist budget. It is not visionary or reforming. It is an attempt to undo some of the damage of the past, but does not go nearly far enough. It backs away, to some extent, from the unfairness over which this Government has presided, unfairness of which some of its Members are rather proud, but not, I accept, the Botanic Gardens socialist, the Taoiseach.

**Mr. D. Ahern:** Mr. Finlay wrote this article two days ago.

**Ms Burton:** Only someone schooled from birth in Fianna Fáil arrogance would dare to suggest that this is a reforming budget. This is a Government that has presided over the creation of tax break after tax break for the better off. There are dozens of them, including 30 that are completely uncoded. Like the 30 pieces of silver in the Bible — back to Fr. Healy — they represent a source



[Ms Burton.]  
of shame for any Government that claims an interest in tax justice.

This is yet another budget of half measures. The proposals announced today are no way adequate as a response to the renewed opportunities of economic growth or the social inequities and inequalities that face the country at this time. An immense amount of damage was done in the past two budgets. We might reasonably have expected the new Minister to repair that damage, restore justice to the tax code and ensure a genuine shift of resources to people who have been neglected through all the years of our prosperity. I hoped also there would be a new commitment the capital investment programme to overcome the legacy of missed opportunities that have plagued progress in this area for close to three years.

There were three simple objectives for the budget, tax justice, social justice with no family or child left behind — everyone in the House shares that objective, and economic competence, namely competence about a long-term investment strategy that would see us catch up on infrastructure. Everything the Minister has announced today has been timid and half-hearted. His budget will leave a sour taste of disappointment in a country that expected a lot more from a new agenda.

This budget will offer once again, as every budget introduced by the former Minister, Mr. McCreevy, did, a greater advantage to the better off. It is quite minimalist in its tax reforms and social measures. Its hesitant, timid approach to capital investment will not do much to boost our national competitiveness. The one headline I expected today was the restoration of tax justice. I thought the Minister would recognise that he must restore to ordinary taxpayers the full amount of the windfall stealth tax extracted from them by the former Minister's refusal over two budgets to index the standard band. He did not do so today, but chose instead to offer limited partial compensation that just about keeps a huge tranche of additional taxpayers out of the higher rate.

For the information of the Minister for Justice, Equality and Law Reform, the single person's allowance band rises today by €1,400 to €29,400. At the end of the term, what were the figures published with regard to the average industrial income? They were approximately €400 short of €30,000. Deputy McDowell should bear in mind that the new band allowance does not even cover the average industrial wage.

**Mr. McDowell:** It must make the Deputy sick that the average industrial wage has risen so fast.

**Ms Burton:** I am delighted. Unlike the Deputy, I am in favour of workers getting proper incomes.

**The Taoiseach:** It has gone up by €11,000.

**Ms Burton:** We had a very welcome adjustment to tax credits and the standard bands today, but a full proper adjustment to fully restore the value of both would have brought the 20% band to far more than was announced today.

We will have more taxpayers in the top band in the coming year than was the case years ago. The Government's target was 20% but in the book today it is estimated to 33.2% in 2005 as opposed to the 2004 outcome of 32.6%.

**Mr. McDowell:** A lot more to do.

**Ms Burton:** Let me take the examples of Elaine and Stephen lurking at the back of the budget book. Elaine and Stephen are neighbours or cousins of Duncan and Mary, so beloved of the former Minister. Elaine and Stephen are on an income of €40,000. One of them is working and they have two children. They gain approximately €658. If we look at examples 2 and 3 in the earlier tables, we see that a married couple with one income and two children will get a benefit on €35,000 of income of 1.7% and 1.6% in the budget. However, let us look at example 3. This is the legacy of the former Minister and I recognise the current Minister may not be able to address it yet. Example 3 is a married couple with two incomes and two children. When they have an income of €30,000 and €35,000, they get a gain of 3.7% and 2.2%. Many one-income families — Deputy McDowell might not know many of them but I am sure Deputy Cowen and the Taoiseach do — are only on an income of €30,000 or €35,000. They are the people who are not particularly well off. They end up living far from their place of work and one spouse often has to make a choice not to go to work because the child care cost is the same as the cost of a second mortgage. The Minister has not done much for them and in this respect, the example at the back of the budget book of Elaine and Stephen is dishonest.

The budget is deeply disappointing if we are serious about the dilemma that industry faces in regard to child care but particularly if we are serious about the dilemma that families and the children in those families face. Other than the €10 increase in child benefit, which is very welcome, I see nothing about child care except that, relatively speaking, the position of those one-income families has got relatively worse. It is all about relativity. The Minister is fond of talking about relative poverty as opposed to absolute poverty. Let me talk about relative tax relativities as opposed to absolute tax figures. The situation of one-income families has got relatively worse. Those people did not do as well as people with two incomes.

I waited in vain to hear the Minister acknowledge that things have got out of hand regarding tax breaks. He will recall that a few weeks ago he gave me information about the fortunate 41 people on incomes of €500,000 plus who paid no tax. Eleven of these were millionaires. Nothing has changed for those people. Instead the Mini-

ster, stand-by of the former Minister for Health and Children, Deputy Martin, in all his years in the Department, and of half a dozen of his colleagues who have since left, promised a review. We may get the results of the review in time for next year's budget.

I am disappointed with the budget. I agree with the Taoiseach who is a Botanic Gardens socialist. I grew up beside the Botanic Gardens and near the Phoenix Park. We all know what it is to enjoy public assets in the city of Dublin. That has influenced socialism in all of us. I would have thought the Botanic Gardens socialist would have addressed the grotesque injustice of some well off people who make no contribution? It is my considered view that somebody who is bright enough and brave enough, who inherits enough to earn a lot of money should be required to pay tax. There are a number of ways of proceeding, such as a minimum effective rate of tax. If that is not good enough the Minister could cap the allowances at a certain level. It was done for BES, film relief and in regard to certain other reliefs but, as I said, there are 33 reliefs and in the report of the Revenue Commissioners from two years ago the 400 top taxpayers surveyed got €70 million in tax breaks between them.

The Minister did nothing to address those fundamental inequalities. How does he explain this to the worker on the average industrial wage, who by the time he or she gets the national wage agreement in the middle of next year will be pushing for overtime to be taxed back at the 42% rate? How can he expect the tax system to be respected with integrity when such a person will have another year of some people having a tax free holiday. Roll on the review. It cannot happen soon enough.

I now turn to issues of current spending. The title for this budget should be "Some damage undone, a lot more damage to undo." Every headline improvement in public services and social welfare is welcome and will be a relief to many families. I welcome the increases announced by the Minister and the package he announced on disability. However, it is less impressive when set against the glaring needs of many sectors of society.

Organisations like the Vincentian Partnership have developed a set of budget standards to relate the headline figure to its actual value to those in need. What we have on offer today only goes half way to meet those standards.

I remind the House, including the Minister, that the national anti-poverty strategy commits the Government to increasing the lowest rate of social welfare to €150 per week in 2002 terms, by 2007. To achieve that end, the increase of €14, which I welcome, is the minimum increase required to keep that promise alive.

People in need look for co-ordinated and joined-up support across every heading, not just the narrow headline of cash support. Some benefits which are good for headlines, when combined with other effects, may even result in an overall

loss for low income groups. The Minister gave some increases in social welfare payments but the recipients may well lose their medical cards and so could be worse off than before. It is not possible to work this out from the details given by the Minister. We must wait for the full detail to emerge from the Tánaiste.

Some people who are entitled to family income support will not get any help with medical costs or rental costs. A limited increase in tax credits was announced but the Minister failed to support working parents in ways that would be most effective, with child care costs and extra paid maternity and parental leave.

The Minister gave a modest increase in the payment to carers. I welcome the package on disability. However, he indicated that only 16,000 carers will benefit from the package when the reports have identified more than 100,000 people who would have hoped to benefit.

Today's budget does not show the other side of the coin. We do not know who will lose a medical card or whose rent will increase. Even though the tax break is welcome, there is no control over how it will impact in terms of landlords raising rents. We do not know who will not be eligible for social housing as a result of today's budget. We do not see that essential accounting item, particularly for poor people, the bottom line. I want a significantly improved bottom line for low income families, which I do not see today.

We know how little weight the Government attaches to promises. This budget, and the Book of Estimates that preceded it, demonstrate clearly that the Government has no intention of honouring its pre-election commitments. We need only look to the issue of medical cards. At the time of the last election, the Government promised 200,000 additional medical cards. During its first term in office, the Government allowed medical card coverage to decline with the result that 100,000 people lost their medical cards. To stand still, the Minister would have had to provide a further 300,000 extra medical cards. Instead, only 30,000 additional full medical cards have been provided, which is only 10% of what was promised, and a further 200,000 "yellowpack", doctor-only cards. I accept the Tánaiste was being kind last week when she said many people only go to the doctor for consultation purposes, for advice and reassurance. That is true in some cases.

I am currently dealing with a family who is appealing for the restoration of their medical card. The father works in a low income job in a high-tech industry in Blanchardstown. He is a severe asthmatic and he also has an injury. His son, who is aged 16 and is due to sit his junior certificate examination, has a severe back problem together with a severe form of asthma. The mother, who is in receipt of a disability payment, is on HRT and she is also on another form of medication. Their medical card has just been withdrawn and they will now have to pay the increased threshold in regard to the refund of medical costs, which is €85 per month or €21 per

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week. That is a great deal of money for a low income family where the income is in the region of €400 after tax. The doctor-only medical card will not meet the needs of that family.

I hope that because of the exceptional medical circumstances their medical card may be restored. This is a good illustration of the problem faced by many families who want to stay in the workforce although they have severe medical problems. Such conditions often run in families and the choices they have to make are very difficult. I had hoped some of these issues would be addressed.

It is disappointing that the needs of the 25% of all children who are taught in classes of 30 pupils or more do not seem to be addressed. We did not hear much detail from the Minister for Finance about the “savage 16” cuts, although he stated that the qualifying period for the back to education allowance, which Mr. McCreevy increased to 15 months last year, would be reduced to 12 months, which is welcome. However, before the qualifying period was increased to 15 months, it was six months, therefore, it will now be twice as long. Is that a reversal of one of the “savage 16” cuts or is it just a bit of tinkering? It is not a reversal. Many of the “savage 16” cuts have not been spelled out in the Minister’s statement. I suppose we are waiting on that other great socialist, the Minister for Social and Family Affairs, Deputy Brennan, to outline them in detail tomorrow.

I want to address the issue of the investment in capital spending. I tabled a question to the Minister for Finance last week about the fact that the National Pensions Reserve Fund had €1.4 billion in cash or its equivalent. Mr. McCreevy’s favoured brain-wave in the run up to the last election was the National Development Finance Agency. While the National Pensions Reserve Fund was sitting on €1.4 billion, we rushed through legislation for the National Development Finance Agency. However, the agency, which was established to look after big projects in excess of €20 million, has not yet financed a single project. Rather, it has advised on approximately 60 road projects. The Minister for Finance has not found a mechanism by which to address the crazy anomaly of placing money in a pension fund and investing it from Hong Kong to New York in companies such as Halliburton and the Philip Morris cigarette company when a mechanism cannot be found to place some of it in good targeted projects which would help to produce vital infrastructure at home.

This vital infrastructure is essential to our continued competitiveness. The global competitiveness survey launched in Davos now ranks Ireland 30th in its table, which is a huge disimprovement over a couple of years. Every family in the country knows what the lack of competitiveness means in terms of the cost of services and the cost of living and businesses know what it means when they come to pay for services. Investing successfully in infrastructure was one of

the big challenges which faced this Government after it won the 2002 general election. However, the money which the Minister is now promising for transport is in a ten rather than a five year envelope, although it is welcome if it allows for longer, calmer planning.

This year the Minister under-spent on the capital side by just under €300 million, that is, it could not be spent. This means that schools could not be built and various other projects could not be pursued because the Government could not undertake the necessary project management. When the Dublin Port tunnel is completed and when the Luas was completed, the project management teams which worked on them go away. No one in the Government is responsible for the overall co-ordination of project management.

Last year’s big idea, along with decentralisation, was the public private partnerships. However, the Minister confessed again today that €600 million of PPP projects, which were planned for, did not happen. In regard to those that were progressed, Jarvis is touting around Europe — perhaps around the world — to try to sell off the bundle of PPPs it acquired in Ireland because the whole structure of the PPP business has changed. Even though the Minister is new to his post, I fault him and the Government for a complete lack of imagination in respect of the management of the capital programme. The fact that this is reannounced today in a five year envelope — with ten a ten year envelope for transport — is unimpressive and I will wait to see delivery of the projects.

I am disappointed that there has been no major announcement today for capital spending on public transport. This budget has not addressed the concerns of people who will travel home this evening, perhaps sitting in tailbacks caused by damage to the bridge at Rathcoole and has pathetically little to say to them to end their traffic misery. All it can say is that the Government under-spent in capital investment by €1 billion. It planned to spend roughly €1 billion but was unable to do so. This capital spending on infrastructure is vital to maintain our competitiveness and the standard of living that people expect. It does not say very much that we will spread this spending over the next five years and, over the next couple of days, all the Ministers will do is to reannounce it.

My assessment is that the budget has nothing to say on child dependent allowances or child care. There is a €10 per month increase in child benefit. However, I remind the Government that, in order to honour its promises made prior to the general election, there should have been at least an €18 increase. The figure of €10 is welcome, but it is only half the promise which should have been delivered upon two years ago.

There is not enough in the tax package for workers to make up for the failure of Mr. McCreevy to index link tax bands in his last two budgets — that was the biggest stealth tax of all. The change in the numbers of people who pay

tax at the top rate is minimal. At the same time, the Budget Statement says nothing about stallion fees — all we have is a promise of a review. When I asked the Chairman of the Revenue Commissioners in the Committee of Public Accounts if he could identify the cost of various tax breaks and the beneficiaries, he informed me that following last year's budget, the design of the forms was being changed so that in 2005 people will have to fill in forms setting out how they are benefiting from the various range of allowances from car parks to seaside cottages and so on. This will only become available some time in 2006 which will not be in time for the 2006 budget, although perhaps the review which has been announced will speed it up.

If I am correct, it means it will be 2007 before this absolute inequity in the tax system is addressed. It involves people who, if they can employ one of the army of tax advisers who are prospering so much in this country, can totally legitimately pay little or no tax while the rest of us pay it. Most people who earn money are happy to pay their taxes. It is a select few who decide they do not want a low-tax regime for themselves but rather they want a no-tax regime. That is the crux of the problem.

The Revenue Commissioners did a very neat and fast job in regard to shareholders in First Active, for which I commend them. These were people who for the most part had already invested in Eircom, in regard to which they had been badly misled by the Government. Free shares in First Active arrived in the post and life brightened for many people, including probably many in this Chamber. They were allowed to buy extra shares which they probably did. What happened? The Revenue Commissioners accessed the database — quite properly — and sent them forms. The money flooded in because these are the compliant taxpayers. Before one could click one's fingers, they had paid €34 million in tax.

Were their Eircom losses of use to them? Sadly, they were not. For various technical tax reasons which I will not go into now they did not have any realised losses. Therefore, they did not get a tax break on the Eircom losses. One might say there is nothing wrong with this. However, contrast it with the situation of the approximately 30,000 people who enjoy the bulk of the tax breaks. Are we getting value for money from how we have spread the tax breaks around? The former Minister, former Deputy McCreevy, explained to the House on a couple of occasions that a doctor in his constituency had written to him about tax breaks for private hospitals and sports injury clinics. He thought it was a good idea and it was included in the Finance Act. Every year, however, representatives of the Society of St. Vincent de Paul traipse to Kildare Street and do a wonderful job in explaining in detail why certain items such as child dependant allowances should be changed. Are they heeded? They are not.

The Labour Party has proposed a tax reform commission whereby all these issues could be discussed in the open. We could examine the cost and value of these tax breaks. I am consistently surprised, as the Taoiseach probably is, by the quality of some of the buildings built in parts of the city centre under the tax designation schemes. Many of my relatives are bricklayers and tradesmen. If my father was alive, he would scream at the bad workmanship in some of these buildings. The same applies to some of the student residences. Questions must be asked about whether these tax breaks represent value for money.

This year the tax position was exceptionally buoyant because of the work done by the Revenue Commissioners on overseas non-resident accounts. Last year the then Minister, former Deputy McCreevy, pencilled in €200 million in revenue from this work. To date, a total of €800 million has been collected. Part two of the story will come next year when the Revenue Commissioners begin examining the single premium insurance policies. If only 6% of the single premium insurance policy business arose from funds not subject to tax and using the same basis of calculation as that applied to the overseas non-resident accounts, the tax benefit to the Exchequer will probably be approximately €1 billion. However, in today's Budget Statement only €200 million is factored in.

The situation, therefore, is extremely buoyant. The vast majority involved in the single premium insurance policies made totally legitimate investments and there is no problem with them. However, a percentage of the investments originate from funds not subject to tax in the first place. Those concerned are now in the last chance saloon for a fourth time. They had the first two tax amnesties. Many would have also been overseas non-resident account holders. Now, they will get another letter from the Revenue Commissioners suggesting that they settle for 15% or so. I heard about how the Department of Justice, Equality and Law Reform had pursued the fine imposed on the lady in Limerick who had no licence for a dog. Then one looks at the small but important percentage of people who have evaded tax and are in the last chance saloon for the fourth time. How can one wonder that people have no confidence in the tax system?

I asked if there had been a row back on the savage 16 cuts. I have heard nothing from the Government benches. There are one or two small changes in some areas. The Minister promised on radio to review the rent allowance. I assume he will honour this promise and address the issue tomorrow. The fact that people had to be renting accommodation for six months before qualifying for a rent allowance was causing hardship. The applicable period for the opportunity to return to education was 15 months. It is now down to 12 but the original period was six months.

There is a row back on decentralisation. Decentralisation was the feature of the budget last year. It was introduced for political expedi-

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 ency, although a good idea in itself. I was a Minister of State in the then Department of Social Welfare when the successful decentralisation took place to Sligo, Letterkenny and Longford. However, it took place over a planned and lengthy period. I hope the announcement of the row back a few days ago will result in a more successful decentralisation programme that is not just about politically smart moves and in which people will not be forced to leave Dublin.

My colleague, Deputy Bruton, spoke about the expenditure review initiative regarding how Departments are performing. People are fond of saying we are spending huge amounts of additional money but in many cases there is no real benchmark against which to judge whether we are getting value for money. I looked through the expenditure review initiative in the budget booklet. It nearly gave me migraine it was so difficult to read. It states most Departments are not in a position to say what the expenditure review process has shown in terms of value for money in various schemes.

In July I examined in detail the review of spending on the child care initiative under the national development plan. Buried in that review was an incredible amount of money spent, not on the provision of child care places or the training of child care workers but on administration. ADM Limited alone spend €8 million. When talking about the Government's stewardship of the economy, we are talking about the desire to continue economic progress while, at the same time, looking after people who are less well off. In particular, it is about bringing fairness, equity and justice into the tax system and seeing no child or family left behind.

By these standards, today's budget is a set of half measures. If there is a ghost haunting the budget, it is that of Charlie McCreevy. Like the ghost of Christmas, it appears he is being air-brushed out of Fianna Fáil's and the Government's history. Nonetheless, the Government has not yet been able to recover from the legacy of unfairness that was his hallmark.

**Mr. Boyle:** I wish to share time with Deputies Morgan and Healy. I will begin by passing fraternal greetings to the Minister for Finance and the Government from the people's republic of Cork where people have been living in fevered anticipation of the arrival of a worker's paradise. Their expectations have been raised by our socialist Taoiseach and our socially caring Tánaiste. The hope was that today the ragged trousered philanthropist, the Minister for Finance, would come through on many of the fantastic promises. However, in terms of Russian history, this is more of a February revolution than an October one.

The Minister promised much but needed to promise more. At least, he had the good grace to admit that while this was his first budget, he had been involved in the budgetary process since 1997. A half dozen of today's budget would be

required before the Government would even begin to repair the damage done by the previous seven.

The Combat Poverty Agency carried out an analysis of the seven budgets introduced by former Deputy McCreevy. The first five, from 1997 to 2001, unashamedly favoured the better-off in our society, the sixth was relatively neutral and the seventh only marginally favoured the less well-off. While the Minister for Finance has at least introduced a budget which moves in the right direction, there is a great deal of catching up to be done. This is not a bread and roses budget. At best, it contains a few strategically placed sweets aimed at those in society who the Government has damaged most since 1997. The budget does not even begin to repair that damage.

It is obvious that the Minister has engaged in the budget in making disability his decentralisation. Everyone in the House recognises the shortfall in funding during the years in this area. However, even with the multi-annual funding the Minister is promising in additional years, we will be nowhere close to meeting the conditions of the Commission on the Status of People with Disabilities which produced its report ten years ago. There must be a suspicion that the Government is cynically using the disability sector and offering what amounts to a bribe — those in the sector should already be entitled to the money being provided — in respect of the passage of the flawed legislation that is the Disability Bill.

When one considers what is not included in the budget and the passing references to the National Intellectual Disability Database, the fact that there is no costed disability payment provided and that there is no additional hours approach to personal needs assistance, it is clear that it falls short in meeting what are currently recognised as the needs of people with disabilities. Regardless of this, the Government is seeking plaudits for merely helping the country to recover from the damage it inflicted.

The Minister indicated in his pre-budget statements that he wished to shine light on the margins in society. What he seems to forget is that he and the Government are responsible for creating those margins and pushing people into them. It will be at least 2012 — the year in which the Minister for Arts, Sport and Tourism promises Ireland will win another Olympic medal — before we come even close to the level of equality and fairness that previously obtained in poorer times.

It has also been stated the Government which likes to present itself as caring and sharing has matched its concentration on the disability issue with similar concentration on its treatment of children. It ended universal child benefit. There are children born in this country who are not entitled to child benefits because of who are their parents. The increase in child benefit does not even reach the level the Government promised last year. All we have been presented with is a

vague promise to the effect that the original commitment will be met next year.

The Government has not increased child dependant allowances which have been frozen since 1994 and on which the very poorest in society depend. It has done nothing in respect of one of the worst cuts in last year's budget, namely, that relating to the crèche supplement. It has also done nothing in putting in place additional measures in respect of how child care services can be improved to meet the needs of family life, not those of employers and IBEC. It continues to ignore these very real needs.

If one considers the increase relating to the disability sector which will be paid over a multi-annual funding period of three years, it seems that it is less than that which the Government wants to put forward in respect of its flawed decentralisation programme. Last year decentralisation was the mainstay of the budget and we know what happened to it. Is the Government engaged in another exercise of smoke and mirrors? When we return for next year's budget, will all the promises made to the disability sector have gone the way of decentralisation? There is that concern because the Government has inculcated such cynicism among the people.

The Government will be glad to discover that the increase of €14 per week in social welfare payments conforms with what Fr. Seán Healy and CORI requested. However, this increase merely meets the Government's stated goal in Sustaining Progress. If such increases are continued up to 2007, those living on social welfare will reach the dizzying heights of obtaining 50% of average household income. That is the level of poverty about which we are concerned.

One must welcome, after seven years, the fact that those on the minimum wage and similar low wage levels are being taken out of the tax net. They have been funding the tax breaks of the rich in our society during that period. That is the reality.

**Mr. Gormley:** The Tánaiste is leaving the Chamber.

**Mr. Boyle:** The Government has engaged in reinvention and refers to itself as a caring and sharing Administration. The Tánaiste who is departing the House referred to it as a new Government after the recent reshuffle.

**Mr. Gormley:** Rebranding.

**Mr. Boyle:** This is no new Government and this is no new budget.

**Mr. Gogarty:** The Tánaiste cannot stand to listen to the truth.

**Mr. Gormley:** Goodbye, Tánaiste.

**Mr. Eamon Ryan:** She cannot stand the heat.

**Mr. Gogarty:** She should get out of the Cabinet.

**Mr. Boyle:** As regards other aspects of social welfare, we have not even been provided with vague assurances in respect of the cuts made last year. A total of 48 organisations have stated these cuts caused tremendous damage in our society. I refer to the rent supplement, the crèche supplement, the dietary supplementary, etc. The Government would prefer to think it is targeting those groups from which it will eventually reap the greatest potential political benefits. That is hardly the behaviour of a Government of all the people.

The money being set aside through the Department of Community, Rural and Gaeltacht Affairs which seems to have been taken from the Minister for Enterprise, Trade and Employment's budget for social employment and job initiative schemes represents a departure.

**Mr. Martin:** No, the Deputy is wrong. It is incremental and additional and I urged that it be provided.

**Mr. Boyle:** It represents a departure.

**Mr. Martin:** It is being done through the right Department.

**Mr. Boyle:** In a sense, I agree with the Minister.

**Mr. F. McGrath:** The Minister is now on his own.

**Mr. Boyle:** Community employment schemes should be removed from the Minister's Department altogether.

**Mr. Martin:** Not community employment schemes, these are——

**Mr. Boyle:** They are not a tool to provide employment; they meet the social needs of many communities. The Minister is all smoke and mirrors in respect of the Book of Estimates. The fact that the numbers on community employment schemes are not being increased at all means that the cuts implemented in the past two or three years will remain in effect and many communities will continue to suffer to the same degree.

**Mr. F. McGrath:** The Minister is on his own.

**Mr. Martin:** Change is happening.

**Mr. Cuffe:** The Minister should watch his back.

**Mr. Boyle:** I now wish to comment on tax reliefs. The addition in respect of tax credits is welcome. I even welcome the increase in the bands, even if this does not go anywhere near index-linking what has happened over the period of the past three budgets. I am disappointed that the Minister for Finance missed the opportunity

[Mr. Boyle.]

to introduce index-linking in all future budgets in order that we would not have this type of charade every year and the Government would not need to claw back money from people through inflation.

Some of the tax reliefs left in place are obscene. The Minister used weasel words and stated there would be an in-depth review of tax reliefs, the existence of which cannot be morally justified. I refer to tax relief on the use of fuel for private jets and boats and tax incentives for the building of car parks and holiday homes. The Minister did not even take the small step of rowing back on the two year extension former Deputy McCreevy introduced in last year's budget. That is the measure of the Government and the level of its sincerity. In seeking to placate those who have suffered most under its policies, the Government has not touched those most subsidised by it through corporate welfare for the rich. The people concerned will remain in the same tax environment, continue to pay the same proportion of tax and still contribute less in paying for the country's social services and meeting its social needs. The Government has nothing to boast about.

The Minister, as is probably his wont, took the opportunity to state this was the first of three budgets he hoped to introduce before the next general election. One could call it a type of *Lord of the Rings* trilogy. We must ask whether the Minister will end up as Gollum or the ineffectual Bilbo Baggins. Despite the moneys he has dispensed to categories which, we all accept, need them, he has begun his reign in a cautious way. He has failed to take the final steps towards introducing real reform. That is the most disappointing aspect of the budget. The Minister has only been in office for a number of weeks but he already seems to have gone native. The mandarins in the Department of Finance have told him that he can go so far and not much further. This does not give rise to much confidence that the next two budgets will be the type of reforming instruments we require.

My party has indicated the measures required to bring about the reform to which I refer. We have attracted support in that regard from agencies outside the House. The Chambers of Commerce in Ireland have, like the Green Party, argued that a site value tax should be introduced instead of commercial rates.

The most pernicious decision made by the outgoing Minister for Finance had to do with a carbon tax. The country must pay a bill of €1.1 billion which has to be met out of general taxation. A carbon tax would help to raise this sum in a socially equitable way. It is a tax approved by the Combat Poverty Agency, yet former Deputy McCreevy and the new Minister stated the excuse for its non-introduction was its effect on the most needy in society. This is nonsense.

6 o'clock

**Mr. Gormley:** It is. The coffers are full.

**Mr. Boyle:** Is the Minister implying the Combat Poverty Agency was not telling the truth?

**Mr. Martin:** The impact on the wider economy would be severe.

**Aengus Ó Snodaigh:** Better than the Government's economics.

**Mr. Martin:** There would be an increase in petrol prices and inflationary pressure.

**Mr. Boyle:** There have to be instruments available to meet the bill.

**Mr. Martin:** Without qualification of need.

**Mr. Boyle:** We will see where the bill is being met. It is being met through stealth taxes. VAT returns will rise in the next year by the best part of €1 billion. Who pays most VAT?

**Mr. Gormley:** The poor.

**Mr. Boyle:** Those on the lowest incomes who buy goods and services pay proportionately more. At the other end of the scale, what is the anticipated rise in capital gains tax for next year from those who earn their income and wealth through the ownership of capital? The anticipated increase is €10 million. That is the consistency shown by the Government. Almost €1 billion extra in VAT will be raised from the poorest in our society and only €10 million from the richest.

On the question of tax reliefs, I do not understand why the Minister is not even venturing down a road where it is known 11 people who earned more than €1 million in 2001 paid no tax whatsoever. Why does he not at least introduce the concept of maximum tax relief, by which every individual citizen could only claim back a set amount and no more and pay tax on the remainder of his or her income? It is a simple idea which would be easy to administer and introduce a degree of equity that is still missing from our system.

The Government has played another trick on the people in respect of the capital expenditure programme. The Book of Estimates published a number of weeks ago showed a 4% rise in capital expenditure. The Estimates now reveal it will rise by 11%. The Government wanted to give an even better gloss to the budget. If it was an honest Government, it would have produced the figures in the Book of Estimates but it is a Government of spin and perception rather than social justice and reality.

The squashing of the multi-annual envelopes is another deceit. At the end of last year the Government managed not to spend €300 million which it had allocated in capital expenditure. This €300 million could have been used to build schools, open the hospital wards that have been built and remain unopened. It could have been

used to introduce much needed environmental infrastructure to deal with waste, wastewater and sewage. This is an area in which the Government is most shamed. This is a Government which dumps upon our environment as well as many electors. It is a Government which has played the percentage game. It has decided who is most likely to vote for it because it received a severe shock when many deserted it in the June local elections. It decided to put together a package that would entice as many of them as possible back into the fold. However, I do not believe this policy will work. It is a seven year cycle — now an eight year cycle — of ongoing cynicism. It is a repeat pattern of moneys being cut back and brought forward.

The Government has deserted its duty in terms of sound economic management. We should have a steady ship and an appropriate level of funding, given out in an equitable manner to the areas that need it. This is a Government which wants to play games and deceive. On these grounds, while there are many welcome catch-up elements which will start a process that will not finish for a long time, this is a Government which will only continue to play games but the country needs more. As a result my party does not have confidence in it to put through the necessary reforms to bring about real social justice and equity. We look forward to the day when the electorate is given a proper choice as to how a socially just and equitable budget and system of government can be achieved.

**Mr. Morgan:** My first instinctive response to this budget is to say, “Well done”. I am definitely not saying “Well done” to the Fianna Fáil-Progressive Democrats coalition; I am saying “Well done” to those voters who scared the living day-lights out of it last summer by sending the message that they, the people, would no longer accept the wanton, right-wing gallop that was widening the gap between the rich and the 20% living in poverty.

**Éamon Ó Cuív:** We got more votes than Sinn Féin.

**Mr. Morgan:** I urge them to keep voting for Sinn Féin because it is working. This is the proof. We have at least forced the Government away from the Progressive Democrats path that it has been following for the past six years.

There are some good measures in the budget but there are also failures. One of the significant announcements in last year’s budget was the relocation or misnamed decentralisation issue. Only last week Phil Flynn pronounced that only 3,500 people would be relocated, instead of the 10,300 announced last year. We see how budget announcements are not always what they seem. People will remember that the decentralisation programme was to be delivered by 2007. That date is now 2008. The Minister said today that we were well on track. Who is he fooling? I assure

him it is only himself. Everyone knows this is a complete catastrophe created by the Fianna Fáil-Progressive Democrats coalition. It is a complete mess.

The budget should focus primarily on improving the lot of the disadvantaged and the low paid while seeking to make the wealthy pay their fair share. When the former Minister for Finance, former Deputy McCreevy, introduced his first budget in 1997, he said he would be judged not on one budget but on all of them. That judgment has been delivered by the Government. This budget represents a belated admission that the budgets since 1997 have failed to address gross inequality; to eliminate poverty; to protect the disadvantaged and people with special needs. If some of these issues are now being addressed, it is to be welcomed but this could and should have been done from day one, in 1997.

Contrary to what the Minister for Finance stated, the Government was indifferent to the plight of the disadvantaged until the reality of the electoral repercussions of its neglect of the most needy sections of society started to bite and the prospect of massive seat losses began to loom. Seven years of “McCreevyite” economics have deepened the inequalities in society. Instead of using unprecedented resources to redistribute wealth and close the poverty gap, the Government has worsened social and economic inequality in every budget since 1997.

The Living in Ireland survey of 2001 estimated levels of poverty in the State. By its reckoning, over 700,000 people had incomes so inadequate that they were deemed to be living in poverty. Of these, over 250,000 were children. All the front line agencies agree that while there have been some improvements, this level of disadvantage and inequality persists in 2004.

Capital funding increases are to be welcomed but one should not forget that we are playing catch-up. The failure of the Government to allocate adequate funding to social housing, child care facilities and the development of public transport infrastructure has had a negative impact on the economic competitiveness of the State. There will be severe repercussions for the economy if these policies continue to be pursued.

Sinn Féin has called on the Government to address the State’s social provision and infrastructure deficits, specifically through measures on child care, housing and health. Government inaction on housing and the provision of affordable child care has the inevitable effect of driving up wage demands. Workers who are forced to pay extortionate prices for houses and child care need wage increases to pay for these necessities. The Government is pursuing a policy of wage restraint in exchange for tax cuts, while ignoring the root causes of wage demands, such as the lack of affordability for such essential items as housing and child care.

In the case of social spending, well managed short to medium-term investment will often yield medium to long-term savings as other direct and



[Mr. Morgan.] indirect costs are reduced. To invest in health, education, transport, infrastructure and housing is to plan for the future. The underlying problem is that the State is not raising enough taxation to pay for the public services which need to be delivered.

Public expenditure has fallen from 39.1% of GDP in 1990 to 30.1% in 2004. How can this be justified? The tax model in place is not adequate to provide European norms of public service, yet this is supposedly the richest state in Europe. Low levels of public sector provision is heavily subsidised by high VAT rates, which hit the poorest sections of society hardest. It is the policy of the Government to rely heavily on high indirect taxes as the major source of revenue, with almost half of all taxation revenue raised from expenditure taxes. At 21%, VAT is high compared to Britain where the rate is 17.5%. Our high rates pay for the low corporation tax rate.

The use of the term "giveaway budget" in reference to any budget which gives even a little to the less well-off is misleading and invariably accompanied by the suggestion that the less well-off should be grateful for whatever small increases they receive in welfare, etc. While one budget cannot be expected to undo the damage done during Mr. McCreevy's seven years at the helm of the Department of Finance, it should have been used as a starting point for reforming the taxation system to create an equitable and fair system in which the wealthy and businesses pay their fair share of tax, one which is used as a tool to create an equitable society.

Budget day is all about presentation. We must ask ourselves if the average citizen is really much better off when one considers the rate of increase in the numerous stealth taxes people are forced to pay, for example, waste charges, tolls and so forth. Deputies will be aware of many other examples. At every turn, one finds massive increases in charges, which are being introduced on a weekly or daily basis.

Sinn Féin welcomes the fact that the Minister has increased tax credits. This was necessary to address the plight of the low paid and is a belated attempt by the Government to live up to its promise to take those on the minimum wage out of the tax net. Increasing credits benefits all taxpayers but gives the highest proportional benefit to the less well-off. The widening of the lower tax band is welcome. It is right that those on the average industrial wage should pay tax only at the standard rate.

The number of people being pulled into the higher 42% rate has been increasing. In 2002, 26.7% of taxpayers had part of their income taxed at 42%, with the rest liable at the standard 20% rate. By last year, the percentage caught in the higher rate had risen to 32.6% or one third of taxpayers. It is not acceptable that many people struggling on wages just above the minimum wage will continue to pay income tax. Sinn Féin would have preferred the Minister to place

greater emphasis on these people, rather than splitting the benefits of tax changes by increasing tax credits and expanding the tax bands. We must ensure that those who are most disadvantaged derive the greatest benefits from the budget.

The Minister's statement that he has closed down tax loopholes is incorrect. For years, Sinn Féin has called for a review of a number of reliefs but the Government has refused to establish one. Let there be no confusion on this issue: Sinn Féin is not referring to tax reliefs for ordinary citizens, such as mortgage relief, but those to which Deputy Boyle alluded, namely, reliefs which have massively benefited speculators and others, while providing virtually no benefit to society in general.

While I welcome the fact that an evaluation of all reliefs and incentives is to be undertaken and that follow-up measures will be included in next year's budget, we should not have to wait so long for such measures to be introduced. In addition, a number of unjustifiable tax loopholes should have been closed in the budget. I specifically have in mind those available to the horseracing industry, which one reasonably have expected to end with the departure of Mr. McCreevy.

The Minister for Finance and the Revenue Commissioners are still not able to tell us the cost of a whole range of tax giveaways for which this Government is responsible, including tax breaks for holiday home developments, hotels, multi-storey car parks, sports injury clinics and a number of others itemised by other speakers. We will probably never know how much has been lost through these scams which only benefit profit wealthy speculators.

Why has the Minister not introduced measures to establish a base line of taxation to ensure that where justifiable tax incentives are available, they cannot be exploited by the wealthy for tax avoidance purposes? Capital gains tax should be increased for speculative owners of multiple dwellings. For far too long, the Government has promoted investment in property at the expense of ordinary workers trying to secure a home. This is unacceptable.

Sinn Féin called for child benefit to be increased to €150 per month for the first and second child and €185.50 for third and subsequent children. Child benefit is recognised as the single most effective social welfare measure for addressing the needs of children. While increases are welcome, they are not adequate if this benefit remains the Government's stated preferred method for assisting families with child care costs. Sinn Féin called for a child care supplement to be paid to top up child benefit for children under five years. This budget will do little to address the difficulties faced by parents in securing affordable child care. This will have repercussions on the economy and competitiveness in terms of the failure to attract young mothers into the workforce.

The provisions on funding for social housing are disgraceful and inexplicable. Approximately 60,000 households are on local authority waiting

lists. This budget will mean little to this group of people, primarily low income families who have no hope of ever being able to buy their own home. The changes in the area of stamp duty will mean nothing to them.

Sinn Féin has called for adequate funding to be made available to increase the total social housing rental stock in the State by 30% to ensure appropriate accommodation is built for differing sizes of families and the needs of single people are adequately catered for. We have also called for a target to be set for the elimination of waiting lists by local authorities, with an immediate target of 70% of applicant units to be provided with suitable accommodation within two years of being added to the list. Surely this is reasonable.

In recent days, the Government's attitude to social housing was flagged up by the Minister for the Environment, Heritage and Local Government when he attempted to place the full blame for poor delivery in the construction of new social housing units on local authorities. This is not good enough. For several years, one of the most incompetent Ministers of State for a long time has been telling us that there is no problem with regard to the number of social housing units being constructed. He has persistently cited the overall figures for the construction of housing units to hide the low level of construction of social housing. It is clear that some local authorities wish to withdraw fully from providing social housing. The Government has not taken on board the severe difficulties faced by cash-strapped local authorities which are attempting to secure land for the construction of housing. If the Minister is committed to this issue, he will reintroduce the original Part V provisions of the Planning and Development Act 2000, which were repealed by his predecessor. Tenants in rented accommodation will welcome the tax relief, but in the absence of rent control, this amounts to the Government subsidising rack-renting landlords, the vast majority of whom have failed to register with the private residential tenancies board. That is most unfortunate.

The positive measures introduced in the budget are not attributable to the Government. They are attributable entirely to those very clever people who voted against the Government last summer and who scared the daylight out of it. Long may they continue in ever greater numbers to support parties like my own, because that is how change will be brought about.

**Mr. Healy:** I thank my independent colleagues for allowing me the opportunity to respond to this budget debate. This is the eighth budget of this coalition Government and it must be seen in that context. There is a little more spending on human services and social supports, but the fundamental right-wing orientation of the Government remains unchanged.

The background to the budget is a deeply divided society, with inequality greater than any other country in the world, except the US. Writ-

ing in *Working Notes* after the last budget, Robin Hannon of the European anti-poverty network summed up the situation as follows: "Ireland has the lowest overall tax rates, the lowest spending on social provision and the highest poverty rates in the European Union. This is not a coincidence; it is the result of political decisions." As a result of those political decisions, we have a deeply divided society. The gap between rich and poor has widened each year until it now stands at €294 per week, or €15,288 per annum. Of our children, 66,000 now live in consistent poverty and a further 237,000 live in relative poverty and 700,000 people are at risk of poverty.

Relative poverty has been on the increase steadily over the last seven budgets. Child poverty is a scandal, particularly when there is so much wealth in our society. It is a scandal not only because it has a major impact on the current quality of life of children, but also because it can shape their future lives. Children who experience poverty are likely to have high mortality rates, develop literacy problems, leave school early and without qualifications, become involved in drug and alcohol abuse and anti-social behaviour, experience unemployment and ultimately die young. Their lives are blighted.

There is strong reason to believe that relative poverty is at the root of much ill-health and anti-social behaviour and violence in our society. The greater the relative poverty, the more people affected feel rejected by society generally. Though consistent poverty has lessened during the boom, relative poverty has increased and this budget is not sufficiently generous to reverse that trend. Pursuit of inequality by the Government over the past seven years has widened the gap between rich and poor and is responsible for the worsening incidence of anti-social behaviour in our society. The economic growth that we have experienced over those years has been created by hard-pressed PAYE tax-payers who have invested in this country, together with the self-sacrifice of parents and the diligence of students.

Sadly, while PAYE workers invested in this country, the rich and powerful ripped off the country through bogus non-resident accounts, off-shore accounts and planning corruption. That growth has been unequally distributed. The gap between the income of employees and that of big business has also widened. According to the Central Statistics Office, employee share of national income has decreased by 13% over the last ten years, while the income of big business has raced ahead. This is a result of conscious political decisions by the Government. Workers were persuaded to restrain their incomes under the so-called partnership agreements in return for tax-reductions, but the Government gave huge tax relief to business over and above PAYE workers, even while they had restrained their legitimate demands. Employees have done relatively very badly out of the economic growth. We now have the growing phenomenon of the working poor.

[Mr. Healy.]

To cap it all, tax concessions to PAYE workers are now being clawed back through stealth taxes of all kinds, such as bin charges, utility charges and the failure to index income tax bands. It calls to mind the decision made this week by Dublin City Council, supported by all the political parties, to introduce and connive at the introduction of a €340 bin tax, almost double the current figure. Hundreds of thousands of working poor are living in areas blighted by anti-social behaviour and lacking in human services. Calls to the Society of St. Vincent de Paul have risen from 6,096 to 10,907 in the nine months to September 2004. The society claims that an increasing number of those calls are from those in work, but on low pay.

Growth in the economy in money terms for 2005 will be approximately 8%. The increase in income will be something more than this. The lower projection set out in the budget is fictitious, as was the projection last year. Today's budget will have little distributive effect. The share of national income going to the poor, middle and low income families will remain largely unchanged.

What we have here today reminds me of an attempt at a three card trick. Arriving at the square in Thurles on Munster final day, one will inevitably find the man with the table and the three cards. We have an attempt to create an illusion of dramatic and substantial change in Government social policy. It is a cynical attempt to trick the public into thinking that this Government cares. We have a Government which has created huge inequality in our society. It was found out in the recent local and European elections. It is now engaged in a cynical ploy, a smoke screen to try to project a new social conscience and a so-called caring image. Any analysis of this budget shows that the rich and powerful in society continue to call the shots.

That is the context within which we must view this budget. Having squandered the wealth of the Celtic tiger years and created a super-rich class, many of whom do not tax, having perpetrated the two-tier health service with instant health care for those who can afford it and trolleys in corridors for those who cannot, having ignored the educational needs of primary and secondary students, the most needy of our children and having demoralised and ignored until now people with disabilities and their families, the plan is now to give the impression that this new caring Government is prepared to undo the wrongs and injustices of our society, wrongs introduced by the Government in the first place.

Following years of neglect with surpluses of billions of euro, this budget amounts to crumbs from the rich man's table. This will not reverse the inequality produced by Fianna Fáil and the Progressive Democrats, nor will it change our status from being the most unequal society in the European Union. There is no evidence in the budget of any strategy to redistribute wealth and

create a fairer, more equal society. There is no evidence of a genuine attempt to tackle the huge inequalities of the two tier health and education systems, or anti-social behaviour and urban deprivation.

The additional funding for disability services is most welcome, but it is only a first step in addressing the needs that have built up over years of neglect and discrimination. In page 16 of the Budget Statement, there is an assertion made that 800 additional residential respite and day-care places will be put in place. This is a misleading figure when it is placed against the 3,000 people who are waiting for these places. A little done, a lot more to do for the need for a rights based disability legislation.

**Mr. F. McGrath:** Hear, hear.

**Mr. Healy:** There is no evidence of any attempt to tackle the inequality of the two tier health system. We have an instant service for those who can afford it, but those who cannot must wait. In 1997, 37% of the population had medical cards as opposed to 26% today. There are 200,000 fewer people entitled to medical cards now than in 1997. The level of coverage has been reduced on grounds of income alone. The exclusion of many low-income families is unique in Europe and has contributed to Ireland's stark health inequalities between the haves and have nots. The second-rate doctor-only medical card introduces further inequity into the system. The Government has again reneged on its promise to grant 200,000 additional medical cards. This yellow pack medical card, as it were, is a cynical ploy to undermine the entire medical card system. In a short few years it will become the majority card. At renewal time applicants will be told their last card was granted on compassionate and medical grounds. They will get the all-new second-rate doctor-only card and will have to pay for medicines, the prices of which have also been increased in the budget.

The budget does not tackle the apartheid of the health system. We continue to have an income based system with health services for the wealthy haves and waiting lists for the have nots. There is also a geographical based apartheid. Cancer patients in counties such as Waterford, Limerick and Sligo are being deprived life-saving radiotherapy services. BreastCheck is still not available in the south or the west, despite 65 women dying annually from breast cancer in these areas. The small amount of additional capital funding will I hope be used to ensure general hospitals such as those in Monaghan, Ennis, Mayo, Tuam and Cashel are looked after.

The most despicable part of the budget is how it deals with children. There has not been an increase in the child dependant allowance since 1994. The Society of St. Vincent de Paul proposed that it be brought up to current standards with an increase of €11.20 per week. Not a single cent has been allocated in the budget. With regard to children's allowance, the Government target of €150

per child for the first and second child needed an increase of €18.30 per week, while the Government target of €185.40 for third and subsequent children needed an increase of €20.10 per week. Approximately half these amounts have been provided.

There is no provision in the budget for child care, not even a mention. Some 66,000 of our children live in consistent poverty, another 237,000 in relative poverty. Shame on the Government.

The issue of carers is another which has not been addressed. Their situation remains unchanged by the budget. A carer will get approximately 82c per hour for caring on a 24 hour basis. There are 149,000 carers, of whom one in six receives carer's allowance. If one falls into one of the social welfare categories, one loses one's social welfare payment also. There has been no attempt to deal with this issue which has been raised repeatedly by the National Carer's Association. Carers save the State approximately €1.6 billion per year. Today's increase of €14 is the same as other social welfare increases and gives a carer an extra €4.80 per week to look after a family member who is ill. This amount is shameful and must be increased.

The social welfare increases will be commented upon in the media. National anti-poverty strategy proposals have not been met in the budget. The Society of St. Vincent de Paul whose members work at the coalface recommended an increase in basic social welfare payments of €20 per week. It said a minimum of €15 was necessary. A sum of €14 has been provided in the budget which is less than the target and what the society seeks.

Pensioners have done worse. They have only received an extra €12 per week when they needed a minimum of €14 per week to meet the targets set by the national anti-poverty strategy. Widowed pensioners under 66 years of age have done even worse. They must live on €154.30 per week. If one is in receipt of a non-contributory pension, one must live on €148.80 per week. I invite any politician in this House to live on this amount. The social welfare increases do not meet the minimum amounts required as laid out by the national anti-poverty strategy and the Society of St. Vincent de Paul to begin to address the issue of poverty.

The small increases in employee tax credits ensure that while the minimum wage will be removed from the tax net, it will be back by the middle of next year. The 42% rate has again not been index linked. It would have required an increase of an additional €4,500 in the tax band. The Minister has only taken an additional €1,400. The PAYE worker is again being short-changed.

I could address many other areas such as housing, decentralisation and a reduction in moneys for flood relief measures. There is a current budget surplus of €5.5 billion which has been largely invested in physical infrastructure such as roads and broadband. This will serve many future generations. It is normal in most EU countries to borrow for such purposes and would allow for

large increases in health, education and social services. By increasing health, education and welfare budgets by little more than expected growth rates, the Government is saying patients, pupils and the poor must continue to suffer now in order that future generations can enjoy free infrastructure. The priority given to infrastructure over people is economic nonsense and seriously endangers the future of the country. In a modern world the most important infrastructure is a healthy and well educated population. We have not heard of a serious investment programme in health and education. The goals of a knowledge society and world class service are mere verbiage.

The budget indicates no real change in the orientation of the Government. The shots are still called by the rich while the front men mouth about socialism.

*Sitting suspended at 6.40 p.m. and resumed at 7.10 p.m.*

#### **Allocation of Time: Motion.**

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

That, notwithstanding anything in Standing Orders:

- (1) The proceedings on Financial Resolution No. 1 shall, if not previously concluded, be brought to a conclusion after 45 minutes by one question which shall be put from the Chair.

Question put and agreed to.

#### **Financial Resolutions 2004.**

##### **Financial Resolution No. 1: Value Added Tax.**

**The Taoiseach:** I move:

- (1) THAT in this Resolution—

“Principal Act” means the Value-Added Tax Act 1972 (No. 22 of 1972);

“Act of 2004” means the Finance Act 2004 (No. 8 of 2004).

- (2) THAT—

(a) the rate of value-added tax on the supply of livestock and live greyhounds and the hire of horses be increased from 4.4% to 4.8% of the amount on which tax is chargeable in relation to the supply of such goods and services, and

(b) that, accordingly, subsection (1) (inserted by the Finance Act 1992 (No. 9 of 1992)) of section 11 of the Principal Act be amended by substituting in paragraph (f) “4.8%” for “4.4%” (inserted by the Act of 2004).

[The Taoiseach.]

(3) THAT the rate of flat-rate addition to the consideration in respect of the supply of agricultural produce or an agricultural service by a flat-rate farmer be increased from 4.4% to 4.8% and that, accordingly, section 12A (inserted by the Value-Added Tax (Amendment) Act 1978 (No. 34 of 1978)) of the Principal Act be amended by substituting “4.8%” for “4.4%” in subsection (1) (inserted by the Act of 2004).

(4) THAT this Resolution shall have effect as on and from 1 January 2005.

(5) It is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

The only resolution before the House is a VAT resolution on farmers flat-rate on livestock. The resolution provides for an increase from 4.4% to 4.8% in the level of the flat rate farmers' refund together with a similar change in the VAT rate on the supply of livestock, live greyhounds and the hire of horses. The flat rate farmers' refund and the livestock rate were last changed in budget 2004 when they were both increased from 4.3% to 4.4%.

The Revenue Commissioners have calculated that on the basis of macroeconomic data for the past three years that a flat rate of 4.8% is now needed to achieve full compensation. This represents a significant increase in the flat rate, one of the largest increases for a number of years. The increase to 4.8% will take effect from 1 January 2005 and will cost €12.93 million in 2005 and €15.52 million in a full year.

The flat rate scheme is a simplified and practical method of applying value added tax to farming. It compensates unregistered farmers on an overall basis for the VAT charged to them on their purchases of goods and services. This is achieved without applying normal VAT rules on registration, record keeping and returns. Traditionally, the VAT rate on livestock has been maintained at the same level as the flat rate addition. This is administratively more convenient for farmers and their customers.

The zero rate of VAT generally applies to farmers' outputs, such as food, whereas many of their inputs are subject to VAT at the standard rate. Thus, under the normal VAT system, most farmers, if registered, would be continually reclaiming VAT incurred on their inputs.

The flat rate scheme which is provided for under the EU Sixth VAT Directive is a practical method of applying value added tax to farming. The scheme is designed to compensate unregistered farmers on an overall basis for the VAT charged to them on their purchases of goods and services — their farming inputs. This is achieved without applying the normal VAT procedures of registration, record-keeping and returns. The tax compliance burden for farmers participating in

the scheme is minimal and, in addition, the State is relieved of a significant administrative burden.

The scheme sets out a percentage amount known as the flat rate refund or addition. Unregistered farmers add this percentage to their prices when selling to VAT registered businesses such as co-operatives and meat factories. The VAT registered business treats the flat rate amount as a normal business input in its periodic VAT return. The flat rate for 2004 is 4.4% and this is being increased to 4.8% for 2005.

An example would be where an unregistered farmer sells goods worth €100 to a meat factory on 1 January 2005. The flat rate addition of 4.8% means that he can increase his price to €104.80. The factory then claims back the €4.80 flat rate addition as a VAT credit in its normal return and there is no impact on the price of goods to the final customer due to the flat rate addition. VAT paid by unregistered farmers for 2004 is €185.36 million while the figure for agricultural sales is €3,879.88 million. The rates underpinning the calculation are rounded to 4.8%.

I commend the resolution to the House.

**Mr. Naughten:** I am glad the Taoiseach impressed on us his knowledge of the agricultural industry. His contribution was interesting. While time is limited in terms of our being tied to the motion before us, I am disappointed with the budget as it relates to the agricultural sector. It contains nothing in terms of farm consolidation even though the Minister spoke about it for a number of minutes. The relief on the control of farmyard pollution will not impact especially given the enormous pressure brought about by the nitrates directive, something of which my colleague, Deputy Crawford, is aware.

I am disappointed the budget introduced no change to capital gains tax in terms of the compulsory purchase of land for motorways.

**An Ceann Comhairle:** As the Deputy rightly pointed out time is limited and he should confine his remarks to the resolution before the House.

**Mr. Naughten:** I welcome anything that benefits the farming community. The Fine Gael Party realises how difficult and uncertain things are for farmers and in that regard will not oppose Financial Resolution No. 1 as outlined. As the Taoiseach said, the rate of calculation is set down under EU VAT law. The calculation is based on the rate of VAT paid by farmers on input costs over the previous three years. My understanding is that the rate is based not on the value of VAT paid over the previous three years but on the rate of VAT over the previous three years. When agricultural and general inflation are taken into account, farmers will be short-changed in this. This resolution should provide for payment to farmers not registered for VAT because of their input costs over the past three years. However, they can only recoup this input cost through the sale of produce to a VAT registered business.

Considering this and that farm practices will change dramatically over the next 12 months due to the introduction of the single farm payment which will be separated from production for the first time, many farmers will not get the benefit of this relief although they have already paid the input VAT. In other words, they will be short-changed. They will not have the same throughput of produce to enable them to recoup the VAT already paid. While the flat rate is not intended as an aid or assistance to the agricultural sector, it is fair compensation for VAT incurred by farmers. A farmer who produces more will get a higher rebate.

Has the Department of Agriculture and Food examined how this benefit could be maintained for farmers, downscaling in production because of the decoupled payment? Can it be maintained for the many more farmers forced to produce less due to entry into REPS or through the severe criteria laid down by the nitrates directive? This is particularly apt since the EU has rejected current Irish proposals for implementing the directive.

Under the new regime, agricultural commentators expect agricultural produce prices will fall. This will be due to the lack of price support, caused by the decoupling of the payment, which will have a dramatic impact on the price paid to farmers for livestock. Cattle and other produce prices will fall. Consequently, when farmers sell on the produce, they will not get the same VAT rebate as they would have in the past. Prices will also fall because of the current round of WTO negotiations which will allow additional produce from third countries. The increasing power of the major supermarkets will force farmers to take a lower price for their produce, thereby losing out. A review of the groceries order would have a further impact on prices.

If agricultural produce prices fall, the actual value of the rebate coming back to the farmer will be lower. In real terms, they will not get the value of money paid in VAT back through the rebate system. This is compounded by agricultural inflation running at approximately 6%, twice the rate of inflation. Input costs have risen by 6% but return on produce sold has not. Consequently, farmers are losing €6 in every €100 on the value of this rebate, without considering the changes that will take place with produce prices. Many farmers will have purchased equipment for more intensive farm production during the three year VAT reference period. Equipment still has to be maintained and in many cases the repayments have to be made. If they downscale, they will be big losers in the rebate system.

This is a watershed in agriculture and the Minister for Finance and his Department should have recognised and acknowledged it in the budget. I ask the Taoiseach to review the rate of rebate considering these significant changes in the agricultural sector. It is evident from the figures the Taoiseach has quoted that the Department of Finance has not realised these major changes taking place. The Department estimates the rebate

will cost €15.5 million a full year. However, based on the changes now taking place with the decoupled payment, it will not cost that to the Exchequer. I urge the Taoiseach to review this matter and increase the level of rebate for farmers. Will the Taoiseach comment on the consideration the Department on Agriculture and Food has given this and whether a further rebate could be included in the decoupled payment to address the shortfall I have outlined?

**Mr. Penrose:** Last year, I was disappointed the then Minister for Finance, Mr. McCreevy, only increased the rebate by 0.1% from 4.3% to 4.4%. It is a practical way of compensating farmers. For once, dealing with the Revenue Commissioners will be customer friendly as it is not complex. Its simplicity adheres it to the farming sector. It is paid to compensate for inputs for which farmers pay the appropriate VAT, but because they are not VAT registered they would not normally receive a refund. However, I am concerned at the change in the ways of paying the rebate. Many livestock marts where it was often paid are closing. We better start taking pictures of these for posterity. In County Westmeath, the heart of farming country, Mullingar and Moate marts have closed. Soon we will have none of those traditional outlets. It is sad that those traditional outlets where farmers picked up this payment will no longer be available.

I advocated, as Deputy Johnny Brady knows, decoupling proposals which was decried by farming organisations at the time. One might say that is not unusual for a Labour Party member. I championed that proposal in the mid-1990s when it was not popular. I did so because I wanted to ensure small farmers, the backbone of farming, would get their due and just entitlements. It was easy when one was on the side of the large farmers' cohort to win the battles. However, I thought of the small farmer, down the boreen, who was denied payments. Many whom I knew never applied for subsidies. That is why I was eager to ensure that those people were entitled to payments. I support the Government's efforts in that regard.

I accept what Deputy Naughten has said on decoupling. However, it will mean a significant change in farming patterns and methods of production. I hope we will reach the stage where farming will be less intensive and we will win the battle for traditional output. This will allow us to penetrate those lucrative EU markets. Where we only had a one in five penetration, we must now increase that to ensure we win a bigger market share of a higher value added market. This in turn will allow us to compensate in that way. That means changing our traditional production patterns and that beef production must be focused on to ensure agriculture survives. I always argued that the traditional beef breeds should be rewarded.

It would be remiss of me not to acknowledge that this is a larger increase than any other year.

[Mr. Penrose.]

Farming inflation runs ahead of normal inflation. This appears normal when one considers that prices for oil and diesel have had a significant impact in the past 12 months. The value of this increase will not be as significant as it would appear on paper. I acknowledge it will be €15.5 million in a full year. Deputy Naughten asked if it can be included under the single farm payment system where the lesser value would be compensated. This is worth examining. However, I wonder if it can be accommodated under the existing scheme. I have grave doubts that the EU Agriculture Commissioner will allow such an arrangement.

I looked at the material on farmers in receipt of the flat-rate and the information regarding construction. I see the Minister for Agriculture and Food is in the House. There will be serious pressure on farmers to comply with environmental and pollution directives, especially the nitrates directive. While doing so will require significant expenditure, funds are no longer available in farming to meet costs of this nature. Is there any possibility that the grants system will be changed to support farmers who must comply with the directives to provide us with the environmental standards required to penetrate the European markets I described earlier? We should help our farmers to obtain a 50% market share and to take them over. It can be done but only if we implement an integrated package of environmental enhancement. Can the income restraints and eligibility criteria of the capital grants system be changed to accommodate this process?

There are some farmers in the midlands who train horses to supplement their incomes. Does the rule still apply whereby 10% of farm income is taken out of the equation and deemed to be allocated to the training operation? Perhaps one of the officials could clarify the matter.

I welcome broadly that more substantial increases than last year's have been made. They had to be. I wondered how the former Deputy McCreevy could behave in so Scrooge-like a manner in this area over recent years given that he came from a heartland of farming activity, which was something I thought was dear to his heart.

**Mary Coughlan:** We are looking after the poor farmers.

**Mr. Sargent:** I welcome the opportunity to speak on the resolution. While it suggests a need for a wider debate, I realise we are limited here and will have a chance to speak on the budget more fully tomorrow.

In the context of agriculture generally, the resolution is narrowly focused. Given the fine body of officials who are present to give the Minister advice on any aspect of it, I assume it was well-thought out and comprehensively prepared. The resolution will be cold comfort to anybody who is trying to make a living in agriculture and the food

industry. Farm gate prices have been decreasing and the current scenario is quite stark when compared with that of 1954. The resolution will be of cold comfort to farmers who remember receiving 50% of the final price of a product and are nowadays lucky to get 12%. Perhaps this explains why it is so difficult to make a living in farming and why so many are leaving the sector.

There is a great deal more to be done to rise to the challenges with which we are presented in agriculture. I hope the Minister will be open to many of the ideas farmers are communicating to me but which do not appear to be getting through in Government. With the requirement to export 80% of produce, farmers are being asked to compete with very low wage and, sometimes, low standard producers in other countries. Whether it is viewed as an opportunity or as a requirement to be met under duress, change is inevitable. Change will arise mainly in the context of energy costs, which are currently internalised in agriculture to a great extent, a strategy it will be very difficult to maintain.

Is it possible to expand the resolution to take into account the potential and need to develop local food economies which have been allowed to decline? We spoke about this subject during Question Time recently. Deputy Penrose also referred to the closure of marts, which appears to be a trend. The trend will continue only as long as the energy regime remains in place and exports continue to be a viable way of disposing of agricultural produce. When energy prices increase, the local market will become much more necessary and viable. One hears this point being made time and time again by Darina Allen and other food specialists who find it is more difficult to operate here when they compare their businesses with those in other countries.

The nitrates directive will be among the more immediate challenges for operators in the non-organic sector. I point the Minister towards a recent copy of the *New Scientist* which set out recent American research which has resulted in much more accurate methods to measure the nitrate requirement of land than we have traditionally used. I urge the employment of these methods to assist farmers to put exactly what is needed on their fields rather than engage in a process of estimation which can make it difficult to comply with the nitrates directive.

The resolution constitutes an opportunity to make these points in a wider context. It does not contain much which indicates the context in which it arose. Even the Taoiseach's introduction dealt only with the bare facts surrounding it. While the resolution points to the need for a wider debate which we cannot have today, it is useful to consider New Zealand. New Zealand has often been compared to Ireland in the context of agricultural policy. It ceased to use subsidies and went down the decoupling route much sooner than we did. While to some extent there has been pain, those who have survived have done so on the basis of their own merits. It was

interesting to read in the paper recently what Darina Allen said about Heinz in Dundalk being treated in exactly the same way as a local cheese maker in west Cork. That requires attention.

**An Ceann Comhairle:** The Deputy is moving away from the resolution and back again.

**Mr. Sargent:** I am touching on the resolution strategically.

**An Ceann Comhairle:** The Deputy is correct to say he is touching on the resolution, but he should confine himself to it.

**Mr. Sargent:** I am keeping the resolution firmly in my sights. It is important to provide any possible assistance. There are obvious ways to do so bearing in mind the turnover involved. For example, speciality food firms turned over €450 million in a €10.7 billion Irish food market. Over the past eight years, there has been an eight-fold growth in the sector.

**An Ceann Comhairle:** The Deputy must confine himself to the resolution. Other speakers are offering.

**Mr. Sargent:** While Ireland has 320 firms in this sector, New Zealand has 2,000. The Minister for Agriculture and Food must examine why that is and explore why we are discussing a resolution which ignores the potential in agriculture.

**Mary Coughlan:** We are supportive of organic farming. We import it all.

**Mr. Sargent:** What about specialities?

**Mary Coughlan:** Specialities, yes. The Deputy had better start buying.

**Mr. Sargent:** I buy it all.

**An Ceann Comhairle:** Deputy Johnny Brady should be allowed to speak.

**Mr. J. Brady:** I welcome the changes which are being made. I compliment the Minister for Finance on what he has done for agriculture today and also the Minister for Agriculture and Food, Deputy Coughlan, and her Ministers of State for their interest in and dedication to agriculture.

Deputy Penrose spoke about the many issues he raised in the past, particularly his interest in and support for decoupling. I have to admire the Deputy because he has supported that from the outset at a time when many farming organisations had different views, although Members on all sides of the House fully supported it. It has been very successful—

**Mr. Crawford:** Eamon McGrath deserves the votes in Westmeath.

**Mr. J. Brady:** That was a popular move on the part of the farming community throughout the country.

The tax relief on farm pollution control measures to help farmers under the EU nitrates action programme is very welcome. Through negotiations with both the Minister for the Environment, Heritage and Local Government and the Minister for Agriculture and Food, enormous changes have been made under the nitrates directive. The problem had been severe. Deputy Crawford's county and that of the former Minister, Deputy Michael Smith, have been affected more than other counties but what the Minister and the Government have done today will be of enormous help to those areas.

**An Ceann Comhairle:** Deputy Brady, like other Deputies you are moving away from the resolution before us.

**Mr. J. Brady:** It is very difficult when dealing with agriculture. It covers an enormous area.

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

**Mr. Naughten:** It covers the whole country.

**Mr. J. Brady:** It does.

**Mr. B. Smith:** The greatest contributions are always positive and valuable.

**Mr. J. Brady:** I very much welcome that relief.

**A Deputy:** The fields are very big in Meath as well.

**Mr. J. Brady:** There is no doubt about that, and some of them will be divided with our new road in the next few years. That is welcome and it will complement the farmers of County Meath who were very supportive in making their land available for progress in the county, and in Counties Cavan, Donegal and elsewhere.

**Mr. B. Smith:** Deputy Crawford will want better access in County Cavan.

**Mr. J. Brady:** A lot of Monaghan people travel through Meath as well.

**An Ceann Comhairle:** Speak on the resolution, Deputy.

*(Interruptions).*

**Mr. J. Brady:** We will talk about those issues when the Deputy comes to Kells in a few months.

**Mr. B. Smith:** The Deputy should follow Deputy Brady's example.

**Mr. J. Brady:** It is very difficult.

**The Taoiseach:** The traffic is impossible.



**Mr. J. Brady:** It is very difficult to get out of Kells to come to Dublin.

**An Ceann Comhairle:** Allow Deputy Brady to come back to the resolution.

**Mr. J. Brady:** It is not good when one's own colleagues interrupts one's contribution.

**Mary Coughlan:** Especially when it is the boss.

**Mr. J. Brady:** We met members of the IFA on the pre-budget submission. They raised many issues with us in that and in further meetings — as chairman of the party committee they met me on other occasions as well — and I was delighted to hear the president of the IFA say on the news this evening that many of their concerns were addressed in today's budget.

**Mr. Naughten:** Obviously, he was not listening to the budget speech.

**Mr. J. Brady:** I am thankful for that. There has been enormous support from farmers in terms of the reduction, both this year and last year, in disease levies. The VAT refund is welcome also and I thank everybody concerned in that regard.

Stock relief for young farmers, including young trained farmers, has been extended for a further two years from January 2005. At a time——

**An Ceann Comhairle:** The Deputy is moving away from the resolution.

**Mr. J. Brady:** No, this aspect is part of the resolution, a Cheann Comhairle. It is important to keep young farmers on the land but it is difficult to do that. Our buoyant economy means there is great opportunity to earn money and, unfortunately, it is very difficult to keep young farmers on the land.

Stamp duty relief for exchange of farmland between——

**An Ceann Comhairle:** Deputy, we are going outside the resolution. In fairness to Deputy Crawford, he wants to speak exclusively on the resolution.

**Mr. J. Brady:** I will let him come in shortly.

**Mary Coughlan:** You will be getting a free turkey for Christmas, a Cheann Comhairle.

**Mr. J. Brady:** This relief will be welcome because of the division of so many farms as a result of the M3 going through County Meath. It will be of major benefit to many farmers in the area.

**Mr. Crawford:** I am glad the precedent has been created that will allow me plenty of scope to speak on many different issues, but I want to come back to the resolution before the House.

I am happy to see the Taoiseach in the House when we are discussing agriculture, and accompanied by such a strong team. It gives me heart that agriculture, which continues to be a major industry, still has a place in the Dáil.

The VAT increase occurred two years ago and farmers are now at the stage where they are getting refunds. As someone who is not very well educated, if we lose €15.5 million next year——

**Mr. B. Smith:** The Deputy can ask the Ceann Comhairle for the tissues.

**Mr. Crawford:**——I reckon that at least €30 million is due to farmers who have not been paid. This increase should have been made two years ago. That is the simple fact. It is being made retrospectively, which is a serious issue. When one considers the difficulties with which farmers have had to deal in recent years, this position is not fair. I was assured here last year that the figures farmers would get back as a result of the 0.1% increase were based on proper and adequate research into what was happening. Nothing had happened a year before. There is something very wrong when farmers have to wait so long for the repayment of such VAT.

As my colleague pointed out earlier, with the direct payment system to farmers under the single payment system, there will be a lower price structure. I hope I am proven wrong in that but without intervention or the other support systems in beef or dairy production, such amounts will come through the direct payment system on which VAT will not be paid. I cannot understand, therefore, how the Department of Finance can indicate that next year farmers will get a larger amount in VAT refunds than this year.

**Mary Coughlan:** They will have to increase production to reflect the markets.

**Mr. Crawford:** We must face reality. We will not have increased production.

**Mary Coughlan:** We will have to have it.

**An Ceann Comhairle:** Deputy Crawford, without interruption.

**Mr. Crawford:** In the dairy sector, we are stuck with a quota and Kerry Co-Op has already made it clear that quota will decrease so I do not know if there will be increased production.

I welcome any increase but why has it taken so long to get through the system? The mushroom industry is under extraordinary pressure. The pig industry is not much better. At a committee meeting today under the chairmanship of Deputy Johnny Brady, we discussed the position in the sugar beet industry which is also facing a serious drop in price for its product. I say to the Taoiseach, through the Chair, that this measure is a small help to farmers. There is very little other assistance to farmers in the budget.

Deputy Brady mentioned the nitrates directive. My county, and that of the Ceann Comhairle, as well as Counties Cavan and Leitrim — for some reason Donegal was dropped — were being asked to provide 24 weeks——

**Mary Coughlan:** I hope that is not an insinuation from the opposite side of the House because if it is, I totally refute it.

**Mr. Crawford:** No. I am only hoping the Minister will do the same for us.

**An Ceann Comhairle:** The Deputy is moving away from the resolution.

**Mr. Crawford:** I am dealing with the same issues with which Deputy Brady dealt. The nitrates directive is extremely serious. Farmers in areas in which increased levels of slurry accommodation must be provided must be compensated. This change in VAT alone will not be sufficient.

Have departmental officials evaluated how Ireland compares with other members states in regard to VAT support which has been provided indirectly to farmers in other European countries? Have the Taoiseach's officials information on this? It might provide a way to support small farmers. Deputy Johnny Brady referred to all the help provided in the budget. Perhaps it will help farmers whose land will be taken from them to build the M3. I hope that road is built as quickly as possible. My party tabled a resolution to that effect in the House and Fine Gael is speaking clearly on the issue.

**Mr. B. Smith:** The Mullingar accord is gone.

**Mr. Crawford:** However, the farmers who must sell their land in order that the M3 can be built were promised three years ago before the general election that their capital gains tax would be rolled over but that has not been addressed in the budget, even though there is plenty of money available to do so.

**The Taoiseach:** I will reply to Deputy Crawford first and then work my way backwards through the questions. I thank the Deputy for his support for this measure. The flat rate in the United Kingdom is 4% and has the same basis as ours. The CSO agricultural data were revised earlier this year. This is reflected in the calculation. The rate is calculated on a three year rolling basis. It comes up every year in the budget when the latest macroeconomic data are taken into account.

Deputy Sargent referred to energy costs which are included for the purpose of calculating the farmer's flat rate refund. All member states have the option to use the flat rate scheme in applying VAT to farmers. The relevant EU law states countries may apply to farmers a flat rate scheme to offset the value added tax charge on the purchase of goods and services. However, the directive rules out overcompensation on the flat rate

which may not be used to obtain for flat rate farmers refunds greater than the VAT on inputs. It cannot be used to provide an indirect subsidy, that is, to compensate farmers for changes arising from CAP and international trade reforms. Under EU rules, we cannot compensate for anything other than value of VAT on inputs, as the Minister pointed out. There can be no additional element other than inflation. I refer to the charts of recent years. This is the highest percentage flat rate for farmers for a long time.

Deputies Sargent and Naughten asked about farm waste. A sum of €38.8 million is provided for farm pollution control measures in the Department of Agriculture and Food's Estimate which was announced two weeks ago.

**Mr. Crawford:** It was €95 million nine years ago.

**The Taoiseach:** Income criteria have been abolished under Sustaining Progress. A question was raised about people not using or liking the system. Under the EU directive, farmers can register for VAT if they feel they are being short-changed under the flat rate system, which is not compulsory. However, Deputy Penrose is correct that the flat rate system has many advantages. One can use the other system but the reason people avail of the flat rate is its effectiveness.

Deputy Naughten was not clear about the value of VAT as opposed to the rate of VAT. The flat rate is calculated in accordance with Article 25 of the sixth VAT directive which provides that the rate is calculated on the basis of the macroeconomic data for the previous three years and the value of input costs. Reducing output also involves lower input costs. Therefore, VAT will reduce. Like many things in life, one cannot have it both ways.

**Mr. Naughten:** It is retrospective. Once the farmer has paid, he or she cannot get it back.

**The Taoiseach:** The flat rate is calculated on the basis of the data for the previous three years. Accordingly, while the level of refund is calculated with the intention of giving a full refund of the VAT borne on agricultural inputs by the farming sector as a whole, the level of refund does not take account of rate changes announced in the budget or expected changes in agricultural outputs which have not taken place or changes as a result of CAP reform. These changes will be reflected in future determinations of the flat rate.

I refer to other issues which I will not go into in detail because I will contribute to the budget debate tomorrow morning.

**Mr. Kehoe:** Will the Taoiseach be here on a Thursday?

**The Taoiseach:** I will; I would not miss it for the world.

**Mr. Sargent:** That is unusual for a Thursday.

**The Taoiseach:** I hope more constructive comments are made tomorrow than all the other Thursdays I watch proceedings on my monitor. I am glad I do not come to the House on Thursdays because I would be even more bored than on Wednesdays.

**Mr. Sargent:** The Taoiseach should not be so hard on himself.

**The Taoiseach:** In addition to the renewal of farmer's stock relief, improved capital allowances for expenditure and pollution control are provided. The writing down period under the special tax relief scheme for expenditure on farm pollution control measures will be reduced from seven years to three to assist farmers to comply with the nitrates action programme. Relief will be provided under the scheme at 33.33% per annum over a three year writing down period for expenditure incurred during the four year period commencing on 1 January, with an option to avail of a more flexible writing down arrangement in respect of the lesser of €31,750 or 50% of qualifying expenditure in any one year. Details will be provided in the Finance Bill. However, this is an important measure.

Deputy Johnny Brady referred to the averaging of certain payments outstanding under FEOGA direct payment schemes. Provision will be made in the Finance Bill to enable farmers not using income averaging for income tax purposes to average certain payments outstanding under FEOGA direct payment schemes in three equal instalments for 2005, 2006 and 2007. This measure will apply to payments made in 2005 for entitlements established for 2004 in respect of the FEOGA scheme which will be replaced by the new single farm payment scheme. I welcome Deputy Penrose's views and support for the new scheme. The Minister for Agriculture and Food says he has been consistent in his position.

Deputies Johnny Brady and Naughten mentioned the issue of stamp duty relief for the exchange of farm land for farm consolidation purposes. The Finance Bill will provide for a new

stamp duty relief for the exchange of farm land between two farmers for the purpose of consolidating each farmer's holding by applying the stamp duty only in respect of an amount equal to the difference in the values of the lands concerned which must be payable in cash. Currently, each farmer is liable to the full stamp duty on property he or she receives in such an exchange and this once-off relief will apply for a two year period. The qualifying conditions will be contained in the Finance Bill. This measure will encourage the consolidation of holdings to reduce fragmentation which impacts negatively on the competitiveness of farmers.

The renewal of farmer's stock relief will assist new entrants to the farming sector. The special incentive stock relief of 100% for certain young trained farmers has been extended  
8 o'clock from next January for a further two years to 2007. The existing general 25% stock relief for farmers has also been extended for the period.

Without going into the details of all these, which we cannot do under this debate, when we take the stock relief, the improved capital allowances, the FEOGA direct scheme, the consolidation stamp duty relief and the farmers' VAT, it is important that we acknowledge the significant additions that have been made in this budget for the important agriculture industry. Deputy Crawford is right on that.

Financial Resolution No. 1 agreed to.

#### **Financial Resolution No. 2: General.**

**Minister for Agriculture and Food (Mary Coughlan):** I move:

THAT it is expedient to amend the law relating to inland revenue (including value-added tax) and to make further provision in connection with finance.

Debate adjourned.

The Dáil adjourned at 8.05 p.m. until 10.30 a.m. on Thursday, 2 December 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 29, inclusive, answered orally.*

*Questions Nos. 30 to 55, inclusive, resubmitted.*

*Questions Nos. 56 to 67, inclusive, answered orally.*

### Tourism Industry.

68. **Mr. Wall** asked the Minister for Arts, Sport and Tourism his views on his recent statement (details supplied); his views in this regard especially in relation to the impact of high prices on the Irish tourism industry; and if he will make a statement on the matter. [31416/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Oxford English Dictionary defines “rip-off” as “cheating someone, especially financially”. On that basis, the phrase “rip-off Ireland” clearly conveys the impression that Ireland is, by definition, a cheating destination. It is a phrase that attempts to equate Ireland with cheating. When a phrase like this is propagated throughout the print media, radio, TV and the Internet, it has a corrosive effect on Ireland's image abroad. It works to neutralise and subvert the extraordinarily good work being done by organisations like Tourism Ireland in promoting the island of Ireland abroad.

We need to distinguish between the need to deliver good value for money — which was emphasised as a key priority by the Tourism Policy Review Group — and the misguided and unfair portrayal of Ireland as a cheating destination. There is a real difference between cheating someone and pricing goods or services at a level that some consumers consider unduly high for what is on offer. Sometimes we use words without too much regard to their proper meaning or their ultimate impact.

It is a fact that Ireland is a high price location. It is also a high cost destination. That is a reflection of our rapid economic expansion and our increasing income levels. Tourism is, as we know, a particularly labour intensive industry. However, that is not to say that we cannot, and do not, deliver a high quality, value for money holiday experience to our visitors.

We all recognise the importance of being vigilant in terms of competitiveness, quality and service standards, and customer satisfaction. We need to have regard to the research that has been pointing to growing levels of dissatisfaction in recent years. However, we can still draw some comfort from the 92% of visitors in 2004 who, when surveyed, said that their holiday in Ireland

matched or exceeded their expectations and the fact that 75% of them would definitely recommend a holiday in Ireland to a friend.

The main challenge for our tourism industry is competitiveness. We can address that in a number of ways. First, the industry will need to focus on improving its capability and performance in areas such as quality assurance, productivity enhancement, cost and yield management, use of new information and communication technologies, and adoption of best human resource practices. I know that Fáilte Ireland is working to support the industry in this regard. Second, this challenge can be addressed through attractive price and discount offers, imaginatively packaged and marketed to the customer, of which there are many recent examples. Third, the Government must play its part with appropriate macroeconomic policies, improving competition and moderating taxes and charges for public services.

### National Stadium.

69. **Mr. Sherlock** asked the Minister for Arts, Sport and Tourism if he intends to bring proposals to Government to finance a sports campus at Abbotstown; when such a proposal is likely to emerge; the estimated cost of such a project; and if he will make a statement on the matter. [31425/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I have recently received from Campus and Stadium Ireland Development Limited the development control plan for the sports campus at Abbotstown. This plan provides an overall outline for the progress of the whole campus, focusing in particular on the first phase of the development.

It is my intention to present proposals on the development of the campus at Abbotstown to Government before the end of the year. In the meantime, I do not intend to make any further statement or go into detail on this matter until I have presented my proposals and secured the agreement of my Cabinet colleagues.

### Arts Council.

70. **Mr. Allen** asked the Minister for Arts, Sport and Tourism if he will comment on the level of funding to be allocated to the Arts Council for 2005; and if he will make a statement on the matter. [31474/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Estimates for 2005 provide for total funding of €61million for the Arts Council in 2005. This represents an increase of some 16% on the 2004 figure, which was, in turn, 19% greater than the provision for 2003. These increases demonstrate, in the most tangible way possible, the seriousness of the Government's commitment to the arts, and will allow the Arts Council to proactively continue with the development of the arts throughout the country.

### Sport and Recreational Development.

71. **Mr. Eamon Ryan** asked the Minister for Arts, Sport and Tourism the funding that has been provided in the Estimates to develop sport among young persons and particularly in schools. [31448/04]

157. **Mr. Durkan** asked the Minister for Arts, Sport and Tourism the extent to which he expects to assist in the promotion of sports in all schools and colleges; and if he will make a statement on the matter. [31647/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I propose to take Questions Nos. 71 and 157 together.

The Irish Sports Council is the statutory body with responsibility for the development of sport, including initiatives to promote sport among young people. The allocation for the Irish Sports Council in the 2005 Estimates is about €34.5 million which is some €3.5 million up on 2004. I am not yet in a position to give a precise indication of the level of funding for sport for young people in 2005 as the council's internal budget process for 2005 is not yet complete. I would expect, however, that expenditure patterns established in 2004 and earlier years will continue in 2005 and, in addition, will provide for the recently announced Government initiatives in support of hurling and the GAA in Dublin.

There are currently 16 local sports partnerships, LSPs, in operation around the country. One of the central aims of the local sports partnerships is to create greater opportunities for participation by all in sport and to ensure that resources are co-ordinated and used to their best effect at a local level. In 2004, €2.3 million was allocated to the LSPs. Under this allocation, 12 projects nationwide received funding from the LSPs to the tune of €114,432 under the Challenge programme for mainly youth sports. Two thirds of discretionary LSP resources, including sports co-ordinator time, are allocated to youth sport projects.

The Buntús programme is also being rolled out by the Sports Council through the local sports partnership network to primary schools. The programme aims to support the primary PE curriculum by providing equipment, resource cards and training to teachers and allows teachers and introductory level coaches introduce sport to children in a safe and fun way. Again in 2004, an additional €200,000 was allocated to this programme.

The sport for young people grant scheme is distributed through the vocational education committees to promote sporting opportunities for young people, particularly those in areas of social and economic disadvantage. This grant scheme is available to the vocational education committees which do not currently have local sports partnerships in their areas and in 2004, €450,000 was allocated for this purpose.

Sports Council allocations to GAA, IRFU and FAI last year came to almost €7 million. Most

of this funding is targeted at young people. As I mentioned, a further €2.5 million will be allocated next year, €1 million for the development of GAA in Dublin and €1.5 million for the development of hurling and camogie nationwide.

The code of ethics and good practice for children's sport was launched in 2000 by the Irish Sports Council and provides guidelines to sports organisations in promoting good practice in children's sport. The core message in the code is that sport must be safe, must be fun and no matter what sport young people are involved in it should take place in a spirit of fair play.

The European Year of Education through Sport 2004, EYES 2004, is an important European Commission initiative in the area of education and sport, which I launched along with my colleague, the Minister for Education and Science, in Croke Park in January this year. As part of our national programme in this regard, this initiative has been used to promote the importance of sport within the education system, particularly in promoting social inclusion.

The national lottery-funded sports capital programme, which is administered by my Department, allocates funding for sporting and recreational facilities and equipment. While responsibility for the provision of facilities in national and secondary schools rests with the Department of Education and Science, applications from schools and colleges may be considered under the programme in certain circumstances.

The programme for Government includes a commitment to putting in place a long-term strategic plan to ensure the development of local sports facilities throughout the country. As part of that plan, an inter-agency steering group will be set up to oversee the implementation of this long-term strategy. One of the issues likely to be considered by this group will be potential for greater co-operation between the Departments in the administration of programmes aimed at meeting the sporting and recreational needs of communities and maximising the use of existing sports facilities by local communities and, in particular, those located in schools.

### Sports Facilities Audit.

72. **Mr. Howlin** asked the Minister for Arts, Sport and Tourism if he would provide an update regarding the proposed audit of the country's sports facilities; and if he will make a statement on the matter. [31436/04]

95. **Mr. Noonan** asked the Minister for Arts, Sport and Tourism if a national audit of sports facilities has been completed; and if he will make a statement on the matter. [31460/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I propose to take Questions Nos. 72 and 95 together.

As promise in An agreed Programme for Government had lead to the preparation of a long-term strategic plan for prioritising the pro-

vision of these facilities throughout the country. My Department is currently drawing up plans for the conduct of a national audit of local sports facilities. Given the scale of such a task, some key decisions are to be taken now as to the type of information to be recorded and how it will be used. This will, in turn, determine the scope of the proposed audit and impact on the length of time it will take to complete.

As I mentioned previously, it could take a number of years to complete a comprehensive audit of all sports facilities so possible options to conduct the work in stages must be examined if it can yield useful results in the short term for input into the proposed strategic plan for the provision of sports facilities.

*Question No. 73 answered with Question No. 67.*

### **Stadium Redevelopment.**

74. **Ms Enright** asked the Minister for Arts, Sport and Tourism if a consultation programme has been put in place to keep local residents informed about the redevelopment proposals for Lansdowne Road stadium; and if he will make a statement on the matter. [31463/04]

78. **Mr. M. Higgins** asked the Minister for Arts, Sport and Tourism if he has recently engaged in discussions with the IRFU and the FAI regarding the unavailability of Lansdowne Road for matches during the period in which it will be renovated; and if he will make a statement on the matter. [31437/04]

84. **Mr. Durkan** asked the Minister for Arts, Sport and Tourism the projected timescale for the redevelopment of Lansdowne Road stadium; and if he will make a statement on the matter. [31464/04]

155. **Mr. Durkan** asked the Minister for Arts, Sport and Tourism the position in regard to his discussions with the various sporting authorities with particular reference to the provision of alternative stadium facilities during the course of the forthcoming refurbishment of Lansdowne Road, Dublin; and if he will make a statement on the matter. [31641/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I propose to take Questions Nos. 74, 78, 84 and 155 together.

The Lansdowne Road Stadium Development Company Ltd was established by the IRFU and FAI to develop the stadium at Lansdowne Road and this company is responsible for all matters relating to building and delivering the stadium. The company has already engaged in a proactive programme of consultation and communication with the residents in the vicinity of the stadium, with the aim of becoming aware of and dealing with their concerns from the outset. In this context a consultative forum, with an independent chairman, has been set up through Dublin City Council to act as a channel through which the

residents' anxieties and fears can be made known, dealt with and resolved. According as the project progresses through its various stages, regular information will be provided, in good time, both through this forum and directly to the residents associations.

In relation to the potential disruption of matches at the stadium, it is true that once the redevelopment work gets under way, the stadium will be unavailable for some part of that scheduled construction period. I am aware that the IRFU and the FAI have considered a number of contingency options for rugby and soccer matches during the period when the pitch will be unavailable. My Department is in regular liaison with both bodies through the Lansdowne Road Stadium Steering Group, and this, among many other matters, has been discussed. I am confident that when the time for a decision arrives the IRFU and FAI will choose the most attractive and gainful option which presents at that time.

In relation to the timescale for the project, a very good beginning has been made. Tenders have been issued to secure a design team and a project management team for the project and it is expected that both teams will be in place by early March 2005. The planning application process will be executed during 2005, it is expected that enabling works will happen during 2006 and the main construction work during 2007 and 2008.

### **Swimming Pool Projects.**

75. **Mr. Neville** asked the Minister for Arts, Sport and Tourism the number of new swimming pools, constructed since 2002, aided by his Department; and if he will make a statement on the matter. [31461/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** My Department administers the local authority swimming pool programme, which provides grant aid towards either the capital costs of new pools or the refurbishment of existing pools. The programme provides for a maximum grant level of 80% of eligible costs — 90% in the case of disadvantaged areas — subject to a maximum of €3.8 million.

Since 2002, grant aid has been approved towards the cost of 13 swimming pool projects. Five pools, located in Finglas in Dublin, Ballinasloe, the Aquadome in Tralee, the Regional Sports and Leisure Centre in Tralee and Grove Island in Limerick, are open. The remaining eight pools, located in Clonmel, Churchfield in Cork city, Tuam, Ballymun in Dublin, Cobh, Youghal, Ballyfermot in Dublin and Drogheda, are under construction or about to start construction.

### **Cultural Relations.**

76. **Mr. Deenihan** asked the Minister for Arts, Sport and Tourism if he received a report on setting up a new cultural relations commission in June 2004; if this proposal has been approved by the Cabinet; when the new commission will be

[Mr. Deenihan.]  
established; and if he will make a statement on the matter. [31334/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** My Department commissioned a report on the structures and mechanisms that would appropriately support the promotion of Irish arts abroad into the future in light of my statutory responsibility under the Arts Act 2003. This report was delivered in July 2004 and is under consideration in consultation with the Department of Foreign Affairs.

I will shortly announce details of the new structures that will apply to the support of Irish arts abroad into the future. These will take the place of the recently wound-up Cultural Relations Committee.

#### **Horseracing Industry.**

77. **Mr. S. Ryan** asked the Minister for Arts, Sport and Tourism the terms and conditions attached to the funding announced by him on 22 November 2004 for the horseracing industry; and if he will make a statement on the matter. [31422/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** Horse Racing Ireland, HRI, was established as the statutory body with responsibility for the horseracing industry under the Horse and Greyhound Racing Act 2001. The general functions of HRI, as outlined in the Irish Horseracing Industry Act 1994 as amended by the Horse and Greyhound Racing Act 2001, comprise the development and promotion of the Irish horseracing industry, including the development of authorised racecourses and the making of grants, loans and other disbursements to authorised racecourses.

HRI receives a guaranteed level of funding from the horse and greyhound racing fund which is based on accrued excise duty on off-course betting, subject to a minimum level based on the year 2000 level adjusted for inflation. Any shortfall in the amount generated by the excise duty is made up by direct Exchequer subvention. The Government has decided to increase the limits of the horse and greyhound racing fund to €550 million to continue the fund for a further four years to 2008. By the end of 2004, Horse Racing Ireland will have received €206.4 million from the fund.

As announced on 22 November 2004, the new racecourse capital development fund that HRI has put in place provides a matching funding scheme for Irish racecourses to substantially upgrade their facilities over the next five years. The total investment by racecourses and HRI combined will be almost €200 million over the period. HRI will provide up to €110 million of the money in grant aid and the racecourses will finance the balance from their own resources. The overall management of the programme, including ensuring compliance with the terms and conditions relating to the grant allocations, is a matter for Horse Racing Ireland.

*Question No. 78 answered with Question No. 74.*

#### **National Concert Hall.**

79. **Ms O. Mitchell** asked the Minister for Arts, Sport and Tourism if he intends to bring proposals to Government in the near future for the long-term, strategic development of the National Concert Hall; and if he will make a statement on the matter. [31333/04]

88. **Mr. McGinley** asked the Minister for Arts, Sport and Tourism if proposals are under consideration by his Department with regard to improving facilities at the National Concert Hall; and if he will make a statement on the matter. [31470/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I propose to take Questions Nos. 79 and 88 together.

I refer the Deputy to my reply to Question No. 179 of 20 October 2004. My Department is engaged in consultations with the Department of Education and Science at present on issues arising from the Office of Public Works report.

#### **Tourism Industry.**

80. **Ms O'Sullivan** asked the Minister for Arts, Sport and Tourism the number of Irish people holidaying at home in 2004 for the latest period for which figures are available; the way in which these compare with the same period in 2003. [31420/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Central Statistics Office, CSO, which does not come under the aegis of my Department, is responsible for the collection and publication of official statistics on holiday trips in the domestic market, which continues to provide good year-round business and is particularly important in the context of a volatile overseas marketplace.

I understand that the latest estimates available from the CSO household travel survey for the period January to June 2004 show: total domestic holiday trips at 1.3 million, up 8.5% on the same period in 2003; expenditure on domestic holidays up 9% to €227 million over the same period; short domestic holidays or breaks involving stays of one to three nights up 6% to just under 1 million trips; longer holidays of four or more nights up 18% to 312,000; and total nights on domestic holidays up 8% to 4 million nights.

#### **Museum Investigation.**

81. **Ms Shortall** asked the Minister for Arts, Sport and Tourism if he has made a decision on the way in which to advance an investigation into alleged looting by Nazis of the Hunt Museum collection in Limerick; if the resources are in place to allow for this investigation; and if he will make a statement on the matter. [31429/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Hunt Museum is not a State body under the aegis of my Department but rather a private museum managed by the Hunt Museum Trust. In those circumstances it is a matter for the Hunt Museum in the first instance to respond to allegations relating to the provenance of some items in the Hunt collection. I understand that arrangements have been made by the museum to have these allegations assessed by reputable independent experts. I have asked the museum authorities to keep me posted on progress.

In dealing with this matter it is imperative that the museum be afforded the presumption of innocence until, and unless, the allegations are found to be true.

*Question No. 82 answered with Question No. 63.*

### **Sport and Recreational Development.**

83. **Mr. G. Mitchell** asked the Minister for Arts, Sport and Tourism if he has made any contacts with the Department of Education and Science to advise on the provision and expansion of sporting facilities in national and secondary schools; and if he will make a statement on the matter. [31468/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The national lottery-funded sports capital programme, which is administered by my Department, allocates funding for sporting and recreational facilities and equipment. While responsibility for the provision of facilities in national and secondary schools rests with the Department of Education and Science, applications from schools and colleges may be considered under the programme in certain circumstances.

Such applications must be made jointly with local sports clubs or community groups and must: provide for significant levels of usage — at least 30 hours per week throughout the year — by the local community during periods when the facilities are not being used by the school; and demonstrate that the facilities concerned will meet an identified deficiency in that locality, as formally agreed with other local groups and/or the local authority.

In this regard some discussions have taken place between officials from the Department of Education and Science and my Department during the period of the 2003 and 2004 sports capital programmes. On considering applications involving schools. Under the 2004 sports capital programme, grants were allocated to ten such projects where the proposed facilities were to be clearly shared between schools and other community groups, including local basketball, GAA and soccer clubs.

The programme for Government includes a commitment to putting in place a long-term strategic plan to ensure the development of local

sports facilities throughout the country. As part of that plan, an inter-agency steering group will be set up to devise this long-term strategy. It is proposed that, in addition to a number of other Departments, the Department of Education and Science would be represented on this steering group.

One of the issues likely to be considered by this group will be potential for greater co-operation between the Departments in the administration of programmes aimed at meeting the sporting and recreational needs of communities and maximising the use of existing sports facilities by local communities and, in particular, those located in schools.

*Question No. 84 answered with Question No. 74.*

### **Tourism Industry.**

85. **Mr. O'Shea** asked the Minister for Arts, Sport and Tourism further to the Estimates he announced for 2005 recently, the way in which he intends to spend the increased allocation for tourism; and if he will make a statement on the matter. [31417/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** As the Deputy may be aware, the total allocation for tourism services in 2005 is almost €123 million, which constitutes an 8% increase over the 2004 figure. The increase of 14% in the tourism marketing fund to almost €35.8 million builds on the increased funding provided in 2004. This will help support and refresh the promotion drive by Tourism Ireland Ltd., in key overseas markets.

Increased funding of €3.6 million is being provided to Fáilte Ireland, which will be used in part to provide for new and expanded policy measures in 2005 to address marketing, human resource development and regional and research objectives. The increased level of funding will also support the recently completed restructuring of the tourism State agencies, with the establishment of Tourism Ireland Ltd., and Fáilte Ireland, and will help advance work on implementing the recommendations of the Tourism Policy Review Group, which set out a new vision and strategy for Irish tourism for the period to 2012.

### **Arts Council.**

86. **Mr. Rabbitte** asked the Minister for Arts, Sport and Tourism the amount of funding allocated to the Arts Council in 2005; whether this will be adequate to redress the cutbacks in funding for the Arts Council in 2003; and if he will make a statement on the matter. [31427/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** An amount of €61 million has been allocated to the Arts Council for 2005. This represents an increase of some 16% on the amount provided in 2004, which was 19% greater than the 2003 figure. These increases demon-



[Mr. O'Donoghue.]  
strate, in the most tangible way, the Government's commitment to the arts, and will allow the Arts Council to move forward in a proactive way to support and develop the arts throughout the country. I would also point out that funding for the Arts Council increased by over 80% between 1997 and 2002.

#### **Arts in Education.**

87. **Mr. Kenny** asked the Minister for Arts, Sport and Tourism if an interdepartmental body exists or existed between his Department and the Department of Education and Science to advise on the teaching of the arts in schools; and if he will make a statement on the matter. [31467/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** An Art and Education Liaison Committee, with representation from the then Department of Arts, Heritage, Gaeltacht and the Islands, the Department of Education and Science and the Arts Council, was established in 1999 and met on a number of occasions between then and 2001 when the arrangement was discontinued. Less formal contacts between my Department and the Department of Education and Science continue to take place from time to time. However, there are close and ongoing contacts between the Arts Council and the Department of Education and Science in this context.

It is my intention, over the coming months, to look again at the whole area of the arts in education, in particular with a view to seeing how my Department can best assist the Arts Council in this area.

*Question No. 88 answered with Question No. 79.*

*Question No. 89 answered with Question No. 59.*

*Question No. 90 answered with Question No. 61.*

*Question No. 91 answered with Question No. 66.*

#### **City of Culture.**

92. **Mr. McCormack** asked the Minister for Arts, Sport and Tourism the efforts being undertaken by his Department to support the Cork city of culture for 2005; the projected visitor numbers for the period; and if he will make a statement on the matter. [31465/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Government has committed financial support of €7.85 million to celebrate the designation of Cork as European capital of culture for 2005. Fáilte Ireland and Tourism Ireland are actively promoting Cork 2005 by all means

available to them. I understand from a recent report on European cities and capitals of culture, commissioned by the European Commission, that being the European capital of culture seems to have a measurable impact on visitor numbers and expenditure in the cities involved. The report indicates that, over the past decade, the average increase in overnight stays in each city when compared to the previous year was over 12%.

#### **Film Industry Development.**

93. **Ms McManus** asked the Minister for Arts, Sport and Tourism if he will report on his recent visit to the USA designed to help sell Ireland as a top location for film producers; if the section 481 tax relief is to be maintained; and if he will make a statement on the matter. [31432/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I have not visited the USA in this context, but I plan to do so in the new year. Under the provisions of the Finance Act 2004, the section 481 scheme has been extended to the end of 2008. The maximum amount that can be raised will increase from €10.48 million to €15 million from 2005.

*Question No. 94 answered with Question No. 63.*

*Question No. 95 answered with Question No. 72.*

#### **Sports Funding.**

96. **Ms B. Moynihan-Cronin** asked the Minister for Arts, Sport and Tourism the allocation provided to the sports budget in his Department for 2005; the place to which this money will be targeted; and if he will make a statement on the matter. [31424/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The abridged version of the Estimates for public services and the summary public capital programme for 2005, which were published on 18 November, provide for a 17% increase in the sports budget of the Department of Arts, Sport and Tourism, bringing the available finances to €130.7 million. Some €68.8 million will be provided as a result of the extension for another four years of the horse and greyhound fund. The funding will be targeted at the redevelopment of Lansdowne Road stadium, the funding of the Irish Sports Council and a number of new initiatives which will begin next year. A nationwide GAA development strategy will concentrate on hurling and camogie, the development of Gaelic games in Dublin and programmes to attract women into sport. Capital grants will be provided for sports facilities under the sports capital programme and the local authority swimming pools programme will be supported. I will bring proposals to the Government soon for the

development on a phased basis of a sports campus at Abbotstown.

### Community Development.

97. **Mr. Kenny** asked the Minister for Arts, Sport and Tourism if he has put in place a new fund to support the development of community facilities; and if he will make a statement on the matter. [31458/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Department of Arts, Sport and Tourism administers two capital grants schemes towards the provision of community sports facilities. Under the sports capital programme funding is allocated to organisations and clubs to assist them in the provision of sports facilities, while under the local authority swimming pool programme grants are available to local authorities towards the cost of building and refurbishment of swimming pools. The proposed community facilities fund to support the development of facilities not covered by existing schemes, as set out in An Agreed Programme for Government, will be created under the local government fund, which is the responsibility of the Department of the Environment, Heritage and Local Government.

*Question No. 98 answered with Question No. 63.*

*Question No. 99 answered with Question No. 61.*

### Wexford Festival Opera.

100. **Dr. Twomey** asked the Minister for Arts, Sport and Tourism the projected level of funding that his Department will allocate for the construction of a new building for the Wexford Festival Opera; and if he will make a statement on the matter. [31479/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Department of Arts, Sport and Tourism, which has not made an allocation for the development of a new building for the Wexford Festival Opera, does not have the financial resources available to do so, having regard to other departmental priorities. It is not possible to say if and when that might change.

### Drugs in Sport.

101. **Mr. S. Ryan** asked the Minister for Arts, Sport and Tourism his views on the controversy surrounding the positive drug tests on the horse, Waterford Crystal; if he is concerned about the implications of the case for Irish sport in general; and if he will make a statement on the matter. [31421/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I learned with great disappointment of Waterford Crystal's positive drug tests. The tests were carried out by the world governing body of equestrian sport, the FEI, which is responsible for the global anti-doping programme for horses involved in equestrian sports, including testing at international shows held in Ireland. This position is recognised and endorsed by the World Anti-Doping Agency. The Irish Sports Council recognises the role of the FEI in this regard and will accept its findings at the conclusion of the process. The results are a major setback for equestrian sport and sport in general in Ireland. I express my strong condemnation of the use of prohibited substances and methods in any form in sport.

### Tourism Industry.

102. **Mr. Durkan** asked the Taoiseach the extent to which the number of tourists here has increased/decreased in each of the past five years; and if he will make a statement on the matter. [31648/04]

**Minister of State at the Department of the Taoiseach (Mr. Kitt):** The information requested by the Deputy is contained in the following statement:

Estimated number of Overseas Visits to Ireland, 1998-2003.

Year	Visits '000	Annual Change '000	% Annual Change
1998	5,716	—	—
1999	6,068	352	6.2
2000	6,310	242	4.0
2001	5,990	-320	-5.1
2002	6,065	75	1.3
2003	6,369	304	5.0

The latest CSO figures for 2004 show that there were 5,147,000 overseas visits to Ireland in the first nine months of the year. This compares to 5,009,000 overseas visits in the first nine months of 2003, an increase of 2.8%.

### Departmental Staff.

103. **Mr. P. McGrath** asked the Taoiseach the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31688/04]

**The Taoiseach:** The details of the staff employed on constituency work in the Office of the Government Chief Whip are set out in the following table. There has been a reduction of one clerical post in the office since 2001. No staff are employed on public relations work.

## [The Taoiseach.]

Grade	Office	Salary
		€
Special Adviser	Govt. Chief Whip Constituency Office	71,990
Personal Secretary	Govt. Chief Whip Constituency Office	39,874
Personal Assistant	Govt. Chief Whip Constituency Office	39,035
Civil Servant — Staff Officer	Govt. Chief Whip Constituency Office	34,906

In November 2001, there was a special adviser, personal secretary, personal assistant and two clerical staff employed on constituency work in the office of the Government Chief Whip. No staff of the Department of the Taoiseach are employed on constituency or public relations work for the Minister of State for European affairs, although the Minister of State has a constituency office in the Department of Foreign Affairs. There was no Minister of State other than the Government Chief Whip in the Department of the Taoiseach in November 2001.

#### Clinical Indemnity Scheme.

104. **Mr. Hogan** asked the Tánaiste and Minister for Health and Children the extent of the claims outstanding in respect of MDU in respect of medical claims; and if she will make a statement on the matter. [31620/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The Medical Defence Union, which is a mutual organisation that provides professional indemnity cover to Irish doctors and dentists, is registered in the United Kingdom. According to the 2003 annual report of the union, which does not publish separate data on the extent of claims against its Irish members, it is making provision for indemnity of £105.8 million. A note that accompanies the accounts states that the provision for indemnity has been restricted by £28.9 million to maintain the indemnity provision at no more than the net assets of the group.

#### Domestic Violence.

105. **Aengus Ó Snodaigh** asked the Tánaiste and Minister for Health and Children if his attention has been drawn to the excellent work of an organisation (details supplied) in providing a wide spectrum of domestic violence services in the locality; if his attention has further been drawn to the funding crisis facing the organisation, and that the existing level of funding is estimated to cover only 25% of the projected cost of running the project in the upcoming year due to increased demand for its services; if he will make the necessary funding available through additional funding under the violence against women vote to ensure that the this organisation can continue its work and fulfil its mandate. [31730/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The Department of Health and

Children does not directly fund health and personal social services to victims of abuse. Moneys are made available each year to the health boards for the provision of services to female victims of domestic violence. The North Western Health Board is responsible for resourcing the provision of such services in its area.

#### Hospital Services.

106. **Ms Shortall** asked the Tánaiste and Minister for Health and Children the reason no funding was provided to the ERHA in 2004 for dermatology services; if her attention has been drawn to the fact that this has led to excessive waiting lists of over a year; if funding will be provided in 2005 for these services; and if she will make a statement on the matter. [31587/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The development of dermatology services in the eastern region is a matter for consideration by the Eastern Regional Health Authority in the first instance. The Department of Health and Children has asked the regional chief executive of the authority to investigate this matter and to reply directly to the Deputy.

#### Hospital Procedures.

107. **Mr. Ferris** asked the Tánaiste and Minister for Health and Children if she will make a statement on a method (details supplied) for the treatment of asthma; and if she will take steps to ensure that information and instruction on this method become generally available. [31588/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The diagnosis and treatment of asthma is a complex and difficult area of medical practice. A great deal of research is being done throughout the world on the subject. The use of any treatment modality in areas of medical practice such as asthma management is a matter for practitioners based on best practice as reflected in international peer-reviewed scientific literature, standards and guidance provided by professional and technical bodies with expertise in the area and practitioners' individual experience. It would be inappropriate for me, therefore, to advocate the use of any particular programme of treatment, the Buteyko method in this instance, in the difficult area of asthma management.

#### Pharmaceutical Industry.

108. **Ms F. O'Malley** asked the Tánaiste and

Minister for Health and Children if she will consider removing the fixed pricing policy which exists between the Government and the pharmaceutical industry. [31589/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** All aspects of the drug delivery system, from the manufacturer to the patient, are under review. I expect to take definitive decisions soon on the report of the pharmacy review group, which was published in February 2003. The health service procurement improvement project has analysed the State's procurement of pharmaceutical goods and services. A national drugs prescribing group is evaluating proposals on the control of drugs costs contained in various reports, such as the Brennan report and the Deloitte & Touche report, to determine their feasibility and early delivery as part of the health reform agenda.

An agreement that has been reached between the Department of Health and Children, the Irish Pharmaceutical Healthcare Association and the Association of Pharmaceutical Manufacturers of Ireland sets out the supply terms and prices of medicines supplied to the health services. It covers all reimbursable prescription medicines in the general medical services and community drug schemes and all medicines supplied to hospitals and health boards. The Department will re-enter negotiations with the associations soon because the current agreement will expire in the middle of next year. I am sure the Deputy appreciates that it is not appropriate for me to comment on issues which may arise in the forthcoming negotiations.

#### Health Board Services.

109. **Mr. Wall** asked the Tánaiste and Minister for Health and Children when a person (details supplied) in County Kildare will receive speech therapy; and if she will make a statement on the matter. [31590/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** The provision of health services, including speech and language therapy services, to people with a physical or sensory disability rests with the Eastern Regional Health Authority and the health boards in the first instance. Accordingly, the Deputy's question has been referred to the regional chief executive of the Eastern Regional Health Authority with a request that he examine the matter raised and reply directly to the Deputy, as a matter of urgency.

#### Patient Transport.

110. **Mr. Ring** asked the Tánaiste and Minister for Health and Children the position in relation to persons who need transport to attend regular hospital appointments, in particular persons whose only income is social welfare, who are in poor health, who live either alone or with dependant spouses, who have no means of their

own and have no family; the assistance in place for persons such as this who have no way of obtaining transport to attend hospital appointments; the action she can take in this regard; and if she will make a statement on the matter. [31591/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Patient transport is a matter for the chief executive officer of each health board. If the Deputy is referring to a particular case and is in a position to supply details, I would be happy to have the circumstances investigated.

#### Hospitals Building Programme.

111. **Mr. J. Higgins** asked the Tánaiste and Minister for Health and Children the timescale for the building, completion and opening of the new hospital in Dingle; and if she will make a statement on the matter. [31595/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** As the Deputy is aware, the provision of health services in Dingle is a matter for the Southern Health Board in the first instance. The health board, in consultation with the Department of Health and Children, decided to build a new 72-bed community hospital in Dingle, County Kerry, to replace the existing hospital. The new hospital will comprise a mix of beds for continuing care, rehabilitation and convalescence, respite, palliative care and direct admissions by local GPs and primary care teams. There will be a central module, a day care unit, a mental health day care unit and an ambulance base. The next step in progressing the Dingle project is to invite tenders for its construction. Any decision on progressing the project will be considered by the Department in the context of the significant additional revenue funding and the staff which will be required by the board to operate the new hospital and having regard to the board's employment ceiling and funding available to the Department.

#### Legal Actions.

112. **Mr. Hogan** asked the Tánaiste and Minister for Health and Children the number of current legal actions against tobacco companies in the State; and if she will make a statement on the matter. [31596/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** I have been advised that no legal proceedings are being taken by the State against tobacco companies. I am aware that legal proceedings are being taken by a number of private individuals against tobacco companies, however, and the State has been joined as a respondent in some of the proceedings. The Deputy may wish to note that a number of tobacco companies have instituted legal proceedings against the State about the regulation of tobacco products under the Public Health (Tobacco) Acts and the rel-

[Ms Harney.]  
 evant proceedings are before the courts at present.

### Hospital Services.

113. **Mr. McGuinness** asked the Tánaiste and Minister for Health and Children if a CAT scan will be provided immediately for a person (details supplied) in County Kilkenny; the reason this person has been informed that they must wait six months; if a response will be expedited; and if she will make a statement on the matter. [31597/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Responsibility for the provision of health services for residents of County Kilkenny is a matter for the South Eastern Health Board in the first instance. The Department has, therefore, asked the chief executive officer of the South Eastern Health Board to investigate the matter and reply to the Deputy directly.

### Medical Cards.

114. **Mr. Kehoe** asked the Tánaiste and Minister for Health and Children the current waiting time for processing both new medical card applications and medical card renewals in County Wexford; the efforts being made to reduce the delays; and if she will make a statement on the matter. [31598/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The Department of Health and Children has been advised by the South Eastern Health Board that it is not aware of significant delays being experienced by applicants for medical cards. Delays may occur in the processing of initial or renewal applications for medical cards if the required documentation has not been supplied by the applicant to allow an assessment. If the Deputy is aware of difficulties being experienced by an individual, I will be happy to receive the details and have them passed to the South Eastern Health Board, which has indicated its willingness to investigate any such case.

### Health Board Services.

115. **Mr. Kehoe** asked the Tánaiste and Minister for Health and Children when a person (details supplied) in County Wexford will receive the orthodontic treatment needed; if there will be a charge for this treatment; and if she will make a statement on the matter. [31599/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Responsibility for the provision of orthodontic treatment to eligible persons in County Wexford rests with the South Eastern Health Board. The Department of Health and Children has asked the chief executive officer of the board to investigate the matter raised by the Deputy and to reply to him directly.

### Hospital Services.

116. **Mr. Kehoe** asked the Tánaiste and Mini-

ster for Health and Children if she will consider utilising the facilities under proper medical supervision at Ely Hospital, Wexford town to address the chronic overcrowding at Wexford General Hospital; and if she will make a statement on the matter. [31600/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Responsibility for the provision of health services in County Wexford is a matter for the South Eastern Health Board in the first instance. The Department of Health and Children has asked the chief executive officer of the board to reply directly to the Deputy about the matter he has raised.

### Hospital Accommodation.

117. **Mr. Kehoe** asked the Tánaiste and Minister for Health and Children when she will sanction the funding for 19 additional beds in Wexford General Hospital; and if she will make a statement on the matter. [31601/04]

118. **Mr. Kehoe** asked the Tánaiste and Minister for Health and Children if she has sanctioned the funding for 19 additional beds in Wexford General Hospital; and if she will make a statement on the matter. [31602/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** I propose to take Questions Nos. 117 and 118 together.

The Department of Health and Children accepts the need for an additional 19 inpatient beds at Wexford General Hospital. It is hoped to make progress in this regard in the context of the health capital investment framework between 2004 and 2008, in line with the overall funding resources available under the framework.

### Nursing Home Subventions.

119. **Mr. Cuffe** asked the Tánaiste and Minister for Health and Children if she has plans to review the Health (Nursing Homes) Act 1990; and if she will make a statement on the matter. [31603/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** A working group comprising all stakeholders has been established by the Department of Health and Children to review the Health (Nursing Homes) Act 1990 and associated regulations. The group was established following the publication of Professor Eamon O'Shea's report, Review of the Nursing Home Subvention Scheme, and the Mercer report on the future financing of long-term care, which was commissioned by the Department of Social and Family Affairs. The review will take into account issues which have arisen over the years arising from the interpretation of certain aspects of the 1990 Act and regulations, as well as the Ombudsman's report on the operation of the scheme. The objective of the review is to develop a scheme that will be transparent, offer a high standard of care for clients, provide equity in the system to include standardised dependency and

means testing, be less discretionary, provide a home and nursing home subvention depending on need, be consistent in implementation throughout the country, be financially sustainable and draw on experience of the operation of the existing scheme.

### Hospital Accommodation.

120. **Mr. R. Bruton** asked the Tánaiste and Minister for Health and Children the cost of a private bed in each public hospital in 2001, 2002, 2003, 2004 and 2005; and if she will make a statement on the matter. [31604/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The specialty costing system used by the Department of Health and Children as part of its national casemix programme collects costs from specific major acute hospitals. The costs, which are aggregated and vary between hospitals, relate to all public and private inpatients. The cost collection system does not differentiate between the status of patients being treated. The average inpatient cost per bed day for 2001 and 2002, the latest years for which audited data is available, is detailed in the following attached table. Cost details for 2003 are being finalised as part of the 2005 casemix budget allocations. The bed day costs for each hospital do not take account of the complexity of the cases treated or specialties involved. Teaching hospitals and tertiary referral centres have more complex and costly cases, resulting in higher bed day costs. The following table gives further details. It should be noted that certain costs, such as day cases, outpatient services, long stay cases, psychiatry and renal dialysis, capital and depreciation are excluded from the calculation.

Hospital	2002	2001
	€	€
<i>Group 1</i>		
Beaumont Hospital	698	517
Cork University Hospital	834	683
Connolly Memorial Hospital	714	511
Mater Misericordiae Hospital	747	539
St. James' Hospital	794	540
St. Vincent's' Hospital	768	529
AMNCH, Tallaght	720	591
UCH, Galway	660	508
<i>Group 2</i>		
Waterford	485	422
Cavan	494	371
Croom	763	514
St. Mary's, Gurrabraher	553	435
Letterkenny	473	339
Limerick	622	447
Longford/Westmeath	463	422
Louth	452	317
Mallow	519	416
Mayo	567	429
Mercy	624	471

Hospital	2002	2001
Merlin Park	459	373
Monaghan	641	449
Navan	549	431
OLOL, Drogheda	580	471
Portiuncula	542	348
Port Laoise	559	462
Sligo	522	420
South Infirmary/Royal Victoria	538	380
St. Colmcille's	499	417
St. Luke's, Kilkenny	508	420
Tralee	516	403
Tullamore	564	475
Wexford	520	409
National Average	511	479

### Medical Cards.

121. **Caoimhghín Ó Caoláin** asked the Tánaiste and Minister for Health and Children the timescale for delivery of the promised 200,000 general practitioner-only cards; the legislation that will be necessary to provide for them; the estimated cost per card in comparison with the cost per card of the full medical card; and if she will make a statement on the matter. [31636/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Subject to clarifying legislative and administrative issues, the new doctor visit card will be introduced as early as possible in 2005. The estimated cost of 200,000 new doctor visit cards will be approximately €50 million in a full year, which means an estimated cost per card per year of €250, compared to an estimated annual cost of €1,000 for a full medical card. The Department of Health and Children will work closely with the health boards and authority in the coming weeks. It will work with the HSE, which is due to assume responsibility for the service in 2005, to oversee the operation of the scheme. Arrangements have been agreed to put the processes required in train. The Irish Medical Organisation, which has been made aware of the initiatives, has indicated that the developments are in line with its views.

### Health Board Services.

122. **Mr. Deenihan** asked the Tánaiste and Minister for Health and Children the measurers she proposes to put in place to shorten the waiting time for orthodontic treatment in the Southern Health Board area, as it is now over four years; and if she will make a statement on the matter. [31638/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The provision of orthodontic services is the statutory responsibility of the health boards-authority in the first instance.

The aim of my Department is to develop the treatment capacity of orthodontics in a sustainable way over the longer term. I am pleased

[Ms Harney.]  
to advise the Deputy that a number of measures have been adopted to improve orthodontic services in the Southern Health Board, SHB, area and on a national basis.

The grade of specialist in orthodontics has been created in the health board orthodontic service. In 2003, my Department and the health boards funded 19 dentists from various health boards for specialist in orthodontics qualifications at training programmes in Ireland and at three separate universities in the United Kingdom. These 19 trainees for the public orthodontic service include six dentists who successfully completed their training in September 2004 and have taken up duties with the boards. These measures will complement the other structural changes being introduced into the orthodontic service, including the creation of an auxiliary grade of orthodontic therapist to work in the orthodontic area.

Furthermore, the commitment of the Department to training development is manifested in the funding provided to both the training of specialist clinical staff and the recruitment of a professor in orthodontics for the Cork Dental School. This appointment at the school will facilitate the development of an approved training programme leading to specialist qualification in orthodontics. My Department has given approval in principle to a proposal to further substantially improve training facilities for orthodontics at the school, which will ultimately support an enhanced teaching and treatment service to the wider region under the leadership of the professor of orthodontics.

In June 2002, my Department provided additional funding of €5 million from the treatment purchase fund to health boards-authority specifically for the purchase of orthodontic treatment. This funding is enabling boards to provide both additional sessions for existing staff and pur-

chase treatment from private specialist orthodontic practitioners. The SHB was allocated an additional €720,000 from this fund for the treatment of cases in this way.

The chief executive officers of the health boards-authority have informed my Department that at the end of the September 2004 quarter, there were 22,168 patients receiving orthodontic treatment in the public orthodontic service. This means that there are over twice as many patients getting orthodontic treatment as there are waiting to be treated and more than 6,000 extra patients are getting treatment from the health boards/authority since the end of the September 2001 quarter. The chief executive officer of the SHB has informed my Department that at the end of the September 2004 quarter there 3,400 patients receiving orthodontic treatment in the Southern Health Board area. This compares favourably with a figure of 2,300 receiving such treatment at the end of the September 2001 quarter, and represents an increase of 1,100 patients in treatment, or an increase of almost 48%, over the four-year period.

#### Departmental Staff.

123. **Mr. P. McGrath** asked the Tánaiste and Minister for Health and Children the number of civil servants and other staff employed on constituency and public relations work for each of her Ministers of State; the grade and remuneration of each of these members of staff; and if she will compare these employees to those employed by the corresponding Minister of State at November 2001. [31689/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Set out below are tables for constituency offices of Ministers of State broken down by numbers of staff — civil servants and non-civil servants — and amount paid in respect of salary.

Minister of State (Mr. Brian Lenihan) — Constituency Office at November 2004.

Number of Staff	Grade	Annual Salary
		€
3	CO	83,099.27
2	Personal Secretary and Assistant (non-civil servants)	87,318.62
Total 5		170,417.89

Minister of State (Mr. Tim O'Malley) — Constituency Office at November 2004.

Number of Staff	Grade	Annual Salary
		€
1	EO	36,312.71
1	SO	27,103.65
1	CO	25,399.41
2	Personal Secretary and Assistant (non-civil servant)	92,826.22
Total 5		181,641.99

Minister of State (Mr. Sean Power) — Constituency Office at November 2004.

Number of Staff	Grade	Annual Salary
		€
1	EO	41,305.89
2	CO	56,659.91
1	Personal Secretary (non-civil servant)	42,587.86
Total 4		140,553.66

Minister of State (Ms Mary Hanafin) — Constituency Office at November 2001.

Number of Staff	Grade	Annual Salary
		€
2	CO	46,570.09
1	EO	31,627.37
1	Personal Assistant (non-civil servant)	37,567.79
Total 4		115,765.25

Minister of State (Mr. Tom Moffatt) — Constituency Office at November 2001.

*Number of Staff	Grade	Annual Salary
		€
2	EO	61,877.14
6	CO (4 WTE)	102,131.93
3	Personal Assistant (1 WTE) (non-civil servant) and Secretary	66,580.06
Total 11		230,589.13

\*Please note that the private office and constituency office work was covered by all staff as one team.

#### Health Board Allowances.

124. **Mr. Ring** asked the Tánaiste and Minister for Health and Children when a person (details supplied) in County Mayo will be approved the domiciliary care allowance. [31704/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** The assessment of entitlement to and payment of the domiciliary care allowance is a matter for the relevant health board. Accordingly, a copy of the Deputy's question has been forwarded to the chief executive officer of the Western Health Board with a request that she examine the query and reply directly to the Deputy as a matter of urgency.

#### Health Board Services.

125. **Dr. Upton** asked the Tánaiste and Minister for Health and Children if a person (details supplied) in Dublin 20 will continue to receive support for counselling at a centre; if she will review this case; and if she will make a statement on the matter. [31728/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** Responsibility for the provision of the services referred to by the Deputy rests with the Eastern Regional Health

Authority. My Department has therefore asked the regional chief executive to investigate the matter raised by the Deputy and reply to her directly.

#### Medical Cards.

126. **Mr. G. Mitchell** asked the Tánaiste and Minister for Health and Children if the SWAHB will review a refusal to agree an application for a medical card for a person (details supplied) in Dublin 12. [31745/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** Responsibility for the provision of a medical card is, by legislation, a matter for the chief executive officer of the relevant health board/authority. My Department has, therefore, asked the regional chief executive of the Eastern Regional Health Authority to investigate the matter raised by the Deputy and to reply to him directly.

#### Health Board Funding.

127. **Mr. N. O'Keefe** asked the Tánaiste and Minister for Health and Children the position regarding the allocation of funding for a project (details supplied) in County Cork. [31746/04]



**Tánaiste and Minister for Health and Children (Ms Harney):** Since the first out of hours co-operative began in 2000, in excess of €72 million has been provided to health boards by my Department to allow their development. The Southern Health Board has received over €10 million for this area between 2001 and 2004. These funds do not include fees paid to participating general practitioners for attending patient calls.

Out of hours services in the Southern Health Board area began on 16 October 2001 and are now operating in Cork city and part of Cork county, south Kerry to Tralee and west Cork, except for the Beara Peninsula.

Decisions in respect of the geographical area to be covered, in any expansion, are matters which fall within the remit of the relevant health board to decide, having regard to the strategic, financial and other issues involved.

The Southern Health Board has advised my Department of its future plans to develop out of hours services in the remaining areas within the board. Such developments will be considered in the context of service requirements, health board proposals and funding availability.

#### **Hospital Waiting Lists.**

128. **Mr. Deasy** asked the Tánaiste and Minister for Health and Children if there will be no delay in providing an MRI scan for a person (details supplied) in County Waterford; the current waiting period for this scan; and if she will make a statement on the matter. [31831/04]

**Tánaiste and Minister for Health and Children (Ms Harney):** The provision of hospital services for people resident in County Waterford is, in the first instance, a matter for the South Eastern Health Board. My Department has, therefore, asked the chief executive officer of the board to reply to the Deputy directly on this issue.

#### **Decentralisation Programme.**

129. **Mr. Penrose** asked the Minister for Finance if staff at the letterpost area office located at Mullingar will be afforded the opportunity to transfer to the offices of the Department of Education and Science which are being decentralised to Mullingar under the decentralisation plan. [31614/04]

**Minister for Finance (Mr. Cowen):** All applications to participate in the decentralisation programme must be submitted through the central applications facility launched in May 2004. The creation of the central applications facility was recommended by the decentralisation implementation group in its report of March 2004. In paragraph 2.13 of that report, the group recommended that applications would be invited from all civil servants, staff of all non-commercial State-sponsored bodies and staff of the two commercial State companies included in the programme. Staff of the remaining commercial State

companies, including An Post, are not eligible to participate in the programme.

130. **Mr. Penrose** asked the Minister for Finance if it is possible for persons employed by An Post and who hold civil service status to transfer to one of the Departments that is being decentralised under the scheme of decentralisation; and if he will make a statement on the matter. [31615/04]

**Minister for Finance (Mr. Cowen):** All applications to participate in the decentralisation programme must be submitted through the central applications facility launched in May 2004. The creation of the central applications facility was recommended by the decentralisation implementation group in its report of March 2004. In paragraph 2.13 of that report, the group recommended that applications would be invited from all civil servants, staff of all non-commercial State-sponsored bodies and staff of the two commercial State companies included in the programme.

Staff of the remaining commercial State companies, including An Post, are not eligible to participate in the programme.

*Question No. 131 withdrawn.*

132. **Mr. M. Smith** asked the Minister for Finance his proposals in respect of the decentralisation programme for Thurles and Roscrea; the position with regard to the acquisition of sites or accommodation; and if he will make a statement on the matter. [31618/04]

**Minister for Finance (Mr. Cowen):** The report of the decentralisation implementation group entitled "Selection of organisations/locations for inclusion in the first phase of moves" was published on 24 November 2004. It included details of those organisations and locations to be included in the first phase of moves together with details of the criteria used by the group to select those locations. Roscrea is not among those locations. The contents of the group's report can be accessed at [www.finance.gov.ie](http://www.finance.gov.ie). The decentralisation implementation group will report again in spring 2005 on the organisations and locations not covered in the report.

On Thurles, the decentralisation implementation group notes in paragraph 3.2 of its report that a total of 200 jobs, comprising jobs of gardaí and civil servants, are due to be relocated to Thurles. The group recommends that the Garda Commissioner should, in conjunction with the Department of Justice, Equality and Law Reform, prepare an updated implementation plan by 14 February 2005, including an implementation schedule with a phased timeline.

#### **Flood Relief.**

133. **Mr. Healy** asked the Minister for Finance the progress which has been made to commence

before 31 December 2004, the public consultation process of the Clonmel flood alleviation scheme; and if he will make a statement on the matter. [31621/04]

**Minister of State at the Department of Finance (Mr. Parlon):** When I visited Clonmel on 29 October following the flooding of the town, I indicated that I would try to bring forward the scheme exhibition and public consultation process, which was scheduled for the beginning of 2005, to this year.

I have had detailed discussions with officials of the Office of Public Works about the possibility of accelerating the process and I am advised that it is not possible to do so. Measurements taken by OPW staff in the river during the flood have produced significant additional and up to date information, which must be taken into account before the design of the scheme is finalised and put on exhibition for the public consultation.

I am satisfied that it would not be wise in the circumstances to rush the design of the scheme. I hope to meet with the town council shortly to brief the members fully on the position.

#### **Decentralisation Programme.**

134. **Mr. P. Breen** asked the Minister for Finance the timescale for the transfer of 50 members to Kilrush in County Clare regarding the Government's proposal for decentralisation; if the Government has identified and purchased the site for a building; the breakdown of the locations from which the applicants are coming; and if he will make a statement on the matter. [31622/04]

**Minister for Finance (Mr. Cowen):** The report of the decentralisation implementation group entitled "Selection of organisations/ locations for inclusion in the first phase of moves" contains details of those organisations/locations which will be included in the first phase of moves. Kilrush will be among those locations. Details provided by the OPW show an indicative timescale for completion of construction of office accommodation in Kilrush as the fourth quarter of 2006. The full report is available on the website of the Department of Finance, *www.finance.gov.ie*. A total of 72 applications has been received from civil and public servants for transfer to Kilrush. Some 13 of these applications are from Dublin and 59 are from provincial locations around the country. The purchase of a site in Kilrush has not yet been finalised.

135. **Mr. Breen** asked the Minister for Finance if, under the decentralisation programme the Government has abandoned plans to decentralise Enterprise Ireland to Shannon in County Clare; and if he will make a statement on the matter. [31623/04]

**Minister for Finance (Mr. Cowen):** The report of the decentralisation implementation group entitled "Selection of organisations/ locations for inclusion in the first phase of moves" which I published on 24 November 2004 sets out the list of organisations-locations to be included in the first phase of moves. The report also sets out the criteria the implementation group used to select these locations. Shannon is not among these locations. The full contents of the report are available on the Finance website at *www.finance.gov.ie*. I can confirm the Government has not abandoned plans to relocate Enterprise Ireland to Shannon.

In its report the implementation group states that it will report again in spring 2005 concerning the locations and organisations not covered in the current report.

#### **Tax Code.**

136. **Mr. J. Higgins** asked the Minister for Finance if he will abolish income tax on maintenance payments; and if he will make a statement on the matter. [31627/04]

**Minister for Finance (Mr. Cowen):** The present arrangements regarding the taxation of maintenance payments have been in place since June 1983. The general position in the case of legally enforceable maintenance agreements in this jurisdiction is as follows: the spouse who pays the maintenance is entitled to a tax deduction for payments made for the benefit of the other spouse; the maintenance payments are taxed in the hands of the receiving spouse; and the couple are treated for tax purposes as if unmarried. However, a separated couple may, except where a civil annulment has been obtained, jointly elect to be treated for tax purposes as if the separation had not taken place, provided they are both resident in the State and, if divorced, neither have remarried.

When such an election is made, the maintenance payments are ignored for tax purposes — the payer does not receive a tax deduction for them and the receiving spouse is not taxable on them. Where the receiving spouse has income other than the maintenance, separate assessment will apply in respect of that income. The Revenue Commissioners information leaflet IT2, Taxation of Married Couples, which is available on the Revenue Commissioners website at *www.revenue.ie*, sets out how separate assessment works.

In the case of non-legally binding maintenance payments, such payments are not taxable in the hands of the receiving spouse and the paying spouse cannot claim a tax deduction for them. However, the paying spouse would be entitled to the married person's tax credit if he or she is wholly or mainly maintaining the other spouse.

In the arrangements which apply, there is an underlying principle in place that income — in

[Mr. Cowen.]  
the form of the maintenance payments — should be subject to taxation. If the general position on legally enforceable separation agreements were to be altered so that the payer rather than the recipient were to be subject to tax on the amount of the maintenance, such a move would benefit recipients but the position of those who are required to make such payments would disimprove.

If maintenance payments were not subject to the taxation in the hands of either the recipient or the payer, this would run contrary to the general principle that income should be subject to taxation. As the Deputy is aware, it is not the practice to comment on proposals, if any, to change tax law in the lead-up to the annual budget.

### Tax Collection.

137. **Mr. J. Higgins** asked the Minister for Finance the efforts that are being made to identify landlords in the private rented sector who fail to declare their investment properties; and if he will make a statement on the matter. [31628/04]

138. **Mr. J. Higgins** asked the Minister for Finance if there are plans to investigate landlords in the private rented sector who refuse to accept rent allowance from tenants in order to ascertain if they are declaring their investment properties. [31629/04]

139. **Mr. J. Higgins** asked the Minister for Finance the number of landlords in the private rented sector identified as failing to declare their investment properties in the past five years to date. [31630/04]

**Minister for Finance (Mr. Cowen):** I propose to take Questions Nos. 137 to 139, inclusive, together.

I am advised by the Revenue Commissioners that landlords in the private rented sector are controlled and monitored for tax compliance purposes in the same way as taxpayers in all other sectors. Special compliance districts, set up under the restructuring of Revenue, monitor any activity that has been brought to their attention, whether through returns lodged, claims made or any other source.

Whilst Revenue are not in a position to state the number of landlords in the private rented sector who failed to declare their investment properties in the past five years, all information available to and information received by Revenue, including information from tenants via rent relief forms, is acted upon on an ongoing basis with a view to ensuring compliance with tax law.

Tenants wishing to claim rent relief on private rented accommodation are required to complete the relevant form, Rent 1, and provide details of the landlord's name, address and personal public service, PPS, number. These forms provide useful

information for the Revenue Commissioners. Forms received without PPS numbers are traced by reference to name and address.

I am also informed by the Revenue Commissioners that projects specifically aimed at investigating landlords in the private rented sector are regularly undertaken in all regions to monitor this sector. These focus on identifying cases where income would appear to be understated *vis-à-vis* properties held. Arising out of these projects, some cases are referred for further investigation and audit by Revenue. Throughout 2003, audits were concluded in 250 cases where rental income was the main source of income returned. The yield in all 250 cases was €3.25 million in tax, interest and penalties.

Cases are selected for investigation by Revenue on the basis of perceived tax at risk. This means that most cases are chosen for audit-investigation following a risk analysis that may suggest the possibility of non-compliance with any of the taxes. Cases may also be selected on the basis of external-further information provided to the Revenue Commissioners.

The Deputy may also wish to note that under the Residential Tenancies Act 2004, there is provision for supply of tenancy registration details or confirmation of the fact of registration by the Residential Tenancies Board to the Revenue Commissioners. This Act requires such data to be supplied by the board at the request of the landlord or at the request of the Revenue Commissioners on furnishing the PPS number or other unique identifier to the board.

### Website Accessibility Guidelines.

140. **Mr. P. McGrath** asked the Minister for Finance if he is satisfied that the Government's e-tenders website (details supplied) is compliant with reasonable accessibility guidelines, in view of the fact that two major websites which validate compliance with accessibility guidelines indicate that the site fails to meet priority one, priority two and priority three standards; and if he will make a statement on the matter. [31687/04]

**Minister for Finance (Mr. Cowen):** First, let me say that I am fully committed to accessibility for all. In the case of people with disabilities and access to the e-tenders website, work is ongoing to meet all WAI/WCAG accessibility standards, priority levels one to three.

A recent outline accessibility study, carried out by the National Disability Authority, NDA, found that the site was reasonably compliant in relation to priority one. Some relatively minor changes are required to achieve full compliance and this work is in progress. To achieve compliance with priority two, which is the minimum level recommended by the NDA, a full audit will be undertaken in early 2005 to establish the requirements for ensuring full compliance. This

study will not rely solely on automated checking tools but will address the execution of typical tasks with the help of people with disabilities. In adopting priority three, consideration will be given to the availability of software and technical capability — connectivity and browser levels — of existing users, including SMEs.

### Departmental Staff.

141. **Mr. P. McGrath** asked the Minister for Finance the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31690/04]

**Minister for Finance (Mr. Cowen):** One personal assistant and one personal secretary are employed on constituency and communications work for the Minister of State at the Department of Finance with responsibility for the Office of Public Works. There are two civilian drivers who may, as appropriate, provide services which are constituency related. The number of staff in 2004 reflects the November 2001 position when there was one personal assistant, one personal secretary and two civilian drivers.

The grade and pay scales of these staff are set out in the following table. The actual pay of individuals is not given in the normal course as it is deemed to be personal information. The pay scale for civilian drivers is a one point scale. Travel and subsistence is payable if appropriate. A pension contribution of 11% of salary is payable to an approved pension provider as apart of the remuneration of the personal assistant.

In addition, a consultant, Monica Leech Communications, was retained by the office from December 2001 to July 2003 to assist in the provision and co-ordination of information on behalf of the Minister of State. The total payment to Monica Leech Communication was €42,902, inclusive of VAT and expenses.

### Tax Code.

142. **Mr. G. Mitchell** asked the Minister for Finance the reason a person (details supplied) in Dublin 6W is continuing to have DIRT retained; if such deductions will cease; and if a further refund will be issued for the years after 2001. [31781/04]

**Minister for Finance (Mr. Cowen):** Chapter 4 of Part 8 of the Taxes Consolidation Act 1997 provides for a retention tax on the interest accruing on deposit accounts of Irish resident individuals. Therefore, such deductions will not cease when a person becomes 65. However, an individual is entitled to a repayment of the DIRT

deducted in situations where: (i) he or she or his or her spouse is either aged 65 years or over at any time during the tax year or permanently incapacitated by reason of mental or physical infirmity from maintaining himself or herself — or became so incapacitated — at any time during the tax year; and (ii) the income of the individual, inclusive of the deposit interest, is below the appropriate income exemption limit for tax purposes.

However, before a refund can be made, the taxpayer must submit a form 54D together with certificates of retention tax paid. Any refunds arising for the years 2002 to 2004 for the person concerned will be dealt with on receipt of this information for each year.

I understand that the Revenue Commissioners have written to the taxpayer requesting certificates of retention tax for the years 2002 to 2004. Forms 54D, required to claim a repayment in respect of DIRT, have also been sent to the taxpayer for completion for the years 2002 to 2004.

### Decentralisation Programme.

143. **Mr. Healy** asked the Minister for Finance the criteria which were used to decide on the decentralisation locations announced on 24 November 2004; the reason Tipperary town has not been included in this announcement; and if he will make a statement on the matter. [31782/04]

**Minister for Finance (Mr. Cowen):** The report of the decentralisation implementation group entitled “Selection of organisations/locations for inclusion in the first phase of moves” published on 24 November 2004 gave details of the locations to be included in the first phase of moves. Tipperary town is not among these locations. The full contents of the group’s report, which details the selection criteria used, are available at [www.finance.gov.ie](http://www.finance.gov.ie). The implementation group will report again in spring 2005 on those locations and organisations not covered in the current report.

### Mobile Telephony.

144. **Mr. Deenihan** asked the Minister for Communications, Marine and Natural Resources if her attention has been drawn to the widespread concern among the medical profession of over-exposure to mobile phones here, which is resulting in headaches, dizziness, distorted vision and biological effects; her views on whether it is appropriate that mobile phones carry a health warning; and if he will make a statement on the matter. [31747/04]

**Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey):** I am aware of the concerns to which the Deputy refers and, correspondingly, I maintain within my Department the expertise necessary to advise me on

[Mr. N. Dempsey.]

health issues relating to electromagnetic energy, including that related to mobile phone usage. I am advised that the concern is not widespread throughout the medical profession, but is limited to a small number of general practitioners.

Ireland participates in a number of international bodies which undertake detailed programmes of research into interactions between electromagnetic energy and people. The very latest reports in this area conclude that, notwithstanding many years of investigation, no adverse health effects, be they headaches, dizziness, distorted vision or other biological effects, have been demonstrated to have been caused by electromagnetic energy emitted by mobile phones. I appreciate that some people still maintain that these facilities are responsible for various symptoms and illnesses that they suffer. I sympathise with those people. The overwhelming weight of evidence is that facilities such as mobile phones are not responsible for their condition. Focused research is continuing and my Department will monitor this area closely.

Ireland also participates in the relevant bodies that monitor and set guidelines for limiting exposure to electromagnetic energy from such installations to levels many times lower than the experimental levels at which no adverse health effects result — this is known as the “precautionary principle”. These bodies continuously review the relevant research already referred to, and periodically meet to decide whether or not the guidelines continue to be appropriate in the light of the most up-to-date reports. These guidelines are utilised as operating limits in the licences issued to the operators of telecommunications facilities, and measurements carried out on behalf of ComReg, the telecommunications regulator, have shown total compliance with the limits. I am, therefore, advised that there is no reason for me to act in terms of requiring mobile phones to carry a health warning.

#### Price Inflation.

145. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources his views on reports to the effect that gas and electricity prices here have been unnecessarily

increased based on an inflated valuation of the respective distribution networks; if, as has been indicated, domestic and industrial consumers have been unnecessarily penalised through price hikes; if he has evaluated the impact on the consumer; if he intends to issue any direction arising from this issue; and if he will make a statement on the matter. [31439/04]

**Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey):** I do not have a function regarding the pricing of gas or electricity. These are matters which fall under the statutory remit of the Commission for Energy Regulation. I have no power to give directions of the type suggested. I have brought the relevant newspaper article to the attention of CER.

#### Telecommunications Services.

146. **Mr. English** asked the Minister for Communications, Marine and Natural Resources when persons (details supplied) in County Meath will receive telephone connections; the reason it is taking so long; and if he will make a statement on the matter. [31616/04]

**Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey):** I have no statutory function regarding this matter. It is an operational issue for the service provider concerned. Responsibility for the regulation of the telecommunication service providers rests with the Commission for Communications Regulation, ComReg, which is an independent statutory body.

#### Departmental Staff.

147. **Mr. P. McGrath** asked the Minister for Communications, Marine and Natural Resources the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31691/04]

**Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey):** The number of civil servants and other staff employed on constituency work for the Minister of State at my Department, Deputy Gallagher, is as follows:

Title	Grade/ Grade Equivalent	Remuneration
Personal Assistant	Higher Executive Officer	HEO Salary scale — €38,270 (min) to €48,558 (2nd long service increment)
Personal Secretary	Secretarial Assistant	Secretarial Assistant Salary Scale: €19,116 (min) to €36,883 (2nd long service increment)
Private Secretary*	Higher Executive Officer	HEO Salary scale — €38,270 (min) to €48,558 (2nd long service increment) + €17,048 allowances
Clerical Officer	Clerical Officer	Clerical Officer — Salary Scale (full PRSI) €20,117 (min) to €32,622 (2nd long service increment)
Clerical Officer	Clerical Officer	Clerical Officer — Salary Scale (full PRSI) €20,117 (min) to €32,622 (2nd long service increment)

\*A quarter of the private secretary's time was taken up with constituency duties. While there were no public relations staff employed, the resources of the Department's press office were available to the Minister of State.

At November 2001, the staff employed on constituency work by the then corresponding Mini-

ster of State, Deputy Hugh Byrne, were as follows:

Title	Grade/ Grade Equivalent	Remuneration
Personal Assistant	Higher Executive Officer	HEO salary scale €32,582.75 (min) to €41,282.99 (2nd long service increment) +10% allowance
Personal Secretary	Secretarial Assistant	Secretarial Assistant Salary Scale: €13,946 (min) to €31,733 (2nd long service increment) +10% allowance
Private Secretary*	Higher Executive Officer	HEO salary scale €32,582.75 (min) to €41,282.99 (2nd long service increment) + €14,205 (allowances)
Clerical Officer	Clerical Officer	Clerical Officer — Salary Scale (full PRSI) €17,308.63 (min) to €28,067.10 (2nd long service increment)
Clerical Officer	Clerical Officer	Clerical Officer — Salary Scale (full PRSI) €17,308.63 (min) to €28,067.10 (2nd long service increment)

\*A quarter of the private secretary's time was taken up with constituency duties. While there were no public relations staff employed, the resources of the Department's press office were available to the Minister of State.

### Fishing Vessel Licences.

148. **Mr. Deenihan** asked the Minister for Communications, Marine and Natural Resources the reason there is a change in the guidelines for the renewal of drift and draft net licences for the 2005 fishing season; and if he will make a statement on the matter. [31748/04]

**Minister of State at the Department of Communications, Marine and Natural Resources (Mr. Gallagher):** I recently introduced the Control of Fishing for Salmon (Amendment) Order 2004 for the purpose of extending from 30 November to 31 January the date by which applications for commercial fishing licences must be received by the regional fisheries boards. This will allow the fisheries boards more time to put in place the annual administrative arrangements for salmon fishing licensing, as well as removing the onus on fishermen to lodge their licence applications so far in advance of the start of the salmon fishing season.

The Deputy will be aware that a sub-group of the National Salmon Commission has comprehensively reviewed the provisions of the Control of Fishing for Salmon Order 1980 and subsequent amendments. A number of practicable amendments to the orders have been identified with a view to updating and improving the qualifying criteria under which licence applications would be prioritised and assessed by the regional fisheries boards. These amendments reflect best practice in the context of the current management of a licensing system.

A draft order, incorporating the proposed amendments, has been referred to the Attorney General's office for legal advice on its applicability. It is my intention that the final draft will revert to the National Salmon Commission for its endorsement, following consultation with the stakeholders whom it represents, before implementing any changes to the orders.

149. **Mr. Deenihan** asked the Minister for Communications, Marine and Natural Resources the position regarding the buyout of drift and draft net fishing licences in the Shannon Estuary

and the Feale; and if he will make a statement on the matter. [31749/04]

### Minister of State at the Department of Communications, Marine and Natural Resources (Mr. Gallagher):

The Government has consistently ruled out buyout as an effective means of achieving the restoration of salmon stocks and instead promoted the application of quotas on commercial fishing and bag limits on angling to achieve catch reductions as the best instrument available to achieve this objective. Moreover, no convincing case has been advanced as to the public good that would be achieved by the State in the context of a publicly funded buyout, nor why stakeholders benefiting from increased numbers of salmon entering the rivers should not contribute in whole or in part towards achieving that increase. Consequently, I have no plans to introduce proposals to purchase commercial salmon fishing licences including those licences in the Shannon Estuary and Feale. As I previously indicated to the House, I would be prepared, however, to keep the matter under review and would be open to any relevant proposals whereby stakeholders benefiting from any reduction in commercial catch might fund in whole or in part any compensation arising.

### Post Office Network.

150. **Mr. Deenihan** asked the Minister for Communications, Marine and Natural Resources the Government's policy regarding the future of small, rural post offices; and if he will make a statement on the matter. [31780/04]

**Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey):** The Government and the board of An Post are committed to the objective of securing a viable and sustainable rural post office network as set out in the programme for Government.

It may be useful, at this stage, to illustrate the current strength of the network. There are 1,000 automated post offices, 475 non-automated post offices and 160 postal agencies. An Post has established 3,000 Postpoint outlets in retail premises, of which 600 can be used for bill payment.

[Mr. N. Dempsey.]

The future of the post office network has been subject to a number of studies and reviews in recent years and many of the recommendations made have been implemented. The post office network at present has a high volume of people passing through the premises, a recognised brand name and a countrywide retail network. The priority for all stakeholders is to build on these strengths to maintain and increase the amount of business being conducted through the network in order to secure its future.

There is widespread recognition that the best development strategy to sustain the network is for An Post to continue adapting to its customer needs within the financial constraints in which it now finds itself. As part of this strategy, An Post has secured additional business for the network, including bill pay facilities for the ESB, phone top-ups through their Postpoint service and a contract with the AIB under which the bank's customers can access their accounts through the network. Further opportunities from both the public and private sectors are being actively explored by the company with a view to bringing on stream additional services at the post office counter, where possible.

The long-term future of the post office can only be secured by meeting the demands of customers. In this regard, I have asked the Irish Postmasters' Union and An Post to work in partnership with a view to securing existing business and to pursue new business opportunities at every opportunity. As outlined above, that strategy is being followed with some success by the company.

The overarching objective going forward continues to be the retention of post office services, in as many locations as possible, in the manner which best meets consumer needs whether services are provided via post offices, postal agencies or the Postpoint network.

### Passport Applications.

151. **Mr. Durkan** asked the Minister for Foreign Affairs if a person (details supplied) in County Kildare whose current passport was issued by the Irish Embassy in Madrid on 4 April 2002 and who wishes to travel to the US in five weeks' time, may exchange their current passport for a machine readable passport without incurring any associated costs or any deduction in the length of validation of their passport; and if he will make a statement on the matter. [31653/04]

**Minister for Foreign Affairs (Mr. D. Ahern):** The position is that the appropriate statutory fee has to be paid on each occasion when a passport is sought. The relevant fees are set out in SI 82 Diplomatic and Consular Fees (Amendment) Regulations 2004. There is no provision in these regulations for the issue of replacement passports free of charge.

The situation in question has arisen because of a change in US requirements. From 26 October 2004, all Irish passport holders visiting the United States require an individual machine-readable passport to avail of the US visa waiver programme. Holders of hand-written passports have the option of either replacing their existing passport with a machine readable one, including, as indicated above, paying the appropriate fee, or obtaining a visa, in advance, from their nearest US diplomatic or consular mission. These new requirements apply to all visa waiver countries, including Ireland.

My Department, on being informed of this new requirement, sought to publicise it so that holders of Irish passports that are not machine-written would be able to obtain new machine-readable passports in good time if they envisaged travelling to the US, or, alternatively, to obtain visas. An arrangement was also put in place last year to produce machine-readable passports in Dublin for applicants abroad who requested such a passport, although this would not have benefited the person in question given that his passport was issued in 2002.

My Department is currently developing a new passport system and when this is fully operational, all Irish passports, whether issued at home or abroad, will be machine-written. In the meantime, I am afraid that, because of the change in US requirements, the Department is not in a position to be of assistance regarding the person's request other than in the normal way, to facilitate the issuing of a new passport to him.

### Departmental Staff.

152. **Mr. P. McGrath** asked the Minister for Foreign Affairs the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31692/04]

**Minister for Foreign Affairs (Mr. D. Ahern):** The tables below set out the total number of staff serving in the constituency offices of Minister of State with responsibility for European affairs, Deputy Treacy, and the Minister of State with responsibility for overseas development and human rights, Deputy Conor Lenihan, respectively.

Minister of State, Deputy Treacy.

Grade	Number	Salary Scale w.e.f. 01/12/04
Personal Secretary	1	€19,499 — €35,657
Executive Officer	1	€27,057 — €40,083
Clerical Officer	3	€20,520 — €31,573

Minister of State, Deputy C. Lenihan.

Grade	Number	Salary Scale w.e.f. 01/12/04
Personal Secretary	1	€19,499 — €35,657
Personal Assistant	1	€39,035 — €46,119
Clerical Officer	3	€20,520 — €31,573

None of the staff attached to these offices carry out public relations duties. In November 2001, there was one Minister of State at the Department of Foreign Affairs. The then Minister of State had one personal assistant and one clerical officer assigned to constituency matters.

#### Overseas Development Aid.

153. **Aengus Ó Snodaigh** asked the Minister for Foreign Affairs the figures announced in the Estimates for 2005 for the overseas aid budget; the way in which he reached the estimate of 0.5% of GNP by 2007 when the calculations provided by Dóchas indicate that it will only come to 0.44% of GNP by 2007. [31727/04]

**Minister of State at the Department of Foreign Affairs (Mr. C. Lenihan):** The Book of Estimates provides for an increase of €60 million in Government spending on official development assistance in 2005. This will bring total Government aid to the developing world next year to €535 million, an all-time record. In addition, the Government has agreed to make increases of €65 million in each of the years 2006 and 2007. As a result of these very substantial increases, €1.8 billion will be spent by Ireland on development assistance over the coming three years. It is not possible to predict precisely what the official development assistance-GNP percentage will amount to in 2007 given that the GNP growth rates for the next three years are not known. I hope we can get as close as possible to 0.5% but, as I have indicated, this cannot be predicted accurately at this stage.

154. **Mr. O'Shea** asked the Minister for Foreign Affairs his proposals to meet the concerns of the diocesan council for the united dioceses of Cashel and Ossory regarding overseas development aid (details supplied); and if he will make a statement on the matter. [31783/04]

**Minister of State at the Department of Foreign Affairs (Mr. C. Lenihan):** I refer the Deputy to my reply to Questions Nos. 70 and 146 on 24 November 2004.

*Question No. 155 answered with Question No. 74.*

#### Tourism Promotion.

156. **Mr. Durkan** asked the Minister for Arts, Sport and Tourism if he will report on the success of the overseas promotion of this country as a tourist location; if objectives identified in the

national development plan have been achieved; and if he will make a statement on the matter. [31643/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** Tourism Ireland and Fáilte Ireland set a very ambitious target of 3.9% growth in visitor numbers here for 2004. There is no doubt that 2004 has been a demanding year for tourism. Based on the Central Statistics Office figures available for the first nine months of the year — which show growth to date of just under, 3% — the overall result at the end of the year is expected to fall short of the target. In the context of growing competition from newer destinations, particularly in Europe, growth of 3% would represent a good overall performance when compared with some of our near competitors who have been experiencing little or negative growth this year.

The performance of Great Britain — our largest volume market by far — has been flat to date and this has had a major impact on the overall performance of the sector this year. Increased competition, particularly from eastern Europe, and a general slowing down in outbound tourism to traditional western European destinations are seen as key challenges to Ireland's marketability in Britain this year and over the years ahead. In terms of the tourism objectives in the national development plan, the latest full year figures for 2003 show a very positive outcome against three of the four mid-term targets set for the tourism marketing measure.

By the end of 2003, foreign earnings had exceeded the mid-term target by almost €500 million. The proportionate number of visitors arriving during the peak July to August season had been reduced from 27% to 25%, exceeding the mid-term target of 26%. The daily visitor spend target of €54.64 has also been exceeded by almost €2. The fourth national development plan objective for tourism marketing relates to regional dispersal, with a mid-term target of a 1.5% shift in the proportion of overall visitors staying in the Border midland and western region from 25% to 26.5%. Based on 2003 figures, the proportion of visitors to the region stood at 26.2%, which represents significant movement towards meeting the target of 26.5%.

The regional dispersal of visitors continues to be a major challenge, particularly given the increasing trend towards shorter, more frequent holidays which tend to favour urban areas with good direct access. Achieving greater regional distribution remains a key policy objective and many existing programmes and initiatives are aimed at promoting tourism development more widely. In developing their new marketing programmes under this measure, both Tourism Ireland and Fáilte Ireland are pursuing strategies to address the challenges in boosting regional tourism.



*Question No. 157 answered with Question No. 71.*

### Arts Council.

158. **Mr. Durkan** asked the Minister for Arts, Sport and Tourism the extent to which he expects to direct policy in the arts sector; and if he will make a statement on the matter. [31649/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The Arts Act 2003 allows me as Minister to influence policy in several ways. I can direct the Arts Council to comply with ministerial or Government policy on the arts, but this provision has not been used to date, and I would envisage it being used quite sparingly. However, the Act also allows me to require the establishment of a special committee, with members appointed both by me and by the council, to advise the council on specified areas of arts policy. To date, one such special committee has been appointed, which advised the council on the support of the traditional arts. Decisions have not yet been taken on the establishment of further special committees.

### Sport and Recreational Development.

159. **Mr. Durkan** asked the Minister for Arts, Sport and Tourism the outcome of recent discussions he has had with the Football Association of Ireland; and if he will make a statement on the matter. [31650/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I met with officials of the Football Association of Ireland on 3 November 2004 arising from the recent developments within the association which resulted in the departure of the chief executive officer of the association. I have had no further meetings with since then Football Association of Ireland.

At the meeting, I reiterated to the association officials in attendance that the Government looks to the association to become a dependable, effective and efficient organisation capable of accepting and discharging its responsibilities for projects to which the Government has committed substantial support from public funds. These include the redevelopment of Lansdowne Road stadium, the development of a sports campus at Abbotstown, funding under the sports capital programme for soccer clubs at national, regional and local levels and the funding provided to the association by the Irish Sports Council.

160. **Mr. Wall** asked the Minister for Arts, Sport and Tourism his views on the contents of correspondence (details supplied); and if he will make a statement on the matter. [31683/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The correspondence referred to by the Deputy has been brought to my attention. I refer the Deputy to my answer to Questions Nos. 149 and 188 of 20 October last. I fully sup-

port the delivery of the reform agenda mapped out in the Genesis Report and I have indicated to the Football Association of Ireland that the positions of chief executive and director of finance should be publicly advertised by the end of this year and that the terms of reference for both these posts be agreed beforehand by the joint Irish Sports Council and Ireland Liaison Group which oversees the implementation of the Genesis Report. I welcome the confirmation by the Football Association of Ireland that it intends to advertise these positions by the end of the year.

I look forward to working closely with the Football Association of Ireland in the continued development of the game of soccer particularly in the many infrastructural projects which are being developed and which will have a major positive impact on Irish soccer.

*Question No. 161 withdrawn.*

### Departmental Staff.

162. **Mr. P. McGrath** asked the Minister for Arts, Sport and Tourism the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31693/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** I wish to inform the Deputy that a Minister of State has not been appointed to my Department.

### Community Employment Schemes.

163. **Mr. Wall** asked the Minister for Enterprise, Trade and Employment the grants available to the County Kildare centres for the unemployed to permit them to continue to provide facilities for the many persons seeking advice; and if he will make a statement on the matter. [31686/04]

170. **Mr. Wall** asked the Minister for Enterprise, Trade and Employment the funding available to the County Kildare centres for the unemployed (details supplied); if such funding is allocated to the ICTU; if so, when the funding will be allocated; and if he will make a statement on the matter. [31744/04]

**Minister for Enterprise, Trade and Employment (Mr. Martin):** I propose to take Questions Nos. 163 and 170 together.

FÁS informs me that it provides funding directly to the Irish Congress of Trade Unions centre for the unemployed in Kildare through the community employment programme. This enables the centre to provide places for persons who are unemployed and disadvantaged in order to assist them in re-entry to the labour market.

In addition, the scheme supports the provision of information services to Leixlip, Newbridge and Athy. Funding for these projects next year will be at the level of 2004 and will be included as part of FÁS community employment allocation in the midlands region in 2005.

### Health and Safety Regulations.

164. **Mr. Perry** asked the Minister for Enterprise, Trade and Employment the steps taken to ensure that the health and safety issues, that is, safety statements, are rigorously enforced in the delivery of hydrocarbon fluids, namely, petrol and diesel, on public roads in view of the enormous amounts of road spillage; and if he will make a statement on the matter. [31813/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen):** The delivery of hydrocarbon fuels, namely, petrol and diesel, by road within the State is regulated primarily under the Carriage of Dangerous Goods by Road Act 1998, No. 43 of 1998, which transposes Council Directive 94/55/EC — ADR Framework Directive — on the transport of dangerous goods by road.

The provisions in the Safety, Health and Welfare at Work Act 1989 relating to the preparation of safety statements applies in the case of vehicles as to any other place of work. The Safety, Health and Welfare at Work Act 1989 is enforced by the Health and Safety Authority. Although a safety statement must specify the manner in which safety, health and welfare of persons employed shall be secured, all relevant practical issues in respect of fuel oil transport are specified in detailed technical regulations, namely, the Carriage of Dangerous Goods by Road Regulations 2004 — S.I. No. 29 of 2004 — which transpose for the purposes of national transport activities the requirements of the 2003 European Agreement Concerning the International Carriage of Dangerous Goods by Road.

No reports of dangerous occurrences relating to spills of petrol or diesel from dangerous goods road tankers on to the public roads have, been received by the Health and Safety Authority in 2004. The consequences of spillages of diesel or fuel oil which have a direct bearing on road safety or the environment does not fall within the remit of the Health and Safety Authority.

### Community Employment Schemes.

165. **Mr. Ferris** asked the Minister for Enterprise, Trade and Employment if his speech on 10 November 2004, in which he stated that

there will be no compulsory cessation of social economy programmes, means that programmes which terminated within the past number of months may be extended. [31663/04]

166. **Mr. Ferris** asked the Minister for Enterprise, Trade and Employment if he has given directions to FÁS on to social economy schemes in view of his speech of 10 November 2004 indicating that there will be no compulsory cessation of such schemes. [31664/04]

**Minister for Enterprise, Trade and Employment (Mr. Martin):** I propose to take Questions Nos. 165 and 166 together.

FÁS has been informed of my decision on the operation of the social economy programme, which plays a very valuable role in communities throughout the country. Where prior to this decision it was agreed that it was not practical or feasible to continue to support an enterprise, it is not intended to reintroduce funding under the social economy programme. In cases where a social economy programme enterprise has provided a valuable service, FÁS will support this service through community employment.

### Work Permits.

167. **Mr. McGuinness** asked the Minister for Enterprise, Trade and Employment if an application to review a work permit in the name of a person (details supplied) in County Kilkenny will be expedited; the timeframe involved; and if he will make a statement on the matter. [31665/04]

**Minister for Enterprise, Trade and Employment (Mr. Martin):** A work permit issued to the employer on 19 November 2004.

### Departmental Staff.

168. **Mr. P. McGrath** asked the Minister for Enterprise, Trade and Employment the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31694/04]

**Minister for Enterprise, Trade and Employment (Mr. Martin):** The table below shows the staff complement and grade breakdown in the offices of the two Ministers of State at the Department of Enterprise, Trade and Employment who are engaged in constituency work. It also contains an outline of the staffing complement in the respective constituency offices at November 2001.

	Total	Grade Breakdown
<i>November 2004</i>		
Office of the Minister for Trade & Commerce, Mr. Michael Ahern T.D.	3 — includes 1 civil servant	1 Personal Assistant, 1 Personal Secretary, 1 Clerical Officer
Office of the Minister for Labour Affairs, Mr. Tony Killeen T.D.	3 — includes 1 civil servant	1 Personal Assistant, 1 Personal Secretary (on a 50% part-time basis), 1 Clerical Officer

	Total	Grade Breakdown
<i>November 2001</i>		
Office of the Minister for Science & Technology, Mr. Noel Treacy T.D.	3 — includes 1 civil servant	1 Personal Assistant, 1 Personal Secretary, 1 Clerical Officer
Office of the Minister for Labour Affairs, Mr. Tom Kitt T.D.	5 — includes 3 civil servants	1 Personal Assistant, 1 Personal Secretary, 3 Clerical Officers

The remuneration for the posts of personal assistant and personal secretary requires the specific approval of the Minister for Finance. The salary payable depends on the individual's previous employment status and earnings prior to his or her commencement in the post. In general, the salary payable to personal assistants ranges from €38,270 to a maximum of €45,215 per annum, while the salary payable to a personal secretary ranges from €25,200 to a maximum of €41,436 per annum. Furthermore, the Department has a press and media relations office which informs the public about the policies, functions and activities of the Department, my office and the two offices of the Ministers of State.

### Community Enterprise Centres.

169. **Mr. Wall** asked the Minister for Enterprise, Trade and Employment the position regarding the proposed enterprise centre (details supplied) in Athy, County Kildare; if the necessary funding has been designated for the project; if there have been delays in regard to such funding; the number of potential jobs projected in regard to the proposal; and if he will make a statement on the matter. [31743/04]

**Minister for Enterprise, Trade and Employment (Mr. Martin):** The administration of the community enterprise centre scheme is a day to day matter for Enterprise Ireland and not one in which I am directly involved. The Athy community enterprise centre has been approved funding under the 2002 community enterprise centre scheme, it is under construction at Woodstock Industrial Estate and will be completed during December 2004. The project is an initiative of the Athy investment development and employment forum, which was established to identify and act on the needs of Athy for enterprise, job creation and infrastructural developments.

The centre consists of a 12,500 sq. ft. facility, 20 commercial units, meeting rooms, offices etc. Employment at the centre, when it is fully operational, will number 40. There is scope to develop a second phase of 8,000 sq. ft. when required. The project has been approved €300,000 in capital support by Enterprise Ireland under the community enterprise support scheme 2002 as well as an additional €38,000 towards the cost of a centre manager for an initial two-year period. Kildare County Enterprise Board has approved €127,000 funding; Kildare County Council has approved €135,000 over three years; and Athy Town Council's contribution is €105,000 over three years.

The community is committed to raise €75,000 by way of local contribution. Bank borrowings constitute the balance. All the State funding has been allocated and a substantial amount has been drawn down by stage payments. Enterprise Ireland is not aware of any significant delays that have occurred since construction commenced. There was an initial delay of approximately one year in the project concerning the finalisation of the location of the centre. Alternative options were considered, a site had to be located, the site acquired, planning permission sought etc. The site has been acquired from IDA Ireland and Enterprise Ireland understands that the IDA has instructed its solicitor to make arrangements for the closing of the sale.

The Athy community enterprise centre aims to become a one-stop-shop for existing businesses that wish to grow their operation; a resource for potential entrepreneurs; and a business-friendly location where tenants can operate in a safe, clean and modern premises with full supporting facilities. The centre is also anxious to make part of the premises available for agencies that operate to promote and develop Athy. Enterprise Ireland is available to discuss the status of the project with any of the partners concerned.

*Question No. 170 answered with Question No. 163.*

### Social Welfare Benefits.

171. **Mr. J. Higgins** asked the Minister for Social and Family Affairs if he will make provision for the abolition of the means testing of the carer's allowance; and if he will make a statement on the matter. [31619/04]

175. **Mr. J. Higgins** asked the Minister for Social and Family Affairs the status of the review of the carer's allowance and carer's benefit schemes; the likely date of its completion and publication of recommendations. [31672/04]

176. **Mr. J. Higgins** asked the Minister for Social and Family Affairs his views on the abolition of the means test for the carer's allowance; and if he will make a statement on the matter. [31673/04]

**Minister for Social and Family Affairs (Mr. Brennan):** I propose to take Questions Nos. 171, 175 and 176 together.

The primary objective of the carer's allowance is to provide income support to low income carers. In line with other social assistance schemes, the means test is applied to the carer's allowance so as to ensure that limited resources are directed

to those in greatest need. The means test applied to the allowance has been eased significantly in the past few years, most notably with the introduction of disregards of spouse's earnings. In April 2004 the weekly income disregards increased to €250 for a single carer and to €500 for a couple. The effect of this increase, for example, ensures that a couple with two children, earning a joint annual income of up to €29,328, can qualify for the maximum rate of carer's allowance, while the same couple, if they had an income of €46,384 could still qualify for the minimum carer's allowance, the free schemes and the respite care grant.

The complete abolition of the means test would have substantial cost implications. It is estimated, based on available data, that abolition of the means test could cost in the region of €160 million per annum. This estimate should be taken as an order of magnitude given the difficulties in costing such a proposal. The views of some support and health organisations is that if resources of this scale were available, it would be more beneficial to carers to invest in the type of community care services which would support them in their caring role, such as additional respite care facilities. My officials are carrying out a review of the carer's allowance and carer's benefit schemes within the Department. The issues and recommendations raised by the Joint Committee on Social and Family Affairs in its report, *The Position of Full-time Carers*, are being considered in the context of this review. The review is at an advanced stage and measures will be finalised as soon as possible in the new year.

172. **Mr. J. Higgins** asked the Minister for Social and Family Affairs if he will take immediate measures to assist persons in receipt of rent allowance who are refused accommodation in the private rented sector due to the fact that some landlords are failing to declare their investment properties in order to evade tax. [31633/04]

**Minister for Social and Family Affairs (Mr. Brennan):** I am aware of allegations that some landlords are unwilling to accept rent supplement recipients as tenants. However, the fact that there are over 57,500 rent supplement recipients indicates that many landlords are willing to accept people in receipt of rent supplement as tenants. The amount of accommodation for rent has increased significantly in recent years and this has also had a positive impact on prices. Data published by the Central Statistics Office show that, on average, rents have fallen in the last two years. These trends are favouring tenants in their search for accommodation and increase the range of accommodation available to them. It would not be possible to require property owners to rent their properties to any person if they are unwilling to do so.

It is a matter for the Revenue Commissioners to ensure that all people, including landlords, pay the appropriate amount of tax. My Department,

however, facilitates the process by transmitting data to the Revenue Commissioners on landlords who have tenants in receipt of rent supplement.

Separately, the new Private Residential Tenancies Board requires landlords to register all tenancies. My Department is assisting this process by including information about the board in payments issued to rent supplement clients during December, and by putting arrangements in place to notify the board of the names of landlords in rent supplement cases to help ensure compliance with the new system of tenancy regulation and safeguards.

173. **Mr. Durkan** asked the Minister for Social and Family Affairs the reason one parent family allowance has been refused in the case of a person (details supplied) in County Kildare in view of the fact that an irrevocable judicial separation has been granted, that he has custody of his two children and is prevented from seeking maintenance from his ex-wife by virtue of the legal separation; and if he will make a statement on the matter. [31651/04]

**Minister for Social and Family Affairs (Mr. Brennan):** Under the regulations governing the one parent family payment scheme, a separated spouse is required to make appropriate efforts in the particular circumstances to obtain adequate maintenance from her or his spouse for herself or himself and the children. In the case of the person concerned, he was requested by a deciding officer of the Department to make efforts to seek maintenance from his spouse. However, to date he has not forwarded documentary evidence of his efforts in this respect. On receipt of the requested documentation an early decision will be made and he will be notified of the outcome without delay. Under social welfare legislation, decisions on claims must be made by deciding officers and appeals officers. These officers are statutorily appointed and I have no role in regard to making such decisions.

174. **Mr. Penrose** asked the Minister for Social and Family Affairs if he will take steps to ensure that all social welfare pensions including those issued fortnightly will issue on a weekly basis; and if he will make a statement on the matter. [31671/04]

**Minister for Social and Family Affairs (Mr. Brennan):** Since 18 November 2004 social welfare pensions, which were paid fortnightly by electronic fund transfer into bank accounts etc. are now paid weekly. All social welfare pensions are, therefore, now paid weekly. Some 89,000 pensioners paid by electronic fund transfer have benefited from this improvement.

*Questions Nos. 175 and 176 answered with Question No. 171.*

*Question No. 177 withdrawn.*

### National Disability Strategy.

178. **Mr. Kenny** asked the Minister for Social and Family Affairs when the personal advocacy service for persons with disabilities will be implemented; the funding which has been allocated to this service to date and for 2005; if the service will be available in all Comhairle centres in 2004; and if he will make a statement on the matter. [31682/04]

**Minister for Social and Family Affairs (Mr. Brennan):** The introduction of a personal advocacy service aimed specifically at people with disabilities is provided for in the Comhairle (Amendment) Bill 2004 which was published last September in conjunction with the Disability Bill 2004 and outline sectoral plans and as part of the Government's national disability strategy.

Under the provisions of the Bill, the new personal advocacy service would be administered by the national information agency, Comhairle. The new service would provide for the assignment of a personal advocate to a person with a disability who is unable or who has difficulty in obtaining a social service without the assistance or support of the personal advocate. The main function of the personal advocate would be to assist, support and represent the person with a disability in applying for and obtaining a social service and also in pursuing any right of review or appeal in connection with that service. The new service will be available initially from Comhairle's head office and from its regional offices in due course.

### Social Welfare Benefits.

179. **Mr. R. Bruton** asked the Minister for Social and Family Affairs the requalification period for benefit payments after a claim has expired. [31734/04]

**Minister for Social and Family Affairs (Mr. Brennan):** A person may requalify for unemployment benefit if his or her full unemployment benefit entitlement has expired and he or she has paid 13 contributions at the appropriate class. The person may pay these 13 contributions at any time after he or she has exhausted his or her entitlement to unemployment benefit. Alternatively, if he or she finds a total of 13 weeks work between the 157th day and the 390th day of his or her unemployment benefit claim, then he or she may requalify for unemployment benefit immediately when his or her original claim is exhausted after 390 days.

In such cases, the claim is treated as a new claim for unemployment benefit. The usual three waiting days apply and the person must satisfy all of the other statutory conditions for receipt of unemployment benefit. For example, he or she must have at least 39 reckonable contributions paid or credited in the governing contribution year or, alternatively, at least 26 reckonable contributions paid in both the governing contribution year and the year immediately preceding that. In the case of disability benefit, if a person has a

total of 260 weeks contributions paid, five years, since starting work, disability benefit can continue for as long as he or she is unfit for work and under age 66. No requalification period applies to such cases.

If a person has between 52 and 259 weeks PRSI paid, disability benefit may be paid for up to 52 weeks. At the end of this period, he or she can requalify for benefit after working and paying PRSI contributions for 26 weeks, or a smaller number if it brings the total paid to 260.

180. **Mr. R. Bruton** asked the Minister for Social and Family Affairs the earnings disregard in respect of a spouse's income and in respect of parents' income when assessing entitlement to social welfare assistance payments; when the cash thresholds used were last revised; the age at which parents' income ceases to be reckonable; and if he will make a statement on the matter. [31735/04]

**Minister for Social and Family Affairs (Mr. Brennan):** In assessing an applicant's means for unemployment assistance purposes, account is taken of the benefit derived where a person is living with a parent or step-parent in the family home and is aged 26 years or under. The value of board and lodging enjoyed by an applicant is determined by reference to the parental income. Parents' income from all sources is taken into consideration for this purpose with the exception of payments made by this Department and the health boards.

Parental income is not assessed in any case other than unemployment assistance. Parental income for this purpose includes gross income less tax, PRSI, health insurance contributions, superannuation and union dues. Rent or mortgage repayments and reasonable travelling expenses are disregarded where appropriate and a parental allowance of €33.32, for a two-parent family, or €120.63, for a one-parent family, is also deducted. The balance is then divided by the number of non-earning members of the household and the figure arrived at is applied as means to the unemployment assistance applicant.

The maximum assessment that can be applied to any applicant in respect of the value of free board and lodging is limited to 17% of net parental income. In addition, where a person returns to the parental home having had an independent lifestyle for at least three years, the assessment is limited to €7.00 per week, irrespective of parental income. Where a person's means are derived solely from the value of board and lodging in the family home and where he or she is entitled to a minimum payment, that payment is increased to €40.00 per week.

Social welfare legislation provides for the assessment of income from a spouse or partner's earnings in the calculation of means for social assistance purposes. In assessing the means, account is taken of the spouse or partner's gross earnings from insurable employment, less income

tax, PRSI, health insurance contributions, super-annuation and union dues. In most schemes, a disregard of €38.09 plus travelling expenses or €88.88 of the spouse or partner's earnings from employment is applied, depending on the level of employment. The balance is then halved and assessed as means. Income disregards from the spouse or partner's earnings were last revised in March 2000. Where the spouse or partner is self-employed, earnings are assessed as gross income less expenses necessarily incurred.

#### Family Support Services.

181. **Dr. Cowley** asked the Minister for Social and Family Affairs if additional funding of €20,000 will be provided for a project (details supplied) in County Mayo; and if he will make a statement on the matter. [31738/04]

**Minister for Social and Family Affairs (Mr. Brennan):** The project in question is funded under the scheme of grants to voluntary organisations providing marriage, child and bereavement counselling services, which is administered by the family support agency. The group was awarded grant aid of €40,000 for 2004 for the provision of marriage counselling, marriage preparation courses, separation and bereavement counselling and support, including the rainbows programme. This represented an increase of 32% on the 2003 allocation.

An award of €1,000 was made to the group under the Government's special awards scheme to celebrate the tenth anniversary of the United Nations International Year of the Family, towards the costs of providing a number of workshops on family related themes. Neither of these schemes provides for the employment of staff. My Department's family and community services resource centre programme provides financial assistance to projects to assist with the staffing and equipping of local family resource centres, which provide a focal point for community development activities.

The aim of the family resource centres programme is essentially to help combat disadvantage by improving the functioning of the family unit. The emphasis in the projects is on the involvement of local communities in developing approaches to tackle the problems they face and on creating successful partnerships between the voluntary and statutory agencies in the area concerned. Family resource centres involve people from marginalised and most vulnerable groups, and from areas of disadvantage, at all levels in the project. Approval has been granted for the establishment of a separate family resource centre in the area concerned and the group involved for inclusion in the family resource centre programme is developing a workplan.

#### Waste Disposal.

182. **Mr. Noonan** asked the Minister for Social

and Family Affairs if he will make provision in the Social Welfare Bill for a waiver scheme from charges for the collection of domestic refuse by private contractors; and if he will make a statement on the matter. [31740/04]

**Minister for Social and Family Affairs (Mr. Brennan):** Issues regarding the collection of domestic refuse, including the question of waiver schemes, are the responsibility in the first instance of my colleague, the Minister for the Environment, Heritage and Local Government.

While no provision has been made for a waiver scheme from charges for the collection of domestic refuse by private contractors in the context of the forthcoming Social Welfare Bill, I am concerned about the effect on social welfare recipients of emerging trends. I propose to consult colleagues on the matter, and I have sought a full report from my Department on the issue.

#### Driving Tests.

183. **Mr. Deenihan** asked the Minister for Transport the number of individuals waiting for a driving test in County Kerry; the average waiting time for a driving test in the county; and if he will make a statement on the matter. [31639/04]

**Minister for Transport (Mr. Cullen):** The number of persons currently awaiting a driving test and the current average waiting time at driving test centres in County Kerry at 29 November 2004 are set out in the following table.

Test Centre	No. of Applicants	Average Waiting time
Killarney	2,023	34 weeks
Tralee	1,747	28 weeks

#### Air Services.

184. **Ms O. Mitchell** asked the Minister for Transport his plans to encourage or promote air links between Ireland and Asia. [31797/04]

**Minister for Transport (Mr. Cullen):** My Department has negotiated and signed several air transport agreements with countries in Asia and the Middle East.

In the coming year, my officials will be holding negotiations with officials from Bahrain and are confident that those will lead to the signing of an agreement. Such agreements provide the regulatory framework within which air services can be provided.

While the decision as to whether to operate on a particular route is a commercial one for the airlines concerned, my Department takes every opportunity in its contacts with airlines to encourage the commencement of new international services.

#### Departmental Staff.

185. **Mr. P. McGrath** asked the Minister for

[Mr. P. McGrath.]

Transport the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of those members of staff; and if he will compare those employees with those employed by the corre-

sponding Minister of State at November 2001. [31696/04]

**Minister for Transport (Mr. Cullen):** The following tables provide the information requested by the Deputy. The total salary costs are based on current salary scales.

Minister of State at Department of Transport at November 2004.

Office	Total Staff	Grade/Job Title	Salary Scale Cost per Annum
Constituency	1	Personal Assistant	€38,270 — €48,558
Constituency	1	Personal Secretary	€18,742 — €36,160
Constituency	1	Staff Officer	€30,330 — €40,365
Constituency	2	Clerical Officer	€20,117 — €32,622

Minister of State at Department of Transport at November 2001.

Office	Total Staff	Grade/Job Title	Total Salary Cost per Annum
Constituency	1	Personal Assistant	€38,270 — €48,558
Constituency	1	Personal Secretary	€25,200 — €41,436
Constituency	3	Clerical Officer	€20,117 — €32,622

### Road Safety.

186. **Mr. Deenihan** asked the Minister for Transport when the new EU regulation to replace the existing drivers hours' rules, as set out in Regulation 3820/85, will be finally adopted; and if he will make a statement on the matter. [31785/04]

**Minister of State at the Department of Transport (Mr. Callely):** At the Transport Council in Brussels on 11 June last, the Council reached political agreement on its common position on the Commission proposal to replace the existing drivers' hours rules.

Following that political agreement, the text is subject to final settling by legal and language experts in all the languages of the Community before the common position is formally adopted. That is scheduled to take place at the Transport Council later this month. The next stage in the process is that the European Parliament will consider the common position in its second reading of the proposal. There is a time limit of three months on the second reading, after which a further three months is provided for the Council to consider the Parliament's second reading.

If the Council is unable to accept the Parliament's second reading, the conciliation procedure is invoked with a view to finding a compromise. The whole procedure leading to final adoption — assuming, of course, that an agreement can be reached between the Council and Parliament — is likely to take between nine and 12 months.

### Departmental Staff.

187. **Mr. P. McGrath** asked the Minister for

Community, Rural and Gaeltacht Affairs the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of those members of staff; and if he will compare those employees with those employed by the corresponding Minister of State at November 2001. [31697/04]

**Minister for Community, Rural and Gaeltacht Affairs (Éamon Ó Cuív):** There are no civil servants or other staff employed on constituency or public relations work for the Minister of State in my Department.

As the Deputy is aware, my Department was established in June 2002, and it is difficult to make direct comparisons with the situation pertaining in November 2001, given the major changes in functions and personnel that have taken place in the meantime. I can confirm, however, that in November 2001 the Minister of State at the then Department of Arts, Heritage, Gaeltacht and the Islands had a total of three staff engaged on constituency work at the grades of personal assistant, personal secretary and clerical officer, who were remunerated in accordance with the standard pay scales for those grades.

### Dormant Accounts Fund.

188. **Mr. Perry** asked the Minister for Community, Rural and Gaeltacht Affairs if he has received an application for funding for Cregg House, Sligo through the dormant accounts fund disbursement; the negotiations that have taken place; when a decision will be made; the amount

of funding that will be granted; and if he will make a statement on the matter. [31810/04]

**Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Mr. N. Ahern):** Decisions on the disbursement of funds from dormant accounts moneys are currently a matter for the dormant accounts fund disbursements board, an independent body established under the Dormant Accounts Acts. The board has engaged Area Development Management Limited, or ADM, to administer the initial round of funding on its behalf, which involves the disbursement of up to €60 million from the fund.

I understand that an application relating to Cregg House, Sligo was received by ADM on 2 March 2004. That application is currently being evaluated against the criteria set out in the published guidelines. Following that evaluation process, a recommendation will be made to the dormant accounts board for decision. The group concerned will be advised of the board's decision in due course.

The board has to date approved 318 projects for funding totalling approximately €30 million. Over the coming months, further allocations will be made by the board up to a total figure of €60 million.

#### Irish Language.

189. **Mr. O'Shea** asked the Minister for Community, Rural and Gaeltacht Affairs, further to Question No. 186 of 25 November 2004, if he will provide the list of translators for internal use and which has been made available to other public bodies on request; and if he will make a statement on the matter. [31830/04]

**Minister for Community, Rural and Gaeltacht Affairs (Éamon Ó Cuív):** As I indicated in my reply to Question No. 186 of 25 November 2004, my Department maintains a list of translators for internal use, which, on request, has been made available to other public bodies. Inclusion of a translator on this list neither purports to be nor constitutes a recommendation or an endorsement by my Department of any translator listed. I have arranged for a copy of the list to be forwarded to the Deputy for his information.

I again make the point that Foras na Gaeilge has initiated a process by which a quality assurance system will be put in place for private sector translation services. When in place, this will be of practical assistance to public bodies that need to source external translation services. It is, of course, and will remain, the responsibility of third parties to inform themselves of the translation services available and to satisfy themselves as to the quality and value for money of the services on offer.

#### Grant Payments.

190. **Mr. Deenihan** asked the Minister for Agriculture and Food when area aid payments will be granted to a person (details supplied) in County Kerry; and if she will make a statement on the matter. [31640/04]

**Minister for Agriculture and Food (Mary Coughlan):** The 2004 area aid application for the person named has been fully processed with an area determined for payment purposes of 63.72 hectares. He was paid his full entitlement under the 2004 area-based compensatory allowance scheme on the maximum of 45 hectares on 24 November 2004.

The 60% advance entitlement under the 2004 suckler cow scheme amounting to €4303.68 in respect of 32 animals issued to the person named on 25 November 2004.

The person named has submitted an application under the 2004 extensification premium scheme. Payments under this scheme are due to commence in June 2005. The application will be considered in due course.

#### Departmental Staff.

191. **Mr. P. McGrath** asked the Minister for Agriculture and Food the number of civil servants and other staff employed on constituency and public relations work for each of her Ministers of State; the grade and remuneration of each of those members of staff; and if she will compare those employees with those employed by the corresponding Minister of State at November 2001. [31698/04]

**Minister for Agriculture and Food (Mary Coughlan):** The following table shows the breakdown of staff in the offices of my two Ministers of State.

Office of the Minister of State, Deputy Brendan Smith.

Grade	Number	Salary Scale	Number in 2001
Personal Assistant	1	€373.68 — €720.98 i.e. Secretarial Assistants salary scale + 10% higher duty allowance	1
Personal Secretary	1	€373.68 — €720.98 i.e. Secretarial Assistant salary scale + 10% higher duty allowance	1
Clerical Officers	3*	€393.25 — €637.68 i.e. Clerical Officer salary scale.	
Executive Officer	—		1
Staff Officer	—		1

\*Three clerical officers employed on constituency matters as assigned daily.



[Mary Coughlan.]

Office of the Minister of State, Deputy Browne.

Grade	Number	Salary Scale	Number in 2001
Personal Assistant	1	€373.68 — €720.98 Secretarial Assistant salary scale + 10% higher duty allowance.	1
Clerical Officer	2	€393.25 — €637.68 i.e. Clerical Officer salary scale	2
Temp Clerical Officer	1	€373.58 — €605.83 i.e. Clerical Officer salary scale (unestablished)	
Personal Secretary	—		1
Staff Officer	—		1
Executive Officer	—		1

### Grant Payments.

192. **Mr. Kehoe** asked the Minister for Agriculture and Food the status of the appeal under the single payment scheme for a person (details supplied) in County Wexford; when a decision will be made; and if she will make a statement on the matter. [31741/04]

**Minister for Agriculture and Food (Mary Coughlan):** The person named has been notified that the circumstances outlined in her single payment scheme application did not satisfy the criteria for *force majeure* or exceptional circumstances under Article 40 of Council Regulation (EC) No. 1782/2003.

Following that decision, the person named submitted an appeal to the independent single payment appeals committee.

A full review of the circumstances of the case will be carried out by the independent single payment appeals committee, and the person named will be notified shortly of the outcome.

193. **Mr. Timmins** asked the Minister for Agriculture and Food the position regarding an application for funding from a society (details supplied); if, in view of the work it carries out, and the expenses incurred in running it, the allocation will be greatly increased and put on a statutory footing in order that it can plan its programme in advance; and if she will make a statement on the matter. [31742/04]

**Minister for Agriculture and Food (Mary Coughlan):** I am pleased to confirm that I have approved payment of a grant of €17,000 to Kildare and West Wicklow SPCA in order to assist with the very good work that it does in the delivery of animal care and welfare services in the Kildare and Wicklow areas.

In the past, grants made to animal welfare bodies by my Department were paid from residual funds in the Department's Vote at the end of each year. However, it has now been decided to allocate specific funds for this purpose, and a specific provision will be included in future in my Department's estimates.

### Visa Applications.

194. **Mr. F. McGrath** asked the Minister for

Justice, Equality and Law Reform if urgent assistance will be given to a person (details supplied) in Dublin 5 and the maximum support and advice. [31784/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The application in question was made on 9 November 2004 in our office in the Embassy of Ireland, Beijing.

The visa officer examined the application and the accompanying documentation and concluded that it was not reasonable in the circumstances to grant a visa as he was not satisfied with the details provided on the application or the supporting documentation. It is, of course, open to the applicant to appeal that decision.

### Citizenship Applications.

195. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform if, in the case of a person (details supplied) indication was given regarding whether the person or persons sponsoring the application were relatives or had the permission of the child's mother; and if he will make a statement on the matter. [31605/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** All the Department's records on this matter were supplied in June 2003 on foot of a request under the Freedom of Information Act to the person to whom the Deputy refers.

On the basis of the information contained in those records — which cover the period from 1961 to 1963 — there is no evidence to suggest that the persons sponsoring the application for naturalisation were relatives of the child.

While there is information on the file to the effect that the child's natural parents had ceded parental responsibility to a UK-based adoption society, there is no direct evidence on file from the parents or adoption society to support that contention.

### Garda Central Vetting Unit.

196. **Ms Enright** asked the Minister for Justice, Equality and Law Reform when the extra staff allocated to the central vetting unit will be in place; and if he will make a statement on the matter. [31606/04]

197. **Ms Enright** asked the Minister for Justice, Equality and Law Reform the number of applications awaiting processing by the central vetting unit; and if he will make a statement on the matter. [31607/04]

198. **Ms Enright** asked the Minister for Justice, Equality and Law Reform the categories of application currently accepted by the central vetting unit for vetting; the categories of application that will be accepted from the start of 2005; and if he will make a statement on the matter. [31608/04]

199. **Ms Enright** asked the Minister for Justice, Equality and Law Reform when a system of vetting will be placed on a statutory basis; and if he will make a statement on the matter. [31609/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I propose to take Questions Nos. 196 to 199, inclusive, together.

The Garda central vetting unit, or GCVU, currently processes vetting requests in respect of prospective full-time employees in the health care area and in several designated agencies.

I am informed by the Garda authorities that the number of vetting applications currently awaiting processing within the GCVU is approximately 2,000, with an average turnaround time for processing of approximately three weeks.

The additional human resources secured for the GCVU will be put in place in the context of the implementation, in a co-ordinated fashion, of the practical recommendations of the working group on Garda vetting. Those practical recommendations are being brought forward within the auspices of an implementation group comprising the key stakeholders. The extension of the services of the GCVU will commence in the course of next year, as soon as the necessary practical arrangements are in place. The working group's

recommendations relating to legislation remain under consideration.

#### **Garda Equipment.**

200. **Mr. Aylward** asked the Minister for Justice, Equality and Law Reform when the PULSE computer system will be available to members of a Garda station (details supplied) in County Kilkenny; and if he will make a statement on the matter. [31610/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I am informed by the Garda authorities that there are currently no plans to extend the PULSE system to the station referred to by the Deputy.

A decision whether to extend on-line access of PULSE to the station will be taken in the context of the Garda information and communications technology strategy currently under preparation in the Garda Síochána.

#### **Garda Transport.**

201. **Mr. Hogan** asked the Minister for Justice, Equality and Law Reform the number of gardaí driving accidents in the past two years; the financial loss involved; if the drivers in respect of each accident were fully qualified; and if he will make a statement on the matter. [31611/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I am informed by the Garda authorities that members of the Garda Síochána are allowed to drive official vehicles in two circumstances, namely, that they hold at least a class B driving licence and have been authorised to drive by the chief superintendent or that they have completed an official driving course.

The latest date for which the information requested by the Deputy is available is for the years 2002 and 2003 and is as set out hereunder.

Year	Driving Accidents	Cost of Repairs	Completed Official Course	Chief Superintendent's Permission
2002	439	€393,934	354	85
2003	422	€407,498	330	92

I am further informed that several personal injury actions as a result of accidents that occurred in 2002 and 2004 are still ongoing. Payments made in 2002 and 2003 will in most cases refer to accidents which occurred in other years. The amount paid out in settlements and costs amounted to €3,277,005.90 in 2002 and €2,501,537.27 in 2003.

#### **Citizenship Applications.**

202. **Mr. J. Breen** asked the Minister for Justice, Equality and Law Reform when persons (details supplied) in Dublin 15 will be granted naturalisation. [31612/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** Applications for certificates of naturalisation from the persons referred to by the Deputy were received in the citizenship section

of my Department on 24 September 2003. The average processing time for such applications is currently 24 months. It is likely, therefore, that the applications of the individuals concerned will be finalised by September 2005. I will inform the applicant and the Deputy as soon as I have reached a decision on the applications.

#### **Visa Applications.**

203. **Mr. English** asked the Minister for Justice, Equality and Law Reform the reason a person (details supplied) has been refused a visa; and if he will make a statement on the matter. [31613/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The visa application in question was approved on appeal on 25 November 2004.

### Departmental Staff.

204. **Mr. P. McGrath** asked the Minister for Justice, Equality and Law Reform the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31699/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The information provided below relates to the Minister of State with responsibility for disability and equality.

Minister of State's Constituency Office Staffing 2001.

Grade	Salary Scale
Clerical Officer	£12,950 — £21,000
Clerical Officer	£12,950 — £21,000
Personal Assistant	£25,661 — £32,513
Personal Secretary	£15,881 — £26,734 + allowance of £43.74 p.w
Secretarial Assistant	£12,950 — £21,000 Job Share
Secretarial Assistant	£12,950 — £21,000 Job Share

The Minister of State also had two civilian drivers.

Minister of State's Constituency Office Staffing 2004

Grade	Salary Scale
Clerical Officer	€20,520 — €33,274
Clerical Officer	€20,520 — €33,274
Clerical Officer	€20,520 — €33,274
Clerical Officer	€20,520 — €33,274
Personal Assistant	€20,520 — €33,274
Personal Assistant	€38,270 — €48,558 (Worksharing)
Personal Secretary	€20,520 — €33,274
Personal Secretary	€26,526 — €41,966 (Worksharing)

The Minister of State has two civilian drivers

In keeping with long-standing practice, these staff carry out all administrative duties related to the Minister of State's office. My colleague, the Tánaiste and Minister for Health and Children, Deputy Harney, will reply in respect of the Minister of State, Deputy Brian Lenihan, whose office is based in the Department of Health and Children.

### Criminal Records.

205. **Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if he will consider expunging the criminal records of women convicted of prostitution and other sex trade-related offences as part of a process to encourage women to take an exit route out of the sex trade; and if he will make a statement on the matter. [31729/04]

### Minister for Justice, Equality and Law Reform

**(Mr. McDowell):** A criminal conviction, whether minor or otherwise, reflects a verdict of the courts. There is currently no provision for expunging a criminal conviction from the Garda criminal records. With the introduction of the Children Act 2001, provision was made for a limited "wiping of the slate" in respect of most offences committed by persons under 18 years of age once certain conditions have been met. This provision, which came into operation on 1 May 2002, limits as far as possible the effects of a finding of guilt, where those conditions have been met, by treating the person for all purposes in law as a person who has not committed, been charged with, prosecuted for, found guilty or dealt with for an offence. The second programme of the Law Reform Commission for the period 2000-07 proposes, as part of an examination of the law on privacy, to consider longevity of criminal records and expunging of certain offences from the records. I will consider any recommendations which the Law Reform Commission may make on the matter.

### International Conventions.

206. **Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if and when the Government will ratify the UN Convention on Transnational Organised Crime and its protocols, including the protocol to prevent, suppress and punish trafficking in persons, especially women and children. [31731/04]

### Minister for Justice, Equality and Law Reform

**(Mr. McDowell):** The UN Convention against Transnational Organised Crime and its three related protocols contain comprehensive provisions across a wide range of subjects and in certain respects go beyond my Department's responsibility. Accordingly, a number of legislative provisions in different areas of the law will be required to transpose these instruments into Irish law. The position in this regard as far as my Department is concerned is as follows. It has to provide for the requirements of the convention regarding criminalising participation in a criminal organisation. Proposals, by way of amendment, will be included in the Criminal Justice Bill 2004 which is currently awaiting Second Stage in the Dáil. Legislation to enable Ireland to ratify the protocol against the smuggling of migrants by land, sea and air is being prepared in my Department as is legislation regarding the protocol to prevent, suppress and punish trafficking in persons, especially women and children. The legislation being prepared regarding the latter will also criminalise trafficking in human beings for the purpose of their sexual and labour exploitation as provided for in the EU Council framework decision on combating trafficking in persons and will take into account the Council of Europe draft convention on action against trafficking in human beings. Negotiations on this instrument have not yet been completed. Regarding the pro-

protocol against the illicit manufacturing of and trafficking in firearms, their parts and components and ammunition, work is ongoing in my Department on a review of firearms policy generally with a view to new legislation which will, *inter alia*, transpose into Irish law those aspects of the protocol for which legislation is required to enable Ireland to ratify it. I hope to be in a position to publish proposals towards the end of next year. It should be noted that many of the provisions of that protocol are already covered by existing Irish legislation. In view of the range of legislative provisions which are required it is not possible to say at this stage when ratification of the convention and its protocols will take place.

#### Visa Applications.

207. **Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the reasons for refusing a visitor's visa on three separate occasions to the spouse of a person (details supplied) who has been working here for three years on a work permit. [31732/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The first application was refused on 11 December 2003 for financial reasons. The applicant did not lodge an appeal on

that occasion. A second application was refused as the applicant did not provide the required documentation, detailed bank statements or pay-slips. The applicant was notified of this decision on 29 March 2004. The applicant lodged an appeal which was accompanied by the required documentation and on 10 May 2004 the application was approved.

#### Prison Visiting Committees.

208. **Mr. N. O'Keeffe** asked the Minister for Justice, Equality and Law Reform the names and addresses of the persons who have been appointed and re-appointed to prison visiting committees from 1 January 2004 to date; the number of politicians that have been appointed or re-appointed from 1 January 2004 to date; and if he received political representations on behalf of any of these persons. [31788/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The table below sets out details of the individuals appointed and re-appointed to prison visiting committees from 1 January 2004 to date. It is not practice to furnish members' personal details and the table therefore outlines the county in which each member resides, rather than their individual addresses.

Name of Institution	Name of Member	County of Residence	Date of Appointment
Castlerea Prison Visiting Committee	Ms Mary Hoade	Co. Galway	9 November, 2004
Limerick Prison Visiting Committee	Mr. Pat Driscoll	Co. Kerry	15 November, 2004
	Cllr. Michael O'Shea	Co. Kerry	15 November, 2004
Midlands Prison Visiting Committee	Mr. Colm Wiley	Co. Clare	9 April, 2004 (re-appointment)
	Ms Teresa Mulhare	Co. Laois	9 April, 2004 (re-appointment)
	Ms Jennifer Murnane O'Connor	Co. Carlow	9 April, 2004 (re-appointment)
	Mr. Patrick Boland	Co. Offaly	9 April, 2004 (re-appointment)
	Ms Nuala Halpin	Co. Dublin	9 April, 2004 (re-appointment)
	Ms Brigid Teefy	Co. Limerick	19 April, 2004 (re-appointment)
	Cllr. Jody Gunning	Co. Offaly	15 November, 2004
Mountjoy Prison Visiting Committee	Ms Bernie Nolan	Co. Dublin.	4 April, 2004 (re-appointment)
	Ms Paddie Connellan	Co. Longford	4 April, 2004 (re-appointment)
Port Laoise Prison Visiting Committee	Ms Ellis Croke	Co. Laois	3 March, 2004
	Ms Ann Turley	Co. Laois	3 March, 2004
Wheatfield Prison Visiting Committee	Mr. John O'Neill	Co. Kildare	8 November, 2004
	Mr. Stephen O'Neill	Co. Dublin	8 November, 2004

Members of prison visiting committees are, appointed by the Minister for Justice, Equality and Law Reform for a term not exceeding three years. At that point they are automatically removed from the committee and are either re-appointed for a further term or replaced by new members. No person can become a member of a visiting committee if he or she is in receipt of a salary paid out of the central fund other than a Member of Dáil Éireann or Seanad Éireann. I am not clear as to precisely what the Deputy means in relation to the number of politicians that have been appointed or re-appointed from 1 January 2004 to date. No Members of Dáil Éireann or

Seanad Éireann have been appointed or re-appointed to the prison visiting committees during this period.

Since becoming Minister for Justice, Equality and Law Reform it is my practice to appoint all new members of prison visiting committees to a prison in their home county or a neighbouring county.

Appointments to the visiting committees are made by me on foot of representations, usually either by individuals nominating themselves or from local representatives nominating a constituent. I can confirm that representations by elected representatives were received by me in relation

[Mr. McDowell.]  
to nominating some of these individuals for appointment and re-appointment during these period.

### Visa Applications.

209. **Mr. Timmins** asked the Minister for Justice, Equality and Law Reform the position in relation to a holiday visa appeal by a person (details supplied); if this can be deal with and granted as a matter of urgency; and if he will make a statement on the matter. [31817/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I can advise the Deputy that the visa application has been approved on appeal today.

### Garda Deployment.

210. **Ms Burton** asked the Minister for Justice, Equality and Law Reform the number of gardaí deployed at each Garda division throughout the country from 2001 to date in 2004; and the number of gardaí in each year allocated in each division to community policing duties. [31824/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** In the time available for answering parliamentary questions it has not been possible to compile the detailed information requested by the Deputy. The information requested is being compiled at present and I will forward it to the Deputy shortly.

### Child Care Services.

211. **Mr. Deasy** asked the Minister for Justice, Equality and Law Reform when a decision will be made on an application by a centre (details supplied) in County Waterford for funding to furnish its state of the art child care facility; and if he will make a statement on the matter. [31832/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I understand from inquiries I have made that an application for capital grant assistance under the Equal Opportunities Child-care Programme 2000-2006 was submitted by the group to my Department in March 2004. The Deputy may be aware that the group in question has already been approved €151,734 in staffing grant assistance from the programme. The EOCP is a seven year development programme which aims to increase the availability and quality of child care to support parents in employment, education and training. The progress of the programme was commented upon very favourably by the mid-term evaluators of the regional operational programmes and the National Development Plan 2000-2006 and, following the mid-term review, additional funding of approximately €12 million was made available for the child care measures. This brings the total funding available for the programme to €449.3 million. This now includes an increased provision for capital devel-

opments for which €157 million has been set aside.

Since 2000, my Department, with the technical assistance of ADM Limited, has processed and I have approved 1,271 applications for capital grant assistance of more than €118 million and 1,015 applications for staffing grant assistance totalling €104 million. Almost €44 million has been allocated for projects under the quality measure. Much of the remaining current funding is required for ongoing supports to groups providing child care services to disadvantaged families to enable them to participate in employment, education and training opportunities.

A list of outstanding capital applications is now being finalised and my Department will be writing to the applicants in early December. In the interim, it would be premature of me to comment further on this capital grant application.

### School Curriculum.

212. **Mr. Durkan** asked the Minister for Education and Science the extent to which she has directed the promotion of the arts in schools and colleges; and if she will make a statement on the matter. [31646/04]

**Minister for Education and Science (Ms Hanafin):** Music, the visual arts and drama provide for sensory, emotional, intellectual and creative enrichment and contribute to the young person's holistic development and self esteem. Arts education, visual arts, music and drama, is one of the seven subject areas that comprise the primary curriculum, which was revised in 1999. The primary curriculum support programme, PCSP, provides professional development support to teachers to assist them in implementing the curriculum.

The PSCP is engaged in a wide range of support activities, including organising seminars for teachers, visiting schools and providing tailored support for individual schools and clusters of schools. Visual arts has already been implemented in schools. The in-career development programme for music will take place in the school year 2004-05. All primary teachers will receive training in the new programme during that year. Teachers will begin to implement the programme during the following school year. In preparation for this roll-out, the PCSP has recruited a team and a supplementary panel of trainers for music and an assistant national coordinator who has particular responsibility for this team. The role of this team is to plan supports for the implementation of the music curriculum. These trainers are currently using the new methodologies in their own classrooms and sharing their experiences and expertise with the colleagues on the staff. They also work closely with the education centre network in the provision of evening and summer courses. It is planned that in-service training for drama will take place in the school year 2005-06 with implementation the following year.

To assist schools in buying the materials and resources necessary for the implementation of the visual arts curriculum, my Department issued a grant to all primary schools in autumn 2000, at a rate of £5.50 per pupil or, for schools with 60 pupils or fewer, a minimum of £330. In addition, in December 2000, a further £6.1 million pounds was issued to support primary schools in their implementation of all aspects of arts education. This capitation grant amounts to £13 per pupil, or a minimum of £780 for schools with 60 pupils or fewer. At post-primary level there are approved syllabuses for junior certificate in music and art, craft and design. In the senior cycle there are syllabuses in music and art. Modules in the arts are also available as part of the leaving certificate applied. In the transition year programme, schools offer a variety of modules which stimulate pupils' interest in the arts in general and which, in many cases, give them the opportunity to interact with practising artists in their own classrooms and in other contexts.

The leaving certificate syllabus in music was revised for first examination in 1999. To ensure the satisfactory implementation of this syllabus, a comprehensive two-year programme of in-career development for teachers of music, was set in place. Further courses for teachers are provided on an ongoing basis. The assessment structure allows students to specialise in the component of

the course best suited to their interests and ability. The broad range of performance options available to students has increased accessibility to the subject and allows for students of diverse music backgrounds to participate in the subject.

A revised syllabus in leaving certificate art has been prepared by the NCCA. My Department is engaged in ongoing discussions with the NCCA in regard to issues of implementation. New and revised syllabi must be supported by the appropriate investment in professional development and, where necessary, by investment in equipment and school facilities. The resources available from time to time do not always allow for automatic implementation of new or revised syllabi in schools immediately following finalisation by the NCCA. I will keep the matter under review.

#### School Enrolments.

213. **Ms O'Sullivan** asked the Minister for Education and Science the statistical breakdown by county of data on the number of children in primary schools with class sizes of 20-29, 30-39 and 40 and over respectively; and if he will provide this information in tabular form. [31799/04]

**Minister for Education and Science (Ms Hanafin):** The information requested by the Deputy is set out in the following tabular statement.

Number of Pupils by Class Size by County 2003/2004.

County	0-19	20-29	30-39	40 and over	Total
Carlow	656	3,564	1,075		5,295
Cavan	1,424	4,671	1,078		7,173
Clare	2,377	6,000	3,070		11,447
Cork City	3,227	7,341	3,260		13,828
Cork County	4,148	22,274	9,067	40	35,529
Donegal	3,132	10,137	3,691		16,960
Dublin Belgard	3,205	15,078	7,580	46	25,909
Dublin City	8,778	23,428	8,832		41,038
Dublin Fingal	1,001	13,438	8,302		22,741
Dún Laoghaire/Rathdown	1,344	8,342	6,363	40	16,089
Galway City	1,102	3,183	1,281		5,566
Galway County	4,359	9,088	3,508		16,955
Kerry	2,357	9,063	2,789		14,209
Kildare	904	12,123	7,744		20,771
Kilkenny	1,166	5,552	2,415		9,133
Laois	956	4,328	1,550		6,834
Leitrim	669	1,725	579		2,973
Limerick City	1,302	3,833	1,306		6,441
Limerick County	2,199	7,878	3,114		13,191
Longford	839	2,269	376		3,484
Louth	1,617	7,027	3,646		12,290
Mayo	4,174	7,426	1,616		13,216
Meath	1,702	9,553	5,715	44	17,014
Monaghan	1,048	3,930	1,214		6,192
Offaly	1,237	5,825	1,156		8,218
Roscommon	1,801	3,441	793		6,035
Sligo	1,295	4,059	1,102		6,456

County	0-19	20-29	30-39	40 and over	Total
Tipperary N.R.	1,283	4,852	898		7,033
Tipperary S.R.	1,696	6,215	1,322		9,233
Waterford City	548	3,437	1,226		5,211
Waterford County	1,055	3,918	1,452		6,425
Westmeath	1,157	5,817	1,949		8,923
Wexford	1,394	9,772	3,514	42	14,722
Wicklow	1,253	8,430	3,754		13,437
Nationally	66,405	257,017	106,337	212	429,971

### Departmental Correspondence.

214. **Mr. Aylward** asked the Minister for Education and Science the reason for the extraordinary long delay in responding to correspondence of July 2004 relating to the need for additional resource teaching and learning support needs for a school (details supplied) in County Kilkenny; and if she will make a statement regarding this correspondence. [31625/04]

**Minister for Education and Science (Ms Hanafin):** I can confirm that my Department received correspondence from the school in question concerning its needs for resource and learning support teaching provision. The school's special educational teaching needs will be considered in the context of the proposed new model of resource teaching allocation and my officials will soon be contacting the school to clarify the position.

I am conscious of difficulties that could arise with the model if it were implemented as proposed, particularly for children in small and rural schools. Accordingly, I will be reviewing the proposed model to ensure that it provides an automatic response for pupils with common mild learning disabilities without the need for cumbersome individual applications, while at the same time ensuring that pupils in receipt of service continue to receive the level of service appropriate to their needs. The review will involve consultation with educational interests and the national council for special education before it is implemented next year.

### Special Educational Needs.

215. **Ms M. Wallace** asked the Minister for Education and Science the way in which the clustering of schools will take place under the weighted model for special needs teaching, particularly with regard to three schools (details supplied) in the parish of Dunshaughlin. [31626/04]

**Minister for Education and Science (Ms Hanafin):** I am conscious of difficulties that could arise with the proposed new model of resource teaching provision, particularly for children in small and rural schools, if it were implemented as proposed. Accordingly, I will be reviewing the proposed model, including the clustering arrangements associated with the model to ensure that it

provides an automatic response for pupils with common mild learning disabilities without the need for cumbersome individual applications, while at the same time ensuring that pupils in receipt of service continue to receive the level of service appropriate to their needs. The review will involve consultation with educational interests and the national council for special education before it is implemented next year.

### School Closures.

216. **Mr. J. Higgins** asked the Minister for Education and Science if she will reverse the decision to close a college (details supplied) in County Dublin considering that this decision was made contrary to the advice of the consultant and her officials. [31635/04]

**Minister for Education and Science (Ms Hanafin):** The issue of the future of the college arose in the context of a decision by the trustees of the college that, due to personnel and financial considerations, they were no longer in a position to fulfil the role of trustees of the college. Following discussions between the trustees and my Department, it was agreed that a consultant would be appointed to meet with relevant parties and prepare a report on the options for the college's future. The consultant's report was thoroughly examined in my Department and the options for the future of the college were set out for my predecessor's consideration. Having carefully considered the options and taking into account other factors, such as the national spatial strategy, relevant costs in a time of financial constraint, a Government decision to restrict public service numbers, the need to secure value for money and a better allocation of resources, the then Minister for Education and Science, Deputy Noel Dempsey, decided that these considerations are best served by the closure of the college and the designation of St. Angela's College, Sligo as the sole centre for the training of home economics teachers.

It was agreed that the closure of the college would be phased over three academic years to facilitate students currently enrolled in the college to fully complete their studies without moving location and to ensure that there was an adequate transition period for staff. On that basis, there has been no intake of first-year students to the college for the 2004-05 year. The college is

due to close following the 2006-07 academic year. Those students are now enrolled in St. Angela's College. Officials from my Department have already met with the trustees and with management authorities of the college to discuss the necessary practical arrangements, including arrangements for the staff of the college.

In addition, accompanied by a senior official from my Department, I recently met with the board of governors and students of the college in question to further discuss the necessary practical arrangements regarding the closure. The concerns of the staff, and how these can be addressed, were discussed. I have no plans to reconsider the decision to close the college.

#### Cross-Border Projects.

217. **Caoimhghín Ó Caoláin** asked the Minister for Education and Science the progress made in the development of the all-Ireland centre of excellence, the Middletown centre for autism, County Armagh, since the purchase of premises announced on 14 September 2004; and if she will make a statement on the matter. [31637/04]

**Minister for Education and Science (Ms Hanafin):** Since the date in question, my officials have had a number of meetings with their counterparts in Northern Ireland on the further development of the centre. A number of working groups continue to address the legal, financial, organisational and infrastructural aspects of the proposal. For example, work is continuing on the development of a campus master plan for the Middletown property which, when complete, will guide the commissioning of any necessary infrastructure and refurbishment works. In addition, the process to recruit a chief executive officer to operate the centre is being formulated.

#### Schools Building Projects.

218. **Mr. P. Breen** asked the Minister for Education and Science the status of the proposed extension to a school (details supplied) in County Clare; and if she will make a statement on the matter. [31656/04]

**Minister for Education and Science (Ms Hanafin):** The application for an extension at 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. 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. I will make further announcements on the school building programme in due course.

#### School Staffing.

219. **Ms Enright** asked the Minister for Education and Science the budget which was allocated for substitute cover to enable teaching principals to be released for administrative duties in 2003 and 2004; the amount spent in both years; the amount of the budget which was not utilised; and if she will make a statement on the matter. [31657/04]

**Minister for Education and Science (Ms Hanafin):** The number of days teaching principals at primary level may take as release time in a school year is based on the size of the school. "Size of the school" refers to principal and mainstream class teachers only and excludes ex-quota posts including those in the areas of learning support, resource and disadvantaged concessionary posts. The number of days which may be taken are as follows:

Size of School	Number of days
Principal + 5/6 teachers	22.
Principal + 3/4 teachers	18.
Principal + 0/1/2 teachers	14.

The cost of substitution for principals on release time is included in the overall budget for substitution. The cost of release time during the 2002-03 school year was €2,695,144.21 and €2,221,317.18 in 2003-04.

#### School Transport.

220. **Mr. Kehoe** asked the Minister for Education and Science the person responsible for transporting persons (details supplied) to school; the reason the school bus does not drop them off at the school; the person who is liable for the children during these journeys; and if she will make a statement on the matter. [31658/04]

**Minister for Education and Science (Ms Hanafin):** The pupils referred to by the Deputy in the details supplied are dropped off at the promenade. My Department has been informed by the relevant vocational education committee that the promenade is the official set-down point for post-primary schools in the town.

My Department understands that the parents have a private transport arrangement in place to transfer their children from the official set down point to the school in question. My Department has no involvement in this private arrangement.

#### Schools Building Projects.

221. **Mr. Timmins** asked the Minister for Education and Science the position in relation to a school (details supplied) in County Wicklow; if, in view of the fact that this is a very small school, she will consider its request and allocate the necessary funding; and if she will make a statement on the matter. [31659/04]



**Minister for Education and Science (Ms Hanafin):** The school building section of my Department allocated a grant of €70,000 in July 2003 to enable the management authorities of the school in question provide one additional temporary mainstream classroom.

The management authorities of the school decided to build a permanent classroom, resource room and disabled persons toilet without the approval of my Department.

It is inappropriate for school authorities to commit to additional building works in the knowledge that additional funding was not approved in the first instance and to subsequently apply retrospectively for funding. It is the policy of my Department not to provide additional funding for retrospective works.

### Higher Education Grants.

222. **Mr. Kehoe** asked the Minister for Education and Science if she will change the nationality requirement imposed by her Department and allow students from accession countries already studying here to be eligible for higher education grants; and if she will make a statement on the matter. [31660/04]

223. **Mr. Kehoe** asked the Minister for Education and Science the reason a person (details supplied) in County Wexford is not eligible for a higher education grant; the options available to this person; and if she will make a statement on the matter. [31661/04]

**Minister for Education and Science (Ms Hanafin):** I propose to take Questions Nos. 222 and 223 together.

Under the terms of the higher education grants scheme administered by the local authorities under the aegis of my Department, the position is that students who are entering approved courses for the first time are eligible for grants provided they satisfy the relevant conditions as to residence, means, nationality and previous academic attainment. In general, students continue to be assessed under the terms of the scheme relevant to the year of entry to an approved course.

In accordance with the terms of the 2004 grants schemes and consistent with the conditions attaching to the free fees initiative, only those students from accession countries who are entering higher education for the first time will be eligible, provided they satisfy all the conditions of the schemes.

I understand that in the specific case referred to by the Deputy the student concerned commenced her degree course at Trinity College in the 2003-04 academic year, and is now in year two. Accordingly, she must be assessed under the prescribed terms of the 2003 HEG scheme. As she did not meet the nationality requirement prescribed under the 2003 scheme, she is ineligible

for higher education grant assistance. There are no plans to change the eligibility criteria in this regard.

### Education Welfare Service.

224. **Mr. Wall** asked the Minister for Education and Science the position regarding placements for students at a school (details supplied) in County Kildare; the alternatives open to these persons; and if she will make a statement on the matter. [31662/04]

**Minister for Education and Science (Ms Hanafin):** My Department has not received any notification that the person referred to by the Deputy has been refused enrolment to Cross and Passion College. Officials from my Department have contacted the National Educational Welfare Board, NEWB, the statutory agency which can assist parents who are experiencing difficulty in securing a school place for their child. The NEWB has not received any notification that the person referred to by the Deputy has been refused enrolment to Cross and Passion College.

Section 29 of the Education Act 1998 provides parents with an appeal process where a board of management of a school or a person acting on behalf of the board refuses enrolment to a student. Where a school refuses to enrol a pupil, the school is obliged to inform parents of their right under section 29 to appeal that decision to the Secretary General of my Department. Where an appeal under section 29 is upheld, the Secretary General may direct a school to enrol a pupil.

Information on section 29 appeals procedures, including an appeals application form and contact details for the relevant section of my Department, have been sent to the parents of the student referred to by the Deputy. The parents have also been advised to contact the educational welfare officer for their area to seek assistance in this matter.

### Departmental Staff.

225. **Mr. P. McGrath** asked the Minister for Education and Science the number of civil servants and other staff employed on constituency and public relations work for each of her Ministers of State; the grade and remuneration of each of these members of staff; and if she will compare these employees to those employed by the corresponding Minister of State at November 2001. [31700/04]

**Minister for Education and Science (Ms Hanafin):** The constituency office of the Minister of State, Deputy de Valera, is staffed by, three civil servants — one staff officer and two clerical officers — and a personal secretary. Salaries of all the staff are in accordance with the salary scales approved by the Department of Finance. The constituency office of, the corresponding Minister

of State in 2001, Deputy O’Dea, was staffed by three civil servants — one staff officer and two clerical officers, a personal assistant and a personal secretary. Salaries of all the staff were also in accordance with the salary scales approved by the Department of Finance. Department of Finance guidelines for appointments to ministerial constituency offices were adhered to in all cases.

#### **Special Educational Needs.**

226. **Mr. Ring** asked the Minister for Education and Science if the general review of special needs assistants support levels and deployment in mainstream national schools has been completed; if not, when this review will be complete; and when a person (details supplied) in County Mayo will receive an increase in special needs assistant support from ten hours per week to full time as requested by their school. [31703/04]

**Minister for Education and Science (Ms Hanafin):** A review of special needs assistant, SNA, provision which commenced recently will apply to approximately 2,000 primary schools with existing SNA support. The review is concerned with the level and deployment of SNA posts in mainstream classes. The intention is to ensure that the level of approved SNA support in schools, and the manner in which that support is being allocated, are such as to ensure that the special care needs of pupils are being appropriately met. As part of the exercise, outstanding applications for SNA support for pupils who are attending mainstream classes will be processed.

The team conducting the review is comprised of retired members of my Department’s inspectorate. It was supplemented recently by a number of special education needs organisers, SENOs, who are employed by the National Council for Special Education. As the Deputy may be aware, the council has been established as an independent statutory body with responsibilities as set out in the National Council for Special Education (Establishment) Order 2003. The SENOs will be a focal point of contact for schools and parents and will process applications for resources for pupils with special educational needs, SEN. In this context, the SENOs are currently undergoing extensive training. It is anticipated that the council and the SENOs will become operational shortly. In this regard, my Department is liaising with the council regarding future arrangements for the processing of applications for SEN supports.

I understand that the pupil concerned is currently receiving ten hours SNA support per week and the school has requested that the level of provision should be increased to full time. The school’s request will be considered in the context of support available in the school. The school will receive a visit from the review team and a decision on the application will issue to the school following the review. It is my intention that the

review will be completed as quickly as possible. My officials will make contact with the school shortly concerning the pupil in question.

#### **Institutes of Technology.**

227. **Mr. Ring** asked the Minister for Education and Science the courses that are being removed from 2005 in a college (details supplied) in County Mayo; the number of students this will affect; the reason for same; the proposals the college has to set up new courses; and when it expects these new courses to commence. [31726/04]

**Minister for Education and Science (Ms Hanafin):** My Department is not aware of a proposal to remove courses in the college referred to by the Deputy.

Institutes of technology are statutory bodies established under the Regional Technical Colleges Acts 1992-1999 and the Dublin Institute of Technology Acts 1992 and 1994. Under the terms of these Acts, the governance and day-to-day activities of the institutes, including the number of approved courses that institutes wish to deliver in particular locations, are matters for which the governing bodies and the management staff of the institutes are responsible.

While proposals for new courses and proposed alterations to previously approved courses are subject to my approval in the context of the annual programmes and budgets process, decisions to discontinue delivery of previously approved courses are operational matters for the institutes in the context of their regular internal reviews of course provision.

#### **Special Educational Needs.**

228. **Mr. Timmins** asked the Minister for Education and Science the position with regard to the case of a person (details supplied) in County Wicklow; if the time allocated will be reinstated as a matter of urgency; and if she will make a statement on the matter. [31818/04]

**Minister for Education and Science (Ms Hanafin):** I understand that the pupil in question was receiving support from the visiting teacher service up to the last school year when the visiting teacher retired.

The vacancy for a visiting teacher for the hearing impaired that exists in Wicklow is one of a number of current vacancies to be filled. It is my intention that existing vacancies in the visiting teacher service will be filled at the earliest possible date. As the first step in the process, my officials are consulting with serving visiting teachers to determine if any of them is interested in transferring to an area in which a vacancy exists, including County Wicklow. This procedure will be completed shortly and steps will then be taken to fill the vacant posts. The pupil concerned

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will then have the services of the visiting teacher reinstated.

229. **Mr. Timmins** asked the Minister for Education and Science the position with regard to the case of a person (details supplied) in County Wicklow; if an extra hour will be allocated as a matter of urgency; and if she will make a statement on the matter. [31823/04]

**Minister for Education and Science (Ms Hanafin):** I am pleased to advise the Deputy that the school has recently been informed that a full-time special needs assistant post has been approved for the pupil in question.

#### School Accommodation.

230. **Mr. Gregory** asked the Minister for Education and Science the plans there are to relocate a school (details supplied) in a new building over its original location in Seville Place, Dublin 1; the funding which is available for the proposed relocation; the site which is available for this purpose; if No. 44 Seville Place is available for the relocation; if her Department has involvement in the ownership of No. 44 Seville Place, Dublin 1; if her Department paid rent at any time in the past for the use of No. 44 Seville Place for this school; and if so, the amount and the person to whom it was paid. [31827/04]

**Minister for Education and Science (Ms Hanafin):** A number of options are being considered by my Department with regard to the future of the school referred to by the Deputy. It is hoped to make a decision in the matter shortly.

Regarding rent, our records indicate that the Department of Education and Science paid a total of €93,961 for the lease of premises at No. 44 Seville Place, Dublin 1 in the years from 1984 to 2000, inclusive. No rent has been paid since that time. Grant aid for the rental of school accommodation is paid to the board of management of schools, which is responsible for dealing directly with landlords and lessors.

#### Pre-School Services.

231. **Mr. Gregory** asked the Minister for Education and Science the purpose of the feasibility study being undertaken with regard to the expansion of a school (details supplied) in Dublin 1; if her Department has a role in the study; the role of the Dublin Docklands Development Authority in the study; and if the future needs for pre-school education in the north docklands can be included in the study. [31828/04]

**Minister for Education and Science (Ms Hanafin):** The management authorities of three schools in the area referred to by the Deputy are in discussion with my Department regarding the possible reorganisation of first level educational provision. My Department has agreed that a

feasibility study should be undertaken to assess the optimum delivery method for school accommodation to serve any new configuration which may arise from these discussions.

The Dublin Docklands Development Authority, in its capacity as the development agency for the area, has agreed to fund and carry out this feasibility study. My Department will provide technical and educational input as necessary. Any provision which would normally be provided in the schools concerned will be considered as part of this feasibility study.

#### Higher Education Grants.

232. **Mr. Kelleher** asked the Minister for Education and Science the reason a higher education grant was not awarded to a person (details supplied) in County Limerick; if she will address the points raised by this person and his parent; her views on whether the regulations governing the grant assessment and payment are wholly unfair in this case; and if a grant will be awarded to this person. [31829/04]

**Minister for Education and Science (Ms Hanafin):** The higher education grants scheme operates under the Local Authorities (Higher Education Grants) Acts 1968 to 1992. These Acts define mature students to mean persons “of not less than 23 years of age, or such other age as may stand specified for the time being in regulations made by the Minister with the consent of the Minister for Finance, who have secured places in approved institutions and have reached that age on the first day of January, or such other date as may be prescribed from time to time by the Minister with the consent of the Minister for Finance, in the year of entry to such institutions”.

Mature students are categorised as either independent mature students or mature students dependent on parents. An independent mature student is defined to mean a mature student who was not ordinarily resident at home with his or her parents from the October preceding their entry to an approved course. Independent mature students are assessed without reference to either their parents' income or address.

When assessing the means of students other than independent mature students, the means test provision of the scheme specifies that the students' means and those of their parents or guardians must be below a prescribed limit. This provision requires that parental income be taken into account irrespective of the individual circumstances in any case where the student is not an independent mature student.

Generally speaking, candidates continue to be assessed under the terms and conditions of the scheme appropriate to their year of entry. Accordingly, candidates who were not classified as independent mature students at the time of entry to an approved course may not generally be assessed as such for the duration of their courses.

There is, however, provision under the terms of the schemes for candidates who are re-entering as mature students, following a break in study of at least one year, to pursue or complete an approved course for the first time. Such candidates may be assessed under the terms of the scheme appropriate to the year in which they re-enter. Under this provision, candidates who were not independent mature students at the time of entry to an approved course may be re-classified as independent mature students for the purpose of completing a course or commencing a subsequent course, for example, a postgraduate course.

Unless students meet the prescribed age requirement at the time of entry or re-entry to an approved course, they may not be assessed as an independent mature student under the terms of the scheme. I understand that the candidate to whom the Deputy refers entered an approved course for the purposes of the higher education grant scheme for the first time in the 2002-03 academic year when he entered year three of an undergraduate degree in manufacturing engineering at the University of Limerick. He was accordingly, assessed with reference to the terms and conditions of the 2002 higher education grant scheme. I understand that he completed his degree course in the 2003-04 academic year and that in the current academic year 2004-05 he commenced a postgraduate course, the graduate diploma in education (technology), without having a break in studies. As he was not 23 years of age on 1 January of the year of entry to an approved course, he is ineligible to be assessed as a mature independent student.

The Deputy will appreciate that the terms of the schemes are of general application and it is not open to me to make exceptions in individual cases. It is not proposed, in the foreseeable future, to change the current position in regard to the assessment of mature students.

#### **School Staffing.**

233. **Mr. Deasy** asked the Minister for Education and Science if she will increase funding for voluntary secondary schools to bring their funding in line with vocational and community schools; if she will grant 100% funding for the employment of secretaries, caretakers and cleaners in view of the fact that huge efforts at fundraising have to be made to meet the shortfall; and if she will make a statement on the matter.

[31833/04]

**Minister for Education and Science (Ms Hanafin):** Funding arrangements for voluntary secondary schools reflect the sectoral division of our second level system and are structured mainly on the basis of capitation grants with additional grants for secretarial and caretaking services.

There have been significant improvements in the level of funding for voluntary secondary schools. The standard *per capita* grant now amounts to €274 as against the rate of €224.74 that applied in 1997. I wish to draw the attention of Deputies to my recent announcement, in the context of the 2005 Estimates, to the further increase in this grant to €286 per pupil, with effect from January next. This increase will bring the *per capita* grant in the case of disadvantaged schools to €324 per pupil.

In addition, under the school services support fund initiative, secondary schools have benefited from further significant increases in the support grant. This grant that was introduced in September 2000 has been increased from €25 per pupil to the current rate of €99 per pupil, and will be further increased to €103 from January next. Funding for voluntary secondary schools has been further enhanced by the introduction of a range of equalisation measures that are designed to reduce the historic anomalies in the funding arrangements for the different school types at second level. Under the terms of recent equalisation measures, the support grant has in the case of voluntary secondary schools been significantly enhanced to €131 per pupil, and from January next will be further increased by €10 per pupil, bringing the overall grant for such schools to €145 per pupil. These increases are in addition to the range of equalisation grants of up to €15,554 per school per annum that have also been approved for voluntary secondary schools.

For a secondary school with 500 pupils, this amounts to additional funding of up to €119,000 per annum and annual grants of €255,761 — €275,000 in the case of disadvantaged schools — towards general expenses and support services. Schools are afforded considerable flexibility in the use of resources to cater for the needs of their pupils. This is in my view, in general, a preferable approach to putting in place grants for specific cost items, including those referred to by the Deputy.

I was particularly pleased to announce an aggregate increase of €26 per pupil from January next for voluntary secondary schools. Schools have welcomed this increase. These significant increases in the funding of secondary schools are a clear demonstration of my commitment to prioritise available resources to address the needs of schools.

#### **Departmental Staff.**

234. **Mr. P. McGrath** asked the Minister for Defence the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the correspond-

[Mr. P. McGrath.]  
ing Minister of State at November 2001.  
[31701/04]

**Minister for Defence (Mr. O’Dea):** The Minister of State at the Department of Defence, Deputy Kitt, has one clerical officer employed on constituency work at a rate of €23,791 per annum. The corresponding Minister of State in November 2001 also had one clerical officer working on constituency matters.

#### Waste Disposal.

235. **Ms Burton** asked the Minister for the Environment, Heritage and Local Government if his attention has been drawn to the fact that there is considerable public concern over allegedly high concentrations of bio-hazardous material, especially the class 2 pathogen, *Aspergillus fumigatus*, in St. Anne’s Park, Raheny, Dublin 5, and the neighbouring residential area; and if he will make a statement on the matter. [31592/04]

236. **Ms Burton** asked the Minister for the Environment, Heritage and Local Government if his attention has been drawn to a scientific report with the EPA which states that there are up to 300 times the background concentrations of the class 2 pathogen, *Aspergillus fumigatus*, in a residential community adjacent to St. Anne’s Park, Raheny; if he is satisfied that the air that all the residents of a location (details supplied) in Dublin 5 are forced to breathe is safe; his advice to immune compromised persons and others with respiratory ill health who live in the area and who wish to visit this area of a public park; and if he will make a statement on this as a matter of urgency. [31593/04]

237. **Ms Burton** asked the Minister for the Environment, Heritage and Local Government if he will make a statement regarding the progress which has been made with regard to a request by a local community for an epidemiological investigation to be carried out by the public health specialist as a result of the extremely serious public health issues arising from a report (details supplied). [31594/04]

242. **Ms Burton** asked the Minister for the Environment, Heritage and Local Government if his attention has been drawn to the fact that all forms of bulk handling of green waste can produce above background concentrations of bio-hazardous material, especially the class 2 pathogen, *Aspergillus fumigatus*; if his attention has further been drawn to the fact that this bio-hazardous material from green waste storage and handling facilities can result in the same health implications for workers and neighbouring populations as industrial composting facilities; and the steps he has taken or intends to take to ensure that workers and members of the general public are protected from these types of hazards. [31825/04]

243. **Ms Burton** asked the Minister for the Environment, Heritage and Local Government if the minimum 250 metre setback distance (details supplied) applied to all forms of green waste handling that produce above background concentrations of potentially harmful bioaerosols; and the steps he has taken or intends to take to ensure that this 250 metre set back distance is enforced. [31826/04]

**Minister for the Environment, Heritage and Local Government (Mr. Roche):** I propose to take Questions Nos. 235 to 237, inclusive, 242 and 243 together.

Air quality assessment is primarily a matter for the EPA and air quality management is primarily the responsibility of local authorities informed by air quality measurement data. My Department is not appropriately placed to intervene on local air quality issues and it would not be appropriate to do this regarding the matter referred to in the questions. It is also the case that a decision is pending from An Bord Pleanála on a planning appeal regarding the composting facility at St. Anne’s Park and that the EPA is considering an application for a waste licence for the same proposed activity.

With regard to waste composting more generally, the EPA has, under the environmental research, technological development and innovation, ERTDI, programme, commissioned Cré, the Composting Association of Ireland, to carry out a study entitled “Bioaerosols and Composting — A Literature Evaluation”. A principal aim of the study is to provide a reference document for the guidance of both regulatory authorities and the composting industry in Ireland regarding bioaerosol emission management in significant composting facilities.

Bioaerosols — airborne micro-organisms, including pathogenic bacteria and fungal spores — arise in many natural environments, including lawns, farms and wooded areas. It is recognised that the operation of large-scale composting facilities may, in the absence of adequate precautions, give rise to the production of odours, volatile organic compounds and the release of bioaerosols in the immediate vicinity of such facilities. The main source for the bacteria and fungal spores at these installations may occur during mechanical agitation of the compost windrows, in activities such as screening, shredding and turning.

Composting is widely acknowledged as a natural process which allows organic waste to be decomposed by the action of micro and macro-organisms in the presence of oxygen to produce a humus like material. Under appropriately prescribed conditions, including suitable site selection criteria, the controlled composting of organic and green waste is internationally accepted and established as a well proven and acceptable method for the treatment and recovery of biodeg-

radable waste, resulting ultimately in a beneficial and useful end product, that is, compost.

#### **Architectural Heritage.**

238. **Mr. Durkan** asked the Minister for the Environment, Heritage and Local Government if he has offered suggestions or given policy directions toward the preservation of listed or preserved buildings; and if he will make a statement on the matter. [31645/04]

**Minister for the Environment, Heritage and Local Government (Mr. Roche):** Statutory protection of the architectural heritage is primarily a matter for the planning authorities to which my Department provides advice in the exercise of their functions in that regard under the Planning and Development Act 2000. Draft architectural heritage protection guidelines for planning authorities were issued in December 2001 for consultation purposes. I intend that definitive guidelines will be published early next year. These guidelines will include the criteria to be applied by planning authorities when selecting proposed protected structures for inclusion in the record of protected structures. Planning authorities will be required to have regard to the guidelines in the performance of their functions under Part IV of the Planning and Development Act 2000.

Under the legislation, the Minister may also make recommendations to planning authorities concerning the inclusion in the record of protected structures of any particular building or structure. Based mainly on the results of surveys carried out by the national inventory of architectural heritage of my Department, to date, recommendations have been made to 54 planning authorities covering over 10,000 buildings.

#### **Fire Services.**

239. **Mr. Morgan** asked the Minister for the Environment, Heritage and Local Government if his Department offers guidance in setting criteria for employment of retained fire officers; and if it has an oversight role to ensure proper and adequate provision of this vital service. [31667/04]

**Minister for the Environment, Heritage and Local Government (Mr. Roche):** The provision of a fire service, including the employment of retained fire-fighting personnel, is a statutory function of the individual fire authorities and my Department has no direct role in this matter. My Department seeks to promote and support the local fire authorities through the setting of general policy, the provision of capital funding, the issue of guidance to fire authorities in respect of fire prevention and operational matters and other such initiatives.

#### **Planning Issues.**

240. **Mr. Morgan** asked the Minister for the

Environment, Heritage and Local Government the person who has competency to investigate a local authority in a case in which it is alleged to have breached both planning regulation and environmental laws; the person who can initiate an investigation in such circumstances; and if his Department has a role in such cases. [31668/04]

**Minister for the Environment, Heritage and Local Government (Mr. Roche):** Section 63 of the Environmental Protection Agency Act 1992, as substituted by section 13 of the Protection of the Environment Act 2003, enables the Environmental Protection Agency to exercise a supervisory role in respect of the performance by local authorities of their environmental functions. The agency may require information from, issue directions to and, if necessary, prosecute local authorities where it considers it appropriate to exercise these powers.

As regards planning matters, section 178 of the Planning and Development Act 2000 provides that a county, city or town council shall not effect any development in its functional area, which materially contravenes its development plan. Such a contravention is reserved to the elected members of the planning authority.

Section 255 of the Planning and Development Act 2000 sets out a range of powers of the Minister for the Environment, Heritage and Local Government in respect of overseeing the operation by planning authorities of their planning functions. In conjunction with Part 20 of the Local Government Act 2001, this provides a statutory basis for general oversight by my Department of the local government planning system. These powers of oversight must also, however, be exercised in a manner consistent with the general restriction on the Minister for Environment, Heritage and Local Government under planning law from influencing determinations in individual cases.

Any irregularity regarding financial matters, including those relating to environmental or planning matters, would, of course, fall to be considered by the local government audit service and any allegation of criminal activity would be open to investigation by the Garda Síochána. Access to the Ombudsman and the courts is also available in appropriate cases.

#### **Departmental Staff.**

241. **Mr. P. McGrath** asked the Minister for the Environment, Heritage and Local Government the number of civil servants and other staff employed on constituency and public relations work for each of his Ministers of State; the grade and remuneration of each of these members of staff; and if he will compare these employees to those employed by the corresponding Minister of State at November 2001. [31702/04]

**Minister for the Environment, Heritage and Local Government (Mr. Roche):** Details of staff employed in the offices of Ministers of State at

my Department for the purposes specified in the question are set out in the following table.

Ministers of State Serving in November 2004	Ministers of State Serving at November 2001
Mr. Batt O’Keeffe TD 1 Executive Officer 1 Clerical Officer 1 Personal Assistant	Mr. Noel Ahern TD, Mr. Robert Molloy TD, Mr. Dan Wallace TD 1 Executive Officer 2 Clerical Officers 1 Personal Assistant 1 Executive Officer 2 Clerical Officers 1 Personal Assistant 1 Press Adviser 1 Executive Officer 1 Clerical Officer 1 Personal Assistant 1 Personal Secretary

Remuneration of these staff is or was in accordance with the appropriate published standard Civil Service scales for clerical officer, executive officer — also personal assistant — and higher executive officer which is applicable to personal

assistant or assistant principal which is applicable to press adviser.

*Questions Nos. 242 and 243 answered with Question No. 235.*