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DÁIL ÉIREANN

*Dé Céadaoin, 24 Deireadh Fómhair 2007.
Wednesday, 24 October 2007.*

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

*Paidir.
Prayer.*

Leaders' Questions.

Deputy Enda Kenny: One of the most important responses required from Government is clarity on its policies and positions. As I understand it, until recently, Government policy on the disposal of waste was to incinerate it and having examined and analysed the capacity of incinerators, eight were to be located throughout the regions. The Minister for the Environment, Heritage and Local Government, Deputy John Gormley, who is not here this morning, seems to have changed that policy. The situation is quite confusing. Deputy Gormley states there is only capacity for two incinerators in the country. Will the Taoiseach tell us about Government policy in this regard; is it proposed to have two or eight incinerators?

The Taoiseach: The Minister for the Environment, Heritage and Local Government, Deputy John Gormley announced before the summer that the previous position would be reviewed—

Deputy Pádraic McCormack: Because he did not want it in his own constituency.

The Taoiseach: He does not influence the decisions on planning issues, such as on capacity. Deputy Gormley took the view that we should look at the modern technologies and the new systems being used in the Nordic countries and if we did that we would not need the number of incinerators that had been previously listed.

There are four major applications for incinerators in the planning process. Based on his examination of new technologies, perhaps we will not need eight incinerators — four was the number mentioned in a number of reports. In two applications, the capacity of the incinerator for which planning permission is being sought is higher than what was originally planned. Let us be very clear, the Minister's view—

Deputy Pádraic McCormack: He does not want it in his garden.

The Taoiseach: In his view, some of the proposals that were previously examined did not take account of the most modern technology and if we go with the most modern technology we would not need the number of incinerators that had been envisaged.

Deputy Enda Kenny: That does not answer the question. The question is whether we will have eight incinerators or two incinerators. I remind the Taoiseach that the Minister stated on Thursday, 11 October: "Ireland requires no more than two incinerators to deal with waste which cannot be recycled or processed, rather than the eight that are currently planned."

Dublin City Council has been working for quite a long time on a major incinerator in Poolbeg. Obviously the city council and local authorities must take account of Government policy. Was the Minister just spoofing when he stated the country needs no more than two incinerators instead of eight? Does that mean there will be no incinerator in Dublin city? I have put some straight questions to the Taoiseach, and I hope he will clarify the situation in his reply.

The Taoiseach: It does not mean that. As the Deputy knows there are contractual commitments and a considerable amount of work has been completed on the Poolbeg incinerator. However, that does not remove the need to look at modern technology for that incinerator. That is the point the Minister has made. We have seen where in at least one case and possibly two, the capacity of the proposed incinerators has been increased. The number of incinerators required depends on the capacity of each.

Deputy Enda Kenny: That is a load of rubbish.

The Taoiseach: We should take account of the most modern technology. That is the point the Minister made.

Deputy Bernard J. Durkan: Is that landfill?

The Taoiseach: We want to move away from landfill. We should take account of the most modern technology available and as we have not started to build the incinerators, why should we use technology that is six or seven years out of date? That is a valid point for the Minister to make.

Deputy Eamon Gilmore: At the last general election, there was one issue on which all political parties were agreed, namely that the level of social welfare pension should be increased to €300 per week. In addition to committing to increase the pension to €300 per week, the Taoiseach's party also promised to cut the PRSI rate by 2%. When that promise was made, the

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Government had in its possession an actuarial review of the social insurance fund — the Government refused to publish it at that time but it was published last week — that showed that the social insurance fund would begin to go into deficit in 2010, in three years time and according to the analysis that has been done since, the shortfall could be as high as €12 billion by 2016. I have three questions related to that. When will pensioners get €300 per week? Will the Taoiseach go ahead with the promised reduction of 2% in PRSI? How does he propose to square the circle? The cost of the promise on PRSI is €640 million and the cost of the €300 pension is just over €2 billion per year. During the election the Taoiseach said he would make up the shortfall from general taxation. What increases in taxation does he intend to make up that shortfall?

The Taoiseach: Ten years ago, when I took over as Taoiseach, the pension was €70 and we have brought it to €200. As we promised, we will bring it to €300 in the lifetime of this Government. On the issue of our tax commitments, we intend to implement our policies over the five-year period as we have done in the past two Governments.

We published the Green Paper on pensions last week, in fulfilment of a major commitment, not in the programme for Government but in Towards 2016. That Green Paper reviews the pensions system, it identifies the challenges and includes all the issues that will affect the social insurance fund in the years ahead, such as demographic change, issues regarding the sustainability of the pension system, pensioner incomes, the contribution of various elements of the pension system, including the social welfare system and work flexibility. They will affect whether it is in surplus or deficit. The Government has set out its position in the Green Paper and we have already engaged in discussions with the social partners. The issue has been opened out to wider debate in the next nine months or so and, based on that debate, we will make the decision, not just for the short term, which is obviously important for the social fund for the next few years, but also into the longer term.

I do not recall the figures off the top of my head but it is very clear they will have a huge effect on the social area. The proportion of the population aged over 65 is expected to more than double between now and mid-century from 11% to 28%. The number of people of working age compared with those aged over 65 will decrease from 6% now to 2% by mid-century. The spending on public pensions, social welfare and public service is projected to increase from 5% of GDP to 13% of GDP. These are fundamental issues that will not greatly affect the social insurance fund in the very short term but will have profound effects in the longer term. We hope, over the next 12 months to make those decisions for

the short term and the longer term, rather than allow the matter to drift.

Deputy Eamon Gilmore: I thank the Taoiseach for giving me all that information about the Green Paper on pensions. I did not ask him about the Green Paper on pensions. I asked him about the actuarial report, carried out by Mercer Consulting, on the social insurance fund. Let me raise it a second time. Do I understand from the Taoiseach's reply that the €300 pension will be introduced in five years' time? He said it would be introduced at the end of the term of Government, by which I presume he means in five years' time. Is that correct?

The Taoiseach promised during the general election campaign that the rate of PRSI contribution would be cut from 4% to 2%. Will that go ahead? How does he propose to fund it? The Taoiseach had available to him, at the time he made the promise, the information that the social insurance fund would go into deficit in three years' time. Will he go ahead with the cut in the PRSI rate and how does he propose to finance that cut?

The Taoiseach: Perhaps Deputy Gilmore does not want me to do anything on the old age pension until 2012——

Deputy Eamon Gilmore: I want the Taoiseach to do it now.

The Taoiseach: ——but that is not the policy of this Government. We do not want to go back to what his colleague did and give such miserly pension increases. We refuse to go down that road. Our practice has been to give significant increases.

Deputy Eamon Gilmore: Answer the question.

(Interruptions).

Deputy Dermot Ahern: We have a record on old age pensions, the Labour Party does not. Our record stands for itself.

An Ceann Comhairle: The Taoiseach without interruption. That includes Deputies on his own benches.

The Taoiseach: It is our intention to implement our tax policies but it will be a matter for the budget. On Deputy Gilmore's point about the disimprovement of €1 billion in taxes in 2007 and the implications for future resources and political choices——

Deputy Eamon Gilmore: I did not ask that question either.

The Taoiseach: ——as I have said previously, the economy is now forecast to grow at lower lev-

els than envisaged at budget time. I will not give the budget today as that will be on 5 December.

Deputy Eamon Gilmore: I am not asking that. Will the Government go ahead with the PRSI cut?

The Taoiseach: I said we would implement our tax policies but do not ask me to give details of the budget.

Deputy Eamon Gilmore: The Taoiseach promised a cut in PRSI. Will he go ahead with it?

The Taoiseach: There is no point having a budget day if I am to give all the information beforehand. The economy is now forecast to grow at lower levels than envisaged.

Deputy Eamon Gilmore: We are getting the answer all right.

Deputy Pádraic McCormack: It is being run into the ground.

The Taoiseach: More of the growth, it is assumed, will come from the external sector. This means the growth in tax revenues will ease somewhat. That does not take away from our commitments and we intend to keep our budget in broad balance so that the general Government deficits remain close to balance in years ahead. We will, however, continue to implement our policies as we have resources to do so.

Ceisteanna — Questions.

EU Summits.

1. **Deputy Lucinda Creighton** asked the Taoiseach if the agreement reached at the recent EU summit is to create a European treaty or a constitution; and if he will make a statement on the matter. [18772/07]

2. **Deputy Lucinda Creighton** asked the Taoiseach the reason he used the small print to insert an opt-out clause for Ireland, alone with Poland, to derogate from the human and social rights charter, and failed to mention this omission in his final press briefing; and if he will make a statement on the matter. [18773/07]

3. **Deputy Bernard Allen** asked the Taoiseach the level of resources to be allocated to the National Forum on Europe in respect of the referendum on the newly agreed European Union treaty; and if he will make a statement on the matter. [18689/07]

4. **Deputy Arthur Morgan** asked the Taoiseach the opt-out protocol on a fundamental rights

charter that Ireland will sign up to if it ratifies the EU reform treaty. [18799/07]

5. **Deputy Eamon Gilmore** asked the Taoiseach the discussions he has had with other EU leaders regarding the Intergovernmental Conference to elaborate the reform treaty based on the mandate given to it by the last Council meeting; and if he will make a statement on the matter. [19883/07]

6. **Deputy Enda Kenny** asked the Taoiseach if the agenda for the October 2007 meeting of the European Council has been finalised; and if he will make a statement on the matter. [20267/07]

7. **Deputy Enda Kenny** asked the Taoiseach the bilateral meetings he will conduct on the margins of the forthcoming European Council meeting; and if he will make a statement on the matter. [20268/07]

8. **Deputy Eamon Gilmore** asked the Taoiseach if he will make a statement on the outcome of his meeting with President Sarkozy of France on 21 September 2007; and if he will make a statement on the matter. [20596/07]

9. **Deputy Caoimhghín Ó Caoláin** asked the Taoiseach if he will report on his meeting with the President of France and his other official engagements in Paris; and if he will make a statement on the matter. [21365/07]

10. **Deputy Eamon Gilmore** asked the Taoiseach his priorities for the October 2007 EU summit; and if he will make a statement on the matter. [22344/07]

11. **Deputy Enda Kenny** asked the Taoiseach if he will report on his recent visit to France; and if he will make a statement on the matter. [22408/07]

12. **Deputy Enda Kenny** asked the Taoiseach if he will report on his recent meeting with the French President, Mr. Sarkozy; and if he will make a statement on the matter. [22409/07]

13. **Deputy Eamon Gilmore** asked the Taoiseach if he will make a statement on the outcome of the informal meeting of EU leaders-session of the Intergovernmental Conference held in Lisbon on 18 and 19 October 2007. [24770/07]

14. **Deputy Eamon Gilmore** asked the Taoiseach the meetings he had with other EU leaders on the margins of the informal meeting of EU leaders-session of the Intergovernmental Conference held in Lisbon on 18 and 19 October 2007; and if he will make a statement on the matter. [24771/07]

15. **Deputy Enda Kenny** asked the Taoiseach if he will report on his attendance at the recent European Council meeting in Lisbon; and if he will make a statement on the matter. [24887/07]

16. **Deputy Enda Kenny** asked the Taoiseach the bilateral meetings he held on the margins of the European Council summit in Lisbon; and if he will make a statement on the matter. [24888/07]

17. **Deputy Caoimhghín Ó Caoláin** asked the Taoiseach if he will report on his participation in the European Council in Lisbon; and if he will make a statement on the matter. [25353/07]

The Taoiseach: I propose to take Questions Nos. 1 to 17, inclusive, together.

The Estimate for the Department of the Taoiseach includes a provision of €1.621 million for the ongoing work of the National Forum on Europe in 2007. The allocation for 2008 has not yet been finalised.

Since its establishment, the National Forum on Europe has provided the basis for an inclusive and broadly-based debate on Ireland's participation in the European Union, and the overall functioning and future development of the Union. As the forum is an independent body, it would be inappropriate for me to comment on its day-to-day operation or to comment on its likely future work programme. However, I am sure it will play a key role in the debate on the reform treaty in the run-up to the referendum.

In regard to the outcome of the June European Council, I made a statement to the House and answered parliamentary questions on its conclusions, including the reform treaty, on 27 June 2007. I refer the Deputies to the transcripts of those proceedings.

The June European Council agreed a mandate for an Intergovernmental Conference which provides for the renegotiation of the reform treaty. The reform treaty, which may yet be termed the Lisbon treaty, is an amending treaty and will not contain the constitutional phrasing and symbolism that featured in the 2004 treaty. At the same time, much of the substantive package remains unaltered from the draft EU constitutional treaty agreed in 2004.

The Government has supported the Charter of Fundamental Rights from the outset and would have been happy to have it retained in the body of the reform treaty. Unfortunately, it was not possible to secure a consensus on this. The charter will, however, have the same legal value as the treaties and apply to all areas embraced by the European Union and where the member states apply European Union law.

At the behest of the United Kingdom, a protocol to the charter was introduced at a very late stage in the negotiations relating to its scope in UK law. I considered it necessary and prudent to seek an opportunity to study the implications of it. We did not seek an opt-out from the charter,

nor did we seek inclusion of a footnote in the draft mandate recording any reservations. We simply indicated that we wished to study the implications of the UK position. We are satisfied that the text of the charter and the wording included in the treaty adequately define the scope and application of the charter.

I attended the informal meeting of Heads of State or Government in Lisbon on 18 and 19 October. I do not normally make statements to the House on informal meetings. However, given that the Intergovernmental Conference on the reform treaty also took place in Lisbon, I will make a statement to the House later today. I will at this stage merely give a summary account of its proceedings.

While there was some discussion of issues, including the allocation of seats in the European Parliament, discussions on the first day in Lisbon focused largely on the reform treaty. I am pleased to report that we reached agreement on the text of the treaty, paving the way for its signature at the December European Council. President Barroso made a presentation to the Council on the European Commission's recent communication on globalisation. The presentation provided the framework for a discussion on Europe's response to globalisation, which also touched on the recent instability in the financial markets and the international response to climate change. I had discussions with President Barroso on the margins of the informal meeting in Lisbon, mainly in relation to the reform treaty and the Irish referendum. He mentioned his intention of visiting Ireland again, something to which I look forward.

I met President Sarkozy in Paris on 21 September. During an open and productive meeting we discussed the reform treaty and a wide range of other issues on the European agenda, including agriculture and international financial issues. Later that evening the President and I attended the Ireland-France rugby match together.

On 22 September I officiated at the reopening of the old library of the Irish Cultural Centre in Paris. I also visited the Irish Embassy in Paris where I met the ambassador and her staff and inspected the magnificently restored reception rooms. This was part of an Embassy open day which a large number of people attended. Among those whom I met were the family of an Irishman who had gone missing in Paris and is, sadly, still missing.

Deputy Enda Kenny: I accept and welcome the outcome of the European Council meeting which reached agreement on the treaty without great difficulty. I also welcome the little compromise on the allocation of 750 or 751 seats in the European Parliament. The eyes of 500 million people will be on this country next year, as the only country voting in a referendum on the reform treaty which Fine Gael will strongly support. It is important that the National Forum on Europe is

given adequate resources and that there is real co-operation between the Government and Opposition parties which support the reform treaty in delivering a clear message to voters. Has the Taoiseach decided when the referendum will be held? It is important that a decision is made reasonably early. As the future of 500 million people depends on the Irish vote for the reform treaty, it is of major significance.

Was the European Union's attitude to Kosovo discussed at the Heads of Government meeting? I visited Kosovo some years ago with Deputy Timmins when he was Fine Gael spokesperson on Defence and witnessed the tinderbox in that country, where 2 million Kosovans or Albanians live in uneasy alliance with 90,000 Serbs. The Council of Europe must take a clear view on this position. What will be the view of the European Union if independence is declared and backed by the United States? The Taoiseach is aware that Irish troops have played an important part in their location south of Pristina. Was the matter discussed at the Council?

In *The Irish Times* today it is reported that Britain is to create an electronic border to deal with terrorist and other illegal movements. Does this mean the Government must review its position on the Schengen agreement? The Taoiseach is aware that Ireland remained outside the Schengen area because of our common travel area arrangement with the United Kingdom. If this is now being changed unilaterally by Britain, are we not obliged to review the Schengen agreement as the common travel area will, effectively, be abolished? In recent years people from this country have been obliged to show passports while travelling to Britain.

The Taoiseach: I agree with Deputy Kenny that we need to co-operate closely on tactics for the referendum. I will consult him on its timing. Summer is probably the best time but we must reflect on a number of issues between now and Christmas. The formal advice of the Attorney General must be sought. That can now be done based on the treaty, even though it has not been signed. The treaty must be signed; the referendum Bill must be prepared and debated in the Oireachtas and the referendum commission must sit. The handling of the forum is not within my control but the Government is working with it. I have discussed all of these matters with the Minister of State with responsibility for Europe, Deputy Roche, and we will move ahead on all of them. I hope to bring many of them to a conclusion prior to Christmas and introduce the referendum Bill after Christmas.

Deputy Kenny is correct in saying there will be a huge focus on this country. It is almost certain that this will be the only country holding a referendum and it will attract much interest in Europe and beyond. Our position on the treaty caused some press interest in Lisbon last week. We must take account of the fact that we will not be dealing with the issue within our own shores only but

will also draw attention from outside. We had some experience of this on a previous occasion and must take account of it. The referendum is hugely important to the future of the country and our continuation in the European Union. I will co-operate fully on the issue.

The position in Kosovo was discussed by the Foreign Ministers. Later in the session I will ask the Minister for Foreign Affairs, Deputy Dermot Ahern, to update Members on that discussion. Former President Martti Ahtisaari who has been attempting to progress the issue has outlined in considerable detail the risk involved. I visited Kosovo on one occasion. While the huge military force has done a very good job, it is still a very difficult location to be in. Independence could trigger renewed difficulties and must be handled carefully. It is important that EU Foreign Ministers keep an agreed position on the issue. That is why progress has been so painstaking, as detailed in President Ahtisaari's reports.

Early last year the British Government made clear its position on border security. After the events of 11 September 2001 the UK Government stated its intention to tighten

11 o'clock and change its existing system. In recent days we have been discussing another move in that process. The UK Government is putting huge resources into its e-border control system. We have been co-operating with the British authorities and have been kept abreast of what they are doing. They are engaged in a ten year programme which, while changes will not be made overnight, raises significant issues for us. After 11 September 2001 some of the major advantages of the common travel area were lost, as passports or photo identification became a requirement in most locations. The potential impact of the electronic border control on the travel of Irish citizens was discussed by the Government yesterday. We are considering a proposed Irish border information system.

That will be the subject of a memorandum to Government next year. The British authorities have kept us fully informed. There have been a number of questions in regard to this, the most important being the impact on the land border, the issue being raised this morning. There are no plans to introduce any controls on the land border between North and South. All the British authorities are examining is increased co-operation in cross-Border operations with a focus on targeting illegal immigration across the Border. They have done preliminary work over the past 18 months which shows how the Border is being abused. The Deputy raised a question regarding some of the people involved. More than 90% of illegal immigration comes not through our airports or ports but across the Border and that is being organised and not merely happening. We have not had figures until now. It is interesting that various systems are being put together looking at the issues such as catching immigration offenders, apprehending criminals, particularly

[The Taoiseach.]

serious criminals, collecting immigration trend data and strengthening border controls. All of these issues are of interest to us and the fact they are being dealt with can also help us.

The e-border system is being led by the Home Office Border & Immigration Agency in partnership with the Police, the UK Visa Services, Revenue and Customs. The system will operate by electronically collecting and analysing passenger information in advance of travel. It is not a unique system. It is based on the US and Spanish systems, both of which have been in operation for some time. The information available from the machine readable zone of a passport will be passed to the Border & Immigration Agency's centre for matching various immigration, police and other watch lists containing details of persons of interest. It is a good system, the benefit of which is that the movements of people who are on watch lists, as they are called, will be available.

In so far as it affects us in the context of the common travel area, Ireland and Great Britain have operated an arrangement for many years, co-operating to ensure that our respective immigration procedures will continue. Obviously there will be some changes in the system. The common travel area has facilitated members of the public in both jurisdictions but in recent years it has moved beyond that to a situation where most passenger carriers require passports and driving licences. We will continue to keep a close eye on the system. The British authorities are working on this and keeping us informed. They are determined to have a proper, technologically driven border system that co-ordinates their various services. It is a positive development and it is in our interests to co-operate on it.

Deputy Enda Kenny: I thank the Taoiseach for that information. The basis of the Schengen Agreement was that persons entering Europe would have to have their documentation examined. If they were not European Union citizens and their documentation was not in order they would be sent back to where they came from. Some serious scams have been going on in a number of countries with people purchasing two tickets in order to enter Britain in particular and then, in some cases, coming here. I understand this is a long-term project, that we do not want a return to Border customs controls between here and Northern Ireland given where we are in regard to the Good Friday Agreement, and that that is not envisaged in terms of land border.

Does the Taoiseach consider that Ireland should again examine the possibility of opting into the Schengen Agreement in view of the proposal which will take effect in due course? Will he discuss with Prime Minister Brown the question of opting into the Schengen Agreement and the fact that Britain opted out previously and Ireland had to follow because of the existence of the common travel area? If Great Britain intends

to have an electronic border around the British Isles, Scotland, England and Wales, what does that mean in terms of entry to Northern Ireland from Great Britain? If no land border controls between the Republic and the Six Counties involving the inspection of passports are envisaged, does that mean that somebody who gets into Britain illegally by whatever scam can then travel to Northern Ireland and into the Republic unhindered?

The Taoiseach brought 14 eminent people with him — perhaps they were not brought from here but at least 14 turned up — to the match in Paris, a really strong back-up team. If they had gone out and played there might have been a better result than was achieved on the field.

The Taoiseach: Not all travelled with me. A few joined me on the way.

Regarding whether this will impose restrictions on travel between Great Britain and Ireland, which is the issue that concerns us, the answer is “no”. The e-border system is a consequence of the heightened awareness of security risks associated with international travel and is born out of a desire to prevent security risks from entering the jurisdiction of the United Kingdom. The popular conception of the common travel area has already been diminished by the air carriers' response to increasing security fears and the terror threat facing Great Britain. Practically all of them now insist on passport checks. The system is designed to increase the safety of the travelling public and the citizens of both countries.

On the question of whether this is the end of the common travel area and should we join Schengen, the answer is “no”. The system is designed to increase the safety of the travelling public and the citizens of both countries. For most Irish and British citizens the most significant benefit of the common travel area over the years has been the ability to travel within the area without an identity document. However, in view of the changed nature of security operations in the wake of the events of 11 September 2001, air carriers now require Irish and British citizens to produce satisfactory identification. It does not have to be a passport but, increasingly, it is a passport. When the British e-border system is fully developed, all air and sea passengers will require a valid passport to facilitate a journey.

For the information of the House, officials from our immigration system, aware for the past two years that Britain is doing this, has been examining the possibility of developing an Irish border system which would be similar in some ways to the British system. Passenger information will be collected by carriers and sent to a border operations centre to be screened against watch lists. It is intended to produce a full memorandum in the new year. We will be examining issues of border security, organised crime and international trends. What affects us most is people entering the UK illegally and coming across the

Border to the Republic. I was surprised by the figures. I believed illegal immigrants were using ferry ports and airports. However the figures, which are conclusive, show that more than 90% come via the Border with Northern Ireland. It explains certain things that have been happening over the past few years. The collection and analysis of passenger information is rapidly becoming a feature of international travel. The common travel area is not gone but it is changed fundamentally because of the security position. If the UK is doing this, the sensible thing is for Ireland to develop its electronic border system and to then exchange information, as we would anyway in respect of serious terrorists or those who are being watched internationally. That will tighten up border operations considerably. Obviously, movement between North and South is different given the commitments under the Good Friday Agreement and neither the British Government nor the Irish Government wants to make changes in that regard.

The provision of tighter systems by the British and Irish Governments will allow for a greater exchange of information between both countries and will close off the loopholes being exploited by those people who are making money out of this.

Deputy Eamon Gilmore: I want to pursue a little further the ending of the common travel area and the proposed requirement from 2009 onwards to produce a passport when entering Britain. As I understand it, if I take a ferry from my constituency in Dún Laoghaire to Holyhead, I will have to produce a passport in Holyhead, but if I drive up to Larne and take a ferry from there to Stranraer, I will not have to produce a passport. A person travelling from Dublin to Belfast for a flight to Heathrow will not, under the new service, have to produce a passport, but conversely a person with a British passport travelling from Northern Ireland to Dublin and on to a UK destination will have to produce a British passport to travel in what he or she considers his or her own country.

Deputy Simon Coveney: Exactly.

Deputy Eamon Gilmore: I appreciate and understand what the Taoiseach said about carriers having introduced new requirements regarding identification and so on in recent years, but this change in our relationship with our neighbouring island is dramatic as it will impact on the ordinary citizen. It is probably far more dramatic than many of the formal, diplomatic, institutional, intergovernmental things that have been going on for some years about which there has been a great deal of attention.

When did this proposal appear on the Government's radar? For how long has this been under consideration? Is this a UK initiated proposal or has there been negotiation on it and, if so, what

negotiations have taken place between the Irish and British Governments in this regard? The Taoiseach stated in his reply that the UK authorities are keeping us informed. That is very good of them, we appreciate that, but I would have thought an issue of this magnitude, which will impact on the way in which we as individuals interact with our neighbouring island, would have been the subject of serious discussions between the Irish and British Governments. We have a major interest in this. An issue also arises in respect of the land border. I am interested to hear a little more about what has been happening in this regard.

The Taoiseach: It is a British system. The proposal was put forward at the end of 2005 as part of Britain's response to international terrorism and the global difficulties that has created for the UK. They provided us with a preliminary outline of the proposed e-borders programme in the first instance. They indicated that a consultation document would be produced and they have done that. We have co-operated with them on this since then.

Deputy Gilmore is correct that this is an issue of considerable interest. The Department of Justice, Equality and Law Reform is working in close co-operation with the British authorities in respect of this change to the system. From our point of view, we have drawn up a consultation document in respect of our system and we have created a base for examining it as matters progress.

The memorandum, which gives an account of the new system, states that Great Britain is currently developing a new border control system, e-borders, to meet the challenges of the marked increase in international travel with the increased threat of illegal immigration, serious and organised crime and terrorism. The e-border system is being led by the Home Office Border and Immigration Agency in partnership with the police, the UK Visa Service and Revenue and Customs. The system will operate by electronically collecting and analysing passenger information in advance of travel based, as I said, on the US and Spanish systems. The information available from the machine readable zone of a passport will be passed to a border immigration agency operations centre for matching against various immigration, police and other watchlists containing details of persons of interest. There will be a variety of watchlists, including immigration, police, customs, revenue, lost and stolen passports, Interpol and other sources and EU countries. Every area of information will be centralised.

The procedure will result in an alert if a person travelling is on a watchlist. Any action on foot of the alert will be determined by frontline officials. For example, if a wanted rapist is detected, it may be decided to confront and arrest him on landing. However, if the person is suspected of drug smuggling it may be decided to opt for surveillance.

[The Taoiseach.]

There will be a tracking system. The benefits of the system to the British authorities will be its awareness in respect of whether a person of interest has entered or left Britain, the catching of immigration offenders and criminals, especially serious criminals, the collection of information and immigration trend data and the strengthening of border controls. This is the reason for its introduction.

From our point of view, a number of issues arise, namely, the land border issue. The British Government has no plans to introduce controls on the land border. On whether this will impose a restriction on travel between Great Britain and Ireland, the answer is no, it will not. I have read the Department of Justice, Equality and Law Reform memorandum on this. The popular conception is that the common travel area will be diminished. However, the number of passengers not showing passports or other identification is small in terms of overall numbers. In future people will be required to produce a passport when entering Britain. That will be the ultimate position. The system will not work if people do not do so. People moving into the UK will have to produce a passport. Obviously, these are the anticipated arrangements. This is a ten-year project and the British is in its second year of it. We are fully involved in terms of the details and networks. We have not yet brought to Cabinet a comprehensive memorandum on this matter.

On hearing of this proposal towards the end of 2005 our officials undertook to examine and put together an Irish system. That system is being developed within the Department of Justice, Equality and Law Reform. Deputies may obtain additional information if they table a parliamentary question on the matter to the Minister. The immigration section of the Department of Justice, Equality and Law Reform is approximately two years into its work on this. The proposal relates to the movement of people and security issues. Hardly a week goes by that a person who is being tracked by Interpol and so on enters this country. The position is the same in every country, there is no exception. In a modern world, to avoid tragedies and the hijacking of planes, terrorist activities and so on, this is the way forward internationally.

Deputy Eamon Gilmore: I understand that there may be a good case for this, particularly in the context of both States being outside of Schengen. Is the logic of that not the creation of an external border around both islands and the exercise of those controls on people originating from places outside the two islands? Why does it require that people from the Republic of Ireland will have to produce passports on entering the UK when people travelling from Northern Ireland will not have to do so? I do not understand that. Rapists and terrorists, all the people one wishes to pick up through this system, are

surely smart enough to know that if they travel through Belfast they will not be caught. What is the point of applying it between the island of Britain and the Republic of Ireland but not in Northern Ireland? It does not make sense. I would understand if it was applied on the external borders of the two islands and then have a system of free travel — as we have had — within the two islands.

The Taoiseach: I imagine that those who will design the British system and our system will take account of that. I am not a designer of electronic systems but I am sure they will take these issues into account.

Deputy Billy Timmins: The Minister for Enterprise, Trade and Employment, Deputy Martin can design it, after PPARS.

The Taoiseach: We will leave them at it. We can design our system to deal with people who move into our country but there must be a relationship between our system and the British system.

Deputy Simon Coveney: How can we agree to it if we do not know how it will work?

The Taoiseach: While this is the main issue for us, Britain, Spain, the United States, Canada, Australia, New Zealand, Germany, France, Belgium, Finland and most of the other states are considering similar systems. Ultimately, either through Interpol or Europol, these systems will have to work together.

Our difficulty is our land border. In the development of the British and Irish systems those involved in the project team will find ways around it. The old common travel area no longer works. For security reasons people are being asked to show identification. That identification will inevitably become passports as passports become the central way of tracking and communicating information. There will be a need to increase border security. It is also desirable to deny entry to those who do not qualify for entry to Ireland. We must examine these issues. That is being abused in a large way at present. We must take account of that.

Deputy Enda Kenny: They would not permit the Ceann Comhairle to travel from Cork.

An Ceann Comhairle: That was Cork bias.

The Taoiseach: The memorandum with the full detail of our system and the British system will not be provided to the Government until the new year.

Deputy Joe Costello: The Taoiseach is aware that the reform treaty is not the constitutional treaty. It is written in a most opaque, unintelligible, illegible fashion. Referendums can be won

and lost on the simplest things. One is the lack of transparency and the perception that there is something suspicious about a document one cannot understand. Does the Taoiseach intend to provide a legible document for every citizen, clearly identifying the main provisions of the reform treaty? The National Forum for Europe has credibility and widespread representation of establishment figures and non-governmental figures. Perhaps the Government would provide the funding to enable that body to produce the document.

Deputy Billy Timmins: Can the Taoiseach confirm that 90% of illegal immigrants come from across the Border? If so, is a breakdown of nationality and numbers available? How can we be sure of the accuracy of such figures?

Does the Taoiseach find it ironic that Ireland is discussing additional security measures with Britain when both countries opted out of the justice and home affairs section of the reform treaty? Can the Taoiseach state whether opting out of the justice and home affairs section was discussed in the discussions on the draft EU constitution, which the Taoiseach correctly hailed as a good document at the time? Did he or the Government have concerns about availing of an opt out at that time?

Deputy Simon Coveney: Can the Taoiseach explain a contradiction in what he said? He stated that we will examine introducing new border security measures for Ireland, presumably in airports, ports and along the coast, however, we would not seek increased security on the Border between North and South. At the same time, the Taoiseach informed us that 90% of illegal immigration occurs along that Border.

The Taoiseach: I said that we will need further Border controls.

Deputy Simon Coveney: Between North and South. That has clarified it.

Several people have tried to have the following matter clarified. What will be the position for someone travelling from Dublin to Belfast and on to Britain? Will that person need a passport? Under the proposed electronic border control system, will one be able to travel between Northern Ireland and mainland Britain without a passport? If so, the whole system is a sham. People who wish to avoid detection will travel to Northern Ireland and across to Britain and vice versa. If we are to introduce a similar system, as the Taoiseach suggests, how can we control the flow of people who may wish to travel from Britain to the Republic of Ireland through Northern Ireland? We have no control over the border system in Northern Ireland and so we are at a disadvantage. Britain can control access on to its island but Ireland does not have the capacity to do so. We have been briefed on this issue

over a period of time. Surely the Taoiseach has asked that basic question.

The Taoiseach: Regarding Deputy Costello's point, in recent referendums we prepared a document that was sent to every household. We have not decided whether that will be done by the Forum for Europe or the Department of Foreign Affairs, which dealt with it previously. We have put much effort and resources into the Forum for Europe in recent years and it will be an important vehicle for the referendum.

One of the disadvantages in moving from the draft EU constitution to the reform treaty has been identified by Deputy Costello. The constitutional treaty was a single comprehensive document, written in simple terms. The reform treaty is an amendment to treaties. Deputy Costello is correct that we must make it a simpler document. Amendments to treaties must refer to the original treaties, which make it difficult unless one is dealing with them every day of the week. Very few people come within that category. It is very confusing so we must have a simplified version. That is possible.

Deputy Timmins referred to justice and home affairs. We opted in on issues of police co-operation and confiscation of assets. Our intention is to opt out only in areas where we are obliged to because of our common law system. Our declaration, which will be with the treaty, will make clear that it is our intention to opt in as far as is practicable. There are only some limited areas in which we must opt out. There will be no difficulty for us and I made it very clear last weekend that our position is to opt in as much as possible. That is understood by our European colleagues.

With regard to Deputy Coveney's point, I have read the document on the issue and suggest it might be best for him to raise the matter with the Minister for Justice, Equality and Law Reform. Staff in our naturalisation and immigration service have examined the possibility of setting up an Irish system for the last two years. They have examined the British system and the possibility of developing an Irish version thereof. A project development team has been put in place to develop an Irish border information system. The team includes representatives from the Revenue Commissioners, the Garda Síochána, the Departments of Foreign Affairs, Social and Family Affairs, and Transport and the Marine. The team has approved the development of the system, which will be similar to the one in place in Britain. People will be screened against immigration data, information from the Garda Síochána and watch lists. It is considered prudent to develop the system incrementally. It is intended to commence with a number of long haul air routes and perhaps one watch list, increasing over a period of two years, adding more carriers, routes and watch lists until all passenger movements are covered. The team believes that the capture of data by the Irish border information

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system in respect of passenger travel within the common travel area is a matter which requires careful consideration. Passenger journeys between the South and Great Britain account for 40% of passenger traffic. Almost half of the traffic that the service will have to catch goes through Northern Ireland. The team is in the process of developing the system. Its work has only begun and the system will develop incrementally. Given that 40% of the entire traffic will be between the South and Great Britain, one can see the extent of the challenge. The system will take approximately ten years to develop fully and we are currently on year two.

An Ceann Comhairle: The allotted time has expired but Deputies Ó Snodaigh and Burton have been waiting for some time so I will allow them to ask a brief supplementary question.

Deputy Aengus Ó Snodaigh: As an Irish republican, does the Taoiseach not see that the only logical position would be to have a common travel area of the island as a whole, where one amalgamates both police services on the island as well as administration and customs? That would address many of the practical difficulties. Given the timeframe, the Taoiseach has obviously given up on any hope of reunification by 2016.

Deputy Joan Burton: Will the Taoiseach explain the situation regarding the Republic and Northern Ireland? If a person flies between Dublin and Belfast, or *vice versa*, will there be a special channel for all-Ireland travellers or will he or she go into a common channel? The practical implications of this, particularly in an all-island context, must be addressed. Most people in the Republic would like to think it would operate in an all-island context. Does the Taoiseach know whether the First Minister, Mr. Paisley has had time to think about this issue? Has the Taoiseach had an opportunity to discuss the matter with him? Has any costing been drawn up for the system? I understand that the cost of the UK's e-boarders project is horrendous and is potentially worse than the cost of wiring up the NHS. Has a ballpark figure been estimated for the cost on this island?

The Taoiseach: In response to Deputy Ó Snodaigh, the project team is only commencing its work. It would make sense to co-operate with the UK authorities on this matter and try to operate on an all-island basis, as far as possible. I see this an opportunity for deeper co-operation rather than the opposite. In terms of costs, our naturalisation and immigration service have been examining the issue and Deputy Burton will have to address her question to the Minister for Justice, Equality and Law Reform.

Requests to move Adjournment of Dáil under Standing Order 32.

An Ceann Comhairle: Before coming to the Order of Business, I propose to deal with a number of notices under Standing Order 32. I will call on Deputies in the order in which they submitted their notices to my office. I call firstly on Deputy Terence Flanagan.

Deputy Terence Flanagan: I seek the adjournment of the Dáil under Standing Order 32 to raise a matter of national importance, namely, the need for the Minister for the Environment, Heritage and Local Government to appoint an inspector from his Department to assess the health and safety concerns of residents of the Carndonagh Road in Donaghmede and all local residents with regard to operations carried out by Barnmore Demolition and Civil Engineering Limited in the Baldoy Industrial Estate. Communications from myself and local residents to Fingal County Council and Dublin City Council have been ignored. I ask the Minister to intervene, take charge and appoint an independent official from his Department to deal with the urgent health concerns of the residents.

An Ceann Comhairle: I now call on Deputy James Bannon.

Deputy James Bannon: I seek the adjournment of the Dáil under Standing Order 32 to raise a matter of national importance, namely, the wilful destruction of much of our national heritage for expediency and the knock-on effects of such action on tourism and economic growth.

An Ceann Comhairle: Having considered the matters raised, I do not consider them to be in order under Standing Order 32. I now call on the Taoiseach to announce the Order of Business.

Order of Business.

The Taoiseach: It is proposed to take No. 10, motion re leave to introduce Supplementary Estimate [Vote 6]; No. 10a, motion re referral of Supplementary Estimate [Vote 6] to select committee; No. 9, motion re ministerial rota for parliamentary questions; No. 10b, motion re appointment of ordinary Members to the Houses of the Oireachtas Commission; No. 10c, motion re referral to select committee of proposed approval by Dáil Éireann of the terms of the agreement between the Government of Ireland and the Government of the Hong Kong Special Administrative Region of the People's Republic of China; No. 10d, motion re referral to select committee of proposed approval by Dáil Éireann of the terms of certain Acts of the 2004 Congress of the Universal Postal Union; No. 14, statements on the meeting of the Intergovernmental Conference, Lisbon; No. 8, motion re pre-budget

Estimates for Public Services 2008 (resumed), to be taken not later than 3.45 p.m.

It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 8.30 p.m. tonight and business shall be interrupted on the conclusion of Private Members' business which shall be No. 22, motion re agrifood industry (resumed), which shall be taken for 90 minutes at 7 p.m., or on the conclusion of No. 8, whichever is the later; and the suspension of sitting under Standing Order 23(1) shall take place at 1.30 p.m., or on the conclusion of No. 14, whichever is the later, until 2.30 p.m.; Nos. 10, 9, 10*b*, 10*c*, and 10*d*, and subject to the agreement of No. 10, No. 10*a* (referral to select committee), shall be decided without debate and any divisions demanded thereon shall be taken forthwith; the proceedings on No. 14 shall, if not previously concluded, be brought to a conclusion after 80 minutes and the following arrangements shall apply. The statements shall, if not previously concluded, be brought to a conclusion after 60 minutes and shall be confined to the Taoiseach and to the main spokespersons for the Fine Gael Party, the Labour Party and Sinn Féin, who shall be called upon in that order and who may share their time, which shall not exceed 15 minutes in each case; immediately following the statements, a Minister or Minister of State shall take questions for a period not exceeding 20 minutes.

An Ceann Comhairle: Is the proposal that the Dáil sit later than 8.30 p.m. agreed? Agreed. Is the proposal for dealing with Nos. 10, 10*a*, 9, 10*b*, 10*c* and 10*d* agreed? Agreed. Is the proposal for dealing with No. 14 agreed? Agreed.

Deputy Enda Kenny: Does the Government intend to introduce legislation governing the licensing of cosmetic surgery? A number of serious cases of procedures that went wrong have been highlighted recently. Apparently there is no licensing system in place at present, which is a cause of obvious concern to the people involved.

The Minister for Community, Rural and Gaeltacht affairs has had a report on his desk since last September, which was the result of a study commissioned on the status of the Gaeltacht areas. It is a secret document that has never been released. Apparently, its findings are serious and it is about time it was published and a debate conducted in this House. The Minister has been speaking recently about how the west and the mid-west should move forwards rather than backwards. Perhaps the Taoiseach would call the Minister into his office and tell him to publish the report so we can see its contents and discuss its findings.

The Taoiseach: On the first question, I do not know that information. I will check to see whether there is pending legislation. I understand the Deputy's concerns that there is no inspectorate or control in the area. I will raise that and

bring the publication of the report to the attention of the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív.

Deputy Eamon Gilmore: An industrial dispute is threatened at the Moneypoint power plant relating to subcontracting. When will the employment agency regulation Bill and the employment law compliance Bill be dealt with by the House? Does the Taoiseach have plans to intervene in the dispute at Moneypoint, which, if it got bad, could result in power cuts?

An Ceann Comhairle: The second question is not in order.

The Taoiseach: Both Bills are ready, but there are some outstanding issues with the Irish Congress of Trade Unions. The Minister is ready to bring both Bills forward in this session.

Deputy Fergus O'Dowd: When will the promised report into the investigation in the Department of Transport on the withdrawal of Aer Lingus's Shannon-Heathrow services be presented to the House? Will the House have an opportunity to debate it?

In view of the resignation yesterday of the executive chairman of the Shannon Airport Authority board and the clear precedent created where Ministers were not informed of the decision to change the Aer Lingus service, when will the Taoiseach insist on the independence of Cork and Shannon airports from the Dublin Airport Authority, as envisaged by the State Airports Act 2004?

The Taoiseach: It is already laid out in legislation. A business plan must be put in place before matters can be taken forward.

Deputy Olivia Mitchell: Four years on.

The Taoiseach: The report will be published as soon as it is available.

Deputy Fergus O'Dowd: Will the House have an opportunity to debate it?

Deputy Noel Dempsey: There will be no need to do so.

The Taoiseach: I hope it will be self-evident.

Deputy Fergus O'Dowd: Another whitewash.

Deputy Noel Dempsey: That is a terrible thing to say about our civil servants.

Deputy James Bannon: Legislation dealing with anti-social behaviour in local authority housing estates needs to be strengthened. When will the social housing miscellaneous provisions Bill be published? This Bill will give greater powers

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to local authorities to deal with this issue, which costs the State a fortune.

The Taoiseach: In early 2008.

Deputy David Stanton: On a point of order, am I in order to ask about the transposition of EU directives into Irish law? Is that implicit in promised legislation?

An Ceann Comhairle: It comes under secondary legislation.

Deputy David Stanton: EU Directive 85/377 EEC deals with environmental impact assessments. The European Commission will refer Ireland to the European Court of Justice on this directive. Has it been transposed? It has to do with incinerators and so on.

The Taoiseach: I will get the information for the Deputy.

Deputy Joe Costello: Agency workers tend to be treated less fairly than their counterparts and an EU directive is in place regarding their treatment. We have not transposed that directive. In the context of underpinning the charter of fundamental rights, legal force will only be given to this when it is transposed.

The Taoiseach: The employment agency regulation Bill, to regulate the employment agency sector and put it on a statutory basis, is due this session.

Deputy Joanna Tuffy: Last week Ireland was referred to the European Court of Justice on failures of the Seveso directive relating to chemical plants. Will the chemical regulations and enforcement Bill deal with that issue?

The Taoiseach: Yes, it will provide for measures to enforce the EU chemicals-related legislation. It is due next year.

Deputy Michael D. Higgins: The European Council Regulation 954/93 of May 2002 deals with the allocation of slots at airports. It states the use of flexibility is limited. It cannot be used for slots related to routes considered vital for economic development of the region where the airport is located nor disturb airport operations. Will the Taoiseach agree that legislation relating to the privatisation of Aer Lingus must include compliance with this regulation? If not, how did the State comply with its legal obligations arising from the regulation? Did it instruct the airline's board? Did the board delegate that to the executive? Does the Taoiseach envisage the introduction of special legislation removing the State from its responsibility relating to the Council regulation?

The Taoiseach: The Deputy should put down a parliamentary question to the Minister on the matter.

Deputy Seán Barrett: Is it a bit too technical for the Taoiseach?

Deputy Jan O'Sullivan: Is it still intended to publish the nursing home support scheme Bill in this session and, if so, what is the timeframe?

The Taoiseach: It is due before Christmas.

Deputy Bernard J. Durkan: Will the Taoiseach update the House on proposed legislation on noise pollution? Has it been discussed at Cabinet? If not, with whom have discussions taken place? When will it be ready for publication?

The Taoiseach: The legislation is due in 2008.

Estimates for Public Services 2007: Leave to Introduce.

Minister for Foreign Affairs (Deputy Dermot Ahern): I move:

That leave be given by the Dáil to introduce the following Supplementary Estimate for the service of the year ending on the 31st day of December, 2007:—

Vote 6 (Office of the Minister for Finance)
(*Supplementary Estimate*).

Question put and agreed to.

Estimates for Public Services 2007: Referral to Select Committee.

Minister for Foreign Affairs (Deputy Dermot Ahern): I move:

That, subject to leave being given to introduce the following Supplementary Estimate for the service of the year ending 31st December, 2007, the Supplementary Estimate be referred to the Select Committee on Finance and the Public Service pursuant to Standing Order 154(3) and paragraph (1)(a)(ii) of the Committee's Orders of Reference, which shall report back to the Dáil by no later than 7th November:—

Vote 6 (Office of the Minister for Finance)
(*Supplementary Estimate*).

Question put and agreed to.

Ministerial Rota for Parliamentary Questions: Motion.

Minister of State at the Department of the Taoiseach (Deputy Tom Kitt): I move:

That, notwithstanding anything in the Resolution of the Dáil of 14th June, 2007, setting out

the rota in which Questions to members of the Government are to be asked, Questions for oral answer, following those next set down to the Minister for Agriculture, Fisheries and Food, shall be set down to Ministers in the following temporary sequence:

Minister for Justice, Equality and Law Reform

Minister for Defence

Minister for Education and Science

whereupon the sequence established by the Resolution of 14th June, 2007, shall continue with Questions to the Minister for the Environment, Heritage and Local Government.

Question put and agreed to.

Houses of the Oireachtas Commission: Motion.

Minister of State at the Department of the Taoiseach (Deputy Tom Kitt): I move:

That Dáil Éireann, in accordance with section 8(3)(a) of the Houses of the Oireachtas Commission Acts 2003 and 2006, appoints the ordinary Members of the Commission as follows:

Deputies Tom Hayes, Seamus Kirk, Dan Neville and Pat Rabbitte.

Question put and agreed to.

International Agreements: Referral to Select Committee.

Minister of State at the Department of the Taoiseach (Deputy Tom Kitt): I move:

That the proposal that Dáil Éireann approves the terms of the Agreement between the Government of Ireland and the Government of the Hong Kong Special Administrative Region of the People's Republic of China concerning the Surrender of Fugitive Offenders, a copy of which was laid before Dáil Éireann on 5th October, 2007, be referred to the Select Committee on Justice, Equality, Defence and Women's Rights, in accordance with paragraph (1) of the Orders of Reference of that Committee, which, not later than 21st November, 2007, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.

Question put and agreed to.

Congress of the Universal Postal Union: Referral to Select Committee.

Minister of State at the Department of the Taoiseach (Deputy Tom Kitt): I move:

That the proposal that Dáil Éireann approves the terms of Certain Acts of the 2004

Congress of the Universal Postal Union, signed at Bucharest on 5th October, 2004, namely:

- The Seventh Additional Protocol to the Constitution of the Universal Postal Union;
- The General Regulations of the Universal Postal Union;
- The Universal Postal Convention and Final Protocol thereto; and
- The Postal Payment Services Agreement;

copies of which have been laid before Dáil Éireann on 31st July, 2007, be referred to the Select Committee on Communications, Energy and Natural Resources, in accordance with paragraph (1) of the Orders of Reference of that Committee, which, not later than 21st November, 2007, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.

Question put and agreed to.

European Council Meetings: Statements.

The Taoiseach: I attended the Intergovernmental Conference, IGC, and the informal European Council meeting on 18 and 19 October in Lisbon. I was accompanied by the Minister for Foreign Affairs, Deputy Dermot Ahern, and the Minister of State at the Department of Foreign Affairs with responsibility for European Affairs, Deputy Roche.

While the purpose of this statement is to inform the House of developments at the IGC, I will also comment briefly on the informal Council which took place in the same setting. The informal Council discussed the Union's response to globalisation, a discussion that will lead in due course to developed proposals at the December and Spring European Councils.

We received a presentation by the European Commission President, Mr. Barroso, on the European Commission's recent communication on globalisation which develops what is termed by some as the external dimension of the Lisbon strategy. How Europe reacts to and shapes the forces of globalisation will be an important element of the European Council's business in the coming years. Our discussions touched on the recent instability in the financial markets and the international response to climate change, an area of particular importance. We have a shared responsibility and an opportunity for Europe to give international leadership on climate change, and its inclusion at Ireland's behest in the new treaty is welcome.

The purpose of the IGC meeting was to agree the text of the new treaty. I am pleased to report that late on Thursday night the text of the treaty, which now seems set to be called the Lisbon

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treaty rather than the reform treaty, was agreed in accordance with the mandate given to the IGC in June. The outstanding issues going into last week's meeting were of a relatively minor nature. Italy had a particular concern relating to the number of European Parliament seats it would receive, as under the European Parliament proposal it would lose more seats than any other member state.

There were exchanges as regards the timing of the appointment of the new position of High Representative for Foreign Affairs, and we discussed how the detail of the so-called Ioannina Compromise, which enables decisions to be delayed in certain circumstances and which formed part of the June agreement, would be reflected in the treaty. Given the overwhelming and widely shared desire to reach agreement on the treaty, these issues were resolved without undue difficulty.

When I addressed the Dáil following last June's Council, I paid tribute to the skill of Chancellor Merkel in forging a deal. On this occasion, I wish to acknowledge the good work of the Portuguese Presidency in bringing this process to fruition.

I wish to recall briefly Ireland's objectives in relation to the reform or Lisbon treaty. We had been extremely satisfied with the text of the EU constitutional treaty finalised under our Presidency in 2004. For reasons with which the House is familiar, that document was not destined to enter into force. Last June, we agreed a mandate for a reform treaty, to be based in large part on the constitutional treaty. Our key objective during the negotiation of both the IGC mandate last June and the IGC itself was to preserve the essential balance and substance of the constitutional treaty. To the degree that anything of significance has changed for Ireland, it was brought about by the decision of the UK to alter its position in terms of the Justice and Home Affairs, JHA, area and we have since taken our decisions in that regard. I will return to this shortly. Ireland secured its key goals in the negotiation process. We can be very satisfied with the new treaty agreed at the IGC last week.

Following the June European Council, Ireland had two outstanding issues. The first of these was in relation to the Charter on Fundamental Rights. The Irish Government had supported the charter since it was first included in the constitutional treaty and would have happily seen it retained in the body of the reform treaty. We see it as a statement of the Union's values and for that reason believe it is something the Union can be proud of. We were disappointed, but had to accept, that consensus on incorporation of the full text of the charter into the body of the revised treaty was not attainable. Furthermore, at the behest of the United Kingdom, a protocol to the charter was introduced at a very late stage in the negotiations in June, relating to its scope under UK law. I want to put it on the record of the

House again that Ireland did not seek an opt-out from the charter. We simply indicated that we wished to study the implications of the UK position. We have considered the opt-out negotiated by the UK and have decided definitively not to seek the same provision for Ireland.

As regards the JHA provisions, the UK negotiated an opt-out in the judicial and police cooperation area. At the time, Ireland secured the right to exercise a similar opt-out, should we wish to do so. After indepth consideration of the various issues, the Government has decided to avail of this opt-out but to a limited extent only, and in a manner quite different to what the UK has done. We have declared our firm intention to join our European partners whenever possible in JHA areas. Ireland can participate in future developments in police and judicial co-operation but we have the right to opt out of a measure if we believe that to be absolutely necessary. In reality, we expect to participate to the maximum extent possible.

The decision to avail of the opt-out was taken on the basis that as a small common law country involved in EU negotiations, Ireland could have found itself at a disadvantage and isolated in voting terms. This could have left it unable to sufficiently shape proposals in an appropriate direction. The review, which we will conduct in three years time, may lead us to a different conclusion. It will be open to us to forego the opt-out should we determine that this course of action may be in our interests at some later stage.

The benefits accruing to Ireland from this reform treaty will come about through a better functioning Europe. This is not the creation of a new Europe, but rather a means of making the Europe we have built in past decades work better for all of us. A Europe of 27 member states cannot operate in the same way as a Europe of 12 or 15. This treaty gives the Union a new set of rules and a new clarity of purpose.

It is worthwhile setting down a number of the treaty's advantages. In so doing, I am pleased to note that they are, in the main, the same as those set out in the 2004 text, of which the vast majority of Dáil Members were strongly supportive. The introduction of the double majority voting system provides for a fairer and more efficient decision making system. The new system requires that decisions are supported both in terms of population and in terms of the number of member states of the Union. The treaty clarifies what Europe does and does not do. It gives the Charter of Fundamental Rights the full force of law and underpins the rights of citizens in today's Europe. It also sets down a statement of the Union's values. The treaty reduces the size of the European Parliament and slims down the Commission. At the same time, it strengthens the powers of both the European Parliament and of the Oireachtas in European decision making.

The treaty provides support for the Union in tackling climate change by introducing a com-

petence in that area for the first time. I am pleased to report to the House that this competence was introduced as an Irish initiative.

The treaty provides that the social consequences are to be taken on board when assessing the likely impact of legislative proposals. It introduces the position, President of the Council, to give greater shape and purpose to high level meetings and to bring more continuity and coherence to the conduct of the Union's business in general.

The treaty provides for a clearer EU voice in the international arena so that Europe's views, and the values we support, are more influential. This is particularly important in the humanitarian and development areas. We should not be under any illusions that this is some sort of big-bang or new beginning for Europe: this treaty is not transformational. Neither would we seek a transformation of a Union which, broadly speaking, works very well for Ireland. Rather, this is a further stage of development, a rational step to update the Union's rules and focus, and an essential step for the functioning of our enlarged Union in a vastly changed world. We have built a Union to suit our needs, to deliver for us as member states, and as citizens. This treaty is about equipping that Union to do the things we ask of it.

I turn now to the next steps. The text of the treaty will now be translated and prepared for signature. The Portuguese Prime Minister has invited his colleagues to sign the treaty in Lisbon on the first morning of the December European Council. The modalities of that are still being worked out.

Thereafter, it will fall to each member state to ratify the treaty in accordance with its own constitutional and legal requirements, in time for it to enter into force ahead of the European Parliament elections in 2009. While the Government has yet to receive formal legal advice which will lead to a decision on how Ireland is to ratify the reform treaty, I expect we will hold a referendum on the treaty in 2008. As things stand, Ireland is likely to be the only member state that will require a referendum to ratify the treaty. While the manner of ratification is a matter for each member state, this places a particular responsibility on Ireland. I am sure all eyes in Europe will turn, with increasing interest, to the debate and discussion that will take place in the lead up to the referendum. The Government is determined that there will be a comprehensive and inclusive debate. The Irish public must be given every opportunity to discuss and consider the changes that the reform treaty will bring.

The National Forum on Europe, which has been a model of impartial analysis and debate under the independent chairmanship of Dr. Maurice Hayes, will be central to facilitating a balanced and rounded debate on the reform treaty in the coming months. It is important that all parties continue to give their support to the work of the Forum. I welcome very much the

statement in this House last week by the Leader of the Opposition that his party will give support to the reform treaty. I acknowledge the constructive engagement of the larger Opposition parties across the spectrum of EU issues over many years. The Government will be seeking to secure the widest possible support in both Houses for the passage of the referendum Bill in due course. With that in mind, we will consult with the Opposition parties at an early stage.

I look forward too to working with the Opposition to ensure the public understands the question they will be asked to determine. I am confident that they will identify Ireland's interests as supporting a treaty that has been negotiated in order to improve a Europe that has met Ireland's needs well in the past and that we want to continue to meet its needs into the future.

To conclude, what we agreed last week is a treaty which equips Europe with the tools to be more effective in the 21st century, having enlarged in a relatively short period from 15 to 27 members. When we speak of Europe, we are speaking of course of a Europe which was absolutely fundamental to Ireland's socio-economic development in the last 35 years and will be to our success or otherwise in this century.

It is the Europe that has, through the Common Market, allowed Ireland to leap forward economically with dramatic rises in the standard of living. It is the Europe that has provided us with leadership in areas such as labour law, environmental standards and gender equality. It has given us the euro, providing us with a common, stable currency and eliminating foreign exchange costs across Europe. It has provided us with the Common Agricultural Policy which has played such an important role in helping to manage transition in our farming sector, and it is the Europe that during the dark days of the 1980s contributed significant funding towards the development of our physical and social infrastructure which we have since deployed, and built upon, to great effect. It is the Europe that allows us to look beyond ourselves and our near neighbours and seek to influence a wider world with our fellow member states, with which we share our values. It is a Europe that gives us a framework to influence meaningfully the forces of globalisation that shape our world. It is a Europe founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights. It is a Europe that has delivered and pursues peace and prosperity for all its people.

I am unequivocal that the treaty is in the interest of both Ireland and Europe. Following a full and engaged debate, the people of Ireland will approve it. They will do so not only because it serves our national interest but also because it serves the interest of the entire European Union.

12 o'clock

Deputy Enda Kenny: I wish to share time with Deputy Timmins.

An Ceann Comhairle: Is that agreed? Agreed.

Deputy Enda Kenny: I attended the meeting of the heads of the groups of the European People's Party in Lisbon prior to the meeting of the Heads of Government. I was happy that the support for the reform treaty was very strong. I will not harp any longer on my point that the European People's Party leaders were somewhat disappointed over the Government's decision on the opt-out position and that they perceived a weakening of the Irish stance that would have consequences for Europe and the reform process. I stated I agreed with the position of the Minister of State at the Department of the Taoiseach, Deputy Roche, namely, that we should not have chosen that option, and I stick to my position. Bearing in mind the emergency break system, the suspension of any proposal that might infringe unduly upon the Irish legal system could be well catered for by the consensus required by the Council in resolving the issues associated with any such proposal.

In recent days, I said to ordinary people in my part of the country that one vote could decide the referendum and consequently the progress of up to 500 million people. Every single Irish voter will have an incredible opportunity and responsibly. Despite the differences between parties in the House, Fine Gael has always been very strongly in favour of the European Union and it will support the reform treaty publicly. On foot of the appointment of our spokesperson on European affairs, we will conduct our own public meetings around the country in addition to what I assume the National Forum on Europe and other parties will do. The treaty is of major significance to the future of this Continent, bearing in mind the challenges it will face from the Far East, south-east Asia, the United States and South America over the next 20 to 25 years.

A European Union of 16 members cannot function in the same way as one with 27. When one considers that every headbanger in Europe will probably be in Ireland when the referendum takes place, and that they will be well resourced in many cases, one will realise there may be some very exciting public meetings. I hope the Irish electorate will consider the fundamentals of the reform treaty and recognise that it is for their good and that of the other countries of the Union.

Europe, in its own way, faces a moment of truth in three particular areas, the first of which concerns the EU reform treaty, which I hope is passed. Second, it faces a moment of truth in respect of Kosovo, which is still legally part of Serbia. There are 2 million Kosovar Albanians and 90,000 Serbs living in a very uneasy relationship with each other. I visited the Irish troops south of Pristina two years ago with Deputy Timmins and we saw on many occasions the

excellent work they were doing in very difficult circumstances. The Serbs rejected the Ahtisaari plan, which guaranteed the Kosovans supervised independence, and were backed by the Russian President. In the face of Russian opposition, and given that independence may well be declared in the region, which would probably be backed by the United States, Europe will have to make a decision. In view of the fact that Irish troops have been in the region for quite some time and have done a great job, we should certainly consider this matter seriously.

The third issue concerns the fact that Europe must address the growing concern over Iran. Iran is seeking to establish a nuclear programme and this is being resisted by many other countries. I do not know whether this will be dealt with through a resolution of the UN Security Council. However, when I heard the French President, Mr. Sarkozy, talking in August about it being a question of the Iranian bomb or the bombing of Iran, and in September he stated he did not use the word "war", I realised it is of extreme importance to the entire European Continent that this matter be addressed. The Council needs to get its act together in terms of adopting a view thereon.

I had assumed that the Joanina compromise, a protocol added by the Poles, was no longer relevant after the Nice treaty, but it still pertains in one form or another. I suppose the Poles wanted to make their point clear in this regard.

Reference was made to the Taoiseach as a prospective President of the Council of the European Union. I do not know whether he is interested or not, but regardless of his view, it will probably be said that he is.

I am glad that the treaty contains a competence regarding climate change and I am happy that the Government has agreed to the appointment of a new committee dealing with energy security and climate change requirements. This problem is coming down the tracks whether we like it or not. The committee will play its part, not only in terms of doing what must be done in Ireland but also in terms of participating fully in a European effort to meet the Kyoto targets or other new targets that might be set.

Fine Gael will support the reform treaty and campaign publicly in respect thereof. I hope the electorate will be given the opportunity to understand clearly the implications of the treaty for the future of Ireland and the European Union as a whole because it is for the future of the next generation of citizens from all member states that we are now laying the foundations.

Deputy Billy Timmins: I assume the draft declaration of 5 October is the same as the final one to which the Taoiseach will be signing up. Having listened to his comments in this debate, I would be of the view that the Government was very reluctant to take the step it took in this regard. It is important to put the issue to bed once and for all today.

I said last week that it took member states over four years to agree on the evidence warrant. Several countries, particularly Germany, sought several opt-out clauses. On foot of the need for changes to the arrest warrant system in the wake of the events of 11 September 2001, the countries concerned came together very quickly and the average extradition time was decreased from several months to 40 plus days.

I imagine from looking at the declaration that Ireland may opt for all measures and seldom, if ever, opt out. If so, will the Minister for Foreign Affairs state during Question Time whether we may opt in before the three-year review period?

Deputy Kenny stated that every headbanger in the European Union will be present for the referendum campaign in Ireland. We have many of them at home, many of whom believe they are quite justified in what they are saying or doing. However, it is very important to learn from the first Nice referendum and recognise the reality that exists rather than the one we want. It is not enough to state the Union is good for Ireland and that one should vote for the treaty as a consequence. We must outline the content of the treaty and state how it will benefit the electorate. Ultimately, self-interest is very motivating. While one must be aware of the common good, it is easier to appeal to self-interest. We have to ensure many of the side issues such as the Common Agricultural Policy which was mentioned by the Taoiseach are seen as important. The agricultural community was assured a couple of years ago that the CAP budget would be maintained at current levels until 2013. There have been mutterings recently that this approach may be reviewed in the near future. It is important for us to deal with such side issues. We need to tie down certain EU trade issues, for example. We should deal with them in a way that leaves no room for ambiguity.

While we are trying to inform the public about the treaty, many will be concentrating on what it is not about. We have to be aware of this. I understand the treaty will have to be ratified by the end of 2008. As Ireland is the only country that will hold a referendum on it, there is a huge responsibility on us to ensure all the issues are debated. It is hoped the treaty will come into effect on 1 January 2009, before the European Parliament elections later that year.

The treaty provides for the reform of the institutions that is needed as a result of the increase in numbers. I refer to the changes which will be made to the European Commission, for example. Representation on the Commission will rotate equally between all member states. Just two thirds of member states will have a Commissioner at any given time. One of the first effects of the new treaty on the State will be that it will not have a Commissioner all the time, as it has at present. In that context, it is important to point out that the Commissioner from any given member state is independent of his or her home state. In the overall scheme we will have a greater

percentage of Commissionerships than we have at present. It is important for us to point that out. As matters stand, some countries have two Commissioners but Ireland has just one. In the overall scheme we will actually have a greater share of the cake, even if we will not have a Commissioner for one third of the time.

The proposed position of President of the European Council will be an important one. Difficulties have arisen when each Presidency has set its own short-term agenda. I understand the Presidency of the Council will be shared between teams of three member states for periods of 18 months. That system will give rise to greater continuity of agenda. The proposed new position of High Representative of the Union for Foreign Affairs and Security Policy also has an important role. We are always asking the Minister for Foreign Affairs to use his influence at EU level to send various messages to countries such as Sudan and Burma. It is good that the European Union will have a recognised figure who will be able to contact governments in countries such as China and India that have some power in trouble spots.

I would like to talk about the changes being made to the system of voting at Council level. I welcome the new system, under which a qualified majority will be reached when 55% of member states, representing 65% of the population of the Union, reach agreement on any given issue. Many find it hard to understand the current weighting system, but the new system is very clear. If the Council is deciding on a proposal that did not come from the Commission, 72% of member states will have to agree on it before a qualified majority is reached. In such circumstances, the population requirement will stay the same. While there will officially continue to be 750 Members of the European Parliament, that represents a nice play on figures to disguise the fact that the President of the European Parliament will bring the membership of the Parliament to 751.

Protocol 2, included in the treaty at the behest of the Dutch Government, provides that national parliaments can submit their reasoned opinions within eight weeks of legislative proposals being made by the Commission. The House should examine the possibility of availing of this worthwhile mechanism. Perhaps someone can advise me of whether it has been used previously. I am pleased that domestic parliaments will be able to make an input into the decisions of the European Union. EU policy areas are classified under three headings in the treaty. Exclusive competence policy areas include areas such as competition rules and the Internal Market. Shared competence policy areas include the area of freedom, security and justice. Supporting competence policy areas include areas such as tourism and education.

While I do not want to conclude on a bad note, I would like to mention the provision in the treaty whereby member states will be able to legally and

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officially terminate their membership of the European Union. Many have wondered what member states should do if they really want to get out of the Union. There will now be a mechanism in place to allow them to do this. As the leader of my party, Deputy Kenny, said, Fine Gael is prepared, as it has been, to participate fully in informing the people about the treaty, how it will benefit them and how it will add to the common good. If Ireland was not a member of the European Union, it would not be long before we would have to try to reach a number of bilateral agreements.

I welcome this debate. It is important that the Government should liaise with Deputies on all sides of the House on the issue.

Deputy Eamon Gilmore: The finalisation at long last of an agreed text for the reform treaty, an important statement of policies and principles for the future of the European Union and the operation of its institutions, is welcome. The Labour Party intends to support the treaty and campaign for a "Yes" vote in the referendum which must be held before Ireland can ratify the treaty. I welcome the Taoiseach's commitment earlier today that the Government will consult the Opposition parties on the manner in which the referendum campaign will be organised and presented to the people. I agree with Deputy Kenny that it is not desirable that Ireland should become the focus for over-anxious people from outside the State during the referendum campaign. I refer to persons who support the treaty and those opposed to it. Irish people will want to decide on the treaty and the referendum without outside interference. We should try to take up a minimum number of the offers of assistance we will undoubtedly receive during the campaign, even if they are welcome and well intended. We do not want the referendum campaign to become a battleground for people who do not have an opportunity to vote on the treaty in their own countries.

While the reform treaty has some deficiencies in terms of its accessibility to the ordinary citizen, it has clear and worthy objectives. It seeks to give legal status to the Charter of Fundamental Rights and to overhaul the European Union's institutions in a manner that will provide effective operating mechanisms for the enlarged Union. It is aimed at enhancing the capacity of the Union to counter cross-border crime, particularly crime relating to drugs, money laundering, trafficking in people and terrorism. It seeks to strengthen the Union's capacity to promote employment, innovation and social cohesion and looks specifically to future challenges and opportunities. It provides for joint policies to end global warming and establishes broadly based policies aimed at ending global poverty. It seeks to strengthen the Union's contribution to international peace, stability and crisis management. It restates the core

values and objectives of the Union, including the commitment to peace and universal human rights, the Charter of the United Nations, full employment, the social market economy and public services.

The role of national parliaments in the application of subsidiarity is reinforced and a new citizens' initiative on participation is proposed to enhance transparency and citizen participation. The reform treaty does not transfer new swathes of power from the member states to the European Union, but sets out to make the Union more democratic and simplify its procedures. The powers of the European Union remain limited to those conferred on it by member states to attain objectives which they have in common. The change in balance and focus which is in prospect for the Union is enormous and underpins the various institutional changes being made by the treaty. The enlarged Union will have a new centre of gravity in geographical, cultural and economic terms. As disparities of income and development will be sharper, the concept of cohesion will need to be defined afresh. Community policy and the budget will have to be reshaped and there are likely to be new issues which have not yet been foreseen.

The history of the European Union stretching back to the old EEC is one of a succession of changing circumstances and coping with enormous challenges. I refer to the challenges of making structural changes to the shape of agriculture and heavy industries such as coal and steel in the original European Economic Community. Development and regional issues arose with the accession of states such as Ireland, Portugal, Spain and Greece. The Union has developed projects such as Social Europe and the Single Market. There was the enormous ambition of establishing a single currency. The Community did not flinch from such huge projects and succeeded. Such successes, however, should not blind us to the enormity of the next project, even if they raise expectations in the new states. The sheer scale of enlargement that has been accomplished, combined with the level of integration established within the existing Union, makes for a far more complex agenda. There are likely to be new issues as yet unforeseen. There will of course be new opportunities, whether in trade and commerce, social intercourse and cultural exchange, in this vast expansion. There is the gain of stabilisation and peace which is the point of it all in the end.

However, if Europe is to place more emphasis in its future deliberations on the management of situations in the foreign, security and defence areas, it is vital that those deliberations be founded on some level of principle as well as strategic interests. In my view, there is a simple and inviolable principle in respect of the war in Iraq. The war is wrong and Ireland was wrong to support it through the use of Shannon Airport. The war was wrong on grounds of international law,

wrong on grounds of morality and wrong because it degenerated into an assault against the most basic principles of our common humanity.

If the massive economic entity which is the new Europe is to face the future with confidence, this entity must be able to develop relationships with the rest of the world which are based on principles of justice and respect. Europe stands between the neo-conservative impulses of some leading American policymakers, on the one hand, and the blind hatred of some in the Muslim world on the other. This is a potentially lethal mix, some of whose consequences we have already seen. Unless there are the beginnings of a new dialogue, unless strong security is accompanied by a commitment to justice and solidarity, unless the alienation of the Muslim world is recognised and understood, far worse consequences may lie ahead of us.

I wish to draw attention to one welcome and positive development, namely, that the charter of fundamental European rights will be legally binding. The European Union Charter of Fundamental Rights sets out in a single text, for the first time in the European Union's history, the whole range of civil, political, economic and social rights of European citizens and all persons resident in the EU. These rights are divided into six sections: dignity, freedoms, equality, solidarity, citizens' rights and justice. The rights of all to human dignity, to the integrity of the person, to protection from discrimination, to fair and just working conditions, these and many others are set out in the charter in clear and accessible language. Giving the charter legal effect in terms of principle is a fundamental step. Putting flesh on the bones of those principles and turning idealistic commitments into legislative and political action will take time and political will. Debate on the reform treaty, such as there has been over the past few weeks, has centred on the Irish opt-out in the so-called area of freedom, security and justice. However, this ignores the fact that the reform treaty, as we all know and recognise, is very much a repackaged version of the constitutional treaty of a couple of years ago.

The Government has long since published the form of wording it had proposed for a referendum on the constitutional treaty. That form of words allowed for no fewer than 17 areas where an Irish Government would have discretion to opt in or opt out of proposals for European laws, with the exercise of the discretion in every case being subject to the prior approval of both Houses of the Oireachtas.

Issues to be covered by the discretionary procedure at that time were to include: permanent structured co-operation in the area of defence; enhanced co-operation, including, in particular, enhanced co-operation in the criminal law area following the application of the emergency brake; the Schengen protocol and the UK-Ireland common travel area; the extension of qualified majority voting to common foreign and security

policy, to the multi-annual financial framework, to areas of social policy, to areas of environment policy, to aspects of family law and to matters subject to enhanced co-operation which normally require unanimity; the extension of those areas of criminal law which can be the subject of EU legislation, including specifically the possible creation of a European public prosecutor; the general passerelle clause — the treaty provision that allows for matters at present subject to unanimity at the Council of Ministers to be in future governed by QMV; and the ratification of any simplified revision of the treaties.

Although the cross-references will be different because we are now dealing with a different text, I would presume that all these matters will remain for decision at national level as to whether we are to opt in or opt out and that the decision in each case will require the prior approval of the Houses of the Oireachtas.

Against that background, a general opt-out in the field of judicial co-operation, criminal matters and police co-operation, with a discretion to opt in to any specific proposal, to be decided on a case-by-case basis, is not a radical departure from what has gone before. The reality is that options and discretions have been part of our constitutional framework in dealing the European Union, its institutions and its laws since 1998. These options and discretions are important. The general rule is that nothing in our Constitution invalidates laws or measures originating in Brussels if they are necessitated by membership of the Union. However, the exercise of an option in an EU treaty is not necessitated by EU membership and, therefore, options and discretions would not be immune from constitutional review in our domestic courts.

A new procedure was therefore adopted for the Amsterdam and Nice treaties which provides that the State may decide to exercise an option available to it under the specific listed treaty articles. However, prior Oireachtas approval is required. The intention of the provision is that once an option is exercised, then laws and measures adopted in pursuance of that option are immune from review on domestic constitutional grounds. Oireachtas approval for the exercise of an option has the effect therefore of removing a particular subject matter from review by the courts on the grounds of unconstitutionality. Hence the importance that should attach to prior Oireachtas scrutiny. Hence also the importance we should attach to examining the effectiveness of our present scrutiny mechanism.

I recognise there has been a radical improvement in the range and quality of the research facilities available to Members of the House. These resources should be harnessed effectively to assist all Oireachtas committees in the matter of EU scrutiny. I intend to ask the Houses of the Oireachtas Commission to conduct or commission an audit of the resources available to Oireachtas Members and committees to assist in

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an informed, timely and substantial way in the process of scrutinising EU legislative proposals. It would be useful to conduct a comparative analysis by reference to the parliaments of some other member states, including the neighbouring jurisdiction with which we share a common parliamentary and legal tradition.

We would be dishonest if we claimed that our scrutiny procedures have been a resounding success. There is a serious need on the part of the Dáil and Seanad to ramp up our ability to scrutinise the EU, its institutions, its laws and the Government's position on these matters, including the cases in which the Government decides to opt in or opt out of proposals for EU laws in the area of justice and home affairs. It is the case that the Government has itself become a sort of mini-legislature and, subject to the passing of what it expects to be a cursory and very late in the day resolution by both Houses, has the ability to make changes in the law which are of major practical and constitutional significance.

The reform treaty proposes a major new role for national parliaments but I am not at all convinced we adequately discharge our existing role. We need to revisit and substantially improve our European scrutiny functions before taking on board the new agenda proposed by the reform treaty.

The area of criminal law is subject to opt-outs by both the Irish and British Governments for what seem to be understandable reasons. This does not mean that we will not co-operate in this area but rather that we have the choice of deciding, on a case-by-case basis, whether to opt in.

Title IV of the treaty contains a powerful statement of the EU's commitment to deal with cross-border crime. However, the measures proposed in the treaty must be judged within the context of the different criminal legal systems operating in Europe and the different constitutional traditions of the member states. All of us place great importance on our national Constitution. It is a comprehensive document and is the one law of the land that cannot be changed by legislators or by the Oireachtas; only the people may amend it.

The legal and constitutional principles upon which the constitutions of member states belong either to the common law tradition or to the civil or Roman law tradition. Among the key differences between the two traditions is the general availability in common law jurisdictions of jury trial and the absence of such general availability in civil law jurisdictions. Furthermore, evidence can be given in written form in most continental systems and this is not possible, in general, in Ireland. Continental systems often allow for lengthy detention of persons for investigation and questioning and the principle of *habeas corpus* is not recognised. Many of the procedures that characterise continental systems would not be possible here without a major change to our Constitution.

All these practices of civil or Roman law are acceptable under the European Convention on Human Rights but are unconstitutional in Ireland. Ireland and the UK insist on adversarial procedures, on the separation of the functions of investigating, on the prosecuting and adjudicating of offences and on the principle that one can only be extradited to face a charge rather than for questioning in custody. This does not mean there is no room for co-operation, harmonisation and even operational initiatives under the aegis of the EU but it does mean we have a right to be cautious.

Given that the jurisdiction of the European Union and its institutions in the area of criminal law is both ambitious and potentially expandable, it seems prudent to retain a discretion, as we have at present, to opt into or out of proposals in this area following decisions taken at national level.

This treaty was preceded by a draft constitutional treaty which was a more easily understood document. I echo the call made by my colleague, Deputy Joe Costello, that the Government should produce a user-friendly version of the treaty so people have a clear understanding of what is in it and are equipped for the debate which will take place rather than relying on the turgid textual reform treaty we have.

Deputy Aengus Ó Snodaigh: Tá sé go hiontach go bhfuil deis againn arís an seachtain seo déileáil leis an cheist rí-thábhachtach seo. Measaim go ndéanfaimid athrú suntasach ar todhchaí na hÉireann má ghlacfaimid le conradh Lisbon. Is iad na hathruithe atá i gceist sa chonradh na hathruithe céanna a luadh nuair a rabhamar ag déileáil leis an conradh bunreachtúil — nó bunreacht ha hEorpa — cúpla bliain ó shin. Bhíomar ag ullmhú chun reafrainn a eagrú maidir leis an bunreacht sin, ach ní raibh gá don reafrainn de bharr toradh na vótaí a tharla sa bhFrainc agus san Ísiltír. Measaim go dtabharfadh muintir na hÉireann vóta "Níl" sa reafrainn toisc go dtuigeann said cé chomh bunúsach is a mbeadh an athrú a ndéanfaí ar an ngaol idir an tír seo agus tíortha eile na hEoraip. Tuigeann siad freisin an méid d'ár rathúnas a bheadh caillte de thairbhe an chonradh. Is é seo ceann de na conarthaí deireanacha a rachfaidh chun reafrainn. Ina dhiadh seo, beidh Airí nó Taoisigh na tíre seo in ann an cinneadh a dhéanamh.

As much as possible, I want to have open and honest debate. I do not want head-bangers of any type, particularly those on the "Yes" side, including Commissioner Charlie McCreevy, interfering in this referendum. The EU Commissioner from Ireland, who was chosen by the Taoiseach supposedly to represent the State in a role akin to a civil servant, had the gall to state recently that if the State voted "No" to the treaty it would be turfed out or excluded. How does the Taoiseach view this intervention and scaremongering by Commissioner McCreevy, a former senior Cabinet Minister who is in a powerful and highly-

paid position in the EU? I am thankful he stated he will not seek another term of office considering his attitudes and the policies he pursues while in the position.

The EU Commission is supposed to be the servant of the people of the European Union. This type of intervention in the run up to a referendum here is not justified. The Taoiseach and the Minister for Foreign Affairs should repudiate it. The decision is for voters alone. As I did during the run up to the referendum on the European constitutional treaty, I urge the Minister and the Taoiseach to give a commitment that the answer of the Irish electorate will be respected. It is obvious the decision of the French and Dutch electorates on the constitutional treaty was not respected. Neither was the result of the first referendum on the Nice treaty here.

The matter of referenda is interesting. Part of the propaganda about the Lisbon treaty is that it has substantially changed from the constitutional treaty of a number of years ago, so much so that everybody should be happy with it. On that basis it will be put to the country in a referendum. However, other EU countries such as Spain and Luxembourg state it has not substantially changed and will not be put to a referendum as a decision on it has already been taken. I note the Taoiseach stated ratification is a matter for each member state and this is true. However, it would be a pity to lose the opportunity to find out what the public in all EU countries has to say on such a major fundamental change in the European Union institutions and on the future direction of the European Union.

While the Council meeting was held in Lisbon, more than 200,000 people demonstrated on the streets. Perhaps it was not as many as 200,000. I have read a number of the few reports on it. This was democracy in action and people demanding the right to have a say on the treaty. They seek a social Europe and employment with rights and they oppose the liberal agenda contained within the treaty. It is interesting that Irish newspapers and national daily newspapers in many other member states did not cover the major demonstrations. This shows where many national newspapers stand. This can be addressed by those of us urging a "No" vote for the treaty.

Given that it is too late, I will not appeal as I did last week to the Minister to represent Ireland's views and demand and secure changes to the treaty. He agreed a document which will substantially undermine Irish sovereignty, our independence in foreign policy and the powers of this institution. It was a bad day's work. Once again, the erosion of the neutrality of this State continued apace. We signed up to further militarisation of the European Union albeit not with the same size of leap as in previous treaties. However, it is still a move in the same direction.

We did not manage to ensure the treaty would allow member states to promote public services and oppose privatisation. We did not ensure

member states were given the freedom to develop their economies in the interest of their people. We are still slaves to the European Union's liberal agenda and the worldwide globalisation agenda. We had an opportunity to push the protection of the interests of small nations.

Nobody can deny Sinn Féin has modified its position on Europe since the time of the EEC because we are realists and it does exist. There have been tremendous benefits from our relationship with the European institutions, at different stages in terms of workers' rights, women's rights and, on occasions, environmental issues were to the fore. We have moved obviously and logically from a position of outright opposition to one of constructive engagement. There are not many in Europe at this stage who would ask that the EU be dismantled, but that it be refocused in the interests of its member states rather than in the interests of the major countries, such as France, Germany, Britain, Italy and Spain of late.

Our MEPs have engaged positively with the issues which can improve the lives of people on this island and we have advocated a positive role for the EU in overcoming the legacy of partition and the promotion of Irish reunification. There are people who will say that Sinn Féin is part of the naysayers and that what we have said in the past has not come to fruition in regard to the EU and Ireland's participation in it. Yes, we are a much more prosperous country than in 1972, we are a totally different economy than at that time but some of what was expected has come to fruition. One has only to look at the debacle of our fishing industry and how it has been destroyed time and again by the failures of the Government to protect it but also by interference from the EU. The same could be true in other areas. Not all our economic benefits are tied to our membership of the EU, many have to do with the different Government policies in regard to welcoming and encouraging multinationals into Ireland. Those benefits may be short lived — hopefully not — where in the event of a downturn they are the first to leave. We have suffered the consequences of major multinationals pulling out of Ireland. Instead of building up our industries and our economy based on our own ability, our own workforce and financial bases we have depended on outside help which is fickle and we might suffer the consequences of depending too much on multinationals in this globalised world.

In our debates over the years we have reached out to other parties and groups which have been interested in defending Ireland's national interests but others have remained awe-struck by the might of Brussels and have been continuously eager to satisfy the demands from the EU and, in particular, the EU Commission but also those who seek to build an EU empire — their words, not mine. There are people in this House, in particular, the two largest parties and also the Labour Party, who appear eager to satisfy that diktat at every whim. They have supported without criti-

[Deputy Aengus Ó Snodaigh.]

cism every treaty proposed, every concession of power to the EU and every dilution of sovereignty demanded. They have even justified every move for the militarisation of the EU. It will be interesting to see how one of the parties in Government will square that with its members given what it said up to the last election.

These parties have accepted every step to undermine Ireland's capacity to determine its own fate in terms of our public services and they have defended recent attacks on workers' rights. There is an agenda that says we need to open our economy to all outside influences, which regrettably means a race to the bottom. Those parties are unable to recognise that the EU has lost its drive for social progress. It is interesting that the Lisbon treaty and the Lisbon strategy were put together in Lisbon. One key element of the Lisbon strategy was to try to tackle poverty and social deprivation but in that aspect it has failed because Ireland is more unequal than when the strategy was put together. The latest Lisbon treaty is going much the same way.

Tiocfaimid ar ais go dtí an ábhar seo. Mar a dúirt mé, ba chóir don Taoiseach a rá le Charlie McCreevy a srón a choimeád amach as ceisteanna na hÉireann mura bhfuil sé á dhéanamh mar saoránach, seachas coimisinéir mar a bhí sé á dhéanamh an lá faoi dheireadh.

Acting Chairman (Deputy Jan O'Sullivan): We now move to questions to the Minister.

Deputy Billy Timmins: Having listened to Deputy Ó Snodaigh, he certainly narrowed the lines between outright opposition and constructive criticism and has managed to do that well. I have a couple of questions to put to the Minister. I would like to think the Government would look beyond neutrality and I would like to be able to agree with Deputy Ó Snodaigh that our neutrality has been eroded because we do not agree with the position of the Government on neutrality generally but, alas, that is not so

The declaration signed on 5 October by Ireland states that Ireland intends to review the operation of these arrangements within three years. Can we take it that after a year they could be reviewed or do we have to wait until the end of the three years? I referred earlier to the team of three concept over the 18 month period. How will that be established? Will it consist of the same group of three at all times or will it rotate?

Minister for Foreign Affairs (Deputy Dermot Ahern): In regard to the review I thank all speakers for the points they have made. I will respond to some of them, particularly the request by the Labour Party for an easily read text. It is the Government's view that we should have a text that would be available to the general public which would explain it in as simple a language as possible. Obviously the reform treaty is a com-

plex set of amendments to existing treaties. That is something we are conscious of and we have to explain it properly for the people and give them all the information as has been the case before.

In regard to what Deputy Ó Snodaigh said, I do not want to be confrontational about it but he said Irish foreign policy is slavish and that we lose our ability to have our own foreign policy. I believe passionately that being part of a group we have a much stronger voice in the world and we have been able to punch above our weight on the international scene, particularly at EU and UN level. We are not slavish when it comes to making our views known on issues. Recently there was an Egyptian resolution in regard to a nuclear free Middle East. Ireland went against the flow in the EU and voted for the Egyptian resolution. Similarly, in regard to the outlawing of cluster bombs, Ireland is leading the way at EU and UN level in order to, hopefully, bring about a complete ban on cluster weapons and next year we will sponsor a conference here with a view to getting some of our colleagues on board so are not slaves to the rest of EU on foreign policy.

Deputy Ó Snodaigh's party espouses the elimination of partition, as do most of the parties in the House, including mine. As someone who was born, bred and still lives in the Border area, I recognise that the influence of the European Union on the issue of the Border has been dramatic in recent years. The European Union has had a much bigger influence on eliminating the practical issues of partition than anything anybody in Sinn Féin has done during the years. Those of us who live in the Border area have seen clearly how the Single European Act—

Deputy Aengus Ó Snodaigh: That was acknowledged.

Deputy Dermot Ahern: —in effect did away with the logistical customs and excise difficulties that those of us who live in the Border area — not Dublin — were required to put up with for years.

The review will take place in three years' time. However, the matter will be under constant review in the interim because we will be making decisions on a case by case basis as JHA issues arise. The other issue was—

Deputy Billy Timmins: Teams of three.

Deputy Dermot Ahern: That issue was agreed. It is logical in that it provides for continuity in the Troika.

Deputy Billy Timmins: Do we know the countries with which Ireland will be grouped?

Deputy Dermot Ahern: It has already been determined — Lithuania and Greece.

Deputy Joe Costello: Are all the parties in government fully supportive of the reform treaty, as it would certainly represent a U-turn for one

of the parties in government which has opposed all the treaties to date? I would be like to be given an assurance in that regard.

The Taoiseach stated legal advice was still being sought, presumably from the Attorney General, as to whether the treaty required a referendum to be ratified. I am still confused as to whether we will definitely have a referendum or if we are still awaiting legal advice. All of the other countries are proceeding on the basis of parliamentary ratification. They seem to intend to have such ratification completed by the end of this year. It would not be desirable to find ourselves, with all the other 26 countries having ratified the document, out on a limb in putting the treaty to the people in a referendum. It would be desirable to have spacing in the ratification process.

On the opt-outs, will prior approval be sought by both Houses of the Oireachtas, as has been the case before? Will the Oireachtas get to scrutinise any opt-out proposals made by the Government? We need to beef up the element of scrutiny by the Joint Committee on European Affairs. We need the personnel and other resources to operate that committee. While it is not yet in place, can we get a guarantee that we will be able to have a more meaningful committee which will have the powers, personnel and time to carry out the scrutiny that European directives and legislation emanating from the European Union deserve?

Deputy Dermot Ahern: The Deputy asked whether all parties in government were in favour. All parties represented at the Cabinet table — the Green Party, the Progressive Democrats and ourselves — are in favour of the reform treaty as agreed last week. Obviously, the broader church of each individual party might have members with different views on the treaty from the view expressed by the Taoiseach or me in the case of my party. I am not saying everyone in my party holds exactly the same view as we do on the treaty.

Deputy Billy Timmins: The Minister, Deputy Ó Cuív.

Deputy Dermot Ahern: As always is the case in my party, they would have the supreme intelligence to know that it is good for the country.

On legal advice, the Taoiseach is being careful in that the reform treaty was only finally agreed last week. From the point of view of tying up some loose ends, he needs final confirmation from the Attorney General that his legal advice that it needs to be put to a referendum stands.

Obviously, ratification cannot take place until the treaty is signed in December. National parliaments would probably not start the ratification process until some time in January or later. I heard a representative of one country say that the parliament of that country would not ratify it

until November 2008. Obviously, we will look closely at where our process needs to fit into this.

I can confirm that the opt-out would be subject to Oireachtas scrutiny in each case. In fact, we had an opt-in in the JHA area under the Treaty of Amsterdam which was discussed by the Cabinet recently. In the not too distant future the line Minister will bring the matter before the House. It was a very interesting discussion and was similar to the practical discussion we had on the JHA area. It did not relate to the justice area but to another, where under the Treaty of Amsterdam we had sought an opt-out. It was on the basis of whether we should opt in before the discussions on the issue were finalised or wait until after the regulation had been adopted and then decide whether we should opt in or out. The United Kingdom was in a similar position and what it was doing was of interest in the debate. The matter will be subject to Oireachtas scrutiny and debate.

I welcome the moves towards greater Oireachtas scrutiny of EU matters. Of all Ministers, the Minister of State, Deputy Roche, and I were the two who always attended Oireachtas committee meetings — in the Minister of State's case, meetings of the Joint Committee on Environment and Local Government — before attending the European Council. I always attended and was available for questioning before I attended European Council or GAERC meetings to have a discussion at Oireachtas level on the issues placed on the agenda.

Deputy Aengus Ó Snodaigh: In my earlier contribution I asked about the European Commissioner, Mr. McCreevy. Can the Minister confirm that the consequences of a rejection in the referendum would not include an exclusion of the State from the European Union as suggested by Commissioner McCreevy? Can he also confirm that we will have only one referendum and that in the event of the electorate rejecting the treaty it would not be put again and again until the "correct" decision was made?

Does the treaty still contain the obligation to support military actions to preserve the interests and values of the European Union? Did the Taoiseach or any Minister question the meaning of this part of the treaty and its implications for Ireland's neutrality and sovereignty?

Deputy Dermot Ahern: As the Deputy knows, the treaty is required to be ratified by all 27 countries. A total of 18 countries ratified the constitutional treaty and they must return to their respective parliaments with the reform treaty for ratification.

With regard to our process, as the Taoiseach stated, the strong advice of the Attorney General is that the issue must be put before the people, which I welcome. Most political parties know the mood of the people has always been pro-Euro-

[Deputy Dermot Ahern.]

pean and they recognise the benefits of being a strong member of the Union. Time and again, they have shown they do not agree with the view expressed by Sinn Féin that treaties would have an adverse effect on our military neutrality. The position on common defence is exactly as it was under the Nice treaty, which was ratified. All common defence issues must be determined by unanimity. That was one of Ireland's red lines going into these negotiations, along with the issue of taxation. We easily succeeded in ensuring the position on common defence would remain as it was.

Deputy Lucinda Creighton: I have mixed feelings on the agreement reached in Lisbon over the past number of days. While many of the institutional reforms that will be included in the treaty, predominantly the extension of QMV and the simplification of the voting process, are absolutely critical, I am disappointed not only with a number of the overall compromises but, in particular, with the opt out clause in the area of justice and home affairs. The Taoiseach said Ireland was opting out on the basis that, as a small common law country, it would find itself at a disadvantage and it would be unable to sufficiently shape proposals. That is a particularly misleading statement because as Fine Gael and the Government parties have stated repeatedly during the debates on all treaty referenda, it is absolutely vital for us as a small country in the Union to be at the heart of the decision making process, influencing the future direction of the Union. This is particularly critical in dealing with justice and home affairs issues because of the huge influx of drugs into the State and the immigration issues we face. I am very disappointed with this opt out clause.

In light of the Minister's comments on Oireachtas scrutiny, I understand Ireland has 90 days to opt in to any proposal. I assume that during this period both Houses will debate the proposal and the relevant agencies will be consulted before we choose to opt in. I am concerned about the time we will have to debate and influence a proposal we choose to opt into. This is a significant anomaly and the Government is biting off its nose to spite its face. What are the Minister's views on that?

The Taoiseach confirmed the State will not opt out of the Charter of Fundamental Rights. While I am pleased the charter will be legally binding under the Lisbon agreement, I am concerned it is not included in an annex to the reform treaty. How did that come about? Was that an attempt to pander to eurosceptic British members of the Union? Is the Government satisfied with this or is this a compromise with which it is not happy?

Deputy Dermot Ahern: The charter has full legal effect. There is a cross reference from one to the other and the issue involved was presen-

tational rather than anything else. I welcome that all parties are in favour of the charter's implementation.

With regard to the opt out clause, having examined it, we will be in a stronger position to determine these issues if we can opt out and then make decisions on a case by case basis. We will have much more control. The Deputy is shaking her head but I assure her that is a fact. That was the strong legal advice of the Attorney General regarding myriad issues, not least the way in which proceedings are carried out in court. Down the line decisions at European level could have implications and change the way in which court proceedings are held in Ireland. That was one of the major reasons. Another issue was common travel, to which reference was made in today's newspapers. One of the reasons we were cautious in this regard is changes might be made at European level that might affect our relationship with the British. In addition, future changes to the European arrest warrant by the Union could have an adverse effect on our citizens because the Union might not necessarily take into account the type of legal system we have.

One of the reasons the Government decided to include a strong declaration was to tell our colleagues it was our desire to opt in in every case if possible. As I explained in the last case, which is not a justice and home affairs issue, the Government can opt in before the negotiations begin and decide to be part of the discussion or wait until the regulation is finalised, see what it is like and make a decision, subject at all times to Oireachtas scrutiny. We will be in a much stronger position dealing with these issues as a result.

Deputy Lucinda Creighton: Does the Minister of State, Deputy Roche, share that view?

Deputy Dick Roche: I wrote the declaration.

Deputy Dermot Ahern: Ultimately, this could affect the constitutional rights of our citizens and we have a duty to protect those rights as much as possible. The strong legal advice of the Attorney General is we would be in a much stronger position to deal with issues on a case by case basis using an opt in, opt out clause while making clear our desire is to be part of European changes to deal with all the issues.

People should be careful about saying Ireland will not be a party to police co-operation or anti-terrorism measures across Europe. We absolutely will be and people should not say that. We will do everything within our power, provided it fits within the framework set down in our Constitution, to protect the rights of our citizens. That is why our desire to be part of the European model on criminal law while retaining a level of protection under our Constitution is a much stronger position in terms of making decisions on a case by case basis than being on the inside and using the emergency brake on every occasion, as

a number of people have suggested. Having attended various European Councils during my ten years as Minister, I assure the Deputy our ability to use the emergency brake, which, according to the legislation, can only be used regarding fundamental aspects, would not be possible on every issue and we would be one voice among 27 trying to use the emergency brake on many occasions. It was not a preferable scenario for any Government or Taoiseach. It would be much better to approach issues from the position we have adopted, that is, opt out in the initial phase and opt in on a case by case basis with the clear intention of opting in as much as possible.

Deputy Joe Costello: Given the unilateral decision by Britain to eliminate the common travel area that has existed for many years and which was an important aspect of our relationship with that country, what is the Government's position in respect of the Schengen Agreement? I presume the decision taken by the British authorities was entirely contrary to our wishes. What is the thinking within the Department in terms of signing up to the Schengen Agreement?

Deputy Dermot Ahern: It is not the case that Britain has made a unilateral decision to eliminate the common travel area. The British Government is considering introducing enhanced security in terms of people entering and leaving its jurisdiction. In the context of the common travel area that we have been lucky to enjoy for many decades, we are discussing these issues with the British Government in such a way that we ourselves can be absolutely certain we will not be used as a safe haven for undesirables.

We have put forward no proposals to become part of the Schengen Agreement. However, we have always participated in Schengen arrangements, so it is not the case that we are entirely out of the loop in this regard. We decide on these issues on a case by case basis to ensure we protect the types of advantages our people have had for many years in terms of the common travel area. This is a clear illustration of how opting out, but with the option of opting in, puts us in a strong position by affording us the ability to decide on a case by case basis whether proposals coming from the EU will have a positive or adverse effect.

Pre-Budget Outlook: Motion (Resumed).

The following motion was moved by the Tánaiste and Minister for Finance, Deputy Brian Cowen, on Tuesday, 23 October 2007:

That Dáil Éireann commends the Pre-Budget Outlook incorporating Pre-Budget Estimates for Public Services 2008 published by the Minister for Finance on 18 October 2007.

To delete all words after "Dáil Éireann" and substitute the following:

"notes the Pre-Budget Outlook incorporating Pre-Budget Estimates for Public Services 2008, published by the Tánaiste and Minister for Finance on 18 October, 2007 and having regard to the statement by the Minister that 2007 represented a turning point for the Irish economy, calls on the Government to take all necessary steps to:

- maintain infrastructure development as provided for in the National Development Plan;
- continue investment in the health and education systems; and
- protect the living standards of those on low incomes."

—(Deputy Joan Burton).

Deputy Paul Connaughton: The climate for this year's budget is extremely different from that which pertained before the general election. The way in which Fianna Fáil, in particular, presented the finances of the State in the lead-up to the election suggested the only way was up. However, the vast majority of our hard-working people were of the view that this budget would never be anything other than reasonably tight. However, the Taoiseach and his Ministers are now using that old trick of giving the impression to the electorate that the budget will be punitive so that whatever is revealed on budget day will not seem so bad.

There are several issues to which people will look with concern on budget day. We all want to know how far the Government will go in implementing the promises it made before the election. For instance, will there be a change in either the higher or standard tax rates? Will there be any change in PRSI? I recall a clear statement on the part of the Government that the rate would be reduced from 4% to 2%. These are fundamental issues in which every working person will have more than a passing interest. According to the information presented yesterday by the Tánaiste and Minister for Finance, all the indications are that the outturn for 2008 will involve a revenue intake of some €2.2 billion less than that for 2007. This is an enormous shortfall.

Our priority, as we approach budget day, is to obtain a clear view of the infrastructural projects that will be financed in 2008. For example, I read a newspaper article last week indicating that 14 new schools will be built in the Dublin area. I have no doubt those schools are urgently required but no more so than the extension to the school in my own locality of Mountbellew, where 169 pupils are accommodated in a building intended for no more than 97. This school faces the same difficulties as those encountered by any school in Dublin. Pupils in Mountbellew endure cramped conditions in prefabricated classrooms. People had an expectation, given the money

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available to the Government in the last five years, as dispersed through the much trumpeted multi-annual budgets, that school accommodation needs throughout the State would be met.

The new budgetary process is to be welcomed because it at least gives us an opportunity to discuss what our priorities should be, based on the figures provided to us by the Department. However, it does not in any way identify what will happen in 2008 in respect of specific infrastructural projects. For example, there is no indication whether proposed investment in inter-urban and secondary roads and in rail services will go ahead. Evidence of the unfortunate slowdown in the building industry is everywhere. In County Galway, building sites are closing on a weekly basis or only ten houses are built on sites which were originally to accommodate 60. A significant proportion of the €2.2 billion of taxes foregone next year results from the slowdown in the building industry. Are we to assume this slowdown means proposed infrastructural projects will not go ahead at the level and pace which we were promised? Alternatively, will another mechanism be deployed, such as borrowing, to ensure those projects can be implemented?

We wait with bated breath to see what happens on budget day.

Deputy Noel Ahern: All the answers will be revealed.

Deputy Paul Connaughton: We will put the Government to the test. I suspect we will not receive the answers we are hoping for.

Deputy John Curran: I welcome the opportunity to contribute to this debate. I compliment the Tánaiste and Minister for Finance on the reforms he has brought to the budgetary process, that is, the preparation and publication of the pre-budget outlook document and the facilitation of this debate in advance of the budget. I also welcome his introduction of a new unified budgetary framework which encompasses the simultaneous release of both spending and revenue forecasts on budget day. I have sat on the Committee of Public Accounts for a number of years. Two years ago the committee made a number of recommendations relating to the budgetary process. I am very pleased that the Minister for Finance has been receptive to those recommendations and has fully adopted them. The committee asked for a clear distinction to be made between pre-budget and post-budget allocations and I compliment the Minister on that.

As I am speaking on the subject of public accounts, I will make an observation. As part of our reporting process people are able to read about witnesses brought before the Committee of Public Accounts but they often ask what happens. We are all interested in best practice and value for money. We report our findings on issues that

arise to the Minister for Finance and make specific recommendations. The Minister for Finance, in so far as has been possible, has accepted and implemented the vast majority of changes the committee has recommended and this is one example. He should be complimented on that as it is always easy to continue doing things in the way they have been done as there is a sense of security in so doing. However, the Minister for Finance has the courage of his convictions to make the relevant changes and present them in the House. I am very appreciative of that and believe he has made a very good change to a system, adding a huge degree of transparency in the process.

The previous speaker said things had changed a lot since the election and that it was boom one moment and doom the next. It is a pity he has left the House, having made his statement, because it is easy to make such a statement. I will go back to December 2006 when the budget announcement was made. At the time growth in GDP was expected to be 5.3% and that was seen to be a realistic target. I have no recollection of anybody, Members on the Opposition side of the House or economic commentators, suggesting that the expectation was wrong. People were not suggesting that the expectation of 5.3%, on which the budget of last year was built, was grossly incorrect. Things have happened in the meantime.

In the short period since last year's budget economic changes have taken place, the most significant being a number of increases in interest rates amounting, in total, to 0.75%. That has had a knock-on effect. Other changes include increases in oil prices and in the exchange rate of the euro *vis-à-vis* the dollar, which affects exports. We did not con the public. We used a figure, 5.3%, and neither the Opposition, economic commentators nor anybody else suggested that figure was wrong. It is easy to say so in hindsight but it was a forecast, no more than that. Most economic analysts felt, at the time, that it was correct and it is a bit rich to say we conned or fooled people. It was a forecast and it did not turn out to be exactly correct. Neither did many previous forecasts, however, because in many years we were criticised for understating the rate of growth. It was a forecast, and exact forecasts are always difficult.

One of the significant changes which has been mentioned has been the reduction in housing output. That was always going to happen because a country of this size cannot produce 80,000 or 90,000 houses per annum. Admittedly the drop-off has probably been much quicker and more severe than people might have expected but housing output and housing starts are back to a level that is more realistic and sustainable over a longer period. There was very high output to meet very high demand, and supply and demand are coming more into line, maybe as a result of higher interest rates. That will have an impact on our economy. In particular, the rate of increase

in employment next year will drop. It is expected to be a little over 1% instead of the 3.5% to which we have become accustomed. Next year, for the first time, we also expect, because of the reduction in construction industry output in housing, that unemployment will rise from its current level of approximately 4.5%.

That is the context in which the Minister for Finance is framing the budget and he is upfront about the issues. It is not all doom and gloom, however. In 2007 there has been record spending on services. We have more medical people, more educators, more gardaí and the range of services provided across all Departments is at an all-time high. As we approach the budget it needs to be noted that, despite the fact that the rate of growth in the economy next year will not be what it was last year, all services will be provided and there will be no reductions. We had a record year in 2007 and it will be repeated in 2008. What will vary is the rate of growth in a number of areas. People have said the Minister for Finance is being pessimistic, but he is being realistic. We will maintain all the services to which I referred and the Minister has said so. He has also indicated how much it will cost to provide the same level of service next year as this year.

People have asked where the money and the good times have gone, now that the economy is not growing as much. They say it has been squandered and frittered away, but nothing could be further from the truth. All we need do is look around us to see where the money has been spent. One of the areas in which I have a particular interest is education but a number of years ago there was no such thing as an SNA, special needs assistant. Since 2005 alone there have been 2,500 additional SNAs in education, there have been 3,400 additional primary school teachers and 1,100 more are earmarked for next year.

The same applies to our school building programmes. Investment in education infrastructure since 2005 has been in excess of €1 billion and involves a number of projects. The previous speaker has left the Chamber but the point is very relevant to the growth of population in Dublin. I suggest to the Minister that, as parts of west Dublin, in particular the town of Lucan in my constituency of Dublin Mid-West, have experienced huge growths in population, such investment needs to continue apace. The population is young and in the past five years in Lucan alone we have provided virtually a new primary school each year. The consequence of that is that there will be a demand, as those young people get older, for a secondary school in the area.

The Minister must be cautious in his budget and must spend within our means. Running the finances of the State is probably not very different from running the finances of the home. It would be inappropriate to return to an era in which we spent and borrowed very significantly, expecting our children to pay tomorrow for the services we enjoy today. Of equal importance is

that the Minister sends out the signal that he is running the economy on a sound financial basis, because that inspires business confidence. As most people realise, business confidence and sentiment can be somewhat fickle. We still depend very significantly on investment in this country. We are constantly seeking companies like Wyeth, which has invested in my area. One of the key elements such companies will look for is a sound, well run economy. Irrespective of whether the next generation pays for current borrowing, the present one has benefited from such companies.

I said we expected a slight increase in unemployment next year, particularly arising from the reduction in construction industry and housing output. It is important the budget takes cognisance of that fact by targeting resources at those who become unemployed, to get them back into the workforce as quickly as possible. We saw the adverse effects of long-term unemployment in the 1980s and earlier so the quicker those who become unemployed can be trained and get back into the workforce the easier and more adaptable they are. Knowing that this is likely to happen in the near future, it is something we should take into consideration in the preparation of the budget.

Debate adjourned.

Sitting suspended at 1.30 p.m. and resumed at 2.30 p.m.

Ceisteanna — Questions (Resumed).

Priority Questions.

Business Regulation.

74. **Deputy Leo Varadkar** asked the Minister for Enterprise, Trade and Employment if he will implement the single recommendation of the business regulation forum that he established in 2005 to introduce a standard cost model as used in Denmark and the Netherlands to objectively assess the administrative cost for businesses to comply with new and current regulations; and if he will make a statement on the matter. [25672/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): In response to the business regulation forum recommendation and to progress the agenda of reducing administrative burdens for business, I established the high-level group on business regulation under the chairmanship of the Secretary General of my Department. The high-level group comprises representatives of Departments and agencies, the business sector and a representative of ICTU.

The business regulation forum did not recommend the introduction of the standard cost model

[Deputy Micheál Martin.]

as applied in the Netherlands and Denmark. Instead, the forum recommended that “given the resource implications associated with undertaking a full baseline measurement exercise, a prioritised and selective approach is the most realistic way forward for Ireland.” The high-level group is pursuing such a prioritised and selective approach.

The high-level group has decided to focus initially on ways to reduce, simplify and eliminate unnecessary administrative burdens and associated costs in the five priority areas identified in the business regulation forum’s report and will capture the savings arising from the work on a case by case basis. The five priority areas identified by the forum are taxation, statistical reporting, environmental regulations, health and safety regulations and company and employment law. I expect the group to submit an initial report to me by July 2008.

In the recent past I have taken several initiatives to help reduce the administrative burden on business. These include audit exemption, as at the end of last year legislation was introduced to raise the audit exemption thresholds applying to small companies in respect of turnover and balance sheet to €7.3 million and €3.65 million, respectively. The previous thresholds were €1.5 million and €1.9 million. This will remove the compulsory annual audit costs from the very large number of companies qualifying from the enhanced exemption level.

In July 2007 the Government approved the general scheme of the companies consolidation and reform Bill as prepared by the company law review group and the Bill is currently being drafted. The proposals will bring the existing 13 Companies Acts into one and, in addition to a number of significant proposed reforms, will make it easier for firms and practitioners to understand and comply with the law relating to the incorporation and operation of companies in Ireland.

In June 2007, new regulations were introduced to include in one text virtually all of the specific health and safety laws which apply generally to all employment. This replaces and repeals a wide list of existing legislation. The new regulations are designed to be user-friendly and to assist those referring to health and safety regulations to find most of the general safety provisions in one text.

I take this opportunity to welcome Deputy Varadkar to this area of policy and I look forward to ongoing engagement with him.

Deputy Leo Varadkar: I thank the Minister and look forward to our engagements.

Unfortunately, I do not have a copy of the report in front of me, but my understanding is that five recommendations were made and among those was the use of the standard cost model in assessing regulatory impact.

Will the Minister introduce this model and if not, why not? Will he follow the example of the

Netherlands by setting a real target for reducing the cost of regulation? The Netherlands planned and succeeded in reducing the cost of regulation by 25% over five years and now plans to do the same over another five-year period. If the Minister sets a real target on reducing the cost of red tape on business, his efforts could be benchmarked.

Deputy Micheál Martin: We will not introduce the standard cost model as employed by the Netherlands, although we have engaged with Dutch authorities and they made representations to the business regulation forum on the application of the model there. One of the key issues is required resources in terms of a base measurement that a standard cost model would entail. We would need a significant cohort of civil servants in every Department, co-ordinated by the Department of Finance to oversee a standard cost model. Some of the methodology used by a standard cost model can be used, primarily to measure reductions achieved rather than identify burdens in other areas. In other words, we are identifying key areas brought to our attention by business, where we could make significant progress on reducing the regulatory burden.

The EU has set a 25% reduction target, which we will be signing on to. There is a significant implementation piece around that, but nonetheless we subscribe to the EU-wide policy of endeavouring to achieve a macro-reduction in regulation for business.

Deputy Leo Varadkar: I understand what the Taoiseach has said to be somewhat different. He stated Ireland will play its part in reducing the cost of regulation. That is what one says when there is no plan to do anything. Has the Government formally signed up to a 25% reduction target and if not, when is it intended to do so?

I accept the Minister’s statement on not implementing the standard cost model in the way it is done in the Netherlands. The implication is that it is intended to introduce it in some sort of Irish way. Perhaps the Minister will expand on that?

Deputy Micheál Martin: As a backdrop to this, it is worth pointing out that the World Bank’s report, *Doing Business 2008*, ranked Ireland eighth out of 178 in terms of ease of starting and running a business. Only the UK and Denmark are ahead of us in the EU.

That said, we acknowledge a clear need to reduce regulation on business and I have already outlined some of the steps we have taken on this, such as the audit exemption threshold. In response to the business regulation forum, we have in essence established a high-level group chaired by the Secretary General of my Department, which will concentrate on several areas. These include taxation and statistical reporting, as companies are complaining that they have too many forms to complete to fulfil a range of

requirements. There are also environmental and health and safety regulations, as well as company and employment law.

One of the most effective ways to do this is through modernising legislation, which we did with the health and safety area. Company law is the next big area. Modernising legislation would demand a significant collective exercise by this Oireachtas because it is so large, but in itself it will simplify very significantly the regulatory process for starting and incorporating a new business. We are taking that approach and I want quick hits on the issue. I wish to achieve and if anybody in the Opposition has any suggestions for quick hits in regulation, I will not be slow to adopt them and to work with people.

Industrial Development.

75. Deputy Willie Penrose asked the Minister for Enterprise, Trade and Employment when his attention was drawn to the fact that a project (details supplied) in County Cork would not proceed; the action he took as a result; if he regards the project as being cancelled; the steps he will take to ensure that alternative industrial projects are secured for the Cork area to compensate for the cancellation of this project and other job losses in Cork; and if he will make a statement on the matter. [25678/07]

Deputy Micheál Martin: On the morning of 3 October 2007, I was very disappointed to be informed by way of a conference call with the Irish general manager and the executive vice president of operations of Amgen Inc. that the project had been postponed indefinitely due to a downturn and difficulties within the American market for the company's products.

During the week commencing 8 October 2007 various discussions took place between IDA officials and both Irish and US-based corporate executives from Amgen the position regarding the indefinite postponement of the project was reiterated. On 15 October 2007 I met senior corporate executives from the company, including the executive vice president of operations, in California. The Secretary General of my Department and senior IDA personnel were also in attendance.

The decision was made as a result of a review of the company's operations and is based purely on developments related to the company's global business. The business difficulties being experienced by the company will result in the reduction of staff numbers by up to 2,600 people worldwide, the closing of two plants in the US, and a reduction of its planned capital expenditure. I have been assured by the company that the decision does not reflect on the business environment here. Amgen has praised the responsive, pro-business approach of the Government and its agencies and the level of co-operation of all the public authorities in Ireland.

Amgen made its original investment decision to locate in Ireland after a careful and calculated due diligence exercise, and this decision was won against intense international competition. The conditions which attracted the company to Ireland in the first instance have not changed.

The Cork gateway is still vibrant in what it can offer potential investors, particularly in sectors such as pharmaceuticals, medical technologies and internationally traded services. East Cork has been one of the country's strongest performers in recent times in attracting investment from these sectors. A total of nine foreign direct investment projects have been announced for Cork city and county since the start of this year, with an estimated 1,000 jobs to be created at full operation. In the past three years IDA Ireland has approved new projects for the Cork area with the potential to create over 3,100 jobs at full operation. There are currently 133 IDA Ireland-assisted companies in County Cork employing in excess of 20,000 people. The agency remains committed to securing additional new projects for east Cork and promotes the area to potential investors on an ongoing basis.

Deputy Willie Penrose: My question was carefully framed to elicit a detailed reply. The decision by Amgen not to proceed with the project in question was the equivalent of what happened at Intel. Everyone is sympathetic because 1,100 jobs were due to be created directly as a result of the project and a further 100 would have come about in ancillary and spin-off industries.

Does the Minister agree the signs in respect of this project were ominous? The early warning system in his Department relates to job losses but did no one associated with it happen to read a detailed article in the *Los Angeles Times* on 16 February this year which referred to the fact that Amgen's top selling drug was under scrutiny, that negative results had been associated with it, that there was going to be a fall in the share price and that analysts were advising investors that the company's shares would come under pressure? Were the Minister and his Department the only ones unaware of what was happening? Deputy Ned O'Keeffe was in a position to state the Government and its Ministers had painted a rosy picture until the general election had been negotiated.

I visited Amgen with my colleagues Councillor John Mulvihill and Deputy Sherlock, whose late father kept me informed in respect of this issue. Why did people not know what was going to happen in respect of the project in question? Is there any way the Minister could establish an early warning system in respect of promised employment that would be similar to the existing system relating to job losses? What has occurred is a significant blow. I accept the Minister's assurance that it was global rather than local or national considerations which led to the project not proceeding.

[Deputy Willie Penrose.]

How much money was spent by Cork County Council with regard to putting in place infrastructure such as roads, sewerage systems, etc? Will that money be recouped from Amgen? What beneficial interest does IDA Ireland hold in the site and what efforts will be made to remarket it in the context of attracting alternative industry?

Deputy Micheál Martin: On the Deputy's latter queries, those matters will be dealt with in reply to a later question. In order to save time, I will deal with them when the said question is taken.

It is important not to play politics with this issue.

Deputy Willie Penrose: I am not playing politics with it.

Deputy Micheál Martin: There is an element of playing politics. The Government does not represent Amgen. I do not sit in on meetings at the corporate headquarters of global companies. Those who run such companies, not the *Los Angeles Times* or any other newspaper, make decisions. The executive vice-president of the company put it very well last week when he asked if I honestly thought that if the management previously knew what it knows now, the company would have proceeded with the decision it took in April to carry out the project on a staggered basis to 2012. He also inquired if I thought the company would have pumped more funding into the project, which it did. Up to the day on which the closure was announced, up to 80 people were employed on the project.

The project was the subject of two comprehensive planning applications. Given the scale and detail involved, these were expensive. One need only visit Wyeth's operations at Grange Castle to obtain some insight into the scale of the project. Such a project cannot be done under cover; it would not be a case of someone shouting "Hey presto" and a major biopharma operation suddenly appearing without anybody noticing. It has been suggested we should have announced the project differently. The planning application which was substantial in nature had to be made.

The company is extremely unhappy about the position in which it now finds itself. The decision not to proceed clearly has a great deal to do with the situation that obtains in respect of two of its major drugs, particularly in the context of reimbursement policies within the United States. However, companies in the pharmaceuticals and biopharma sector experience rough periods and then emerge from them. The terminology used by the company in respect of the project is "indefinitely postponed". It made clear to us last week that it wanted to retain the site. Our strategy, therefore, is to work with the company to see if it can overcome the difficulties it is experiencing. We will then see what emerges.

Unemployment Levels.

76. Deputy Leo Varadkar asked the Minister for Enterprise, Trade and Employment the action he will take to tackle the projected rise in unemployment in 2008; his views on the ESRI forecast in this regard; and if he will make a statement on the matter. [25673/07]

Deputy Micheál Martin: The total approved staffing complement for the Office of the Director of Corporate Enforcement, ODCE, has already been increased this year from 37 to 41 posts. A further increase of four posts is planned to take place by the end of the year. The recruitment process in this regard is under way. In addition, I understand the director is pursuing with the Garda Commissioner the possibility of additional Garda staff. The possibility of further increases in the staffing of the ODCE in 2008 and beyond will be examined in the context of Government policy in respect of public service numbers.

The pre-budget Estimates for 2008, published on 18 October by the Tánaiste and Minister for Finance, provide for an increase of 3% in the allocation to the ODCE. Any further increases in the office's financial allocations will be subject to review by my Department in consultation with the Department of Finance.

An Leas-Cheann Comhairle: We are dealing with Question No. 76. The Minister's reply does not appear to relate to it.

Deputy Leo Varadkar: I am prepared to deal with the questions out of sequence.

Deputy Micheál Martin: Have I jumped ahead?

An Leas-Cheann Comhairle: Yes. Deputy Varadkar is forearmed with the answer to his next question.

Deputy Micheál Martin: That is certainly the case.

An Leas-Cheann Comhairle: The Minister may give the reply to Question No. 76.

Deputy Arthur Morgan: This is not surprising. Sometimes the answers we receive do not relate to the questions asked.

Deputy Micheál Martin: That is never the position in my case.

Deputy Leo Varadkar: Another Minister had a similar problem last week. However, I understand Amgen is now making a tablet to help people overcome these difficulties.

Deputy Micheál Martin: Unemployment currently stands at 4.5%. The ESRI projects that it will rise to 5.6% in 2008. It also forecasts that employment will grow by 2.5% — 50,000 — this

year and by 0.6% in 2008. The pre-budget outlook is more optimistic in this regard and states employment will grow by 3.5% this year and 1.25% — 26,000 — in 2008.

Employment has increased by 259,000 in the three-year period since 2004 and the number in employment is approximately 2.1 million. It was generally accepted that this rate of growth could not continue and the economy is now entering a period of adjustment. It should be emphasised that the forecasted growth rate, although lower than in previous years, is still impressive by international standards and ahead of the rates that obtain in other EU countries.

The range of services provided by FÁS will be available to anyone who becomes unemployed. This will include active engagement with persons on the live register with the objective of helping them to obtain jobs, either directly or through further training, education or work experience. This will include access to the various training and employment programmes provided by FÁS. FÁS is also placing particular emphasis on the training of low skilled workers in vulnerable industries. This is to ensure that in the event of becoming unemployed, they will have the skills necessary to make the transition to other employment.

The development agencies — IDA Ireland, Enterprise Ireland and the county enterprise boards — will continue to promote job creation through the delivery of programmes to assist the enterprise sector to develop and thereby create new jobs.

Deputy Leo Varadkar: I was shocked by the statistics contained in the pre-budget outlook and the ESRI report. Unemployment has risen from 3.7% in 2001 when it bottomed out to 4.7% today. The Government seems to have thrown in the towel when it comes to employment and has clearly admitted that unemployment will rise to 5.5% next year. The latter will mean that there will be in the region of 200,000 on the live register which in the past was seen as a serious psychological barrier. By stating employment growth will fall to 1.25% in the coming years, the Government is effectively saying the number of jobs that will be created in 2008, 2009 and 2010 will, in total, be smaller than the number created this year. Essentially, its forecasts are suggesting a serious deterioration in employment figures. Does the Minister accept the projections put forward by the Department of Finance and the ESRI? Does he accept that the Government has thrown in the towel in respect of employment? Has he examined international comparisons and discovered what is obvious, namely, that our unemployment rate will overtake those of our major competitors next year?

Deputy Micheál Martin: The EU-27 average for unemployment is 6.9%. The projections made fall well below this figure, which is important. We

must be careful as regards the language we use. We certainly have not thrown in the towel. The economy is robust and performing well in international terms. I have just come from the launch of Enterprise Ireland's new strategic vision for the next three years where it has set very ambitious targets for Irish-owned companies in terms of the following: new exports, the participation in research and development to develop new products and services, high-potential start-up companies and scaling up companies to grow significantly, internationalise and globalise. We are taking a very resilient, forward-looking approach to employment creation and protection, which must be achieved through innovation and investment in research and upskilling. If one looks at the national development plan, one will see within it the fundamental pillars that will underpin Irish competitiveness into the future and ensure that we can continue to compete internationally.

Deputy Varadkar correctly referred to the stunning achievements of the past number of years, although he did not use that language nor would I expect him to. Nonetheless, relative to any other country, the scale of employment growth has been very significant. In over a decade, we have gone from having 1 million people employed in the workforce to 2.1 million. Every economy evolves and goes through cyclical periods and we are going through one at the moment. However, the key issue for us is ensuring we have the right macro-economic policies to ensure we can become a centre where new products are produced and new services are conceived and delivered and that people internationally see us in that light.

Deputy Leo Varadkar: The Minister's words are very nice and if I did not know better, I would be re-assured by them. However, like everything else, it is lip-service. The Minister suggests the economy is robust and the Minister for Finance suggests that it has not been stronger for ten years. In reality, we see that the Minister's own Government accepts that unemployment is going to increase, tax receipts are going down and the deficit is going to rise.

The Minister cites the EU average of 6.9%, which I accept. I accept that unemployment is higher in Romania, Poland and various other countries in eastern Europe. I will cite some other figures.

Deputy Michael Ahern: France and Spain.

Deputy Leo Varadkar: I accept that France, which is a country with a long history of structural socialism, and we all know what that does, has a higher rate of unemployment. I will cite some other examples. Does the Minister accept that the UK has an unemployment rate of 5.4%, the US has an unemployment rate of 4.6%, Australia has an unemployment rate of 4.3%, South Korea has

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an unemployment rate of 3.7% and Norway has an unemployment rate of 2.7%? These countries are our real competitors in the global market, not France or Romania.

An Leas-Cheann Comhairle: This will be the Minister's final reply.

Deputy Micheál Martin: Our unemployment rate is 4.5%.

Deputy Leo Varadkar: Yes, but the Minister is accepting that we are going to overtake all those countries next year. That is a serious problem.

Deputy Micheál Martin: Deputy Varadkar is taking current figures for the other countries and comparing them with projected forecast figures for next year. I invite the Deputies to look at all previous forecasts for the past ten years. We could do an interesting assessment of how many of them were actually correct.

Visit of Ugandan Delegation.

An Leas-Cheann Comhairle: Before moving on to the next question, on my behalf and that of the Members of Dáil Éireann, I offer a hearty welcome — a céad míle fáilte — to a distinguished parliamentary delegation from the Republic of Uganda. I hope its visit here will be fruitful and most pleasant. The delegation is most welcome.

Ceisteanna — Questions (Resumed).

Priority Questions.

Employment Rights.

77. **Deputy Willie Penrose** asked the Minister for Enterprise, Trade and Employment the steps he is taking to introduce and implement legislation regulating employment agencies in order to ensure equality of treatment for agency workers; if his attention has been drawn to the fact that Ireland is one of only three EU countries which has failed to provide legislation for equal treatment of such workers in terms of pay, conditions and employment status; and if he will make a statement on the matter. [25679/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): As part of the Government's commitment under the partnership agreement, Towards 2016, I am currently considering the final elements of proposals for the draft scheme of a Bill to regulate the employment agency sector. I intend to submit a memorandum to Government very shortly seeking approval to

have the Bill drafted by the Parliamentary Counsel to the Government.

The Bill as drafted will reflect the commitment in Towards 2016 to a licensing system where, to be licensed, employment agencies will be required to comply with the terms of a statutory code of practice which will set out the practices and standards which employment agencies would be expected to follow. A monitoring and advisory committee will advise me on the code of practice and on other matters related to this sector of our economy. Other elements in the Bill are aimed at further strengthening and enhancing the effective enforcement of the employment rights of agency workers.

I am aware of suggestions that Ireland is one of only three EU member states which has failed to legislate for equal treatment for agency workers in terms of pay and conditions of employment. However, practice in respect of agency workers in other EU member states is not always what it might appear at first glance. The situation is far more complex than that portrayed and the various parties concerned have recently been advised of this position. A report by the European Foundation for the Improvement of Living and Working Conditions seems to be the source of these assertions but detailed examination supplemented with contacts with officials from member states reveals a far more complex and varied pattern in individual member states.

Thus, in member states where legislation is complemented by collective agreements, deviation from the equal wage clause in legislation may be permitted. The current collective agreement concluded by the Netherlands is a case in point where pay parity need not necessarily be reached until the agency worker has been employed for 26 weeks. There is also wide variation in the nature and extent of employment rights attained by agency workers under the individual systems and in respect of the collective agreements that apply across individual member states, such as in the case of statutory sick pay and pension rights. In some member states, various restrictions and prohibitions are in place in which agency working is excluded from whole sectors of economic activity.

In the course of consultations on the proposed Bill, some parties have raised matters not included in the current partnership agreement, including pay parity from the commencement of employment. This demand is outside the scope of measures agreed in Towards 2016 and, in any case, does not have due regard to the complex arrangements in other member states.

Additional information not given on the floor of the House.

Finally, I should point out that Ireland's comprehensive body of employment rights legislation provides that employee protection applies to migrant workers in Ireland and also to agency and posted workers who have entered into a con-

tract of employment that provides for their being employed in the State or who work in the State under a contract of employment. This means that irrespective of nationality or place of residence, such persons have the same rights under employment rights legislation as Irish employees. Indeed, this is acknowledged by SIPTU which has included a full listing of such entitlements in an information leaflet on agency workers of June 2007.

With regard to enforcement, labour inspectors pursue allegations of worker mistreatment and when evidence of non-compliance with the relevant employment rights legislation is found, the inspectorate seeks redress for the individual or individuals concerned and, if appropriate, a prosecution is initiated. It should be noted also that in many cases employment rights legislation has provisions whereby workers who believe that they have been denied their entitlements or otherwise unfairly treated can take the matter before dispute-settling agencies such as the rights commissioner service, the Labour Court and the Employment Appeals Tribunal. I urge anyone who has evidence of the mistreatment of agency workers to furnish all the relevant details and any related materials to the inspectorate with a view to pursuing the matter.

Deputy Willie Penrose: It is clear that Irish and migrant workers are being offered agency employment rather than full-time employment. Is it also not clear that the situation regarding agency workers represents a blight upon, or a lacuna in, our employment legislation framework? We have nothing to protect such workers who have little or no job security and little or no access to sick pay, pension entitlements or other non-pay benefits. The rate of pay is generally lower than that of the regular workforce and collective representation or negotiations are virtually ruled out.

The Minister of State will recall the Irish Ferries dispute, which is of recent origin and fresh in our memories, and the GAMA construction scandal. Thankfully, with public support, satisfactory settlements were achieved for the workers in both companies. As a result, is it not clear from the public outrage expressed, that there is a glaring need to establish, as SIPTU has advocated, a threshold of decency in employment standards for all workers employed in Ireland?

I acknowledge that Towards 2016 contains a number of commitments to improve employment standards but these are all procedural. The point is that there is very little of substance. They will achieve nothing in the areas causing grave disquiet to workers. Does the Minister of State agree that unless the expectations of agency workers are tackled, this continuing exploitation will pose a threat to the rest of the workforce, which may also find its pay and conditions of employment undermined? It will have a knock-on effect. They are called atypical workers.

What is the position on this and why do Ireland, the UK and Hungary find themselves out of step? Does the Minister of State oppose the introduction of a draft European directive on the matter or should we not be prepared to take the bull by the horns and legislate for this important area?

Deputy Billy Kelleher: The previous Government responded quite quickly in respect of the Protection of Employment (Exceptional Collective Redundancies and Related Matters) Act and the Irish Ferries workers. Obviously, Ireland will play a very constructive role in any discussions that take place at European level and this has been well acknowledged in Europe.

In respect of agency workers, let us be under no illusions. People who have contracts in this country are protected by employment rights legislation. That is a fact. If a person comes into this country, is working and has a contract, he or she is entitled to the same protection in respect of employment rights as anybody else.

We must acknowledge that we have taken major steps in recent years to ensure we have strong compliance. We have increased the size of the labour inspectorate and are setting up the National Employment Rights Authority on a statutory basis. We have introduced many statutory legislative provisions over recent years. The increase in the number of labour inspectors is something of which we can be proud.

In the context of the overall issue, Towards 2016 is a fundamental document and we will live up to our commitments in it. In my reply to the question, I referred to the fact that there are quite complex arrangements in other European countries so it is not as simple as saying that Ireland, Great Britain and Hungary are out of step with the rest of the EU. Many other countries have collective systems in place and agency workers do not have access to full entitlements in some countries. In other member states, such workers are barred from taking up jobs in the civil service and the public sector.

Deputy Penrose is not comparing like with like and should analyse further the impact this could have on the Irish economy and our competitiveness. Some companies have seasonal work arrangements. We should acknowledge another very important factor, namely, our duty to represent agency workers. Not everybody has asked agency workers whether they are content with some of the arrangements in place in general.

Departmental Agencies.

78. **Deputy Leo Varadkar** asked the Minister for Enterprise, Trade and Employment his plans to increase funding and resources for the Office of the Director of Corporate Enforcement; and if he will make a statement on the matter. [25674/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The total approved staffing complement for the Office of the Director of Corporate Enforcement, ODCE, has already been increased this year from 37 to 41 posts. A further increase of four posts is planned to take place by the end of this year. The recruitment process is under way. In addition, I understand that the director is pursuing with the Garda Commissioner the possibility of additional Garda staff. The possibility of further increases in the staffing of the ODCE in 2008 and beyond will be examined in the context of Government policy in respect of public service numbers.

In regard to the funding of the ODCE, the pre-budget Estimates for 2008, which were published on 18 October by the Tánaiste and Minister for Finance, provide for an increase of 3% in the allocation to the agency. Any further increases in the office's financial allocations will be subject to review by my Department in consultation with the Department of Finance.

Deputy Leo Varadkar: My question particularly related to recent court decisions in the Airspace versus Powertech case and the Panabridge case where essentially Ms Justice Laffoy, in her wisdom, decided perhaps that it is no longer appropriate for companies to seek actions, under sections 150 and 160 of the Companies Act, to have a company reinstated. The effect of that decision is that it falls entirely on the director of corporate enforcement to ensure that companies go through the liquidation process properly. Without doing that, hundreds of thousands of creditors will have no recourse to the law and will not be able to get their money back from companies that fold. It is obvious that the Director of Corporate Enforcement will require staff in the order of 400 rather than 41 to fulfil his obligations.

Will the Minister advise me on the number of companies involuntarily struck off the register last year? Given these recent court decisions, does the Minister envisage the Director of Corporate Enforcement taking on the role of pursuing companies? *3 o'clock*

What is the Minister's view of the 80,000 or so cowboy directors whose companies have folded and who subsequently establish other companies without having properly liquidated their previous companies?

Deputy Micheál Martin: That is a completely different question from the one tabled. We can reply in detail to the Deputy later in terms of the specifics of that question. The question he tabled is about the funding and resources for the Office of the Director of Corporate Enforcement and whether I will make a statement on the matter.

I wish to clarify the backdrop to the increase in resources for that office. The director made a submission to the Department last year seeking approval for the allocation of 20 extra staff. He

did not identify that issue as the key one but rather identified a range of issues. He requested that eight staff be allocated by the year end with four *in situ* by then. We will have allocated eight of the 20 additional staff sought and the issue of allocating six additional gardaí is being pursued with the Garda Commissioner. If that comes through, a further six people will be allocated, which the director has indicated he would require. We are now in the middle of the Estimates cycle and are engaged in discussions with the Department of Finance in that regard.

The agency has made substantial progress. Our difficulty is in terms of the employment numbers to which we are obliged to adhere. We must consider a range of demands from various agencies. The staff in the National Employment Rights Authority, NIRA, has increased from 31 to 90, the Labour Court, LRC and EAT has been allocated 25 additional staff; the Competition Authority has been allocated seven additional staff; 50 new posts have been allocated to FÁS apprenticeship training; 44 additional staff were sanctioned for the Health and Safety Authority, of whom 23 are in place and 21 are being recruited for implementation of the Reach directive; sanction has been received for seven contract staff for the National Consumer Agency, bringing the total to 15 staff for the agency; and two additional staff have been sought for IASSID, which brings the total staff complement there to 17. We must work within the constraints of those demands. We have recruited 257 staff for all the agencies. The issue in question is the prioritising of the allocation of staff required.

In terms of its criminal enforcement proceedings, the ODCE has secured 48 convictions of company directors in 2006. The civil enforcement proceedings secured 14 disqualifications and two restrictions in 2006 and there was a range of other proceedings. Some 100 directors of insolvent companies were also restricted by the High Court in 2006 on the application of liquidators made with the ODCE's assent. Nearly €160 million was repaid by directors and connected persons to their companies after excessive use had been made by them of company assets.

The director has had considerable success. We are anxious to do what we can to support him in his ongoing mission. Given the short timespan he has been in office, he has made an impact.

Deputy Leo Varadkar: Initially I had included another line in the question I tabled.

Deputy Micheál Martin: We can get that information for the Deputy.

Deputy Leo Varadkar: I accept that.

Deputy Micheál Martin: In terms of the specific questions the Deputy asked, we can get the detail of that.

Deputy Leo Varadkar: In that regard, is the Minister aware of those judgments and of the fact that the courts are taking the view that it is the role of the Director of Corporate Enforcement to pursue the thousands of companies that were involuntarily struck off the register? Is it the Minister's view that the Director of Corporate Enforcement should take on that role? If so, should he be resourced to do so and will the Minister ensure that?

Deputy Micheál Martin: I would have to get analyses on those court judgments and their full implications from the Attorney General and our own people. The remit of the director is as wide as one would want it, and that applies to the remits of many agencies. Inevitably there will be a need for prioritisation and targeting. There must be a realistic assessment of what is achievable. That is the context in which we will approach the resourcing of the agency. The agency has grown and I acknowledge it has a significant workload. I must work in the budgetary context of the resources available to me and do what I can to allocate resources across the agencies.

The emphasis in the Department last year was on employment rights compliance and the need to do something to significantly improve our capacity. The social partners and the House agreed with that emphasis and that received priority last year. We got good results which are to be seen. It is a question of competing priorities within the system. I will take on board what the Deputy said. The number of staff in the office will have increased by eight by the end of the year.

Other Questions.

Job Creation.

79. **Deputy Seán Sherlock** asked the Minister for Enterprise, Trade and Employment the amount of grants, aids or other financial assistance provided by the Exchequer to a company (details supplied); if these moneys have been recovered; and if he will make a statement on the matter. [25374/07]

95. **Deputy Deirdre Clune** asked the Minister for Enterprise, Trade and Employment the discussions he has had with IDA Ireland and a company (details supplied) regarding its development and subsequent withdrawal from the facility in Carrigtwohill, County Cork. [25430/07]

108. **Deputy David Stanton** asked the Minister for Enterprise, Trade and Employment when he, his Department or any of the State agencies under the aegis of his Department first received an indication that a company (details supplied) was indefinitely postponing the project in east

Cork; the contact or communications he, his Department or any of the State agencies under the aegis of his Department has had with the company since its announcement to indefinitely postpone the plant; and if he will make a statement on the matter. [25455/07]

112. **Deputy Arthur Morgan** asked the Minister for Enterprise, Trade and Employment the action being taken by him and by the enterprise development agencies to ensure the creation of jobs in east Cork, an area which has been particularly badly affected by job losses in recent years in view of the announcement by a company (details supplied) that it is postponing indefinitely its plans to come to Carrigtwohill, County Cork. [25412/07]

132. **Deputy David Stanton** asked the Minister for Enterprise, Trade and Employment if he, his Department or any of the State agencies under the aegis of his Department has been given an indication from a company (details supplied) regarding the future of the site in east Cork; if he will provide a breakdown of the expenditure to date by local authorities, State agencies or any Department on works, grants and so on connected with the development of the site; if there is a planned future expenditure regarding same; and if he will make a statement on the matter. [25456/07]

Deputy Micheál Martin: I propose to take Questions Nos. 79, 95, 108, 112 and 132 together.

As stated in my previous reply to the House on this matter, I was disappointed to hear about the decision by Amgen on 3 October last that it was to indefinitely postpone its proposed development of the Carrigtwohill site. On 15 October last detailed discussions were held in California between myself, the Secretary General of my Department, senior IDA Ireland personnel and senior corporate executives from the company.

With regard to the financial assistance provided to the project by the Exchequer, a total of €4 million in IDA Ireland grants has been paid to the company to date. While IDA Ireland has not sought repayment of IDA Ireland grants to date, the company is obliged to repay the grant in its entirety under its legally binding agreement with IDA Ireland in the event of the project not proceeding.

I have no function in regard to local authority expenditure. However, I understand that at a meeting held on Thursday, 9 October, Amgen confirmed to Cork County Council that it will reimburse the council for costs incurred by the council on works relating to the site. The company indicated that it expected to retain the site. As stated in my earlier reply, it confirmed that to me as late as last week. The county manager has also confirmed to me that he had fruitful discussions with Amgen on the infrastructural works. As stated earlier, the decision by Amgen

[Deputy Micheál Martin.]

was based purely on developments relating to its global business and is in no way reflective of the business environment in Ireland or of the high calibre staff it had hired.

IDA Ireland is actively promoting the greater east Cork region to prospective investors across the full range of IDA Ireland targeted sectors, such as pharmaceuticals, medical technologies, information and communications technologies and internationally traded services via its network of overseas offices and project divisions. The agency has seen the emergence of an economic corridor along the N25 with the initial development of Little Island many years ago followed by new developments at Eastgate, Fota Business Park, Carrigtwohill and Middleton.

IDA Ireland has also been instrumental in attracting additional client investment to the area with the development of the IDA Ireland Business and Technology Park in Carrigtwohill. The availability of quality property solutions in the east Cork area has proved attractive to visiting IDA Ireland clients.

There are currently 133 IDA Ireland assisted companies in County Cork employing almost 20,000 people. The corresponding figure a decade ago would have been 10,000. Cork city and county have benefited greatly from a number of important investment announcements this year which demonstrates the attractiveness of the greater Cork area as a location for inward investment by existing companies already located there and new overseas client companies choosing Cork as their location of choice.

Cork has seen consistent investment by new companies and reinvestment by existing companies in recent years in the pharmaceutical sector. The investment by GlaxoSmithKline of €250 million over five years in its production site at Currafinny followed the establishment of a research project in August 2006 into gastrointestinal diseases, in collaboration with the Alimentary Pharmabiotic Centre in UCC, which involved an investment of up to €13.7 million. Cork as a location was also endorsed by Eli Lilly with its intention to invest €400 million over five years in a biopharmaceuticals manufacturing facility at its existing site in Dunderrow, Kinsale and by PepsiCo Inc. with the establishment of its worldwide concentrate headquarters.

I am confident the policies being pursued for Cork city and county by the development agencies and by Government will continue to pay dividends in terms of investment and jobs for the region.

Deputy Seán Sherlock: Members on this side of the House are not seeking to play politics with this issue but we question, as is our right, the decision by Amgen and the Government's response to it. The company has had two postponements. On 15 October, the Minister for Enterprise, Trade and Employment, Deputy

Micheál Martin met with Amgen. The people of Carrigtwohill and the region want to find out what the future holds for Amgen. Is it in a position to state whether it will proceed with the plant? If anybody is to be accused of playing politics with this issue it is the members of the Minister's party and his backbenchers.

Deputy Micheál Martin: The position is as I have stated. The company has not changed from its position, as articulated on 3 October 2007; in essence it has postponed the project indefinitely and is either redeploying or laying off staff. Prior to 3 October it was employing people and was planning and designing for the biopharmaceutical plant at Carrigtwohill. The company decided, however, it wants to hold on to the site. I do not wish to raise expectations one way or the other.

The IDA would have pursued Amgen for quite a number of years. We have almost all the household names in the pharmaceutical and biopharmaceutical sector, but those we do not have, we pursue to get them to invest in Ireland. We won the Amgen company, having beaten the competition. Countries put up a great deal of competition to get biopharmaceutical companies to locate in their country, because the projects are very big in scale and there is a good deal of fixed investment. One can be fairly sure of the long-term prospect once the company locates in an area. We will continue——

An Leas-Cheann Comhairle: A number of Deputies are offering.

Deputy David Stanton: When did the Department of Enterprise, Trade and Employment first become aware of problems with Amgen? Were warning bells ringing in the Department or in State agencies when some of the drugs that Amgen had on the market were withdrawn from the US Medicare and Medicaid services in March? Did warning bells sound when the stock plummeted and it clearly ran into financial difficulties? The Minister postponed a sod turning ceremony in April; were the warning bells ringing at that stage? Am I correct in stating there is an advance warning system in the Department? Did that kick in at any stage and, if so, when? If not, why not? The Minister stated that the grants will be repaid; is there a timescale for the repayment of the €4million advanced by the IDA?

Deputy Micheál Martin: There is an ongoing early warning system in the Department but that is dependent on information from the companies themselves. We maintain contact with the companies but corporate headquarters do not always tell people lower down the hierarchy of a business about the decision they are soon to announce. Amgen made an announcement in April. The Amgen personnel travelled especially to Ireland to meet and communicate its decision which at that stage was to stagger the project out to 2012.

Many people thought this made sense because of the extraordinary rapidity of the project, with construction timelines and so on, which was even faster than the Johnson & Johnson project in Ringaskiddy. The Amgen personnel raised some of the points made by Deputy Stanton, such as the falling share price and they reassured me that this was something they could deal with as it was a cash rich company and it was definitely going ahead with the project.

Deputy Stanton may not have been in the House when I stated that the executive vice-president said to me: "Do you honestly think that we would have proceeded post April to continue to plough resources into the company; to continue to employ people and pay salaries and to continue to employ people to design the plant if we were not going ahead with it or if we were postponing it indefinitely?" It was obviously a fluid situation. The company was committed to the plant but the situation has not improved for them in the interim with the difficulties with the FDA and so on. It is fair to say that all companies in this area go through periods of volatility; as we know from other companies, the sector is prone to that.

On the question of the grant, there is no issue with the company on any of the matters. The company has been upfront and our strategy would be to keep the door open. I will say no more than that or I will raise expectations. There are clear legal obligations. It is only a month since the company made its announcement and indicated that it wanted to hold on to the site.

Deputy Arthur Morgan: Will the Minister indicate if he has a timeframe in mind as to when he might begin to pursue Amgen for the repayment of moneys advanced by the State agencies? I understand that while there is a significant chance of the development going ahead, the Minister would not want to pursue the company, but has the Department considered a timeframe? Would the Minister consider giving equivalent incentives to indigenous industry because clearly as my colleagues in Cork will testify, people are very anxious to ensure that employment opportunities are created?

Deputy Micheál Martin: Today we announced the Enterprise Ireland strategic review for the next three years, which clearly illustrates the range of supports that will be available to indigenous Irish companies to grow, develop their research capability and go international.

This is not about pursuing Amgen. That is not in the spirit of the relationship. There are set procedures and processes in play that determine when all these issues are resolved between the IDA and its client companies. I have no reason to doubt that they will come into play in the context of what may emerge.

Deputy Leo Varadkar: I have two questions. I preface my remarks by saying that nobody holds the Minister responsible for the problems that Amgen may have getting Arnest recognised by the FDA.

In the period between April and June, did the Minister or the IDA receive any early warning, were there suggestions the project could be scuppered or was the company put on a hot list? In regard to ownership of the site, is the Minister satisfied that Amgen is retaining site ownership and, if so, does that preclude the IDA seeking alternative investors for this serviced site, which was carried out largely at the expense of the taxpayer, albeit with a refund from Amgen?

Deputy Micheál Martin: It is not largely at the expense of the taxpayer.

Deputy Seán Sherlock: What about the €4 million?

Deputy Micheál Martin: This is a billion euro project. Let us be very careful. We have been very transparent, whereas normally we take a more confidential stand on the supports we give companies. We have a range of sites for potential investment. The Carrigtwohill site was developed specifically because Amgen had a view as to where it would locate. We offered a number of locations, and when this site was agreed with the company, the county council facilitated the provision of the site by rezoning it for major industrial facility that would bring significant jobs and investment to the region. Let us not forget the big picture and the spirit in which we engaged with Amgen. I do not know what the ultimate agenda is, but it does not impair the capacity of the IDA to attract investment into the Cork region. There are other sites that can host biopharmaceuticals. In response to the Deputy's question, I am happy that Amgen is holding on to the site. The IDA is also happy that Amgen is holding on to the site because as I stated earlier we want to keep the door open. This business is volatile and cyclical and it changes. It is too early to close the door on the site or the company.

Many of the works were coming on stream in any event. The Amgen project merely accelerated a significant degree of utilities which the county council had put in. That is good news for the east Cork area. The Cork area strategic plan, as developed by Cork County Council and Corporation, identified east Cork as a growth area. Therefore, utilities are important there. It is a valuable site and is now zoned for major industrial activity. If Amgen does not develop it someone else will.

Deputy Seán Sherlock: We all accept the vagaries of the international market, that negotiations are delicate and that landmark projects of this nature sometimes do not proceed. If Amgen is retaining ownership of the site, the people of the

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region will want to know why it is doing so when they have postponed the project twice. Is the Minister continuing negotiations with Amgen? Will Amgen make a final decision on its intentions in a reasonable time? The people of the region want to know where Amgen is going? If it does not locate within the site will someone else do so?

Given that €4 million has been expended to attract this industry, a legitimate question hangs over the use of taxpayers' money to attract industry. The Amgen project could be used as a benchmark for foreign direct investment projects throughout the country and for global trends in industries of that nature. If the global financial and economic infrastructure is changing and Amgen can make a sudden decision of this nature, questions must be posed regarding the nature of foreign direct investment throughout Ireland. That is why we are asking these questions.

Deputy David Stanton: Is the Minister saying the only early warning system his Department depends on comes from corporations themselves? In March, April, May and June when Amgen products were experiencing all kinds of problems, did no one in his Department alert him to the problems within the company or to the possibility that the project might not go ahead? Is he aware that these problems were spoken of throughout east Cork where everyone was saying Amgen was gone? Did no one in his Department raise with him the possibility that the project might not go ahead?

Deputy Micheál Martin: I met representatives of the company in April for the tenth time. They reiterated clearly and determinedly that they were going ahead with the project.

Deputy Seán Sherlock: When did Deputy O'Keeffe meet them?

Deputy Micheál Martin: In August, the company issued a public statement declaring it was going ahead, despite rumours. One cannot work on the basis of rumour machines.

Deputy David Stanton: Did the Minister depend on that statement from the company?

Deputy Micheál Martin: No. The IDA works with companies and has personnel who work with companies in California, the east coast of America, Japan, Germany or wherever they are located. We have IDA offices whose personnel liaise with companies in a tough competitive world.

Deputy David Stanton: So, no one raised the issue.

Deputy Micheál Martin: That is how things work and there is no mystery here. Representatives of the company flew into Ireland in April and assured everyone they were going ahead.

Deputy David Stanton: They postponed the sod turning ceremony.

Deputy Micheál Martin: It would have been totally inappropriate to hold a sod turning ceremony on the day the company announced that people were being laid off.

Deputy David Stanton: No one told the Minister.

Deputy Micheál Martin: I am telling you what was said. I am not the corporate headquarters of Amgen, nor is the IDA.

Deputy David Stanton: So much else is happening out there.

Deputy Micheál Martin: As late as August, the company said it was going ahead with the project and was making no deviation from its plans. There is no mystery. Companies make decisions. In some instances they communicate those decisions to the IDA and in others they do not. In my experience, when one is alerted to a company closure one is alerted very late in the day and the company always insists on first communicating with staff. That is how it works.

Deputy Michael Ahern: That is how things work in the real world.

Work Permits.

80. **Deputy Róisín Shortall** asked the Minister for Enterprise, Trade and Employment the number of occasions in respect of each of the past five years on which prosecutions were initiated and prosecutions secured in respect of failure to hold appropriate work permits against employers and employees; and if he will make a statement on the matter. [25399/07]

Deputy Micheál Martin: Under the Employment Permits Acts 2003 and 2006, it is illegal to employ a non-EEA national without an employment permit where one is required. These Acts provide for a large number of obligations and offences including those relating to the employment of foreign nationals except in accordance with an employment permit; refusal to co-operate with inquiries of the Garda Síochána; forgery, fraudulent alteration or fraudulent use of an employment permit; and misuse by employer or employee of an employment permit.

Any prosecutions initiated under these Acts are a matter for the Garda Síochána, who come under the auspices of the Department of Justice, Equality and Law Reform. I am informed the Department of Justice, Equality and Law Reform

has made inquiries with the Garda authorities in relation to the number of prosecutions but it has not been possible in the timeframe available to obtain the statistical information requested. This information will be forwarded to the Deputy as soon as it is available.

Deputy Willie Penrose: I thank the Minister for that reply. Is there also an EU directive which makes it a criminal offence for employers to employ illegal immigrants? Could Ireland opt out of that directive, along with Britain, under the terms of Title IV? Can the Minister provide details of that possibility?

There is a general perception that while employees are prosecuted if detected working illegally, employers are not. It is important, because of this perception, that accurate figures are provided and I ask the Minister for further clarification. It is my understanding that Ireland and the United Kingdom indicated an intention to opt out of a new EU directive making it a criminal offence to employ illegal immigrants. This is so that criminal sanctions would not attach to employers. Is that the position or am I misinformed? If I am misinformed I will accept that, but I do not think I am.

Deputy Micheál Martin: I will check that matter for the Deputy.

The situation has changed somewhat. The Employment Permits Act 2003 provided for no enforcement body other than the Garda Síochána. The 2006 Act provides that “the Minister may appoint, in writing, such and so many of his or her officers to be authorised officers for the purposes of all or any of the provisions of the Act or the Act of 2003”. My Department is currently holding discussions with the Garda national immigration bureau, the Department of Justice, Equality and Law Reform and the National Employment Rights Authority with a view to developing a very robust system for such prosecutions.

The fundamental ethos of the National Employment Rights Authority will be one of building compliance. It will give people the opportunity to correct their wrong ways. Its objective will be to reduce transgressions by building a robust compliance model. Article 27 of the Employment Permits Act 2006 allows the exchange of information held by my Department for the purpose of the Acts, between my Department, the Ministers for Social and Family Affairs and Justice, Equality and Law Reform and the Revenue Commissioners. This will allow agencies to combine their focus on employment sectors, such as the construction or hospitality sectors.

Deputy Willie Penrose: I thank the Minister for that reply. I am glad to see there is a greater cohesion and integration in this regard. I understand it is important to provide the opportunity to become compliant rather than bring down the

full force of an immediate criminal sanction. Nevertheless, it is important that we correct the perception that it is always the unfortunate employee rather than the employer who suffers as a result of a minor indiscretion.

Deputy Arthur Morgan: Will the Minister accept that the lack of awareness among employees and employers of their obligations in that area is still an issue? Will he consider introducing a penalty points system with more aggressive penalties for employers who are frequent offenders in regard to abuse of employees?

Deputy Micheál Martin: That is a useful suggestion that I would not rule out and that we could pursue because it could be built into the compliance model. I have taken a fairly hard line with regard to some employers. One of the easiest things to say to employers is that if they are found guilty of flouting employment and labour law, they need not bother to reapply for a work permit. That would be a very simple way of concentrating their minds. We had a very high profile case regarding the methodologies we use that has concentrated minds. It has ended up in the higher courts. Some of the feedback from the employers' side indicates that they are not overly enthused about the robust provisions of the 2006 Act. However, we have no alternative other than to do this to ensure we send a very clear statement that we will not tolerate any abuses of Irish employment and labour law or exploitation of Irish workers irrespective of class, creed or colour.

Legislative Programme.

81. **Deputy Pat Rabbitte** asked the Minister for Enterprise, Trade and Employment his legislative priorities for the Thirtieth Dáil; and if he will make a statement on the matter. [25397/07]

Deputy Micheál Martin: The legislative priorities for my Department are formulated in the context of the implementation of the programme for Government. The following are my current legislative priorities for the Thirtieth Dáil.

The Copyright and Related Rights (Amendment) Bill 2007 has been published. The purpose of this Bill is to regularise the position in Ireland as regards the lending of copyright works through the public library system in order to bring Irish legislation into full compliance with the EU Directive on Rental and Lending (92/100/EEC). This Bill has passed all stages in the Seanad and is now awaiting Second Stage in the Dáil. The Control of Exports Bill 2007 has also been published. Its purpose is to update existing legislative provision for control of exports, which dates from 1983, and to bring Ireland into line with best international practice. This Bill has been passed by the Seanad and completed Second Stage in the Dáil on 4 October last.

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As part of the Government's commitment under the partnership agreement Towards 2016, two priority Bills, Employment Law Compliance Bill and Employment Agency Regulation Bill, are being prepared by my Department. With reference to the Employment Law Compliance Bill, it is my intention to bring a draft scheme of the Bill to Government shortly with a view to having the Bill published by the end of the year. I am considering the final elements of proposals for the draft scheme of a Bill to regulate the employment agency sector. It had been agreed under the partnership agreement Towards 2016 but the social partners wanted some changes made to it and that has delayed the Bill. I intend to submit a memorandum to Government very shortly seeking approval to have the Bill drafted by the parliamentary counsel to the Government. While I am anxious that the Bill be published as soon as possible, the date of publication will depend on the date it is submitted to the Attorney General's office and on the priorities agreed with that office.

In regard to the Company Law Consolidation and Reform Bill, the company law review group, CLRG, was established in 2000 following the Government's decision to implement the recommendations in the report of the working group on company law compliance and Enforcement. The CLRG was set up by statute to advise the Minister for Enterprise, Trade and Employment on companies' legislation and, more specifically, to promote enterprise, simplify legislation and enhance corporate governance. Thirteen companies are being subsumed into one from 1963 to 2006. The proposed legislation will consolidate the existing 13 Companies Acts, dating from 1963 to 2006, as well as other regulations and common law provisions relating to the incorporation and operation of companies, into a single Act, comprising 1,263 sections approximately. It may be necessary for a special committee of the House to deal with it, with all that entails in terms of man hours and so on. That will form much of the activity for the Oireachtas.

Deputy Willie Penrose: I am glad that the two priority Bills are the Employment Agency Regulation Bill and the Employment Law Compliance Bill. I urge the Minister to give those priority in the context of the priority question I tabled in regard to it. I am certainly very eager that they be addressed.

The Company Law Consolidation and Reform Bill is extremely important. It is important that the law is clear, not just for directors, members or shareholders but also for employees. It is a major undertaking and I am eager that we should facilitate a committee to examine it in detail and make further improvements even at a prepublication stage and thus expedite the passage of the Bill. If the Minister leaves behind a good codified com-

pany law consolidation Act with some reforms he will have left a reasonable legacy..

Deputy Micheál Martin: There is merit in what the Deputy has said and it is constructive. While the parliamentary counsel can begin drafting the Bill, it would do no harm to set up a committee to devise a general scheme. I will discuss this with the Whips. The committee dealing with enterprise would normally have enough on its agenda, but I will initiate discussions with the spokespersons to see what the best methodology would be.

Public Holidays.

82. **Deputy Seán Sherlock** asked the Minister for Enterprise, Trade and Employment if his attention has been drawn to the fact that workers here have fewer public holidays than workers in most EU countries; if he will increase the number of public holidays from nine to 11 to bring Irish workers up to the EU average and particularly in view of recent statistics showing that workers here are the second most productive in the world; and if he will make a statement on the matter.
[25377/07]

Deputy Billy Kelleher: The Organisation of Working Time Act 1997, which implemented EU Council Directive 93/104/EC, of 23 November 1993, concerning certain aspects of the organisation of working time, provides for an entitlement to nine public holidays per annum.

Publication of data by the European Employment Observatory shows that there is a wide variation in the number of public holidays among EU member states. The average public holiday entitlement in the EU at present is approximately 11 days per annum. Variations in the number of public holidays must be considered in the context of other factors which may bear on this matter including for example, the relationship with annual holiday entitlement, whether statutorily based or obtained by way of collective agreements. Some entitlements also stem from the legacy of historical and religious developments of specific and differing societies.

Were an increase in public holidays to be considered and I stress, no increase is, at this moment, being contemplated, it would be necessary to undertake detailed and substantial consideration of issues arising, including wide-ranging consultations with social partners and other interested parties. Among the matters to be considered would be the impact of any such increase in public holidays on the competitiveness of firms, in particular, in relation to small and medium enterprises with smaller work forces, and in terms of output and the impact on employment.

I would point out that the matter of an increase in public holidays did not emerge as an issue for consideration during the detailed and substantive

phases of negotiation of the current partnership agreement Towards 2016. However, there is nothing to prevent any party raising such matters for discussion in the context of any subsequent agreement.

In the circumstances, I do not share the view that proposals of this kind should be considered without regard to the wider interests of workers and the enterprises in which they are employed. I suggest that social partnership provides the appropriate forum in which such matters can best be considered.

Deputy Willie Penrose: Perhaps it shows that the social partners are out of touch with the people they represent. Are they aware that recent European reports show that we rank among the lowest in Europe in terms of days off per year, despite working above average weekly hours. Is the Minister aware of the new International Labour Organisation figures that show that Irish workers are among the most productive and that we are second in terms of productivity based on total hours worked and fifth in terms of productivity per hour? These figures reinforce the case for the introduction of two additional public holidays as proposed by the Labour Party. Those matters are addressed.

Deputy Micheál Martin: That is the way we want to keep it.

Deputy Billy Kelleher: Will the Deputy send me a copy of that?

Deputy Willie Penrose: These are impressive statistics by any standards and workers are entitled to some reward for their achievements. I, therefore, advocate the introduction of two additional public holidays. Is the Minister aware that according to a recent opinion poll of workers 71% declare they do not get enough paid holidays, 43% took one week or less for their main holiday, 65% say workload increases when they take holidays and 4% holiday in a different time zone or remote location to avoid work. Does the Minister realise that the average holidays, including statutory holidays and public holidays, is 34 days across the EU and that only the Netherlands, Romania and the United Kingdom, with 28 days against our 29, are out of synch? Will the Minister consider my proposal? If the Labour Party ever returns to Government this is something it will pursue. The last time this was done was when the Labour Party gave the public the May Day holiday in 1994.

Deputy Billy Kelleher: The Deputy might raise that again in the context of where we are and what we are trying to achieve. Certainly it was Irish workers who answered the clarion call many years ago when we had major difficulties in the economy and they have worked progressively and are very efficient. We want that to continue to be

the case in the context of a very open economy. The Deputy's suggestion can be discussed in the context of agreements being negotiated. However, at present, we must take into account the impact this would have primarily on small and medium sized businesses.

Deputy Willie Penrose: I know, I am one of those.

Deputy Billy Kelleher: This is something that may be discussed at a later date. The social partners did not raise this issue and it is not a burning issue at my clinics. While it is nice to raise this issue, we must acknowledge the workers and avoid imposing any further risks, particularly on small and medium sized businesses.

Deputy Leo Varadkar: I share the Minister's scepticism in this regard. I would be interested to know if the Department has ever carried out an assessment in respect of the cost to business and the public sector pay bill of an additional public holiday.

Deputy Billy Kelleher: There are some estimates available. However, in the context of any further negotiations a detailed and substantive analysis would have to be undertaken of the impact involved. While I do not have figures in respect of previous analyses, if we were to make changes — I stress there is no proposal to do so — a detailed analysis would have to be undertaken of the impact of this on small and medium sized businesses. This is not an issue which workers are raising. Also, it was not covered in the programme for Government.

Deputy Willie Penrose: I urge the Minister of State to ensure he does not allow right wing views to cloud his evaluation and assessment of this important topic. It is an issue that exercises the minds of workers. I am involved in a small business which employs three people who receive their statutory entitlements in respect of holidays. I would vindicate the right of workers at all times in this regard. Workers come first with me. They are important. Irrespective of what is said by any other party in this House, the Labour Party will stand with workers any day.

An Leas-Cheann Comhairle: I am not sure there is a reply to that.

Deputy Billy Kelleher: I refer to a statement prior to the general election by Deputy Quinn of the Labour Party which states:

I know the Minister in question will not be in a position to deliver this after the next general election but this is Labour Party policy. I am sure that the alliance between ourselves and Fine Gael will be such that I can now seek an assurance from the Minister that his party,

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when in Opposition, will not oppose such an issue.

However, the public spoke in May.

Decentralisation Programme.

83. **Deputy Olwyn Enright** asked the Minister for Enterprise, Trade and Employment the progress reports he has received from FÁS in relation to their decentralisation to Birr, County Offaly; and if he will make a statement on the matter. [23534/07]

97. **Deputy Olwyn Enright** asked the Minister for Enterprise, Trade and Employment the progress to date on the decentralisation of FÁS to Birr, County Offaly; the number currently working in the leased offices in Birr; the duration of the lease; when an application for planning permission for the purchased site will be lodged; and if he will make a statement on the matter. [23533/07]

Deputy Micheál Martin: I propose to take Questions Nos. 83 and 97 together.

Under the Government's decentralisation programme, FÁS is due to transfer its head office including some 383 posts to Birr, County Offaly, by 2009.

FÁS currently has 20 staff members based in Birr who are working out of offices located within the Birr Technology Centre. It is anticipated that 40 staff will be located in Birr by the end of the year. The offices in the technology centre have been rented on a five year lease from May this year.

Following the completion of all legal formalities earlier this month FÁS has now completed the purchase of a site in Birr, County Offaly in connection with the decentralisation of its headquarters. An application for planning permission is currently being prepared and will be submitted in due course.

Deputy Olwyn Enright: I am glad we finally got some clarity in respect of the number of posts promised. Is the Minister certain 383 people will transfer by 2009? Prior to the election, we were given to understand that only 200 people would transfer. Perhaps the Minister will clarify the position.

On the planning application, will the Minister confirm when it will be lodged? I checked with Birr Town Council today and was informed it has no application on file. What is the cost of renting the technology centre? I appreciate the Minister may not know this off the top of his head. I do not believe the centre can accommodate more than the 40 staff already located there. However, in the intervening period, prior to the headquarters being ready, will staff be moved to any other premises within the town?

Deputy Micheál Martin: A further 67 staff, in addition to the 40 staff expected to be in place by the end of the year, have expressed an interest of re-locating to Birr. This is made up of 23 existing staff and 44 new entrants recruited on the basis of relocation.

On the planning application, I do not know the timeframe within which it will be lodged though it is due to happen in due course. FÁS is currently preparing the design and so on before submitting the planning application. Obviously, this will take some time to complete. I do not know the cost involved but I am sure that information can be secured from FÁS.

Deputy Olwyn Enright: The Minister is obviously aware of the opposition of a large number of FÁS employees to relocating to Birr. This has had a negative impact, from a publicity perspective, on the area. Is the Minister confident that the required number of staff will relocate and how does he propose to persuade them to do so?

Deputy Micheál Martin: FÁS is a large organisation. It is clear that we have had difficulties in respect of the decentralisation of agencies which has not gone as smoothly as the relocation of departmental civil servants. For example, the centre in Carlow is now open and some 200 staff will shortly relocate there. This relocation and the relocation of the Health and Safety Authority, which is temporarily located in Kilkenny city, has gone reasonably well. I am confident we can get a substantial number of people to transfer though I am not sure if 393 people will transfer by 2009. I have had ongoing engagement with FÁS in this regard.

I was somewhat taken aback when SIPTU announced its categorical, unilateral opposition to decentralisation. I believe it should review its position. We are interested in engaging with the organisation on this. The opening of the new facility in Carlow has made an enormous difference to the staff there, many of whom had been commuting daily to and from Dublin for five years. The advantages, for them and their families, of being located ten minutes from their work cannot be quantified. People should take a more rounded view of decentralisation. Of course, people want particular issues to be addressed but there are benefits not alone for the locality involved but for the workers concerned. The new approaches that come with decentralisation in terms of delivery of service are also of enormous benefit. One of the best examples in this regard is the decentralisation of part of the Department of Education and Science to Tullamore which, some would say, has been the main contributing factor in respect of the new approach to school building.

Written Answers follow Adjournment Debate.

Adjournment Debate Matters.

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Member in each case: (1) Deputy Joe Costello — to take adequate measures to curtail the supply of illegal fireworks at Halloween; (2) Deputy Mary Alexandra White — the results of an EU committee on the problem of ill thrift, stunted growth and low milk yields on a farm in north Kilkenny. This case has come to national prominence and it has repercussions for Irish Agriculture; (3) Deputy Margaret Conlon — the murder of a person in County Monaghan; (4) Deputy Leo Varadkar — that the Minister for Education and Science report to the Dáil on her Department's response to the recent announcement by Fingal County Council that 13 sites will be acquired in Fingal for the provision of new schools under the accelerated school building programme to allow these schools to be up and running by September 2008; (5) Deputy Thomas P. Broughan — to address the decision of the HSE on 3 October to withdraw funding for new bed facilities at the Hamilton Park Nursing Home in Balrothery, Balbriggan when citizens, including a senior constituent who is a stroke patient and currently in the National Rehabilitation Hospital, were arbitrarily deprived of much needed care and treatment at the Balrothery nursing home, and if the Minister will make a statement on this and other arbitrary health cuts by HSE senior management; (6) Deputy Michael Finneran — that the Minister might address the need for the complete roll-out of broadband in Roscommon-South Leitrim; (7) Deputy Bernard J. Durkan — the need for the immediate intervention of the Minister for Social and Family Affairs to alleviate the hardship and distress caused to recipients of rent support throughout north Kildare whose rent has been increased by an average of €200 per month but who have been refused any increase in rent allowance and if the Minister will make a statement on the matter; (8) Deputy John Perry — the plans to transfer oncology services from Sligo Hospital; (9) Deputy Tom Hayes — to confirm when the Abbey school will receive its long awaited funding for a PE hall; (10) Deputy Michael D. Higgins — the failure of the Government to comply with European Union Regulation No. 95/93 of May 2002; (11) Deputy Aengus Ó Snodaigh — An gá don Aire Oideachais agus Eolaíochta ciorclán 0044/2007, lena gcuirtear cosc ar scoileanna lán-Ghaeilge an luath-thumoideachais a chur i bhfeidhm, a tharraingt siar agus glacadh go hiomlán le moltaí na Comhairle Náisiúnta Curaclaim agus Méasúnachta clár cuimsitheach taighde dhúchasaigh a chur i gcrích ar na saincheisteanna uile i gcomhthéacs teanga agus litearthachta sna bun-scoileanna lán-Ghaeilge; (12) Deputy Brian Hayes — the need to provide interpreters or appropriate funding to schools for assistance to

deaf parents; and (13) Deputy Jimmy Deenihan — the delay by the Department of Education and Science in sending a technical team to commence planning for an eight classroom school to replace the existing defective building (details supplied), which was approved in January 2006 and highlighted by the commission on school accommodation in November 2006.

The matters raised by Deputies John Perry, Michael D. Higgins, Brian Hayes and Margaret Conlon have been selected for discussion.

Pre-Budget Outlook: Motion (Resumed).

The following motion was moved by the Tánaiste and Minister for Finance, Deputy Brian Cowen, on Tuesday, 23 October 2007:

That Dáil Éireann commends the Pre-Budget Outlook incorporating Pre-Budget Estimates for Public Services 2008 published by the Minister for Finance on 18 October 2007.

Debate resumed on amendment No. 1:

To delete all words after “Dáil Éireann” and substitute the following:

“notes the Pre-Budget Outlook incorporating Pre-Budget Estimates for Public Services 2008, published by the Tánaiste and Minister for Finance on 18 October, 2007 and having regard to the statement by the Minister that 2007 represented a turning point for the Irish economy, calls on the Government to take all necessary steps to:

- maintain infrastructure development as provided for in the National Development Plan;
- continue investment in the health and education systems; and
- protect the living standards of those on low incomes.”

—(Deputy Joan Burton).

Deputy Terence Flanagan: The message that will come through to the ordinary man on the street from budget 2008 will be that the party is over and that it is time for one to tighten one's belt. This Government which has built its reputation of good economic management on the back of a debt fuelled property market must now face the music. The reality is that the property boom is over resulting in less taxes for the Exchequer. This is the reality of a boom which has been squandered. There is little money left in the kitty for a rainy day.

We have had high spending without public sector reform. No Minister is stepping up to the plate and taking responsibility for serious blunders as recently witnessed in the Shannon debacle and the e-voting farce. There have been big increases in bureaucracy as seen with the establishment of the HSE but with poor delivery at the frontline.

[Deputy Terence Flanagan.]

The ordinary patient is, as recently stated in the Fine Gael Private Members' motion sponsored by Deputy James Reilly, suffering because of the cruel cutbacks imposed by the Minister for Health and Children. We have also witnessed incompetence in terms of preparing Ireland for a transition which is essential if we are to meet the challenges presented by globalisation, technological change and environmental deterioration.

Research published by the ESRI today has confirmed the emergence of a €5 billion blackhole in the difference between the economic assumptions in the Fianna Fáil manifesto and the Minister for Finance's pre-budget forecast for the next three years. The vanishing bonanza of the property boom now reveals the harsh reality of how Fianna Fáil has managed our tax resources. It has engaged in high spending without delivering efficiency in public services.

The Department of Finance's new projection for tax in 2008 is €2.2 billion lower than predicted in the previous budget. Despite the Minister's promise to maintain a budget surplus, he is now proposing to compensate for this loss by borrowing extra money. In place of a predicted surplus of €800 million for 2008 the Minister is now proposing a deficit of €770 million. He is still planning, however, to increase current Government spending 45% faster than the rate of economic growth. This is not right and not sustainable. Borrowing should only be on a short-term basis. The Minister must avoid the temptation to use borrowing to fund day-to-day spending as a long-term strategy. The new projections show that in the next three years a gaping hole of €5 billion will emerge in the Fianna Fáil manifesto, and is likely to rise to €6 billion in the longer term. This effectively wipes out the entire programme of commitments for tax reform and spending in the manifesto, which was to have been achieved by that time.

There is something familiar about Fianna Fáil's boom and bloom attitude before the election, changing to doom and gloom shortly after. In 2002, ordinary families and small businesses bore the brunt of the cost of filling the hole in Government finances. We are familiar with the stealth taxes introduced at that time. It does not look different this time and people have a right to know which promises will be kept and which will drop off the radar. The Minister can, at best, afford 20% of his promises by 2012.

The vanishing bonanza of the property boom also reveals the harsh reality of how Fianna Fáil has managed our tax resources. The party has engaged in high spending without delivering efficiency. Current spending has consistently grown 40% faster than the rate of growth in the economy over the past seven years. This has ratcheted up the amount of tax needed to support this Government.

The Government has spurned every opportunity to deliver efficiency in favour of soft option

politics. The robust system of expenditure review, initiated in 1997, might have exposed inefficiency but it was scaled down and is now almost abandoned. Benchmarking was seen as an opportunity to introduce real change in the delivery of public services. However, it came and went without anything being done.

In the face of poor delivery from health spending, the former Minister for Health and Children, Deputy Cowen, expanded the number of health boards from eight to 11. Then the Government abolished the health boards and imposed a super health executive, the HSE. As each decision was made, the bureaucracy grew. The front line has been starved of resources. No administration job was lost in the process and no economies of scale have been achieved and no one is accountable.

The September Exchequer returns signalled that the property slowdown will result in a shortfall of tax revenue of up to €1.5 billion in 2007, the year of SSIA multi billion windfalls. In the ESRI autumn quarterly commentary, GNP growth for 2008 is forecast at 2.9%, compared to the forecast of 3.7% made in June.

With falling house completions expected over the next few years and builders having asked staff not to return after the builders holidays, we face a crisis in the housing market. The ESRI estimates that every reduction of 10,000 new housing units is equivalent to 1.2% in growth. The Government collects 28% of the cost of a new home, through VAT at 13.5%. This is a surprise to many given the debate on reforming stamp duty and making it more equitable for home owners to trade up. The Central Bank forecasts GNP growth of between 3.25% and 3.5% GDP during 2008. This reflects slower domestic demand growth. This will be accompanied by easing inflationary pressures but there will be a rise in unemployment.

The HSE has been unable to live within its budget, which has increased by 16% this year. This budget overrun only came to light some weeks ago. This issue is affecting the frontline and is unacceptable. A week hardly passes without the launch of a public quango to commission reports from the consulting industry, which has received over €400 million in public sector revenue since 1997. This litany of waste is continuing, one of the latest being a planned climate change awareness publicity campaign ordered by the Minister for the Environment, Heritage and Local Government, Deputy Gormley.

There has been minimum public service reform in the decade when staff levels have increased by 100,000. After the budget the Government will receive a review of the public service from the OECD, the Government think tank. I urge the Minister to take the report seriously and take the difficult decisions.

On 4 October the Minister for Finance, Deputy Cowen, stated that average increases of 8.9% agreed in the first benchmarking process, cannot be repeated in the recommendations of the

benchmarking body, which are due at the end of this year. He stated that the body is likely to give greater weight to the value of the public service pension package when making comparisons, in view of developments in pensions across the economy in recent years. The previous benchmarking process was a failure from the outset. The public service pension terms that give any retiree the same increase as those in the grade he or she last worked in was not taken into account in comparisons with the private sector.

I welcome the publication of the pre-budget outlook statement, launched last year. Unlike other budget documents it gives a snapshot of the total budget and the additional spending proposed. There is limited ministerial accountability and output statements published by the Departments could be improved. Some Departments have not provided targets for outputs and content themselves with listing input and spending plans. The Department of Education and Science is particularly bad in this respect.

I ask that Deputies have more input into the budgetary process. Although it has been stated in the media that things look bad, I hope that will not be the case.

Deputy Seán Ardagh: The pre-budget outlook sets the scene and provides context for the discussions of the next month. I am proud to be a member of the Fianna Fáil Party that has guided the economic ship over the past ten years to its current, healthy state. This is one of the best economies in Europe, if not the world. I congratulate the Taoiseach on his ten years in charge, along with Charlie McCreevy on his tenure as Minister for Finance and the current Minister, Deputy Cowen. The latter is particularly suited to today's times when there are challenges in the economy. He is ready to adapt himself to changing circumstances. The unified budget, whereby all capital and current spending and revenue projections for next year will be dealt with in one day, will bring the buzz back into the budget. This will create more suspense and greater excitement and entertainment on 5 December.

Deputy Tom Hayes: There will be entertainment all right.

Deputy Seán Ardagh: In the longer term, one issue disturbs me, namely energy supply and cost. There are many forms of energy and bio-fuels are often spoken of these days. Up to the first week of August cereal farmers were in dire trouble, afraid that crops would be left in the ground. Thankfully the weather improved in the last few weeks of August and they had a reasonably good crop. Prices increased by up to 50%, which had a knock on effect on the price of the cattle feed. The price of milk increased for the consumer and the price of bread is increasing. Much of the land that was

formerly used for foodstuffs is now applied to the production of bio-fuels.

There is nothing wrong with that *per se* but it has had a significant effect on the cost of living. There have been significant increases in the price of oil recently. We do not know whether peak oil happened last year or whether it will happen in the next few years. However, when it is recognised that peak oil has arrived, there will be significant, accelerated increases in the price of oil. That will create major problems.

In terms of alternative energy we have wind and wave, both of which are very laudable. However, the fishing village of Kilmore Quay, for example, has been visually destroyed by the windmills there. The development of wave power is very much in its infancy. The amount of energy that can be generated by wind and wave is very limited.

The question of nuclear power must be brought to the fore again. The Minister for Communications, Energy and Natural Resources, Deputy Eamon Ryan has said he wants to see a debate on nuclear power take place. I also wish to see such a debate take place. However, I do not want to see a debate take place so the issue can be buried. I wish to see a debate which forces people to realise that nuclear power is an option we must examine very seriously. We must ascertain whether the people are prepared to accept all of the nasty and bad aspects of nuclear power to obtain the energy we need for our livelihood, economy and the future of the country. It is an enormous question that must be examined closely.

There is no doubt that the development of the economy is ongoing. Inflation is an important issue and many people are pointing to the fact that our inflation rate is 5%. However, inflation is measured in two different ways in Europe. The first takes account of increases in the Consumer Price Index while the second takes account of increases in the Harmonised Index of Consumer Prices. The latter excludes mortgage interest payments. Under the HICP method, where mortgage interest payments are excluded, Ireland's inflation rate was 2.3% in August, down from 2.7% in July.

Several commentators have pointed to the fact that the number of new house starts is dropping and argue that this indicates that the economy is in dire trouble. However, a different picture emerges if one examines the progress of the economy in the first half of 2007. The Irish Exporters Association issued a first-half review of 2007 which showed that exports increased in aggregate by 7% over the equivalent period in 2006. Internationally-traded services grew by 9%. These are services which are of the mind rather than the back and are very important to our economy. According to the IEA, service exports now account for one third of all exports, which is well ahead of the EU average of one quarter. The 9% increase in internationally-traded services in the

4 o'clock

[Deputy Seán Ardagh.]

first six months of this year indicates that it is a significant economic driver, an area which is improving and a basic foundation of the economy.

Housing is definitely a problem. The number of new house starts has decreased because of high interest rates and the high cost of housing. Mortgage costs as a percentage of average earnings have risen from approximately 20% in 1996 to 37% or 38% in 2007, which is unsustainable. There must be a significant reduction in interest rates and house prices for mortgage costs to come down to a reasonable level *vis-a-vis* average earnings. Two factors that have contributed to this situation are 100% mortgages and the increase in mortgage duration to 40 years. Both factors have contributed to an increase in the price of houses. The Department of Finance must develop a carrot and stick approach to bring about a quantum reduction in the price of houses in the short term, rather than over the next five or six years. If we can get over the hump quickly we will ensure continued economic growth over the next few years.

I turn now to the Government's performance in the areas of health, education and welfare. With regard to welfare, Ireland had a growth rate in social protection expenditure, which includes social welfare payments, old age pensions and associated items, of 7.8% between 2000 and 2004, the last year for which figures are available. That compares with an average of 2.1% for the EU 15 countries. In that context, we are well ahead in terms of the increase in the amount we spend on social protection. However, as a percentage of GDP, our expenditure is slightly lower than the EU average. The EU countries in general spend 8% of their GDP on pensions because they have more older people than we do. This highlights the problem that will arise here in the next 20 to 30 years. As the Taoiseach pointed out this morning, the number of elderly people in our population will increase significantly. Currently, there is one senior citizen for every six people working but by 2050 there will be one senior citizen for every two people working. Expenditure on social protection must increase significantly in the future. We must ensure that people put adequate funds by for their pensions. The National Treasury Management pension fund currently stands at 11% of GDP but must be increased on a regular basis.

There has been much comment on the amount of money being spent on the health service. I hear complaints about the health system from all sides of the House. St. James' Hospital, Our Lady's Hospital for Sick Children and three area health boards are all located in my constituency of Dublin South-Central. Every one of the managers in the health boards responds almost immediately to any request or query I put to them.

Deputy Tom Hayes: I wish we could say the same.

Deputy Terence Flanagan: That is nice for the Deputy.

Deputy Tom Hayes: Perhaps Deputy Ardagh could make a few telephone calls on our behalf.

Deputy Seán Ardagh: The hospitals are exemplary as far as the cleanliness audit is concerned. The management system in St. James' Hospital is an exemplar for the whole country.

Deputy Tom Hayes: One can be an exemplar and still fail.

Deputy Seán Ardagh: The money being spent by this Government on a yearly basis is being well spent. I am glad Deputy Brian Cowen is *in situ* to continue that process for another five years and, I hope, for another ten years.

Deputy Liz McManus: It is clear that this year's budget is being prepared in quite different circumstances from preceding budgets. The pattern follows that of the general election of 2002, when a Government was elected on the basis of a raft of promises that very rapidly morphed into a plethora of cutbacks. Again we see the same pattern emerge, of an economic downturn and a health service — notwithstanding Deputy Ardagh's rosy view — in crisis. That is obvious to most people. A staff freeze has led to longer waiting lists and essential services being put under severe strain. The Minister of Health and Children declared a staff freeze would not impact on patient care. She was wrong. We can see the statistical, factual and anecdotal evidence for ourselves. More importantly, even if there were no staff freeze, the unreformed health service denies many the fair and speedy access to care they need. One person spoke out about this — Susie Long. Her name will be on her headstone now but it will also be embedded in many people's minds when they listen to Ministers congratulate themselves on budget day.

A report published today, compiled by the University of Leeds and University of York, highlights the central challenge facing us in the increase in global warming. It shows that rising temperatures could trigger a massive extinction of plants and animals. It is further information adding to our store of understanding about climate change and its lethal effects worldwide. I am glad Deputy Ardagh raised the issue of peak oil which needs to be taken on. The Government keeps saying it wants a debate on nuclear energy but I see no evidence of such a debate taking place. I say bring it on. The pre-budget document does not refer to peak oil or climate change. It is silent on these central issues.

The programme for Government contains the commitment of a reduction of 3% per year in our greenhouse gas emissions. It is also committed to ensuring one third of electricity consumed in Ireland comes from renewable sources by 2020. It

requires the public sector to produce 33% energy savings by 2020. It states:

We will...require the public sector to lead the way on energy efficiency with a mandatory programme of efficiency measures including the sole use of energy-efficient lighting and heating in offices, schools and hospitals and other public buildings to produce 33% energy savings by 2020.

This commitment is made when some of our schools and hospitals, apart from local authority offices, are in substandard, inefficient and inappropriate accommodation. Yet a new requirement is being placed on them which, in such circumstances, is off the wall.

These commitments were agreed by politicians of both Fianna Fáil and the Green Party. They form part of a solemn undertaking to the people. It has been salutary to discover the reality as compared to the aspiration behind this programme.

The pre-budget outlook does not refer to climate change or of introducing measures to meet the ambitious targets set in the programme for Government. I note the British Government is already pulling back on its commitment to source 20% of energy supply from renewable sources by 2020.

It is important we have a clear statement from the Taoiseach, if such a statement is possible, that he will not be ducking out of the commitment to renewables in the programme for Government. To meet this commitment requires enormous effort from the highest level of the Government. Yet there is no evidence in the pre-budget Estimates of such a shift.

What we have seen already does not inspire any confidence. A relatively modest scheme managed by Sustainable Energy Ireland, SEI, to grant-aid householders in transferring to renewable sources was collapsed by the Minister for Communications, Energy and Natural Resources, Deputy Eamon Ryan. He then announced a new emasculated grant scheme and a Supplementary Estimate to pay for it.

This turns out to be a complete sham. First, the Supplementary Estimate was only a token one. Presumably the Minister for Finance, Deputy Cowen, sent the Minister for Communications, Energy and Natural Resources scampering away from his door when he came looking for money. The Minister was reduced to raiding his broadband and energy research fund to allocate moneys to the renewable grant scheme. On the day of the debate on the Supplementary Estimate, it became clear the moneys were not being transferred to the new grant scheme so blithely announced by the Minister on 4 September. Instead the moneys were being used to stuff the hole left by SEI when it ran up bills across a range of existing schemes, including the defunct greener homes scheme. In reality, there are no moneys for the new scheme announced by the Minister. It is a sham.

Today, I was startled to find in reply to a parliamentary question on ministerial cars that the two Green Party Ministers each have clocked up more mileage per month than the Taoiseach. There have been many photo opportunities of Green Ministers on their bikes. While I accept a Minister's job requires car travel, it again raises the difference between the reality and rhetoric of the Government. Of the 18 ministerial cars detailed in the reply to my parliamentary question, only five cars are hybrid petrol-electronic and none are bio-fuel. Again, this questions the Government's commitment to dealing with its carbon footprint and the wider issue of reducing energy consumption by example. A government with a green tinge should set a good example. Instead, there is a feeling of being let down with no reassurance in the pre-budget outlook report.

The Estimates for the Department of the Environment, Heritage and Local Government have glaring anomalies by which I am perplexed. How can the Minister explain, for example, that in 2007 approximately €87 million was allocated for non-national roads and that only €53 million will be required in 2008? The same question applies to the 64% reduction in funding for the Irish Heritage Trust. This trend goes through many other Estimates. The Minister can reply that these are simple projections and there will be news in the budget.

However, niggling questions arise. Is it the case that in certain areas moneys were allocated for, say, non-national roads and were simply not spent? Local authorities receive a fund for these roads and it tends to climb in line with inflation. Is this simply a softening-up of public perception, a vehicle to introduce more cutbacks for next year?

The new budgetary process is impenetrable and it is difficult to find answers. I hope the Minister in his conclusion will explain how these anomalies have occurred.

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan):

As outlined by the Tánaiste and Minister for Finance, the pre-budget Estimates set out the baseline estimated cost of continuing the current level of public services in 2008. In the justice area, as in others, it is important to take stock of the scale of this expenditure, as well as the depth and breadth of services being delivered. In money terms, the pre-budget provision for the justice sector is just over €2.6 billion, an increase of 7% over 2007 and a rise of 26% since 2005. These figures sound impressive on their own, but I completely agree with the Tánaiste's emphasis on what is actually being achieved with these resources, rather than their magnitude alone. We are all striving to get value for money for the public and the only way we can maximise this is to switch our focus from inputs and outputs to the impacts and outcomes that this financial commitment actually delivers. That is the major change, one which I welcome,

[Deputy Brian Lenihan.]

which this Government has made to the Estimates process.

There is plenty of evidence of the return we are getting on that investment in the justice sector. A whole spectrum of significant achievements have been made possible, notably the expansion in Garda numbers, the provision of additional prison spaces, improvement of court facilities, extensive funding in the equality sector, modernisation of land registration and mapping, and the development of immigration and asylum services.

Since the end of 2005 there has been an increase of more than 10% in the attested number of gardaí, which now stands at 13,500. The number of civilian staff in the Garda Síochána has increased by 48% over the same period, releasing gardaí for frontline duties. As the Tánaiste has indicated, Garda staffing is one of the areas where the Government is providing additional numbers above the overall limits on public service recruitment. This reflects the Government's focus on key priority needs in frontline and essential services. The combination of recruitment and civilianisation will allow for the continued implementation of high profile campaigns such as Operation Anvil. It will also enable the Commissioner to devote resources to a range of other policing needs in the community.

In overall financial terms the Garda pre-budget Estimate stands at €1.522 billion which compares with €0.9 billion just five years ago. This investment on behalf of the public has made it possible to extend and transform every aspect of the resources available to the force. The Garda fleet has been modernised, national digital radio is being rolled out and IT infrastructure enhanced. A dedicated Garda traffic corps has been put in place as a key component of the Government's road safety strategy and is on target to reach its planned strength of 1,200 in 2008.

Looking in more detail at the pre-budget figures for the Garda Vote in 2008, increased funding is being made available to support the continued programme of maintenance and improvement works at Garda stations throughout the country and to increase the provision of specialist communications equipment. The allocation for clothing and accessories is also up as anti-stab and ballistic vests are delivered to serving members for their protection in frontline duties.

In parallel with the additional resources provided in recent years, major reforms of the Garda Síochána have taken place, including the appointment of a Garda inspectorate and the work of the advisory group on Garda management and leadership development. Deputies will also be aware that a new civilian head of administration at deputy commissioner level has been appointed. All of these changes should support gardaí in dealing with the complex challenges they face and ensure that we get the best return for the public's

investment in terms of effective policing in our communities.

The pre-budget Estimate for the courts is up 5% on the 2007 Estimate and again we can point to specific and important service enhancements that have been delivered by the courts. Waiting times for trials at the Central Criminal Court are less than half of what they were four or five years ago. The High Court has reduced waiting times and a new Commercial Court has been established in the High Court which has made it possible to reduce processing times from two years to 18 months since late 2004. These service enhancements are being reinforced in 2008 with €2 million funding provided for support staff for additional judges appointed in 2007.

On the prisons Vote, the pre-budget Estimate is up 9% over 2007 and includes a provision of €5 million for the full-year costs of a range of measures introduced in this year to combat organised criminal activities in prisons. These include an additional 178 personnel as part of an operational support group specialised in searching for illicit materials and a range of other measures to face down the threat from organised crime.

Turning to the justice Vote, a number of areas stand out in particular where the additional resources assigned in recent years are being carried forward and augmented for 2008. Funding for the Irish youth justice service, for example, is up 31% as the full-year cost of child detention schools are included, as is all youth diversion funding. The new service brings responsibility for young offenders together under one roof for the first time and we are now seeing the practical impact of this. What is under way is more than just a re-ordering of accounting responsibilities. A badly-needed programme of rejuvenation for youth detention and training facilities is under way and the number of youth diversion projects has been increased to 93, with more to come.

The probation service has also benefited in recent years from additional resources and the pre-budget outlook funding for next year is increased by 9%. A substantial programme of strategic restructuring and refocusing is under way in the probation service, with 71 additional staff being recruited.

Funding for the immigration and asylum area is up 5% in these pre-budget Estimates. While the emphasis a number of years ago was on the asylum process, and this remains important, the range of services provided in this area is now far broader as we meet the needs arising from significant increases in legal migration. As part of the establishment of the Irish Naturalisation and Immigration Service, extended services have enabled the handling of 64,000 visa applications per annum and dedicated visa offices have recently been set up in New Delhi, London, Abuja and Cairo. These are in addition to those established by the Department in Moscow and

Beijing and allow for speedier and more effective processing of applications internationally.

Funding across the Department's various equality measures is increased by 13% in these pre-budget figures. This builds on the sizeable investment which has been made in promoting a more tolerant and equal society, in addressing, *inter alia*, specific issues in the areas of gender, disability and interculturalism. The increase for 2008 reflects in particular the substantial allocations under the NDP to promote gender equality and in the implementation of the national women's strategy.

Funding for measures to combat violence against women is among the areas to benefit considerably under the national development plan. This latter area represents another challenge requiring a whole Government approach and to achieve this objective, the National Office for the Prevention of Domestic, Sexual and Gender-based Violence, Cosc, was established in June of this year. I am very pleased to say that there is now in prospect a dedicated, resourced office at Government level with the key responsibility of ensuring the delivery of a well co-ordinated response to domestic, sexual and gender-based violence.

Turning briefly to the pre-budget Estimates for capital funding, as the Tánaiste has outlined, the overall provisions in advance of budget day decisions are broadly the same as for 2007. In the justice sector this amounts to €155.9 million and, as with the current expenditure allocation, it is important to take stock of what will be delivered with the continuation of these capital programmes. Some €29 million is allocated towards the courthouse refurbishment programme, which has seen 40 court venues refurbished around the country since 2000. The prisons capital programme is continued with funding of €31.8 million allocated for 2008. This programme has initiated the provision of 450 additional spaces over the past two years, some of which are in place, and the remainder will come on stream in the coming months. Substantial capital funding of €8 million is also provided in 2008 towards a joint project with Dublin City Council to build a state-of-the-art facility for the State pathology service.

Capital funding is included for the continued implementation of the digital mapping project in the Land Registry, which along with the other changes taking place under the aegis of the Property Registration Authority, is set to completely transform the way in which land is registered and ownership transferred. In addition to the capital projects directly funded from the justice Votes in 2008, it is also important to note the two very major PPP projects under way in the justice sector. Work began last year on the new criminal court complex with a view to it being operational in 2010. On an even larger scale is the Thornton project, on which work is intended to commence next year,

I will conclude my remarks by reiterating my intention to ensure we get the best possible return for the public's investment in the justice sector. This will require careful management of the resources allocated and a focus on value for money. However, the snapshot of justice sector activity I have outlined today should give a good indication of what can be delivered with these resources.

Deputy Tom Hayes: I am thankful for the opportunity to say a few words on the pre-budget Estimates for the public service 2008 and to touch on individual areas of interest. Listening to the speeches so far, I heard speakers from the Government side compliment the Tánaiste and Minister for Finance. One might think from their contributions that he alone had brought prosperity to the economy. It is only fair on occasions such as this when members of the Government parties compliment their former Ministers to also remember that the Tallaght strategy played a significant part in bringing prosperity to the country. What former Deputy Alan Dukes did as a politician should never be forgotten within the Houses of the Oireachtas. I should like that to be recorded because we heard a good deal of praise for Ministers and Deputies who were *in situ* in good times. Perhaps it was not politically wise on Deputy Dukes's part to take the initiative he did, and it did not help his political career, but it should not be forgotten on a day such as this.

Regardless of whether we like it, the parents of rural Ireland constitute the new poor. I have been listening to many Deputies from rural Ireland and they know of parents who work incredibly hard to assist their children to get a better education and build the foundations for the future. These parents are bearing the brunt of the disadvantages associated with our newly found wealth in the past ten or 20 years.

While the Government sometimes supports incredibly rich people by way of exemptions and tax reliefs, the average man and woman must work hard for his or her family. They pay PAYE tax at high rates or may be self-employed and are struggling financially every day to educate their children. The grants for college students have not risen in line with inflation and students must endanger their exam success by working in part-time jobs for longer than ever before. Accommodation costs have risen exponentially for students in cities. The lucky families who live near major universities have a considerable advantage over rural families who live far away from them. The construction industry has benefited in this regard and the money it has made in the past 15 years has been at the expense of rural families who must accommodate their university-going children. It is time for the Government to reduce the burden on such families. Both parents must work and pay PAYE tax, while the students who must also work receive small grants

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and no assistance in the provision of their education.

What can we do to help these working people to underpin our future economic success? The Government desperately needs to get real about the weekly cost to parents of accommodation in Dublin, Cork, Galway and Limerick. We need to develop a system whereby parents for whom it is not logistically possible to send their children to college, if those children must live at home, can be given tax credits in respect of the cost of accommodation. If students were meeting this cost themselves, they could claim it back by way of a tax credit. Why then must a parent contributing to his or her child's livelihood be penalised for doing so? The Government needs to play fairly and evenly on both sides. The problem is exerting considerable pressure on many parents who do not have houses in Dublin or Cork and cannot afford them. They must pay considerable rental costs each week for their children. In my constituency of Tipperary South parents with two or three university-going children, perhaps in different institutions, are being hurt financially. I beg the Government to look after them.

The housing aid for the elderly scheme is an extremely good and effective one and has been administered by the Health Service Executive and formerly by the health boards for many years. It has offered considerable help to many old people living alone who want to remain in their communities. It makes available grants of up to €2,000 or €3,000, which grants improve greatly the quality of life of pensioners. However, the administration of the scheme is such that the budget runs out in May or June each year, not least in my constituency. We waited the whole summer for a further allocation derived from moneys not used in other areas. Although some extra funding was made available recently, the forthcoming budget will present an ideal opportunity to fund the scheme properly. It is advantageous to so many elderly people and allows for the provision of very simple improvements, including better doors and windows. I beg the Minister to do something for older people by increasing the allocation for the scheme.

I have been a member of the Committee of Public Accounts for the past two years and surprised week in, week out by the waste of money in Departments appearing before it. In the past four years in this Parliament we have heard very real accusations about wasted money, but nothing has been done to allow the committee to investigate them and implement necessary changes such that people would be made responsible. It is time the House held to account those who are wasting funds in various areas. In this regard, I could refer to the health service, education system and other areas, in respect of which there is room to improve the way we spend public money. We read of cases every day in the newspapers but the truth of the matter, be it in respect of electronic

voting or otherwise, is that we must identify, once and for all, those who waste money and punish them severely. If money were wasted in a similar fashion in the private sector, somebody somewhere would have to resign. It is time this occurred in the public sector to reduce waste, bearing in mind that we will have to tighten our belts financially. In this manner we could still retain the quality of life and services to which we have become accustomed.

Deputy Martin Mansergh: I compliment my constituency colleague, Deputy Tom Hayes, on what was a very constructive and relatively non-partisan contribution to the debate. However, I disagree with him on one point in that I do not believe in scapegoating individual public servants, which is often too easy a response.

I welcome the presentation by the Tánaiste and Minister for Finance, Deputy Brian Cowen, of the pre-budget outlook for the period 2007 to 2010, incorporating the pre-budget Estimates for public services in 2008, and particularly the important reform of the budgetary process. The provisional Book of Estimates published in previous years which contained decisions on Government spending was subsequently subject to heavy adjustments and additions in the budget and post-budget Estimates, when the full details relating to the previous year's spending had become available. In the Abridged Estimates Volume for last year gross capital and current spending amounted to €54.3 billion, representing an increase of 8% on the figure for the previous year. The Revised Estimates added a sum of €2 billion giving a figure of €56.3 billion, representing an increase of 13%, except that spending in the previous year, 2006, had dropped by €500 million. If it had not, the increase would only have been 11.5%.

The net point is that the earlier slimmer volume represented more and more simply the opening move in the budget process. It is preferable to recognise this reality and simply to provide as accurate as possible a benchmark against which can be measured the actual spending decisions and levels for next year. As a consequence, the budget debate will be a much more holistic exercise, uniting the decisions on expenditure, taxation and borrowing, than considering spending, in particular, in partial isolation from the other two aspects of budget-making. It should be borne in mind that there have been large increases in most areas of Government spending in recent years. In many areas, the challenge may be to secure and consolidate the progress that has been made and to make the best use of the resources that have been provided.

During this year's election campaign, the Minister, Deputy Cowen, placed a great deal of emphasis on two points, the maintenance of sound public finances as the foundation of economic progress and the prioritisation of public investment through the national development

plan. I wholly concur with those priorities. With these objectives, the Minister also emphasised the maintenance of the relatively low tax regime we have established and the development of further measures to improve the quality of public services and social inclusion.

Ireland is in a remarkably strong financial position. The general Government borrowing and debt ratio normally quoted is the gross one, estimated at 24.25% this year. If the national pensions reserve fund is taken into account, however, it is down to 14%. While I am not comparing like with like, it makes a pleasant contrast to a national debt-GNP ratio peak of 118% approximately 20 years ago. The Minister's pre-budget outlook envisages a marginal increase, of between 1% and 2%, in gross Government borrowing over the next three years, assuming there is a moderate downturn in growth. Such a margin of manoeuvre would enable us to cope reasonably well, even with a diminution much more severe than that at present anticipated. I share the ambition to drive down the net rate of borrowing to closer to 0% in positive economic conditions.

The benefits of the national development plan can be felt everywhere. A new dual carriageway section of the N8 between Cashel and Cahir was opened last week, in conjunction with the N24 Cahir bypass, both of which will make a big difference to travel times across south Tipperary and will increase the attractiveness of the county to further investment. I noticed in this morning's newspapers an advertisement relating to the construction of a new road bridge near New Ross that will eliminate a bottleneck on the N25 and N30 routes within a few years and speed up travel times in the south-east corner of Ireland. If the Tánaiste has any marginal discretion in his budget, I remind him that road and public transport improvements provide a good return and could be accelerated. There is an urgent need to upgrade to N24 route, which connects the two gateway cities of Limerick and Waterford. As the route is the spine of south Tipperary, it is a vital corridor between the two cities and all places in between. In addition to developing our county and local roads, it is also important to improve the country's water supply and waste treatment systems. While such services are not politically glamorous, they deserve a high priority in view of global warming and other environmental considerations.

In his speech, the Tánaiste invited suggestions. I suggest that he should increase investment in primary, secondary and vocational schools so that learning, including remedial learning, can take place in better and less cramped surroundings. New schools and school spaces are needed in areas which have seen major increases in population. While a great deal has been done to address educational disadvantage, such endeavours demand extra space. Renewed efforts must be made to lower the pupil-teacher ratio in primary schools. There may be more scope to

leverage philanthropic gestures in third level education by offering matching finance, as happened in response to the interest shown by Mr. Chuck Feeney in promoting local scientific research and development.

I would like to see Ireland honour its commitments to the Third World, even in the present, slightly more difficult, financial circumstances.

When I visited the house of a deceased woman last week, her widower pressed my hands and was eager to tell me about the wonderful care his wife had received in hospital from doctors and nurses during her short illness. The relentless public negativity about the health services must be profoundly depressing for those who work in those services and intimidating for many of those who need to go into hospital. The critics to whom I refer do not acknowledge the improvements in hospital and medical care that have taken place, or admit that people now enjoy greater life expectancy. Many people legitimately wish to highlight the service deficiencies that exist, particularly the delays in accessing services. Those with other motives think that relentless criticism is the surest way of inflicting political damage on the Government, but recent elections have not borne that out. The HSE is not short of managers inherited from the health boards. It is reasonable in the context of annually increasing budgets to expect, barring pandemics, that those managers should live within those budgets over the year as a whole.

One of the things of which I am proudest is the improvement in social welfare payments over the past 25 years. The increases in pensions, child benefits and early child payments are worth examining.

The justice system would benefit from the expansion of Garda resources. We need to make changes in the law, policing and judicial processes. If ruthless criminals can evade justice by deterring witnesses, intimidating juries and shooting enemies, the State must respond with equal ruthlessness within the law to protect society and dispel any misleading impression of impotence. We have done this previously when dealing with illegal organisations and the seizure of criminal assets.

The presence in the Chair of the Ceann Comhairle reminds me to mention in passing that the State's expenditure on arts and sport in recent years has been exceptionally worthwhile and has made a great difference to communities throughout the country. I hope to see that sustained.

Ireland's general economic prospects remain relatively good. The commentary of the Central Bank is broadly positive, though it warns of the erosion of our competitiveness. The Tánaiste has enacted the promised stamp duty changes. The rest of the programme for Government will be fulfilled over five years. It will not all be achieved at once — even if it were, certain people would object to it. The desire for continued economic progress had a far more important influence on

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people's voting patterns than any detailed manifesto proposals. The mandate of the Government parties is to maintain a strong economy, as near as possible to full employment. Notwithstanding anything that may have been said in this debate, people inside and outside the State have confidence in the ability of this country and the Government, including the Taoiseach, the Tánaiste and their colleagues, to deliver a strong economy over the next five budgets. That remains the bottom line.

Deputy Kieran O'Donnell: Although I am speaking in a political forum, I do not wish to be overly political when I say that the pre-budget outlook that has been presented to the House represents an abandonment of the pre-election promises of the Government parties. Before the recent general election, Fianna Fáil promised to increase the old age pension to €300, to cut the standard rate of tax to 18%, to cut the top rate of tax by 1% and to halve PRSI from 4% to 2%. It was agreed at Cabinet level that 100 additional gardaí would be deployed in the Limerick East area, but we have not seen the extra gardaí. It was suggested that the Criminal Assets Bureau would be established in Limerick, but that has not happened.

The Tánaiste and Minister for Finance is talking down the economy, in effect. When the new Dáil met for the first time at the end of June, the Government introduced a Bill relating to stamp duty. The Tánaiste suggested at that time that Fine Gael was talking down the economy, but he is doing likewise at present. Deputy Mansergh argued that the Minister's stamp duty changes have worked, but they have been an absolute disaster. They have assisted just 2,000 first-time buyers and failed to reform stamp duty in the manner that is necessary. Ministers for Finance are charged with instilling confidence in the economy. In the previous Government, the then Minister for Justice, Equality and Law Reform, former Deputy Michael McDowell, stuck his head out and spoke about stamp duty reform. However he put his head back down and then every so often stuck his head out again when he thought it might be of political benefit but nothing was done. This created a lack of confidence in the market. When the opportunity arose for the Minister, Deputy Cowen, to amend the stamp duty legislation in order to make it equitable for families wishing to trade up and move house because of an increase in family size, the Minister ignored the opportunity. Stamp duty as it stands is an unfair tax and needs to be reformed. Whether the Government admits it or not, the housing market is stagnant. The Minister needs to step up to the plate and reform stamp duty.

This pre-budget outlook shows that the Government has relied too much on the boom in the residential housing sector for the growth in

tax revenues and has neglected exports which are projected to increase in 2008 by only 6%. The pre-budget outlook refers to lack of competitiveness as having a significant effect on exports and there is a decline in manufacturing industry. We became too reliant on the construction industry bubble. The pre-budget outlook bases an increase of €2 million in tax revenues in 2008, which is an increase of 4.2%, on a total of 60,000 houses being completed in 2008. If the number of house completions is 50,000 or as low as 40,000, as predicted by some experts, this reduction of 10,000 completions will make a difference of €10 billion in revenue. This affects the amount of stamp duty, VAT and capital gains tax raised from the housing sector. Based on what was projected, stamp duty returns are down €400 million and this is having a significant impact.

The role of the Minister for Finance is to instill confidence in the economy but Deputy Cowen has not done this. He has failed to reform stamp duty and this was critical for the construction industry. Deputy Ardagh in his contribution stated he would like to see a short, sharp reduction in the number of houses being completed rather than this being carried out over a sustained period. I suggest Deputy Ardagh tell that to the young people whose houses will become negative equity overnight. A mechanism must be found to stabilise house prices so that young people can afford to buy houses. The last thing we want is a massive reduction in the number of houses and negative equity kicking in. This should not be allowed to happen.

I refer to table six of the pre-budget outlook on page A17 which shows an entry headed, Indicative Unallocated Provisions, which means contingencies. A total of €1.5 billion for 2008 is shown, the same figure as for 2007. This is to increase to €2.5 billion in 2009 and will increase again to €3.5 billion in 2010, an increase of €1 billion each year. The total in 2010 will be 2.3 times what it was in 2007 yet the overall Government expenditure has only increased by 4%, 1.4 times. This contingency — call it what one wishes — will be used by Fianna Fáil as a war chest nearer the time of an election. This contingency seems to be increasing every year as an overall percentage. There must be some control imposed in this area. The Minister has made a provision for unallocated capital and this is to be welcomed. He is making full provision for what is being provided by the NDP. I note his commitment made prior to the election that he would properly fund the NDP. I support that commitment but I have a problem with the level of the contingencies.

On the issue of value for money, the Minister proposes to increase health expenditure by 7%, €1.1 billion extra, making a total of €14.7 billion. I refer to the Comptroller and Auditor General's report for 2007, pages 136 and 141. The Comptroller and Auditor General is highly critical of the accounting and reporting systems in the HSE. Furthermore, this is endorsed by one of the

Minister's officials, an Accounting Officer in the Department of Finance, who states that the system is grossly inadequate. Has the Minister gone to all the various Departments and asked about their accounting and reporting systems? The cutbacks in the health service are as a result of the shortfall of €200 million. This should not have happened and should have been highlighted months ago. The Government's job is to secure value for money for the taxpayer. Does the Government know whether the money it is doling out is being expended on administrative rather than on frontline staff? The reporting systems in all Departments must be adequate.

The accounting system in the HSE is no better than that in a corner shop. I mean no disrespect to corner shops which do not require such a sophisticated system as is required in the HSE. Money is being squandered by the HSE in various administrative areas. I predict that come late December, telephone calls will be made to the regional divisions of the HSE from HSE corporate headquarters telling them to spend any unexpended moneys. This has happened every year to date and I see no reason it will not happen this year. We are now in the month of October and elderly people are facing into the winter months but cutbacks have been announced across the health service and the effects are seen in the accident and emergency departments, in the speech therapy service and in the disability sector even though the 2005 disability Act provided for an assessment of needs.

I ask the Minister for Finance to reintroduce roll-over relief on capital gains tax which is an important issue and to carry out proper reform of stamp duty. I remind him that pension reform is vital. Older people should be entitled to receive their pensions on time and he should ensure proper pension provision for the future.

Deputy Michael Mulcahy: I read with interest the pre-budget outlook document. I commend this approach which was also adopted last year and I look forward next year to a unified budget and Estimates on the same day. If the Irish economy were a patient going to visit a doctor, the doctor would diagnose it as being in rude good health. Growth rates this year are 4.75% and next year will be 3.25%. The unemployment rate is between 4.5% and 5.5%; inflation is lower than 2%; total national debt is approximately 25% of GDP; approximately €17 billion in the pension reserve fund. By any international comparison, the state of the Irish economy is very sound indeed.

If it was all rosy in the garden, there would be no point in listening to the constructive suggestions that it is to be hoped will come from both sides of the House. I acknowledge that more needs to be done.

I am glad to see no sign of ministerial complacency in the document. In the Minister's summary, he states, "For a small, trading nation such

as Ireland, long-term sustainable increases in living standards can only be attained through supplying goods and services to the global economy." He also states:

The challenge will continue to be the re-positioning of the economy in the production of knowledge-intensive goods and services. In addition, increased costs in the domestic economy have reduced competitiveness. It is vital that costs across the economy, including pay costs, are curtailed.

The Minister sets out in a clear manner the fact that the future of the Irish economy will depend on our competitiveness which, in turn, will depend on controlling our cost base. The total budget proposed for next year is approximately €58 billion, an extremely large sum. The tax revenue for this year will fall slightly short and some commentators suggest we should make up the difference by increasing taxation. As somebody who has been in politics since 1985 and who lived through an era of high taxation and low growth, I believe this would be entirely the wrong path to follow. We should maintain a dynamic and growth-oriented economy. The best way to do this and the key to success is to keep taxes low and to reward hard work and enterprise.

We are part of a world economy and as was referred to by Deputy Kieran O'Donnell we cannot ignore winds of change blowing across the world. If the price of oil experiences a large spike or the US experiences a recession it has a knock-on effect on the Irish economy. People will recall the sharp downturn after the attacks on 11 September 2001. Because the Government cut back it was able to rebound in 2003, 2004 and 2005. Only by being prudent did we come through this period and keep the economy on a sound footing. If another such downturn occurs, and the stock markets have experienced major volatility during recent months, the Minister should be prudent and err on the side of caution.

In the pre-budget outlook, the Minister states a key item with regard to competitiveness is wage costs. I will highlight other costs. The cost of land in Ireland is prohibitively expensive because we failed to implement a proper land use policy. The IDA and other such agencies seem to believe that Ireland consists of Dublin and the greater Dublin region. Ireland consists of far more than this and we need to develop more seriously and dynamically other regions where land is significantly cheaper and where people can buy homes and live more cheaply. This will have an effect on the cost of labour.

The cost of services is prohibitive. The cost of telephones, broadcasting and energy are all extremely high by international standards. The major work of the Government during this Dáil session must be to radically tackle the lack of real competition in these sectors. Why do we have a limit on the number of radio and television stations and mobile phone operators? Why do we

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maintain these false economies? As in other sectors, it should be open to every properly and professionally organised company to enter any of these industries without putting a cap on the number of operators. It is time we had a real competitive agenda in this regard.

The Estimates amount to approximately €58 billion, an increase of approximately 30% on the 2005 figure. By any stretch of the imagination this is a large increase. Next year, the allocation for health will be €1 billion more than the 2007 allocation and the allocation for education will be €500 million more than the 2007 allocation. This does not allow room for criticism. The Garda Síochána will receive an 8% increase over the 2007 allocation. The Government has made clear the fight against crime and the resourcing of gardaí is a top priority.

The allocation for international co-operation, a subhead of foreign affairs, amounts to €730 million, a large figure I wish to bring to the attention of the House. We all support this figure because we all agree that by 2012, Ireland should reach the UN target of providing 0.7% of GDP in foreign aid. However, it is worth noting the figure for international aid is almost the same as the figure for total capital spending in education and science for the same year. I do not criticise this. I strongly believe in achieving the UN target. I simply state it is a large sum of money.

I am not satisfied that these amounts are properly or adequately scrutinised by the relevant Oireachtas committees. I accept the Committee of Public Accounts does an excellent job when it examines particular issues from time to time. When one has such large amounts of money a strong case can be made for beefing up the expertise on all of these committees so they can scrutinise with a greater level of detail the expenditure of their corresponding Departments. The figure for international aid will be scrutinised by the Joint Oireachtas Committee on Foreign Affairs. A strong case could have been made to establish a committee on foreign aid to scrutinise what is becoming a large sum of money.

I support the drive for a more competitive economy. The Tánaiste and Minister for Finance, Deputy Cowen, will proceed with great caution and prudence. In the long term this is the best way to go. However, we need greater scrutiny of all expenditure and the programme of the 30th Dáil should concentrate on bringing a more dynamic and competitive aspect to all of the costs in the economy.

Deputy Jan O'Sullivan: I welcome the opportunity to participate in this debate. I reassure Deputy Mulcahy I do not intend to be entirely negative in my contribution. I want to be positive about the Irish economy and the way in which we spend our money. As Deputy Mulcahy stated, we expect to continue to have a growth rate, albeit

not as large as in recent years. I believe the figure for the next year is 3.25%.

As Deputy Mulcahy also stated, we have become dependent on growth based on property as opposed to growth based on production and export. This problem developed under those in Government at present. Ten years ago it was not the case to the extent it is now and it is a cause for concern. A couple of other issues also give cause for concern. Before the 2002 election, a splurge was followed by serious cutbacks in several critical areas, including foreign aid as referred to by Deputy Mulcahy. We do not want the same pattern to emerge following some bright promises before the election and warnings by the Minister for Finance, Deputy Cowen, that we can expect some hard medicine this year and into the future. Certainly the issues raised by my party leader this morning in regard to the social insurance fund and concerns about payment for pensions are genuine concerns. While there is money in the fund at present there is a real concern that into the future a much higher proportion of our people will be dependent on the economy as opposed to being productive within the economy. This matter was raised also by some of the Fianna Fáil Members earlier. That is a reality we have to face.

In regard to the proposal for a cut in PRSI before the election, the questions raised by my party leader this morning were genuine questions about affordability and information that would have been available to the Government before the election when those promises were made. There is a need for serious debate on where the money will come from, and what exactly will be delivered. We do not need the type of stop-start dealing with the economy that took place before the last election. I hope the economy will continue to grow and that we will look after the money prudently. The sum of money spent is not inconsiderable.

In the remainder of the time available to me I will address the health area where very sizeable sums of money are spent. We want to ensure it is well spent. The health budget is increasing but not at the same level as in recent years. I am concerned that it may not keep pace with wage costs and medical inflation which are the two big factors in health spending. I seriously question the operation of the HSE, and agree with Deputy O'Donnell in that regard, as to how it operates in terms of its accountancy systems and how money is spent. I note from one of the free newspapers that it was decided and approved at Cabinet yesterday that a consultant will be hired by the Government to study two diverse accounting systems operating within the health service. The appointment of former Secretary General of the Department of Finance, Tom Considine, was approved yesterday by the Cabinet. It appears the Government also has concerns about how the HSE does its sums, as does the Comptroller and

Auditor General and the Committee of Public Accounts.

During questions to the Minister last week we raised the issue of the increased number of higher level managerial staff within the HSE. The Minister said she had put a system in place from December 2006 that would control that issue and that approval had to be given by her Department wherever people were being upgraded or appointed at senior management level. Yet she said the level had exceeded the expected number. Clearly there is not that level of control and yet there are regular meetings on behalf of the Taoiseach's Department and on behalf of the Minister for Health and Children with the HSE. There is a real problem with the HSE and how the money is spent.

The blunt instrument used in recent months in regard to the embargo is not the way to deal with it. I urge the Government to come to grips with the way in which the health money is being spent. The HSE will be three years in place in January. From my perspective and I have not been the spokesperson on health for very long and from the perspective of the various people I have had the opportunity to speak with in recent weeks, it appears the money is not properly controlled. There are a series of organisations within the health service, including HIQA, the national hospital's office, the primary and community care section and there is no proper governance system in regard to interaction between these bodies. That affects how money is spent. It appears the HSE was not properly planned from the beginning. The Minister referred to the possibility of voluntary redundancies. Three years later there is an attempt to put some kind of governance and order on the HSE but this should have been done before it was set up. We are trying to solve problems in systems already set up. That is one of the big issues the Government needs to address in terms of the health service, the sick, how money is spent, quality assurance, financial control and value for money.

The result of the embargo is that people in the National Rehabilitation Hospital were not able to go back into their communities due to a lack of care programmes. It makes no sense that people are occupying special beds, which are needed for other special patients, when they could be in the community. The Minister told the House last week that issue was being addressed. However, I received an e-mail today from the son of a patient concerned who was supposed to be discharged but was not discharged until today. The e-mail indicated that only three patients have been discharged with the extra care packages. Since we raised the issue last week the impression was given that the problem had been addressed, but I believe it has not been fully addressed. That is an example of the craziness of such an embargo across the health service. In other situations expensive equipment will lie idle because staff

could not be allowed work overtime. This is not logical and patients are hurting.

Maybe this is not the place to argue for the ending of the embargo but it is the place to argue about the spending of the money and control of the budgets throughout the year rather than coming in with a sledge hammer at the end of the year and cutting services. There are a number of other aspects to the health budget. For example, the HSE gave back money last year, while this year it has considerably exceeded its budget, which does not smack of controlled accounting.

There is also the money which has been set aside for nursing home repayments. I presume the Minister will respond to this debate later. A sum of €360 million was allocated last year and only €150 million for next year. I want to know if the money that was not spent this year will go back into the budget to be spent next year. There are many other areas I could touch on. I agree the NDP money should be spent on rail, road and various projects, including the schools that need to be built.

One of the points included in the amendment tabled by Deputy Joan Burton on behalf of my party is that we preserve the NDP and spending on health and education. There is a need to get value for money and to protect essential services and the most vulnerable in society.

Deputy Charlie O'Connor: I welcome the opportunity to make a brief contribution to this important debate. I am pleased you are in the Chair, a Cheann Comhairle, because you will remind me not to stray from the subject. Deputy Tom Hayes actually mentioned Tallaght earlier, which is very reassuring, and Deputy Mansergh mentioned Wexford so I assume there will be a little leeway. I ask Deputy Seán Barrett to tell Deputy Hayes some day that the Tallaght strategy speech by that good man Alan Dukes was actually made in Templeogue. However, I do not want to change history and perhaps I should not have told him that.

Deputy Seán Barrett: It was in Tallaght Chamber of Commerce.

Deputy Charlie O'Connor: It was, but it was in Templeogue and I was there. I also welcome the presence of my friend, colleague and running mate, the Minister of State, Deputy Conor Lenihan. I believe this is the first time since the general election that I have had the opportunity to speak in the Dáil in his presence. I wish him well in the great job he is doing.

I have listened carefully to the debate. It is interesting that we have all taken different views and taken the opportunity to talk about the remits of various Departments. In my speech I will restrict myself to the responsibilities of a few Ministers. I attended two separate functions in Tallaght last night — I slipped out of the Dáil for a while. I mention this in the context of some of

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the gloomy speeches we are hearing. In my constituency in Tallaght where I live, I went to a function in Scoil Íosa where the STAY Garda diversion project was celebrating ten years with a concert by the Garda band. I also went to one of the local schools, Knockmore, where a new building was being shown off to the community. I use these as two examples of good Government spending at work. Knockmore school has done a great job with other local schools in a community that has been challenged by disadvantage in the past. The STAY project, one of several Garda diversion projects in Tallaght is clearly well worth funding and I hope we will continue to do so.

It gives me the opportunity to refer to the speech of the Minister for Justice, Equality and Law Reform, Deputy Brian Lenihan, and compliment him on funding another Garda diversion project in Brookfield in Tallaght in recent times. In the general election 160 days ago the people took a decision that they wanted a Government to continue to run the economy as it was run, which is why we have another Fianna Fáil-led Government. I am very confident that the Tánaiste and Minister for Finance, Deputy Cowen, will continue to do that job. If things are going to be difficult and challenging, we need to consider the areas that need funding. As Deputy Mansergh said, we must continue to fund sports complexes etc. to ensure we are laying the foundations for looking after communities and young people in particular so that in time we do not need to spend as much money on Garda diversion projects and on prison places. I know that case will always need to be made.

It is important for the education budget to remain as strong as possible. In all our communities, whether in Dún Laoghaire, Kerry or Dublin South-West, there are always schools that need redevelopment and renovations. There are always places that need new schools and certain places in my constituency have particular challenges in that regard for which moneys need to be made available. If things are tight we need to continue that.

I am sorry that the Minister of State, Deputy Noel Ahern, left. I welcome his appointment in the Office of Public Works. I have dealings with his office at the moment because it is important to proceed as soon as possible with the redevelopment of the Garda station in Tallaght. Tallaght has the third largest population centre in the country. I have often made the point that my constituency, which I share with the Minister of State, Deputy Conor Lenihan, has only one Garda station and it is time that was reviewed. I hope the Minister of State, Deputy Noel Ahern, will understand the need to proceed with the redevelopment of the Garda station in Tallaght. If that took place we could then concentrate on the bigger picture as far as policing in our communities is concerned. While every area will

always seek more gardaí, the case for Tallaght is particularly strong and I am not afraid to say so.

A number of colleagues have made the important point that we need to support what the Minister for Health and Children, Deputy Harney, is doing. I heard Deputy Ardagh praising St. James's Hospital, which I would be happy to do. However, I am very proud of my local hospital in Tallaght which opened almost ten years ago. It has had particular difficulties and challenges, and has been in the news frequently. While I do not want to labour the point about the size of that community, the catchment area of that hospital stretches all the way down to Carnew, through Wicklow and parts of Kildare etc. It is important for us to continue to keep pressure on. Much has been said in recent weeks about the HSE. As somebody with considerable background in a health board — I was the founding chairman of the South Western Area Health Board — I have not been afraid to say that what the Government is trying to achieve in ensuring value for money from the HSE is important. However, we also need to get the message across that the HSE needs to inform us as to what is going on and needs to continue to provide services. Members of the public do not want hear us say that, at approximately €15 billion, more money than ever is going into the health services when people still cannot get services as quickly as they should and cannot get them when they need them. From all benches across the House we should not be afraid to continue to make that point.

I wish to speak about social welfare. I was glad to be nominated as vice chairman of the Joint Committee on Social and Family Affairs in recent days. I look forward to the challenges it will bring me under its chairman, whose name I had better not say — I will let somebody else announce that. Throughout my political career, bearing in mind my background and remembering as I often do a Dublin of a bygone age, it is important that we continue to support families and communities that need it.

I will not make a political point because I do not want to upset Deputy Seán Barrett. However, I was glad the Taoiseach corrected the Labour leader this morning and pointed out that Fianna Fáil does not take lectures on social welfare payments because the record through successive Ministers is there to be seen. I am proud of what we have achieved and we need to continue to do that, certainly as far as the elderly, the disabled and the vulnerable in our communities are concerned. The Minister for Social and Family Affairs, Deputy Martin Cullen, should understand the support he has from all parties when considering the Green Paper on pensions. I am glad the Minister has made it clear that he welcomes public consultation and the responses he will get. We are all concerned about that situation. On the way to the House this morning I had some business at the community centre in

Firhouse, where somebody pointed out the pressure that it brings on all families. I note that Tallaght Welfare Society in its pre-budget submission, which I read during the week, made a specific point about the importance of the Government considering pensions in the long term. Even though it is not an issue that rolls off the tongue every day as I go about my business, people understand it needs to be addressed as they realise it is a problem. The former Minister for Social and Family Affairs, Deputy Brennan, looked at it and I believe the new Minister, Deputy Cullen, is determined to consider the matter in a particular way.

I welcome the Government announcement that consumer rights will again be protected. I welcome the allocation of more than €10 million to the National Consumer Agency. I wish the Tánaiste and Minister for Finance, Deputy Brian Cowen, well. I look forward to 5 December. I have no doubt my annual budget leaflet will be just as informative and exciting as in any other year. I am sorry if some of the Opposition spokespersons seem to believe otherwise.

Deputy Seán Barrett: Listening to the Minister's opening address on the motion, I began to wonder whether I was living in the same country as I was in April and May of this same year. Prior to the general election we can recall that anyone who dared to talk about the economy, particularly the Opposition which endeavoured to give accurate information to the public about the delicate line we were walking because of our major dependency on the construction industry, was accused of engaging in sabotage. I have heard it again today. Anybody who criticises the manner in which the economy has been managed over the past ten years in the House is unpatriotic according to Government Members. Unfortunately, the truth is out and the days of waste and irresponsible government are staring us all in the face. In case Deputy O'Connor or anybody else thinks I exaggerate, I refer to the latest edition of the *Sunday Independent*, which is not anti-Government. Under the headline "Cases of Government Failures and Mismanagement", the newspaper listed the various projects that have cost the taxpayer billions. For example, it highlighted unplanned spending of €150 million on the Dublin Port tunnel and €3.25 billion on the roads programme. A sum of €52 million was spent on e-voting machines, which are still in storage. The Government fails to understand that they will never be used, yet, as taxpayers, we are paying vast sums to store these God damn machines. It is about time hard decisions were taken. The Government should not engage in cutting services without carrying out a proper audit of spending and questioning the number of quangos built up in recent years.

The Book of Estimates provides for €58 billion in spending and a 1% saving is equivalent to €580 million. I refer to the administration subhead in

the health Vote. Through a parliamentary question, I discovered that the Department of Health and Children employs 593 people, despite the fact that the HSE has taken over the running of the health service. The salaries of staff in the Department amount to €37 million this year, which equates to €69,000 per year per individual. However, under subhead A8, €50,000 is provided for value for money and policy reviews while Incidental expenses in the same Vote amount to €2.6 million. These commitments are supposed to provide value for money to the public.

Anybody who merged 11 health boards without a plan for a proper management structure in the private sector would not be long in business. If 11 companies were brought together under one umbrella, one would first carry out a study to make sure a proper management structure was in place. Prior to the election the Minister for Health and Children denied categorically there were proposals for redundancies in the HSE. Subsequently, we learned from a leaked memorandum that provision was being made for 1,000 redundancies. It also recently emerged a study is being carried out on the management structure needed in the organisation. However, the unfortunate taxpayer who depends on these services suffers while all this is happening. I make no apology for highlighting that before services are cut, it is urgent and necessary to carry out a complete audit on the number of quangos and on what people do in the public service.

I refer to the education Estimate. There is a crisis in the provision of primary and post-primary school buildings. Anybody with two eyes in his or her head and a brain between his or her ears will be aware of the massive population increase as a result of immigration, including the Minister of State with responsibility for immigration who is present. That should have rung warning bells regarding the need for advance planning to provide appropriate school places for children. There is no point in attempting to blame the Roman Catholic Church or any other church for giving preference to children of their faith in the primary schools they run. It should have been obvious to the Minister of Education and Science that additional school places would be needed. However, no planning took place. Under the capital services subhead in the Department's Estimate, spending on buildings, equipment and furnishings of national schools in 2008 will reduce by 4% compared with this year while the allocation for building grants and capital costs for second level schools will reduce by 11%. We sympathise with people who have to queue outside schools this month as they worry about a place for their children next September but, according to the Book of Estimates, capital funding for such schools will reduce by 4% next year, even though the population is increasing.

I debated this issue with the Minister on radio and she stated 50,000 additional primary school places would be needed over the next five years

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as a result of an increase in our population but no planning has taken place. I am sorry if the Opposition, whose job is to point out these issues, stands up and highlights them. We are not being negative for the sake of it. We are calling the Government to account for its failure in advanced planning and in dealing with such issues. When the Minister for Education and Science contributes, I would like her to outline what provision is being made for additional buildings and school places at both primary and post-primary levels. Unless my Book of Estimates is different from everyone else's, capital funding for both will reduce by 4% and 11%, respectively, next year.

Housing construction faces a downturn and the number of houses being built will reduce. The Government has depended on the private sector to provide social and affordable housing in new developments. If fewer houses are built, fewer social and affordable houses will be available. How will the Minister for the Environment, Heritage and Local Government address this shortfall? The Acting Chairman, Deputy Brady, comes from a Meath constituency with an increasing population and he knows as well as I do that the demand for social and affordable housing is increasing, yet the Government has depended on the private sector to provide a percentage of what it builds for such housing. This will create untold problems unless funding in the Estimates is increased to provide adequate social and affordable housing. Otherwise we will face an even worse crisis in the housing sector.

Minister for Transport and the Marine (Deputy Noel Dempsey): I welcome the opportunity to address the House on the pre-budget outlook. The Department of Transport and the Marine Vote will provide for all capital expenditure on roads, public transport, maritime transport and regional airports.

Of this amount, more than €1.5 billion is allocated for national roads investment. This will allow the pace and momentum achieved in the national roads programme to continue. In particular, it will provide for the continued on-schedule delivery of the major inter-urban routes linking the country's main regional cities to Dublin, as well as important progress on other key national routes. This level of funding means progress will continue in 2008 with the completion of the Kilbeggan-Athlone scheme on the N6 and the Carlow bypass on the N9. Further progress will be made on the N6 Galway to Ballinasloe and Athlone to Ballinasloe scheme, the N7 Nenagh to Limerick scheme, the Limerick tunnel, the M7-M8 Portlaoise to Culahill-Castletown route, the N8 Cashel to Mitchelstown and Culahill to Cashel scheme, and the N9 Waterford to Knocktopher route. More than 70% of major inter-urban routes are either open to traffic or at construction, and all projects have completed statutory procedures.

On the M50, work will be completed on phases one and three of the upgrade project, and work will advance on phase two during 2008. Barrier-free tolling will also be introduced in 2008. This, together with the increased capacity brought about by the ongoing upgrade, should mean road users begin to see an improved service on the M50 during the year. The entire project is very much on target for full completion by 2010 and should deliver a 50% increase in capacity, leading to reduced traffic congestion as traffic flows more freely at higher average speeds.

Other major schemes that will be brought to completion will include the N4 Dromod-Roskeel scheme and the N51 Navan inner relief road. Work will continue on the M3 Clonee to north of Kells scheme and the N25 Waterford city bypass. Schemes that will commence during 2008 include the N7 Newlands Cross, N7 Castletown to Nenagh, N8 Mitchelstown to Fermoy, N9 Carlow to Knocktopher and N9 Kilcullen to Carlow.

Overall, the National Roads Authority, NRA, is overseeing the construction of 23 national roads projects, 21 of which are due to finish on or ahead of time. An example of the exceptional delivery now being achieved by the NRA is that of the five major road projects completed so far in 2007, all have come in on budget and on or ahead of time. For example, the N6 Tyrellspass to Kilbeggan scheme opened in May 2007 on budget and six months ahead of schedule. With more than €7 billion invested in national roads since 2002, long-standing bottlenecks have been eliminated, including in Kildare, Monasterevin, Ennis, Cashel, Loughrea and Drogheda, thus delivering substantial journey time savings and greater journey time certainty.

With regard to public transport, there will be continued progress on expanding the Luas network. Construction work will continue on the Cherrywood and Docklands extensions, while construction work will commence, subject to the granting of a railway order by An Bord Pleanála, on the Citywest extension. Public consultation and planning work will continue on the planned Luas lines to Lucan, Liffey Junction and the Bray area. Capacity enhancements will also be advanced on the two existing Luas lines.

Planning and design work and the procurement process will continue on metro north. Under Transport 21, metro north will be delivered through the public private partnership funding model. In 2008, the focus will be on progressing work on planning, design and contracts, and this is reflected in the 2008 Estimates. Public consultation and design and planning work will continue on metro west.

On heavy rail, the Portlaoise train care depot will be completed, construction work will continue on the Kildare route project and phase one of the western rail corridor, and will begin on the Cork-Middleton rail line. The railway safety programme will continue with safety improvements on the Iarnród Éireann network. The gradual

introduction of the 183 railcars that will transform the inter-city service will continue. Planning and design work will continue on the Navan rail line and detailed design work will begin on the inter-connector. There will also be significant work done on preparing for greater electrification of the greater Dublin rail network.

Bus capacity will continue to be enhanced with the introduction by Dublin Bus and Bus Éireann of additional buses to their fleets. Further bus priority measures will be introduced with an expansion of the quality bus corridor network in Dublin and the introduction of new measures in other cities. The 2008 existing level of service, ELS, allocation will also provide for a continuation of public transport accessibility improvements in accordance with the Department's sectoral plan under the Disability Act 2005.

More than €28 million is being provided for the regional airports. This includes funding for the annual subvention of operational expenditure on core airport services and continued support for essential air links between these airports and the Dublin Airport international gateway. It will also facilitate further progress on the roll-out of the €86 million multiannual capital grant programme for these airports, which was approved by the Government under the Transport 21 framework earlier this year. This programme aims to enhance safety and security standards at the regional airports and to assist them in providing the infrastructure necessary to cater for projected growth in the sector.

The maritime sector will be in receipt of more than €47 million in 2008. The Irish Coast Guard and maritime safety sector will receive the bulk of this sum, some €43 million. This funding will ensure the continuation of vital work related to the Irish Coast Guard and maritime safety generally. The Irish Coast Guard has responsibility for search and rescue in addition to marine pollution and salvage response. The 2008 capital funding provides for the continued investment in the station house building programme in addition to providing for the upgrading and expansion of the Irish Coast Guard's radio communications network.

One of the key aspects of the maritime safety function is accident prevention through an appropriate combination of regulation, heightening of safety awareness, and enforcement. The 2008 pre-budget Estimates will continue to provide for a grant to the Commissioners of Irish Lights and the Royal National Lifeboat Institution.

The Department will also continue to fund works that aim to protect the fabric of our regional harbours. The resources available have been concentrated on essential remedial works pending the transfer of the harbours to local control. The 2008 amount will provide continued funding at several regional harbours.

The Transport 21 infrastructural investment programme for 2006 to 2015 is delivering significant progress. Investment will be €34.4 billion in

the lifetime of the programme, which provides for €26 billion in Exchequer funding, with the balance to be delivered by means of public private partnerships and toll-based financing. This continued level of heightened investment, as supported by the 2008 pre-budget Estimates, demonstrates our commitment to the ongoing transformation of our national road network and public transport infrastructure. The high-quality transport network being put in place is contributing significantly to supporting our national competitiveness and job creation and to the achievement of more balanced regional development. It will also deliver a positive road safety dividend as upgraded roads, particularly motorway or dual carriageway standard roads, provide a much safer driving environment.

The Road Safety Authority, RSA, has also developed a new road safety strategy. This is Ireland's third road safety strategy and it runs for a six-year period from 2007 to 2012. The strategy outlines the strategic approach to be taken for achieving a safer environment on Ireland's roads. Its primary aim is to reduce collisions, deaths and injuries the roads by 30%. This new strategy was approved by the Cabinet on 16 October 2007 and will be launched by the Taoiseach, myself and the Minister for Justice, Equality and Law Reform tomorrow. The pre-budget outlook has seen continued investment in road safety to ensure the continued success of efforts to reduce drink driving. We are providing an extra €1.8 million for the Medical Bureau of Road Safety to help meet an increased workload arising from new mandatory alcohol testing.

Apart from these increases, current funding on an existing level of service basis will continue to fund the important work of the Road Safety Authority, which reduced driver test waiting lists in 2007 from a national average of 33 weeks to 20 weeks and will strive during 2008 to arrive at a target six week waiting time nationally, in addition to continuing to deliver on road safety. The expansion of the rural transport programme in the second part of 2007 is on course to provide 1 million passenger journeys in 2007, an increase of approximately 25% on 2006. The allocation in 2008 will support this expansion and maintain coverage levels already achieved to date. I commend the pre-budget Estimates to the House, particularly the transport Estimate.

Deputy P. J. Sheehan: Listening to the previous speaker, one would swear everything in the country was in order. He gave a glowing example of what he is doing with the western corridor. I would describe the western corridor as the central corridor in Ireland but the west has been completely neglected and forgotten. The western corridor will not even touch County Cork, with an eighth of the total area of the Irish republic and the longest coastline of any county.

Surely the Minister in his sense and wisdom could see the western corridor, if properly

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planned, should go via Limerick, Tralee, Killarney, Glengarriff, Bantry, the Old Head of Kinsale and back up the east coast. I have never heard of parts of counties Limerick, Tipperary and Waterford being described as the western corridor.

I hope the Minister will bear in mind that the people at the extreme ends of County Cork must live as well. We do not have one mile of national primary route in my constituency of Cork South-West. We had to suffer our railway system being taken away by a Fianna Fáil Government in the late 1950s and 1960s. It was scrapped and sold to a country in Africa where, I have heard, the track is still running supremely. Trains are running on the track taken from west Cork and sold to a Third World country in Africa.

How long can this Government ignore the plight of the people of Cork South-West and County Cork as a whole? It is ignoring south Kerry also. I am amazed my friend, Deputy Healy-Rae, is not present to hear the Minister speaking about new drink-driving laws which are to be introduced. The Minister for Transport and the Marine has left his seat but I wonder if he has consulted Deputy Healy-Rae on the issue. Judging by the newspapers, the Deputy seems to be resisting such measures, indicating they will herald the death knell of rural Ireland and the country pub.

It seems autobahns are being created all over the country but there is not one mile of national primary route in south-west Cork. Baltimore Harbour is crying out for development, and there was a promise before the election that it would be done within six months. The election is over six months and there is no evidence that anything is being done for Baltimore yet. I hope the Minister will not forget it in his budget speech.

When my party had a say in power and former Deputy Alan Dukes was Minister for Finance in 1982, he announced funding of £1 million for the pier in Schull. Within three months I delivered the money, work started and Schull pier was extended.

Deputy Michael Ring: Good man.

Deputy P. J. Sheehan: In my capacity as a Member of this House for 21 years, I was responsible for the building of 19 piers in south-west Cork.

Deputy Michael Ring: There was also Darby's Point.

Deputy P. J. Sheehan: Darby's Point was the 20th pier. It is in Achill Island and its building resulted in Deputy Michael Ring winning a seat in Dáil Éireann in a 1994 by-election. Since that time, nothing has been done for the area and it has been completely neglected.

Deputy Éamon Ó Cuív: It has for Mayo.

Deputy P. J. Sheehan: The onus is now on me to try to impress on the Government the necessity to act before it is too late. I hope the Minister for Finance will consider that where joint ownership of family farms is dissolved and jointly-owned assets are divided, no charge from capital gains tax should be applied. In other words, the roll-over relief abolished in 2002 should be reintroduced.

I trust the Minister will bear in mind that all taxpayers should benefit equally from increases in personal tax credits in the forthcoming budget. Farmers and other self-employed taxpayers have been denied significant increases in personal tax credits available to employees and others whose income goes through the PAYE system. Everybody should be treated equally.

I hope the Minister will consider a substantial increase in stamp duty rate bands for farm land to take account of inflation in values over the past five years. I trust he will consider legislating for no capital gains tax to arise from the disposal of farm land to a local authority for road building or road-widening purposes, provided the proceeds or compensation are reinvested in farm business assets.

I hope that where an individual exceeds the threshold mainly from income from harvesting of forestry, which may exceed €250,000 in a particular year, he or she would be exempt from tax relief restrictions introduced in the 2006 budget up to the €250,000 limit. Anything over this limit in relief should not be taxed as forestry farms, such as those with conifer plantings, take 40 years to mature. The sum of €250,000 divided over 40 years leaves a pittance that should not be taxed by any responsible Minister for Finance.

The living alone allowance should be increased to €16 per person, as it is now only €7.70. It has remained at that point for a number of years, a pure pittance compared to today's cost of living. Fuel allowances for old-age pensioners should also be increased to meet the steep increase in the price of fuel. Small business people trying to survive in small towns and rural areas should receive a 50% increase in rate allowances applicable to rates on premises, in view of the serious decline in incomes brought about by lack of business.

I need not remind the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, that every second rural pub in the south west is closing because of a lack of business. Small shops in the towns and villages throughout south-west Cork are closing because they are being squeezed out by multiples which have opened in centres 25 or 30 miles away. Their normal customer is leaving them behind. Unless the Minister takes a bold step and addresses the serious situation evident in rural Ireland, we will be heading down the road to a collapse in rural life. It is sad to think people are being deprived of living where they were born

and bred due to a lack of consideration from Government officials and Departments.

How long can small business people exist when they are forced by county councils to pay for water in and water out? This has never happened before, even going back to penal times. The Minister for Finance should think of the issues I have outlined to him this evening when compiling his budget for the first week of December.

I do not know if the Celtic tiger is healthy at the moment.

Deputy Michael Ring: He is dead.

Deputy P. J. Sheehan: If he is not dead, he is in the intensive care unit and they are trying to revive him. If we continue down the road we are on, he will be gone altogether.

Deputy Michael Ring: I hope he is not waiting for a hospital appointment.

Deputy P. J. Sheehan: Or a hip replacement. Our hospitals are being deprived of the resources required to allow them to provide the necessary services. I hope the Minister will bear that in mind on budget day.

Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív): It is always a pleasure to listen to Deputies P. J. Sheehan and Ring. They always make lively and knowledgeable contributions to debates. I congratulate Deputy P. J. Sheehan on his contribution, to which I listened with great interest.

The Deputy referred to the Celtic tiger. If he had examined the pre-budget Estimates he would have seen that the amount of money we are to spend will increase over the next two years. It is clear, however, that it cannot continue to increase at the rate which obtained previously. A driver may increase driving speed from 30 km/h to 40 km/h to 50 km/h and finally to 60 km/h, at which pace his speed remains constant; the car will not get slower but it also will not increase speed at the same rate as previously.

Deputy Michael Ring: We will be borrowing this year.

Deputy Éamon Ó Cuív: There are many good and positive things hidden away in the small print. I will not have the opportunity to comment on all of the matters relating to my Department. There are, however, a number of aspects I wish to highlight.

The first issue to which I wish to refer, namely, the need to press ahead with the decentralisation process, will have great resonance with Deputies Ring and P. J. Sheehan. I know they will agree that we took the correct approach when we decided to decentralise not only to gateway cities but to smaller places such as Charlestown and other small towns and villages.

Deputy P. J. Sheehan: What is the Government doing in respect of Valentia and Malin Head?

Acting Chairman (Deputy Johnny Brady): The Minister to continue, without interruption.

Deputy Éamon Ó Cuív: It was important to help Deputy Ring. He and I are good friends and we live just across the county border from one another.

I was bitterly disappointed that the planning application for what I thought was a prestige building on an excellent site on the road to Knock Airport was refused. However, my attitude is that if one is not successful when approaching a matter from one direction, one should come at it from another. I am sure the people of Mayo will welcome the decision to move rapidly and proceed with both the construction of this building and decentralisation. The good news is that by the end of this year or the beginning of next year 100 people will have been decentralised to the west.

There has been some ill-informed comment in the newspapers in recent times. Those responsible for it have counted up the jobs we created and then examined the position of people who have made inter-regional transfers. These individuals seem not to understand that 30% of the people working in my Department's office at Tubbercurry came from within the region. Vacancies must be filled from the region and they are eventually filled by people who would otherwise have been in Dublin if the jobs had remained here. The argument regarding from where people initially come is spurious. If one moves 100 extra jobs that were originally in Dublin to a region, this means that eventually there will be that number of additional jobs in said region. My two colleagues opposite will agree that this is how it works and that the decentralisation programme should proceed.

On Waterways Ireland, two major steps forward are being taken in this regard. In the first instance, I held a historic meeting with my colleague, the Northern Ireland Minister for Culture, Arts and Leisure, Mr. Edwin Poots, and a decision was made to proceed with the planning of the Ulster Canal. We are doing this on a phased basis. The first phase will be totally funded by the Exchequer and will take approximately six years to complete. Dá fhad é an bóthar, caithfear tosú áit éigean — no matter how long the road is, one must start somewhere. I am delighted that this landmark project will finally proceed. I do not doubt that it will be a major success and that it will lead to further successes in the future.

We are providing €77 million under the national development plan for the development of Waterways Ireland. Included in this is the completion of the Royal Canal from Dublin through the Acting Chairman's constituency and all the way to the Shannon. Completion of this major

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project in 2009 will mean that people will be able to travel from the Shannon, via the canal, to Dublin. This will be of great benefit to everyone who lives along the waterway.

Deputy P. J. Sheehan: There are no canals in west Cork.

Deputy Michael Finneran: There is plenty of water in the area.

Deputy Éamon Ó Cuív: As the Minister for Transport and the Marine, Deputy Dempsey, stated, we are proceeding with the western rail corridor. There were many doubting Thomases who thought that this was merely a promise. The great news is — and I have photographic evidence to support it — that the track is being laid on the first phase of the western rail corridor, which stretches from Ennis to Athenry and which is on schedule to be completed next year and opened in 2009. This will be the biggest opening of a railway system in the history of the country and it will happen in the western region, which was under developed in the past.

Deputy P. J. Sheehan: What about the railway that was removed from the south west?

Acting Chairman: The Minister should be allowed to continue, without interruption.

Deputy Éamon Ó Cuív: I have to hand it to an tAthair Micheál MacGréil and his colleagues. They refused to lie down; they preserved the line and they provided people like me and my colleagues, the Ministers for Transport and the Marine and Social and Family Affairs, Deputies Dempsey and Cullen, with the opportunity to deliver on this project.

Having already spent €5 million — the sum will be fully expended by the end of the year — we have asked Iarnród Éireann to come forward with further projects relating to the preservation of the line in the CLÁR area north of Tuam so that works can continue there. This is of vital importance because the preservation of the right of way has been the key to this project, which, I have no doubt, will bring great benefits to the west in the future.

The Estimates also highlight our continued commitment to social inclusion, particularly in the form of the increased level of funding provided in respect of the drugs problem, a major scourge on society. Diversion from drugs and rehabilitation are extremely important. My Department is focused on this issue and is trying to deal with what can, at times, appear to be an intractable problem. In addition, we are bringing the local development social inclusion programme on to a new plane by extending it nationwide. In respect of Deputy P. J. Sheehan's constituency, I was lobbied by him and other

Deputies and Senators over many years to extend the partnership programme to the area west of Bantry and to the Beara and Sheep's Head peninsulas. The good news is that, as far as this matter goes, the Deputy is a winner today because the local development social inclusion programme is going to be extended to the whole of west Cork. I am sure he will agree that this will prove to be of major benefit.

Deputy P. J. Sheehan: Will the Minister restore the railway system to west Cork?

Deputy Éamon Ó Cuív: I cannot do everything for the Deputy.

It is fair to state that the rural social scheme has been a resounding success. The only complaints I have received are to the effect that there are not enough places on the scheme. The programme for Government contains a promise in this regard. There were many who were sceptical when the scheme commenced. However, people in every parish are availing of the rural social scheme, which relates to the provision of community services, income adequacy and social interaction. The scheme has been extremely successful and there is a commitment in the Estimates to continue with it.

On its introduction, the CLÁR programme was also derided as being of no great merit. However, it has disbursed money in all directions. Under the group water schemes, a total of 3,500 households, home to approximately 10,000 people, now have water, or will have it in the near future. It would not have been possible for this water to be provided at a reasonable price were it not for the CLÁR programme. In the region of 1,000 projects relating to LIS roads have been approved and we are in the process of approving another tranche of these. The programme will continue into the future. I have asked local authorities to prioritise what they perceive to be the major issues. Many communities throughout the country have benefited from the programme.

Spending on the islands stands at an all-time high. Mayo has benefited greatly in recent years from funding provided in this regard. New piers were built on Clare Island and Inishturk. Between island and Gaeltacht funding, my Department and the Department of the Environment, Heritage and Local Government are providing a swing-bridge to Achill Island. There are regular ferry services to Inishbiggle — a matter that caused people much grief for a long period — and new piers have been built there in order that better services might be provided. Again, we are involved in the biggest ever islands programme. Having dealt with Cork in its early years, Donegal and Mayo, we have eventually moved into Galway where there are major works ongoing.

Deputy P. J. Sheehan: The Government has a little bit more to do in Cork.

Deputy Éamon Ó Cuív: There is a pier to be built in Cape Clear and we will get to that. D'fhéadfainn dul ar aghaidh ar feadh an tráthnóna mar tá go leor a bhféadfainn a rá. Is léir go bhfuil an leibhéal ardghníomhaíochta a shroich muid i mbliana ar an leibhéal is airde riamh agus is léir, ós rud é go bhfuil an t-ollmhéad a tháinig ar chaiteachas na Roinne le leanacht sna blianta beaga romhainn, go bhfuil go leor oibre ar bun. Mar a dúirt pairtí poilitíochta ag pointe amháin, tá go leor déanta, ach tá go leor fós le déanamh.

Deputy Arthur Morgan: In its programme for Government in 2002, the Government claimed "We will keep the public finances in a healthy condition". Interestingly, no such commitment appears in the new programme for Government, which is an interesting omission. With lower growth projected for the years ahead, the focus now needs to be put on what is required to ensure that public finances are kept in a healthy condition to enable the State to meet its obligations in terms of the delivery of public services and social protections.

We need to ensure that we do not go further down the road of a low tax and low public services model that will inevitably result in the downgrading and dismantling of public services and social protections. The proposed commission on taxation must examine these issues in detail and focus on the need to create a fairer taxation system. The explosion in stealth taxes and charges in recent years must be addressed.

Yesterday, Dr. Alan Barrett of the ESRI put forward the view that limited tax increases "would not be economically damaging" and would provide the Minister for Finance with "wiggle room" on the expenditure side in December's budget. Dr. Barrett is right to initiate a debate on these matters because we now face crucial decisions on the direction this State is taking. Government decisions to raise or reduce overall taxation revenue must be made on the basis of what is needed to meet social goals and other spending demands. The reduction in tax receipts as a consequence of the slowdown in the property and construction sector means that the tax base needs to be looked at.

Key vulnerability in the economy was evident in advance of the general election. Chief among these was the implication for tax receipts of a widely predicted decline in the construction and property sectors. The tax strategy papers prepared in advance of the last budget show that there was a clear awareness of this within the Department of Finance. The argument made by Sinn Féin in the run-up to the election, that with the slowdown in economic growth and the developments in property and construction, the Government cannot afford to cut taxes and maintain, let alone improve public services, has been shown to be correct.

The Government was wrong to cut the higher tax rate from 42% to 41% last year. This resulted in high-income individuals getting the highest increases in weekly income as a result of budget 2007. It was wrong to promise to cut the top rate by another 1% this year. I welcome the fact that Dr. Barrett also echoed Sinn Féin's position in saying that he was "not entirely convinced" that the proposed reduction in the top rate of income tax from 41% to 40% was the most pressing change required in the tax code. Of course, it is not the most pressing change. There are many other places where this revenue would be better directed, including improving public services and social protections. It is incredible that the Government is now proposing to proceed with further cuts and, in particular, the additional cut in the top rate of tax, given a projection for tax collection in 2008 which is €2.2 billion lower than that predicted last year at budget time. This morning, the Taoiseach in this House was still insisting that the Government will implement its tax and PRSI-cutting proposals despite the evidence that these are not viable.

Sinn Féin would like to see a number of specific tax measures included in budget 2008. We are calling on the Minister to increase the restrictions on the use of specified tax reliefs to ensure that high-income individuals pay their fair share of taxation. No high-income individual should be able to write off more than 5% or, at best, 10% of their income through such exemptions. Another minimal step that needs to be taken is the standard rating of discretionary tax expenditures, many of which will have to be examined by the commission on taxation to assess whether they play any useful role.

I will deal in some detail with the proposed cuts in PRSI as they have far-reaching implications. The main conclusion of the latest actuarial review of the social insurance fund published last week is that the fund's net cash-flow position is projected to decline rapidly after 2010 and that the surplus is projected to be exhausted by 2016. The programme for Government commits the Government to cutting employee PRSI from 4% to 2% and cutting PRSI for the self-employed from 3% to 2%. When these proposals were first mooted in advance of the election, my party pointed out that they were being made without any consideration as to whether the social insurance fund was sufficient to meet current and future demands.

Sinn Féin highlighted the fact that there were already serious concerns about the adequacy of the social insurance fund based on the findings of the first actuarial review. The latest review has reinforced these concerns and has found that contribution rates would need to increase substantially if the fund's income is to be adequate to support the benefits being paid from the fund going forward. The situation would be much worse if the Fianna Fáil proposals to cut PRSI contributions were implemented. The fund is set

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to face additional demands in the immediate term as unemployment is predicted to rise next year from 4.5% to 5.5% — that is about another 10,000 people. This has significant implications for the social insurance fund and is a further reason the PRSI cuts are a non-runner.

Tighter finances will be a real test of this Government. Cutbacks in public services — either obvious cutbacks such as those in budget 2003 or more discrete cutbacks, as is more likely to be the case this time around — cannot be tolerated. Neither do we want to see key infrastructural projects under the national development plan tactically delayed to reduce costs in a given year, with those costs being pushed forward to a future budget. A much more sensible approach would be to borrow for these projects and ensure their early delivery to help improve our competitiveness, which is currently negatively impacted by our infrastructure deficiencies.

On the health issue, there is nothing in this pre-budget outlook to show that the Government is doing anything to avoid the disgraceful situation where end-of-year budget over-runs have seen the HSE imposing cuts in services to patients. The claims by the Minister for Health and Children, Deputy Harney and the chief executive officer of the HSE, Professor Brendan Drumm, that the so-called saving measures would not and should not affect patient care have proved to be totally worthless. Even if they believed their claims in the first place, neither the Minister nor Professor Drumm did anything to ensure that the so-called savings would not be at the cost of patient care.

In my region, the latest fallout from HSE cuts is that there will be no elective surgery in Louth County Hospital in Dundalk in December. All of the staff will be employed there. The nurses will be there and the administrative staff will be on hand, as will all of the surgeons so where are the savings? We have already seen medical and general surgical elective work postponed at Our Lady's Hospital in Navan and the planned closure of its orthopaedic unit for an entire month. Up to eight operations per day have had to be cancelled at Cavan General Hospital and many patients requiring rehabilitation after serious accidents and/or major surgery are being denied admission to the National Rehabilitation Hospital in Dún Laoghaire because of these cutbacks — so much for the commitments from the Minister and Professor Drumm.

The most fundamental issue regarding health spending is not how much is spent but how it is spent. I hope Government backbenchers will appreciate the crisis in the health service and raise their voices to demand a better, more caring service. We see that the easiest option is exercised at all times by the Government in respect of health services. The savings are minuscule because, as I pointed out, professional and administrative staff must still be on hand. The

knock-on effect of more people on waiting lists resulting from the closure of facilities will take until early summer to clear. People who need these elective procedures will still need them in January, February or March of next year. The waiting list for such procedures will lengthen or else those patients will be diverted for treatment under the National Treatment Purchase Fund, in which case private hospitals will pick up the tab. These procedures will still have to be paid for. Where are the savings in that arrangement? It does not make sense. I ask the Government backbenchers to raise their voices with the Minister for Health and Children and other Cabinet members to ensure that this daftness does not continue.

Deputy Michael Finneran: I welcome the opportunity to speak on the pre-budget Estimates for the public services and to compliment the Tánaiste and Minister for Finance, Deputy Cowen, and the Government on bringing forward a new format for the Book of Estimates, the budget and the delivery of that €58 billion budget in a more transparent manner in terms of the spending of taxpayers' money. That must be a positive development. One important step in that new format is the development of further innovations, on which I compliment the Minister.

Much debate has taken place in recent times on the standing of this country *vis-à-vis* its growth in economic terms. We must all accept that the hazy days of high economic growth of the past five or six years have passed but it is predicted that the growth rate for 2007 will be 4.75% and for 2008 to 2010 it will be 3.5%. By any standards, whether international or more particularly European, our growth rate is at the top of the league. This country has benefited from that enormous growth in recent years, as is evident from the position in the different services provided in that period.

I will concentrate on the level of investment in the constituency I represent of Roscommon-South Leitrim, previously Longford-Roscommon. Some €30 million was invested in school development in County Roscommon in the past six years; more than €10 million was invested in child care facilities; and new Government offices were developed. Investment was made in hospitals and other health services in the region, the difficulties experienced in which I hope to address later. Work is taking place on the N6 and by 2009 a dual carriageway will run from Dublin city to Galway city through the bottom half of my county and constituency of Roscommon. That artery through south Roscommon will bring enormous benefits and opportunities for further developments. I was pleased that a decision was taken to sanction the Ballaghaderreen bypass some months ago. It will benefit not only County Roscommon but will be another important artery on the N5 from Dublin to the west and will eradi-

cate the gridlock experienced by motorists on that route.

Transport 21 is innovative. I was glad to hear from the Tánaiste and those in Government circles that the national development plan is to be implemented, even given the restrictions being placed on the public finances. That is important. In the past when the economy was not in such good shape the first casualty was always the capital budget. That was a cheap short-term decision. The Government decision to proceed with all the infrastructural development under the national development plan is to be welcomed, and I compliment the Tánaiste on saying that is to be the case.

The Minister, Deputy Éamon Ó Cuív, spoke about decentralisation. Having served as a former member of the Committee on Finance and Public Service for the past five years, I heard comments denigrating decentralisation, saying that it would not work. Perhaps it will not work at the pace initially expected and too much was expected in a short timeframe, but I assure the House that it is working. An advance party of up to 90 staff of the Land Registry will be based in Roscommon by Christmas and a new building is to be constructed starting in 2008. Further decentralisation of offices to Carrick-on-Shannon, Charlestown and other areas is taking place. All of that is beneficial to the development of the region.

People in the west have believed for far too long that they were not getting their fair share of the benefits of the national cake, so to speak, but recently the Tánaiste, together with the Minister for Transport and the Marine and the Minister with responsibility for rural affairs, have concentrated on issues important to us and have responded in a positive way. The development of the western rail corridor was left to be addressed for many years. I spoke to the county manager of Mayo County Council on Monday and he informed me that in the next three years, €45 million will be invested in the Knock Airport development, almost €28 million of which is taxpayers' money provided by the Government. That is a welcome development for the people of Roscommon, Mayo, north Galway, Sligo and other areas in the region. I do not want to ignore the difficulties being experienced in Shannon. We support Shannon in its attempt to maintain services it considers important but we too must look to our future and I believe our future in our region is with Knock Airport.

We are now no longer a low cost economy and we must examine other opportunities that will allow us create employment and wealth. One area in which we can do that is through tourism. Recently, the Tánaiste announced a new tax corridor on the lower Shannon. There are great opportunities there for people to invest in tourism projects and to attract more people to the region. The opportunities for angling, boating and tourism generally in the Shannon basin are enormous and much of it is untapped. I look for-

ward to the roll out of that scheme for the lower Shannon.

Another issue is that of pension provision. For too long, our elderly were not looked after but that has changed. The previous Government indicated it would increase the pension to €200 per week and it has said it will increase it to €300 during the term of this Government. I was glad to hear the Taoiseach say on the Order of Business this morning that the Government intends to honour that commitment.

It is important that everybody aged 70 years gets a medical card, which is not generally the policy elsewhere. My relatives in America believe that is an innovative measure because there is no such scheme in that wealthy country. Elderly people are being well cared for. They are the people who built up this country and it is only right that we should give some return to them and make their lives comfortable.

I have a proposal for Government on the Industrial Development Authority. After all this time I believe that authority is east coast orientated and I am not happy with the level of job opportunities being presented to us in the west. The IDA is not concentrating on the county towns and rural towns in the west. I could count on one hand the numbers of jobs that have been created in some towns and regions. The Government will have to instruct the IDA to look outside the Pale and the south and to look west. Counties Roscommon, Mayo, Leitrim and Sligo also need jobs. We are entitled to our fair share of the cake in terms of job creation. I read of announcement after announcement of jobs for areas, but they are not for the west. I hope during the term of this Government the IDA will be directed to have regard to its responsibility for all parts of the country, including the area from which I come.

The contribution of Deputy Éamon Ó Cuív has been positive for the west of Ireland. He highlights issues and introduces schemes that are important to us, such as the CLÁR scheme or the rural social scheme. He supported areas that had a low population. Without this support and such schemes, many of the services needed, such as rural transport, water and sewerage or three-phase electricity, would not have been brought forward. I compliment the Minister on the pre-budget outlook and the new format. He will deal with the people of this nation with an even hand in the budget in a few weeks.

Deputy Michael Ring: I support Deputy Finneran on the projects in the west of Ireland. I hope he will lobby the Minister for Transport, who has let us down to date, on the N5 from Longford to Charlestown. It is the biggest disgrace in the country. It is a disgrace that when I go on that road tomorrow afternoon there is not room for two cars to pass. When travelling from the west, I do not mind the rest of the journey from Longford to Dublin. When I am returning

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from Dublin, if I get caught behind a lorry at Longford, it will take me two and a half hours to get to the west. It is time the necessary funding was put in place for the N5. We have talked about it for 30 years. It is the most important infrastructure project to get goods in and out of the west of Ireland. Factories in Westport, such as Allergan and Baxter Healthcare, have lobbied the Minister, complaining that goods transported from the west are damaged because of the condition of the road.

The Minister referred to the western rail corridor, which I welcome. I was disappointed that it was not continued to Claremorris. It is important to us. Other speakers referred to the Shannon stopover. What happened is a disgrace. It is a disgrace that the Government allowed the removal of infrastructure that is important to business people coming in and out of Shannon, Galway and Mayo. The service brought a critical number of people, including those in the business sector, in to the west.

I agree with Deputy Finneran that we have been let down by the IDA, which thinks that Dublin is Ireland. It forgets about rural Ireland. It forgets that people in the west of Ireland need jobs and the same commitment it shows to the east coast. I have nothing against Dublin. I love coming to Dublin but I love to get out if one can get in or out. That is the biggest problem in this city. It has great roads but people cannot drive anywhere because they are caught in traffic. God help the people who live in this city because they spend more time in cars than in homes, trying to travel one mile across the city. They spend hours trying to get home in the evening, which is wrong. That is a matter of basic planning for the Government. What it has planned in this city and the whole country has been a mess.

The past 15 years have been great for this country and at the first sign of a downturn we must borrow to meet Exchequer figures. Before the election I heard there were no worries about funding. People were told the economy was in safe hands and everything would be okay. That election did not take place 15 years ago. It took place four months ago.

I heard the Tánaiste and Minister for Finance predict growth of 5.5-7%. Now he has revised it to 3.5% and one can be assured that it will be even lower. There is a downturn but when we had it good in this country we squandered it. Previous speakers referred to squandering money on roads. We never spent more money on hospitals yet we never had a worse health service.

The biggest issue is whether we have a public service. We have never spent so much money or given so much money, through benchmarking, to the public service. If one phones the health board, the local authority or the Department of Social and Family Affairs one only gets through to Mr. and Mrs. Voicemail. The likes of Mr. and Mrs. Voicemail now dominate the public service. One

cannot get a civil servant to answer in any Department even though we never spent so much money on the public service as we do now.

It is time the Tánaiste and Minister for Finance and the Government tackled the inefficient public service. I hear about it every day. People are sick and tired and would not come to us as politicians if public services worked. We must deal with health boards, county councils and Departments. We are paying them enough and it is time they served the people paying them, namely the taxpayer. They should give us commitment and do the job they are paid to do, which they are not doing.

There is a downturn but I urge the Minister for Finance not to attack people on social welfare. It is easy to give money when things are going well but this year represents a test for the Government. I want to make sure the elderly, pensioners and those on social welfare are protected in this budget. Food, fuel and costs of day-to-day living are increasing and people on low incomes are the first to be affected.

Now that the Green Party is in Government we may be faced with carbon taxes. If that happens the Minister must protect the elderly, the weak and those on low incomes to ensure they do not suffer. If he must attack one group of people he should tax those who live outside the country, who fly in for the All-Ireland and race meetings but pay very little tax because they live outside the State. These are the people we should target to ensure they pay their fair share; we should spread it around and ensure we can invest revenue in the health service and roads.

The town in which I live, Westport, is one of the fastest growing towns in the country. We depend on our tourist industry, with 12 hotels. The greatest problem is getting people in and out of Westport. When Fine Gael was in Government in 1997, a long time ago, the N5 was to be the next project to receive funding from the NRA and the Government. Ten years later it has not happened. I ask the Minister to provide funding for the N5.

A breast cancer service is currently available in Mayo General Hospital but it will be removed to a centre of excellence in Galway. A protest march is planned in Mayo for next Sunday. The people will march and tell the Government they are satisfied with the current service. There is a centre of excellence in Castlebar, with an excellent surgeon and all the backup staff required. Some 2,500 people used the service last year. Some 70 women were diagnosed with breast cancer and 66 were operated on in Mayo General Hospital. The service is working and we want to maintain it. Perhaps the centres of excellence are good but I visited a man in hospital in Galway recently and one cannot park the car or get an appointment because of overcrowding. Now the HSE wants to add to that by closing down the centres in Sligo and Mayo and moving the services to Galway. That is not decentralisation

but the exact opposite. We are happy with the service we have in Mayo and want to retain it. I ask the Minister to talk to his colleagues in Government and to make a political decision to ensure the service is maintained.

In the west we have been let down for many years with regard to infrastructure. We badly need roads. Take the N26, the road along which the gas will be transported from north Mayo. It is one of the worst roads in Ireland. We are extracting gas that will do the State and the community good but we do not have a proper road. It is time the funding was put in place to ensure that the road from Castlebar to Belmullet is improved.

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): I welcome the opportunity to address the House in this debate on the pre-budget outlook. Before I deal with the spending profile of my Department, I wish to acknowledge the new and innovative approach of the Tánaiste and Minister for Finance, Deputy Cowen, in publishing, before budget day announcements, expenditure profiles based on existing levels of service. This provides greater transparency on how public spending for 2008 is related to the overall budgetary process and how expenditure increases will be financed. In this way, the budget day announcements by the Tánaiste and Minister for Finance will give a full elaboration of all aspects of our public finances both in terms of revenues raised and the public services that are funded by taxpayers.

The published pre-budget Estimate of my Department provides for €2.8 billion, comprising capital spending of €1.978 billion and current spending of €888 million. This is a very substantial amount of public expenditure and provides a very robust foundation for the wide range of programmes for which my Department is responsible for delivering in 2008. However, the provisions published now are not the end product for 2008. It is important that financial resources meet public service demands arising from economic growth and demographic change.

Since coming into office I have placed great emphasis on the achievement of the highest environmental standards through partnership with the local authorities and other agencies within my remit. I have also placed strong emphasis on monitoring performance and promoting best practice to maximise the benefits of the considerable resources being made available.

I now turn to the main aspects of my Department's activities, the first of which is in the area of the environment. This Government is committed to a policy framework that will protect and enhance our environment now and into the future. Integrating environmental considerations into all policies and programmes is the key to achieving sustainable development. Public expenditure is one means by which we will embed the principle of high environmental performance into

our policies and delivery mechanisms and make it a reality.

Our environmental objectives bear upon all the environmental media but climate change is now widely recognised as the most critical global challenge we face. It affects everyone on the planet and for many, their very survival at stake. Their homes, livelihoods, the food they eat and their very existence are threatened. The international community must act quickly if we are to maintain control over climate change and avoid its worst consequences. We must act globally and locally because climate change is everyone's problem. That is why the Government strongly supports the European Union target of minimising global warming to 2° Celsius or less. This Government, along with the other European governments, unanimously agreed to reduce total greenhouse gas emissions in the EU by at least 20% by 2020, compared with 1990 levels. The Government is committed to an ambitious and binding international agreement to succeed the Kyoto Protocol from the beginning of 2013.

The current programme for Government emphasises the national commitment to comply with our adherence to international agreements and to go a step further in this critical area. In addition to emissions reductions, which will be delivered through the implementation of the national climate change strategy, the programme for Government proposes a challenging target of a 3% reduction per year, on average, in our greenhouse gas emissions. In addition to complying with the Kyoto Protocol, we will put ourselves in a very strong position to meet the challenge of the more demanding targets we face in the post 2012 period.

The programme for Government commits us to setting a new ambitious waste management target, with maximum re-use and recycling as well as very modern waste treatment, to ensure we match the best international performance in the EU for recycling. The objective is that only 10% of waste, or less, is consigned to landfill, down from the current level of 66%. The programme also includes measures to broaden our approach to managing residual waste, with an increased emphasis on alternative technologies, including methods for the mechanical and biological treatment of waste, known as MBT. My Department is commissioning a major review of waste management planning, as provided for in the programme for Government. We want to reduce the amount of waste substantially, with 50% of it being recycled; after MBT approximately only 400,000 tonnes of waste would have to be dealt with annually. Those targets are achievable. We will meet the landfill directive and the target of 400,000 tonnes by 2016.

In the interim I am considering using my powers under section 60 of the Waste Management Act to ensure a policy direction regarding the involvement of local authorities in put-or-pay arrangements in the context of public private

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partnerships in respect of incinerators and landfills. This is currently the subject of a regulatory impact analysis, which should be concluded shortly.

The Government's commitment to the sustained improvement and expansion of national water services infrastructure is reflected in the €4.7 billion detailed in the National Development Plan 2007-2013, an increase of 27% on the €3.7 billion spent under its predecessor. The national development plan sets out a series of environmental and economic objectives for the water services sector that will provide the primary backdrop to investment decisions over the next few years. The priority will be to meet the environmental goals and objectives that are enshrined in the programme for Government, while also facilitating strategic economic and other development. Specific objectives include meeting in full our obligations under national and EU law on higher drinking water standards and the protection of our rivers, lakes, groundwater, estuaries and marine water through improved disposal of waste water. The recently announced water services investment programme from 2007 to 2009 outlines the schemes being undertaken in the period ahead to meet these objectives.

There has been a remarkable transformation in the quality and coverage of our water services infrastructure in recent years. Our compliance rate with EU secondary waste water treatment requirements stands at 90%, compared to 25% as recently as 2000. This has involved the provision of additional waste water treatment capacity equivalent to the needs of a population of 3.1 million. In environmental terms, this has meant that the pollutant load from municipal discharges to rivers, lakes and the sea has been reduced by approximately 45,000 tonnes per annum. On the water supply side we have, since 1997, provided additional drinking water capacity for a population equivalent of over one million. We must build on this success in the coming years by continuing to invest in schemes that will deliver the high standards to which we aspire.

As my title suggests, heritage is an integral and extremely important part of the work of my Department. My Department performs its work in the heritage area in close liaison with the Heritage Council, the Irish Heritage Trust and a network of conservation officers and heritage officers operating at grassroots level in the various local authorities. The importance that the Government attaches to heritage is evident from the number of objectives contained in our agreed programme for Government relating to heritage policy. The programme sets out 14 objectives in this important area including the completion of the national survey of our built heritage, strengthening the role and operation of the Heritage Council, supporting the newly formed Irish Heritage Trust and introducing a national landscape

strategy. I announced how the latter will evolve while in Kilkenny last week.

I now turn to housing. The Exchequer provision for housing in 2008 of almost €1.5 billion will allow us to consolidate the progress made in recent years under social and affordable housing programmes. Significant progress has been made. More than 13,000 social housing units have been completed since 2005 to mid-year 2007. Work will continue in 2008 on the redevelopment of Ballymun and other regeneration activities. Finance for private housing grants will continue to fund house improvements for groups with special needs under a new regime recently announced by the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Batt O'Keeffe. Funding will be maintained for the provision of homeless and Traveller accommodation. Households will benefit from ongoing implementation of the rental accommodation scheme, RAS. Support will be made available to voluntary and co-operative housing bodies, including a revised capital assistance scheme which will make 100% funding available to the sector.

The commitment to the provision of assistance to low-income households to acquire affordable accommodation in the private sector will also be maintained. Exchequer funding in this area focuses on the provision of subsidies including site subsidy, mortgage allowances and affordable housing subsidies to make homes more affordable. Other expenditure relates to the funding of mortgages by means of loans raised through the Housing Finance Agency.

Significant Exchequer finance has been made available to housing. In the previous national development plan it came to €10 billion and some €18 billion was committed in the recent plan. Investment on this scale comes with a responsibility to ensure moneys are spent wisely and to best effect. The commitment to multi-annual capital programmes and local authority action plans for housing provides a strong strategic framework for the major investment programme in progress.

The Government remains committed to supporting policies to boost the supply of housing and improve affordability. It will also continue to assist low-income groups and those with special housing needs through a range of targeted social and affordable housing programmes, for which substantial levels of funding have been approved. I am confident that with these significant levels of investment announced and with local authority action plans in place to support delivery, real benefits will be seen in the output and quality of social and affordable housing provision in 2008.

The publication of the pre-budget outlook demonstrates the commitment of my party and the Government to greater transparency in the consideration and priorities of public expenditure. The pre-budget Estimates demonstrate the Government's commitment to the wide range of

activities, services, investment programmes, the local government and heritage sectors of the Department of the Environment, Heritage and Local Government. I look forward to presenting my detailed spending Estimates in due course.

Tánaiste and Minister for Finance (Deputy Brian Cowen): I thank the House for the wide range of statements and analyses made on the pre-budget outlook. I see this process of debate as a large part of budget reform, as set out in my opening speech.

Several points were made during the course of the debate about forecasts for the economy and how they have changed. Before reminding the House of the forecasts contained in the pre-budget outlook, it is no harm to focus on the changes in the economic environment this year.

Last December on budget day, I set out the Department's three-year growth forecasts for 2007 to 2009. At that stage GDP growth was forecast to grow on average by 4.7% with growth of 5.3% for 2007. I also forecast taxes would grow by 7.8% in 2007 and that on a cash basis the Exchequer would have a deficit of €546 million. The general Government balance was forecast to remain in surplus at 1.2% of GDP.

At the time, others took the view that my tax forecasts were somewhat prudent. The ESRI in its winter quarterly economic commentary forecast an Exchequer surplus of over €1 billion and a general Government balance of 2% of GDP. At the time its view for growth in GDP at 5.4% was no different from mine. Likewise, the Central Bank forecast GDP growth of 5.5% in its January 2007 quarterly bulletin. This general consensus lasted through the first six months of the year, but circumstances have now changed.

The pre-budget outlook is my updated forecast, but others such as the ESRI and the Central Bank produce quarterly forecasts. The ESRI still expected GDP growth of 5.4% for this year in its spring quarterly forecast but by its summer quarterly forecast it had revised growth down to 4.9% for this year. Most institutions that produce regular forecasts for the economy revised down their outlook over the summer and autumn. The economic environment has changed and the forecasts published in the pre-budget outlook reflect this.

Growth now is expected to be lower for the next several years with GDP expected to average 3.5% over the period to 2010. My forecasts for this year and next, are broadly in line with others that have produced forecasts over recent months. I reject any contentions to the contrary.

Deputy Bruton referred to the debt-driven property boom which completely misses the point. First, the level of new housing output has been ramped up in recent years in order to achieve greater balance between housing demand and supply. Had this large increase in house completions not occurred, first-time buyers and others would have been excluded from the market.

Second, while all Members are aware of the rise in personal indebtedness, less attention is given to developments on the asset side of the household balance sheet. Between 2001 and 2005, the ratio of net household assets to GDP has been on a rising trend. It is also worthwhile to note the age structure of the population, being younger than most other EU countries, is such that a relatively large proportion of the population is at the life cycle stage of borrowing to acquire real assets.

Deputy Bruton suggested the Government had become overly dependent on revenues from the property market, squandering the extra tax receipts from that area. While we undoubtedly benefited from the extra resources arising from the buoyancy in the property market, we have not staked all on them. We prudently used these receipts as a bonus to reduce debt levels while new services were not based on them.

Care has been taken not to plan the public finances around the assumption that tax receipts from the property and wider construction sector would continue to grow as they did in the recent past. It is important to put the increased contribution from stamp duty and capital gains tax in context. The budget forecast of the yields from stamp duty and capital gains tax combined, in 2007, represents about 15% of tax revenues overall. In contrast the big four taxes — VAT, income tax, corporation tax and excise duty — were expected to account for close to 85% of total tax revenues this year.

As in previous years, the Department adopted a cautionary approach and factored in an easing in property market activity this year when making its budget day economic and fiscal projections. This was reflected in the forecast rates of increase for stamp duty and capital gains tax, far below the growth rates experienced in recent years. The actual slowdown will be greater than initially anticipated, however. This is reflected in the performance of stamp duty and capital gains tax so far this year.

Property-related taxes are not the only taxes which have been growing strongly. Between 2001 and 2006 income tax increased by just over €3 billion and corporation tax by just over €2.5 billion, indications of a strong economy with more people in work and more companies returning healthy profits.

Several Members referred to the tax and PRSI commitments in the programme for Government. It is a five-year programme which states clearly all commitments are subject to the economic and fiscal framework. It is our intention to operate a responsible fiscal policy characterised by broad budget balance.

Some Members referred to the unallocated provision in table 6 of the pre-budget outlook as some sort of a war chest for the Government. This is a misrepresentation of the position, perhaps by some for political mischief. Table 6 sets out an illustrative budgetary position for the com-

[Deputy Brian Cowen.]

ing years. The inclusion of the unallocated provision is not new; last year's pre-budget outlook included a similar provision. This provision is indicative at this stage and I will be setting out in full detail on budget day my budgetary measures for both taxation and spending.

Some on the other side of the House refuse to be pleased with the spending information provided last week in the pre-budget outlook. Despite the considerable increase in data and information in the outlook, it still falls short of their expectations. Both Deputies Bruton and Burton want to determine the budget from the Opposition benches, deciding the priorities and what to spend moneys on exclusively on the basis of proposals and choices presented by them to me. This would usurp the role of the Government and is not consistent with the democratic process.

The purpose of the pre-budget Estimates is to provide a clear outline of the starting position for the information of all sides of the House. The Estimates show what moneys are needed to maintain existing services next year. From that starting position on an existing level of services basis, we can have a debate about where the existing priorities lie and where new priorities should be. A debate, however, by its nature, involves more than just one point of view. If anyone wants to know mine and the Government's priorities, I will be happy to point them out.

My core priority is the continued economic and social development of the country on the basis spelled out in the National Development Plan 2007-2013. The programme for Government and the Towards 2016 partnership agreement also set

out priorities and proposals to be delivered upon as resources allow over the lifetime of the Government.

The Government remains open to reviewing the budgetary process to encourage a more constructive and relevant examination of how the State's finances are run. Yesterday, I referred to the positive role of the new annual output statements, under which Ministers must outline to the Dáil the public service targets they expect to deliver with the public moneys allocated to them. I look forward to examining points made by Members on all sides of the House.

The key point is that this Government has gone further than any other in opening up the budgetary process, reforming it and providing greater opportunities for engagement and input from all sides of the House.

The annual output statements comprise one such initiative. The pre-budget Estimates as part of the unified budget is another and it is up to all Members of the House, including Opposition Deputies, to avail of the opportunities being provided to make them better and make them work. We can only provide that opportunity, but we cannot fulfil the role of every Member of the House.

The pre-budget outlook and the pre-budget Estimates are a major and positive development, in my view, both in terms of the very high level of existing public services they embody and the reformed and more transparent approach to policy making which they represent. I am therefore pleased to commend them to the House.

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

The Dáil divided: Tá, 77; Níl, 67.

Tá

Ahern, Dermot.
Ahern, Michael.
Ahern, Noel.
Andrews, Barry.
Andrews, Chris.
Ardagh, Seán.
Aylward, Bobby.
Behan, Joe.
Blaney, Niall.
Brady, Áine.
Brady, Cyprian.
Brady, Johnny.
Browne, John.
Byrne, Thomas.
Carey, Pat.
Collins, Niall.
Conlon, Margaret.
Connick, Seán.
Coughlan, Mary.
Cowen, Brian.
Cregan, John.
Cuffe, Ciarán.
Cullen, Martin.
Curran, John.
Dempsey, Noel.
Devins, Jimmy.
Dooley, Timmy.
Finneran, Michael.
Fitzpatrick, Michael.

Fleming, Seán.
Flynn, Beverley.
Gallagher, Pat The Cope.
Gogarty, Paul.
Gormley, John.
Grealish, Noel.
Haughey, Seán.
Healy-Rae, Jackie.
Hoctor, Máire.
Kelleher, Billy.
Kelly, Peter.
Kenneally, Brendan.
Kennedy, Michael.
Killeen, Tony.
Kirk, Seamus.
Kitt, Tom.
Lenihan, Brian.
Lenihan, Conor.
Lowry, Michael.
Mansergh, Martin.
McDaid, James.
McEllistrim, Thomas.
McGrath, Finian.
McGrath, Mattie.
McGrath, Michael.
Moloney, John.
Moynihan, Michael.
Mulcahy, Michael.
Nolan, M.J..

Tá—continued

Ó Fearghaíl, Seán.
O'Brien, Darragh.
O'Connor, Charlie.
O'Dea, Willie.
O'Flynn, Noel.
O'Hanlon, Rory.
O'Keeffe, Batt.
O'Keeffe, Edward.
O'Rourke, Mary.
O'Sullivan, Christy.

Roche, Dick.
Ryan, Eamon.
Sargent, Trevor.
Scanlon, Eamon.
Smith, Brendan.
Treacy, Noel.
Wallace, Mary.
White, Mary Alexandra.
Woods, Michael.

Níl

Bannon, James.
Barrett, Seán.
Broughan, Thomas P..
Bruton, Richard.
Burke, Ulick.
Burton, Joan.
Byrne, Catherine.
Carey, Joe.
Clune, Deirdre.
Connaughton, Paul.
Coonan, Noel J..
Costello, Joe.
Coveney, Simon.
Crawford, Seymour.
Creed, Michael.
Creighton, Lucinda.
D'Arcy, Michael.
Deasy, John.
Deenihan, Jimmy.
Doyle, Andrew.
Durkan, Bernard J..
Enright, Olwyn.
Feighan, Frank.
Flanagan, Charles.
Flanagan, Terence.
Gilmore, Eamon.
Gregory, Tony.
Hayes, Brian.
Hayes, Tom.
Higgins, Michael D..
Hogan, Phil.
Howlin, Brendan.
Kehoe, Paul.
Kenny, Enda.

Lynch, Ciarán.
McCormack, Pádraic.
McEntee, Shane.
McGinley, Dinny.
McHugh, Joe.
McManus, Liz.
Mitchell, Olivia.
Morgan, Arthur.
Naughten, Denis.
Neville, Dan.
Ó Snodaigh, Aengus.
O'Donnell, Kieran.
O'Dowd, Fergus.
O'Keeffe, Jim.
O'Mahony, John.
O'Shea, Brian.
O'Sullivan, Jan.
Penrose, Willie.
Perry, John.
Rabbitte, Pat.
Reilly, James.
Ring, Michael.
Shatter, Alan.
Sheahan, Tom.
Sheehan, P.J..
Sherlock, Seán.
Shortall, Róisín.
Stagg, Emmet.
Stanton, David.
Timmins, Billy.
Tuffy, Joanna.
Upton, Mary.
Varadkar, Leo.

Tellers: Tá, Deputies Tom Kitt and John Curran; Níl, Deputies Emmet Stagg and Paul Kehoe.

Question declared carried.

Amendment declared lost.

Private Members' Business.

Agrifood Industry: Motion (Resumed).

The following motion was moved by Deputy Michael Creed on Tuesday, 23 October 2007:

That Dáil Éireann,

noting:

- the inadequate consumer information offered by the current Irish labelling regime and the Government failure to legislate appropriately;
- the need to end the labelling abuse which is allowed by the 'substantial transformation' loophole;

— the legitimate consumer and industry concerns about the continued importation of meat from countries where production systems do not meet EU standards;

— the threat to the viability of meat producers posed by the rising cost of animal feed and incoherent Government policy in this area; and

in light of:

— the economic importance of the agri-food industry, which accounts for 10% of employment, 8% of GDP and 25% of net foreign earnings;

calls on the Government to:

— protect consumers and farmers by introducing comprehensive labelling legislation and banning substandard imports;

- protect consumers and farmers by closing the legal loophole which allows foreign produce to be passed off as Irish; and
- ensure that the regulatory regime as it applies to the importation of animal feed is reformed so as to provide easy access to feed importers and farmers to animal feed at affordable prices.

Debate resumed on amendment No. 1:

To delete all words after “Dáil Éireann” and substitute the following:

“noting the economic, social and environmental importance of the agriFood industry, acknowledges the Government’s continuing commitment and proactive approach to the development of a consumer focused, innovative and sustainable sector in line with the AgriVision 2015 Action Plan and as enunciated in the national development plan;

commends the specific actions taken by the Government for this purpose including:

- the introduction of an €8.7 billion agriFood package in the national development plan;
 - the efficient delivery of €1.3 billion annually in single farm payments;
 - the capital investment programme for the meat and dairy industries as well as investment in research and development;
 - the protection of consumer and animal health including the strict application of EU regulations controlling the importation of products of animal origin; and
 - the active pursuance at EU level of improvements in the EU labelling regulations while, at the same time, improving national meat labelling regulations.”
- (Minister for Agriculture, Fisheries and Food).

An Ceann Comhairle: I call Deputy Upton.

(Interruptions).

An Ceann Comhairle: I ask the Members to be silent to allow her to contribute. I will have to make a statement on this in the morning because we cannot have these interruptions after votes. It is not fair to the Member in possession.

Deputy Mary Upton: I welcome the opportunity to contribute to the debate on the very important issues of food safety, food security and consumer protection. Eight pages of the script of the Minister for Agriculture, Fisheries and Food related to agricultural policy and they outlined in detail the advances made in agriculture. She

devoted almost half of her speaking time to this subject. It was impossible to disagree with much of what she said but her failure to address the central point of the debate until the second half of her speech indicates a lack of resources, and perhaps a lack of interest in or commitment to the points raised in the motion.

Food security has always been a major concern in Ireland for a variety of reasons. It reflects historic concerns about famine, concerns about the quality and safety of our food as a major export commodity and concerns about an industry at the heart of the economy of rural Ireland as well as being of everyday importance to the consumer. There is no need for us to go into denial over the importance of protecting our market share in the ever-expanding global market. It is becoming a little bit like the elephant in the corner in that it somehow seems we should not acknowledge out loud that we need to protect our agriculture industry, which is so important in terms of the rural economy, employment and exports. It is important to acknowledge that we need to compete, and we want to be able to compete on a level playing field.

It is crucial that we operate on a level playing field when in competition with the major players that have the capacity to out-produce us by a factor of thousands. Scale is so important in countries such as Brazil whereas Ireland cannot compete on this basis; it must compete on the basis of quality. Food quality is what underpins Irish food products and it is the hallmark on which we depend to compete. If quality is to be our trademark, it is therefore reasonable to assume that Ireland, as a country that produces quality meat to high standards, should demand that its standards apply to what are, in effect, its competitors.

Let me address the issue of Brazilian imports. The Food Safety Authority of Ireland has overall responsibility for food safety in Ireland. The Food and Veterinary Office of the European Commission is responsible for food safety and animal health control at EU level and this is why I reviewed the various reports from the Food and Veterinary Office over a number of years, which reports make very interesting reading. The Commission is the body responsible for monitoring the safety of food and the state of animal health in Brazil, among other third countries, in so far as its produce is imported into EU countries.

A report published in 2005 on the control of residues and contaminants in live animals and animal products noted that “most of the deficiencies found in 2003 have still not been rectified and many of the promised actions did not in fact happen”. It stated that several veterinary medicine products containing substances not authorised for use in food producing animals in the EU are authorised for food producing animals in Brazil. The report mentions that “farmers and veterinarians are not inspected with regard to the usage of VMPs”, or veterinary medicine products. The report concluded that “the design

of the NRCP [national residue control plan] is incomplete and insufficient”.

A report prepared in August and September of 2005 on foot and mouth disease and traceability and certification procedures stated that “despite several guarantees provided by the Brazilian competent authority in response to previous mission reports, several shortcomings were noted in the management of foot and mouth disease controls at establishment level”. As a result, the situation had not improved. That survey was carried out in 2005.

Two reports were carried out in 2006. One was published in the January-February period and addressed animal health controls, in particular foot and mouth disease, as well as animal identification and certification procedures. Eleven recommendations were made arising from it pertaining to the following: the need to improve animal identification, to ensure that deficiencies in measures to control foot and mouth disease outbreaks are rectified and to provide guarantees that deficiencies which are detected, and concern laboratory testing, are corrected.

In September 2006, another mission took place to evaluate the foot and mouth disease controls which are in place, particularly the zero surveillance programme and the laboratory testing procedures. While it was recognised that improvements had been made since the previous visit, it was also noted that laboratories are not externally accredited and that the sensitivity of the tests for virus detection are not confirmed by external quality assurance.

The most recent report on the website of the Commission's Food and Veterinary Office relates to a visit to Brazil that was made in February and March 2007. The report, which relates to residue control in that country, concluded that a great deal of progress had been made in realising the objectives of the national residues control plan, in comparison with previous years. I would like to mention a few key points which were made in the report. It states:

However, the current absence of testing for certain residues of medicines which are likely to be used in specific production sectors (e.g. organophosphate ectoparasiticide in cattle), leaves Brazil in the position of not having objective evidence to underpin residue guarantees for certain food commodities.

It continues:

The current lack of formal accreditation of the governmental laboratory network to ISO 17025 means that the confidence of the competent authority in the performance of these laboratories and the quality of analytical results produced therein is reduced.

It further states:

The fact that some Brazilian maximum residue limits for pharmacologically active substances are higher than the respective Com-

munity limits means that there is a possibility that consignments of food which do not comply with Community MRLs [maximum residue limits] could be exported to the EU.

While the report acknowledges that improvements have been made, it makes it clear that the Brazilian standards are improving from a very low base. There has been a great deal of improvement by comparison with previous standards.

Major deficiencies of this nature have been allowed to continue without interruption or control for a number of years. The Food and Veterinary Office does quite a good job by recording and reporting its inspections in a robust manner. It has reported the various Brazilian deficiencies to the Commission in reports that have been published every year since 2002, but nothing has happened. Like the FVO, I acknowledge that there have been improvements, but there are still deficiencies. The EU has continued to import meat from Brazil, other than when foot and mouth disease was considered to be a particular risk. When these discrepancies were clearly acknowledged in printed FVO reports over the past four or five years, why did the Government fail to call for changes to be made to EU policy? The Minister, Deputy Coughlan, and her predecessors should have been shouting from the rooftops about the poor standards applying in Brazil, such as its lack of compliance with basic food safety and training requirements.

This debate was partly prompted by the recent IFA visit to Brazil. The IFA delegation reported what it found in that country to the European Commission, which then exercised its right to reply. The Commission knocked a number of the IFA's arguments on the head. In its report, the IFA highlighted a number of deficiencies, two of which I would focus on if I had more time. The bottom line is that Brazilian controls and standards do not match up to those in Ireland. It is incredible that the European Commission allowed such lax practices to go unchecked over many years.

I will conclude by referring to labelling in the context of the substantial transformation loophole. The two most significant findings of the food labelling group that reported to the Government in 2002 were that problems with country of origin labelling had been partially addressed and that the substantial transformation issue had not been addressed at all. The labelling of Irish food has always been a quagmire. Interpreting the information on labels presents a challenge to the best informed among us. What chance do average consumers have when they are confronted with a plethora of information, often deliberately couched in jargon, as they try to learn more about the quality and real nature of the food they are about to present to their children? I accept that under legislation which was recently introduced, beef labelling requirements were extended to the 30,000 service sector premises which are regis-

[Deputy Mary Upton.]

tered with the HSE and monitored by the Food Safety Authority. It appears that inspections to ensure compliance with that legislation take place sporadically. They are conducted by the Food Safety Authority, which is also responsible for monitoring other aspects of food hygiene. I have been unable to ascertain the precise number of inspections which have been conducted. I do not know whether there have been any prosecutions. I cannot tell what degree of compliance is to be found in the sector. No information is available to help me to track the progress that is being made. However, there is anecdotal evidence to suggest that compliance levels are less than overwhelming. I support the motion.

Deputy Martin Mansergh: I would like to share time with Deputy Collins; the Minister of State, Deputy Wallace; Deputy White; and the Minister of State, Deputy Sargent.

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

Deputy Martin Mansergh: I welcome this discussion. I appreciated the speech made by the Minister, Deputy Coughlan, last night. We are fortunate to have an excellent Minister who has the confidence of farmers. I welcome the Ministers of State, Deputies Wallace and Sargent, and wish them well in their jobs.

The difference between the Opposition motion and the Government amendment is that the Opposition has simply set out a wish list, from which I would not greatly differ, whereas the amendment reflects the fact that the Minister for Agriculture, Fisheries and Food has to work within the constraints and realities which flow mainly from Ireland's membership of the European Union.

In her speech, the Minister referred to the importance of the agri-food package that has been agreed under the national development plan. I was glad to be present earlier this year when she visited Tipperary Co-Op shortly after she announced it was to receive a substantial grant to expand its cheese-making facilities. The farm payment system is very efficient. It is interesting that this year's pre-budget Estimate for agriculture represents an increase of 9% on last year's figure. When Deputy Quinn produced his final Estimates as Minister for Finance in 1997, he provided £395 million, or slightly over €500 million, for agriculture. By contrast, it is envisaged that €1,359 million will be provided for in the 2008 agriculture Estimate, at least in advance of the budget.

Deputy Seán Sherlock: What does that have to do with food labelling?

Deputy Martin Mansergh: The expansion of the excellent rural environment protection

scheme will mean that it will cover many dairy farmers. There are buoyant prospects for dairy and grain farmers, which is not before time. I am glad that the set-aside scheme is being set aside.

Deputy James Bannon: Pig farmers are being held to ransom by the Minister.

Deputy Martin Mansergh: All farmers hate the sight of idle land. Having spent the past three Saturdays selling forward stores in Cashel, I assure the House that the mood there is fairly good, the weather is excellent and the beef prices are good but unfortunately the margins are very small.

Deputy Seán Sherlock: This is a weather report.

Deputy Martin Mansergh: There are real problems for pig farmers and there is a need to streamline the rules governing the imports of feed, most of which contain GM. One of the issues on which the Opposition based its call for reform of the animal feed regulatory regime was the unanticipated difficulties caused by the time delay for the new GM maize event, Herculex. I understand the Commission has today authorised the four GM events voted on, including Herculex.

Deputy Michael Creed: It was not voted on.

Deputy Martin Mansergh: A tighter timeframe between the authorisation processes in the US and in Ireland would significantly reduce the possibility of unauthorised GM events and would make life easier for European pig producers. I understand consultations are taking place between the US and EU authorities on this matter. What is needed is that as much land as possible is used to grow crops both to help supplies for bio-fuels and to take the pressure off animal feed prices. It is anticipated that the current high prices for cereals will bring extra land into production both here and across the EU next year, thus increasing supply and giving respite to the animal feed sector.

With regard to the concern expressed about Brazilian beef imports, the deep resentment of the lighter regulatory regime in Brazil, is understandable. It might help if there were greater transparency and proper labelling of beef coming from Latin America. Last year I had occasion to eat in a restaurant in Berlin and the product was explicitly labelled as being Latin American beef. I wish people in this country would copy this practice and then consumers would at least know what they are buying. It is legitimate to keep pressing at European Union level for a level playing field.

We have all been made conscious of the misleading labelling that exists here, creating the impression that a product is made or sourced in Ireland when that may not be so. Work is ongoing on those regulations so as to make much more

explicit where an animal is reared and which is the country of slaughter.

Deputy Niall Collins: I welcome the opportunity to speak on this motion.

I represent a rural constituency and like many other Members I work and interact with the agri-sector and farm families. In light of yesterday's announcement, I have lost a large tract of rural area from my constituency and it has been replaced with an even larger tract of rural area so this debate is even more relevant again.

Many issues affect farm families and the agri-sector and food labelling is one such issue. The lifestyle associated with farming and the 24-seven nature of the commitment it involves is significant.

In recent years, much good work has been done in the area of food labelling and traceability at EU and national level. The customer is quite correct in demanding more information, higher standards and improved quality. Ireland has invested heavily in the development of traceability systems. The National Beef Assurance Scheme Act 2000 came into force in 2002 against a background of increasing consumer awareness of the importance of good quality and safe food and the need for high standards of production and processing throughout the food chain.

The purpose of the Act is to provide additional guarantees to consumers on the safety of Irish beef by the establishment of common high standards of production and processing across the industry. Under the Act, all participants in the beef industry must be registered and approved for business.

The Act underpins the Irish bovine animal identification and tracing system, which traces the origin, identity, movements and life history of cattle. In line with animal traceability there have been comprehensive EU regulations on labelling of beef since 2000. These regulations require those marketing beef within the Community to provide information on the label to enable the beef to be traced back to the source animals and the country of origin.

Last year, new extended beef labelling rules came into operation in Ireland. These require hotels, restaurants, pubs providing food and effectively all catering establishments and food service outlets, to give information on the country of origin of the beef they serve. This new labelling provision will benefit everyone in the supply chain, from farmer to butcher and right through to the end customer.

Furthermore, last year the hygiene and public health protection rules were streamlined and the new hygiene package covers everything from the animal health of the milking animals to the labelling of finished products leaving the processing plant. There is an increasing and justifiable demand from consumers at home and abroad for the highest standards of hygiene and quality and we must respond to that demand by ensuring that

the standards laid down in the regulations are not alone achieved but surpassed. In the proposed legislation, "origin" will be defined as the country where the animal was reared and, if different, the country of slaughter. This will have to be indicated on meat and meat products containing more than 70% meat. Regardless of the nature, extent or location of the processing or packaging that has gone into the manufacture of the product, the requirement to show actual country of rearing and slaughter of the animal will remain in place and substantial transformation will not override this.

The ideal situation would be to have European-wide legislation on origin labelling of these other meats in the same way as for beef. This would make compliance and enforcement much more feasible. I understand that the Minister, Deputy Mary Coughlan, has lost no opportunity to impress this on her EU ministerial colleagues. The Department has also contributed to a Commission consultation process on the broad area of food labelling where emphasis was placed on the importance of providing the consumer with comprehensive information on the origin of meat.

In my constituency, a privately-owned food producing company, Castlemahon Poultry Products Limited, closed its doors over the past year. The parent company was located outside the jurisdiction in Ballymena. The company had a significant impact on my constituency of Limerick West. Apart from the labelling issue which was raised during the liquidation process, the Castlemahon brand which is known both nationally and internationally was not registered. One of the assets was the brand name. The liquidator registered the brand name and sold it. This was a lesson to be learned.

As a TD representing a rural constituency, I meet farmers and farm families on a daily basis. They have every confidence in the Minister, Deputy Mary Coughlan and in the Ministers of State.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Mary Wallace): I am delighted to have this opportunity to address the House on the amended motion tabled by the Minister for Agriculture, Fisheries and Food on behalf of the Government. This Government has taken a proactive approach to the development of the agri-food sector, in line with its Agri-Vision 2015 plan.

The report sets out a vision identifying the delivery of safe, high-quality, nutritious food, produced in a sustainable manner to well-informed consumers in high value markets as the optimum road for the future of the Irish food industry. The 160 actions in the Agri-Vision action plan form a coherent strategy and are reinforced by the 2016 partnership agreement and the National Development Plan 2007-2013. The agriculture and food elements alone of the NDP will account for a total public expenditure of €8.7 billion and

[Deputy Mary Wallace.]

together they constitute an integrated package that addresses the overall developmental needs of the sector and specific requirements in the areas of competitiveness, consumer-focus and innovation.

The Government's has today received EU approval for the suckler welfare scheme. The new, fully Exchequer-funded scheme is an important initiative aimed at improving welfare and quality in the national suckler herd. The suckler herd is the source of our high quality beef, which is vital to the rural economy. Increased welfare standards will add to the high quality reputation of our beef sector.

In developing this scheme the Government will deliver on another key element of the Agri-Vision 2015 plan, which identified the beef sector as a vital area for development. The Minister for Agriculture, Fisheries and Food, Deputy Coughlan, will adopt a coherent and structured approach to the beef sector, the overall aim of which is to equip it to meet the challenges and to exploit the opportunities available in the coming decade. This measure is part of that process.

A number of important steps have been taken to assist the beef and dairy sectors, including the introduction of a capital investment programme of €50 million to cover investment at processing level. The programme, which will also aid the sheep sector, will assist the industry in improving efficiencies and to better compete on challenging export markets.

The Minister for Agriculture, Fisheries and Food, Deputy Coughlan, also launched a new dairy processing industry investment package designed to stimulate necessary investment in the sector to ensure the long-term competitiveness of the dairy industry in Ireland. A total of 19 capital investment projects were approved and awarded Government grant assistance of €114 million. This will generate an estimated capital spend of €286 million.

Government support for the agrifood sector is also provided through the promotion of Irish food and drink products at home and abroad. Bord Bia is charged with this function and receives a grant-in-aid for this purpose. In the case of pigmeat, Bord Bia works closely with producers to promote quality assured pork and bacon on the home market and the Minister has asked Bord Bia to intensify this promotion campaign. I am pleased to note that the pre-budget outlook for 2008 provides for a grant-in-aid of €27.505 million, which is more than the record €26.505 million grant-in-aid for 2007, to support Bord Bia in its marketing and promotion activities.

Irish beef is distributed to more retailers in Europe than beef from any other country. This provides us with an ideal platform to develop the higher value and premium segments of the retail and food service market for Irish beef. The current Bord Bia European beef promotion has been

instrumental in building the presence and reputation of Irish beef with consumers and trade to support this significant sustained growth. Plans will be finalised with stakeholders on how we can build on the successful repositioning of Irish beef in the European marketplace as the final phase of the three year campaign comes to an end. Securing our position and seeking higher returns from the market remain critical for the future of Irish beef production in the face of formidable competition from low cost producers.

Bord Bia operates quality assurance schemes in the beef, lamb, pigmeat, poultry, eggs and horticultural products sectors. These are fully integrated schemes whereby standards are developed at producer and processor or packer level. Any product approved under the Bord Bia quality assurance scheme qualifies to carry the Bord Bia quality logo which assists in identifying the origin of the product on the supermarket shelf as well as verifying that the product is quality assured.

Irish produce is noted for its high quality and safety and perhaps this is the reason we are debating the issue of labelling. My colleague, the Minister of State at the Department of Agriculture, Fisheries and Food, Deputy Sargent, will speak in greater detail on this matter, as will the Minister of State at the Department of Health and Children, Deputy Gallagher. The reason we are proud to label our produce is its high quality and safety standard.

Deputy Michael Creed: Did the Minister of State mention labels? If so it is the first time in her speech she did so.

Deputy Mary Wallace: There is no doubt that the industry faces many challenges in an increasingly competitive market. The story is to sell our beef and we can speak negatively or we can go down the road of promoting the quality of beef, which we see as the way forward for the industry.

The measures I referred to demonstrate clearly the Government's commitment to the development of the agrifood industry. The Department also has a range of other measures, including in the forestry and bioenergy areas. I assure Deputies that the Government will not be found wanting in taking necessary and appropriate action to defend and promote the best interests of all stakeholders in our most important indigenous industry, putting quality and standards first and dealing with the labelling issue.

Deputy Mary Alexandra White: I welcome the statement made yesterday by the Minister. The programme for Government will further exploit the potential of existing animal traceability systems for the marketing and labelling of food products, extending the mandatory "country of origin" food labelling to sheep, pig and poultry meat, and increasing nutritional awareness as part of our food advertising and marketing through

the development of nutritional and calorific labelling.

The need for stronger food labelling legislation is accepted by all. It was Schopenhauer who stated that all truth passes through three stages: it is ridiculed; it is opposed and it is accepted as being self-evident. We have arrived at a stage where authorities and consumers accept that misleading and cryptic food labelling is unacceptable. We have a problem when a chicken leg or a piece of pork from China is mildly processed in this country and then passed off as Irish or when people look at the contents of a jar or packet and see letters and numbers or convoluted phrases which they do not understand and know nothing of their health implications.

As the Green Party spokesperson on rural and community affairs and coming from the rural constituency of Carlow-Kilkenny, I have observed the stark contrast that exists between the indecipherable world of food labelling on products in supermarkets and the guiding principles found in country markets where fresh produce is devoid of harmful additives or confusing labelling and where markets act as incubators for local business by way of the direct and immediate feedback from consumers at the stalls. People go to such markets because the food is fresh and is produced carefully and consistently, and they know what they are getting and where it is from. Such transparency of processes has bred the success which such markets now experience, fostering in turn sustainable regional food economies.

I welcome the report published this week by the Food Safety Authority of Ireland, *The Labelling of Food in Ireland*, and hope that its contents will help to clarify for producers and the public alike what should be contained in food labelling. I will examine the section covering organic food labelling in detail to support the organic food sector. The authority has highlighted the high proportion of producers who fail to comply with labelling legislation. I look forward to additional resources being made available to enforce such laws, particularly if it is envisaged that they will be extended to include sheep, pigs and poultry meat.

I support the Government in its efforts at European level to influence the current review of food labelling legislation. It is inadequate that the guiding principle of EU food labelling legislation is that labelling should not mislead consumers. We must endeavour to make it informative and intelligible.

Food and food safety is a hot topic. There has been a perceptible shift in attitudes among the public. People now expect to know from where and how healthy is the food on the shop shelf. However, in this modern world of limitless choice we have never been more in the dark about what we are offered. The "E" or the number on the contents label must mean something. The country of origin on a label must be the actual country of origin. We have the opportunity to choose a role

as the leader in food safety in promoting our clean green sustainable image. We are living in a consumer paradise of immediate gratification with the express delivery of designer foods and designer genes — I mean genes spelt with a "G". It is time for the merits of quality food, produced in a quality environment, to be clearly labelled for the betterment of our farmers and discerning consumers so a reputation for quality food, clearly labelled and marketed is a source of local and national pride in Ireland. I have every confidence that both Departments involved will deliver this goal.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Trevor Sargent): Tá áthas orm an deis a fháil cúrsaí bia agus feirmeoireachta a phlé sa Dáil. Gabhaim buíochas le Fine Gael, an Teachta Michael Creed go háirithe, as a gcuid ama a chur ar fáil don díospóireacht seo. Gabhaim buíochas freisin le Teachtaí eile, ar nós an Teachta Seán Sherlock, as a gcuid tuairimí luachmhara ar an gceist. Cuirim fáilte roimh ráiteas an Aire aréir chomh maith. Ba mhaith liom cúpla rud a rá mar gheall ar lipéidí, go háirithe de bharr gur iad sin croílár na ceiste anseo anocht.

The first demand of consumers is that the food they eat must be safe. The Government is committed to the highest standards of food safety. The acceptance of Irish food products in so many markets around the world is a clear vote of confidence. It was not clear from the debate last night if Opposition Deputies wanted the Minister, Deputy Coughlan, to ban imports of Brazilian beef from the entire EU or just from Ireland. It seemed to be a mixture of both. I must reiterate the reality of the issue. The fact is that Ireland is a member of the EU and, as such, must work within its rules. It is the European Commission which is charged with determining the countries permitted to trade in animal products with the EU. Nonetheless, as we heard last night, the Minister, Deputy Coughlan, has made numerous representations to the EU Commissioner for Health, Mr. Kyprianou, emphasising the importance of applying EU policy that requires that imports of animal products from outside the EU meet standards at least equivalent to those required for production in, and trade between, EU member states.

The Commissioner has assured Minister, Deputy Coughlan, that the Commission will not hesitate to take the appropriate protection measures if a product, imported from a third country represents a risk for the health of EU consumers, livestock or plants. In this context, the Commission relies on reports of the EU Food and Veterinary Office. The Food and Veterinary Office is scheduled to undertake another mission to Brazil next month and I await the outcome of that visit with interest.

Deputy Denis Naughten: Another one that will be ignored.

Deputy Trevor Sargent: It is urgent that we hear what it has to say after that visit. The Minister will continue to pursue this matter in the light of the outcome of that visit. Like the Deputy I look forward to the outcome of that visit too.

Deputy P. J. Sheehan: Close the door when the horse has bolted.

Deputy Trevor Sargent: Consumers have an absolute right to know the origin of meat and all food products offered for sale. EU beef labelling regulations have been in place for some time. These regulations require the listing on the label of the place of birth, rearing and slaughter of the animals from which the beef has been derived. In the past, the scope of the regulations applied only to the retailer. Last year, the Minister for Health and Children introduced primary legislation providing for the country of origin of beef to be displayed in restaurants and other catering establishments. Deputies may have seen some of the literature produced by the Food Safety Authority in line with that legislation, advice for caterers and country of origin of beef labelling requirements.

Since my appointment I have had a number of meetings with my colleague the Minister of State, Deputy Pat The Cope Gallagher, who has responsibility for food safety, about how our two Departments can improve the enforcement of labelling legislation. For example, we are working on a wider public awareness campaign to alert customers, restaurants and the public at large on how to be active and informed advocates for full factual labelling, especially for beef.

Under that legislation, it is proposed to extend the labelling requirements to other meats and meat products. These new regulations would require the country of origin of all meat to be displayed on the label. In the proposed legislation "origin" will be defined as the country where the animal was reared and, if different, the country of slaughter.

This will have to be indicated on meat products containing over 70% meat. Regardless of the nature, extent or location of processing or packaging that has gone into the manufacture of the product the requirement to show actual country of rearing and slaughter of the animal will remain in place and this will not be superseded by any "substantial transformation" rules. These regulations will be introduced as quickly as possible but this can only be done with the approval of the European Commission. I share the frustration of Deputies in that matter. The requirement awaiting the Commission's approval will impose a minimum of three months' delay in finalising the legislation.

The possibility of a "Green Island" label has been raised during this debate. Ba bhreá liom a leithéad de lipéad a fháil, a fheiceáil agus a chuir

i bhfeidhm. While I am committed to promoting Irish food in every way possible, and while I have been doing so when travelling throughout Ireland and Europe since my appointment, for example, to Anuga in Cologne recently, we must all operate within EU law, and within the Single Market rules. According to the European Court, any buy Irish-type scheme cannot be funded by taxpayers' money. However, we do encourage any privately funded scheme which would highlight the origin of Irish produce. We are talking to the restaurants association and other bodies that can help in that regard.

Deputy Tom Hayes: It is up to the Minister of State to do it.

Deputy Trevor Sargent: I do not have the money myself. The Deputy heard what I said. It is illegal to use taxpayers' money.

Deputy Tom Hayes: The Minister of State is in a position to do it and he is not doing it.

An Leas-Cheann Comhairle: The Minister without interruption.

Deputy Trevor Sargent: Please do not advocate law-breaking in this House.

An Leas-Cheann Comhairle: If the Minister would—

Deputy Trevor Sargent: Any scheme which falls foul of EU rules will find us in a legal dispute with the European Commission which will be of no benefit to producers.

Deputy Denis Naughten: There is an array of different labels already.

Deputy Trevor Sargent: We have taken practical measures, which are in conformity with European law, to inform and protect consumers. The route we have followed is quality assurance. Bord Bia, which operates under the aegis of my Department, has developed quality assurance schemes for pigmeat, beef, eggs and horticulture to name but a few sectors. These schemes offer the consumer additional assurances of quality. Bord Bia has been provided with special funding in the 2007 Estimates for quality assurance to supplement the funding in its grant-in-aid. The Bord Bia quality assurance logo provides consumers with an assurance that all pork and bacon carrying the logo is sourced from quality assured farms and with information about the country of origin.

Bord Bia has encouraged the use of the new "Quality Assurance Scheme" logo on eligible products, and a range of promotional activities to increase consumer awareness of the logo has been undertaken in recent years. This has involved a combination of television, radio, press and outdoor advertising combined with point of

sale material in retail outlets. A recent national consumer awareness survey indicated that two thirds of the population are now aware of the "Quality Assurance Scheme Origin" logo. The promotional activity in this regard will continue throughout the coming year.

I acknowledge that securing low-cost, high quality feed is becoming more of a problem. Ireland does not produce sufficient amounts of animal feed to meet its needs. Until we become more self-reliant, we will continue to be hostage to international grain and feed markets. The main reason feed prices have risen is a shortage caused by the US policy of sending, last year, 20% of maize to make ethanol, and climate change which causes drought in large, grain-exporting regions.

While high feed prices are a bonus for cereal producers, the feed security problem is affecting all feed import dependent farmers. I am committed to resolving those difficulties, both in the short term and with a view to securing market advantage for Irish produce.

I am committed to ensuring choice for farmers who wish to use non-GM feed. At present, these farmers have great difficulty in securing affordable GM-free or organic feed. The supply of non-GM feed needs to be encouraged if these farmers are to take advantage of the demand in European markets for produce fed on non-GM feed. This will aid Ireland in developing markets for high quality conventional and organic Irish beef.

The decision by Ireland to abstain on the recent EU Council vote on GM animal feeds is in line with France and Italy which also abstained. France and Italy are major buyers of Irish produce.

An Leas-Cheann Comhairle: I am calling another speaker.

Deputy Trevor Sargent: I have to finish, my time is short. The Irish Government is committed to negotiating an all-Ireland GM-free zone. The Minister for Agriculture in Northern Ireland likewise feels strongly on this issue. Ireland's abstention on the recent votes on approving GM feed was the most appropriate position to take given that a process has now begun, involving the relevant Departments, to elaborate on this commitment and tease out its implications for policy. The French, Italians and others are involved in similar processes.

An Leas-Cheann Comhairle: The next speaker is Deputy Coveney.

Deputy Trevor Sargent: I am committed to the terms of the motion but I urge Members to support the Government.

Deputy Olwyn Enright: That is a contradiction.

Deputy Simon Coveney: I wish to share time with Deputies Tom Sheahan, Bannon, D'Arcy,

Tom Hayes, P.J. Sheehan, Enright, Naughten and Deenihan. It is clear there is much Fine Gael interest in this issue.

I thank the Minister for addressing the issue as did Deputy Mary White. Unfortunately their Fianna Fáil colleagues chose not to do that and instead gave us a party political broadcast on general agricultural issues, which is not what this motion is about. This motion is about two specific issues, ensuring that consumers know what they are eating and where it comes from and ensuring that food producers can produce food against competition from abroad on a fair and level playing pitch. Those are the two key issues and there is a whole series of associated issues. To be fair to the Minister he tried to address some of those. The current situation is not acceptable and it is not adequate that when people think they are buying Irish meat they may well find, given some research, that they are not. That is the essence of the problem. It has been a source of huge frustration for

8 o'clock

farming organisations and meat producers in Ireland for many years. Every time I attend an IFA meeting and this issues arises, the spokespersons for all parties say they will ensure country of origin labelling in the future and that it will be watertight. It still has not happened. For the nine years since I was first elected to this House I have been saying that to the farmers in my constituency, even though their numbers are diminishing now. The motion expresses frustration that despite the efforts to introduce country of origin labelling and the regulations that were introduced last year specifically for beef, it is still not happening because of loopholes. If a side of beef comes in from Brazil and is butchered in Ireland by being chopped, diced, minced or whatever, it is relabelled as an Irish product. That is the practical consequence of what has happened.

The Government needs to show some leadership either by lobbying at European level, which I know it does, or by introducing national legislation. The substantial transformation issue whereby meat or other food is brought into Ireland and is reprocessed or changed in some form and resold as an Irish product because it has been altered by an Irish company is deliberately misleading consumers and giving them a false sense of security that they are eating Irish produced meat with all the associated standards that we have built up over decades in terms of traceability, animal husbandry standards etc. because of a range of regulations that are applied in Ireland and across the European Union.

At the start of his speech the Minister of State said that we must require that imports of animals produced outside the EU meet standards that are at least equivalent to those required for production in and trade between EU member states. We need to continue to press this issue. Irish farmers do not want hand-outs. They want an opportunity to compete with farmers abroad who look to sell their products into Ireland in the

[Deputy Simon Coveney.]

same way that Irish produce must compete in other European countries when it is exported.

Deputy P. J. Sheehan: It is with a degree of urgency that I rise to speak in the House to convey my disapproval at the manner in which the Minister for Agriculture, Fisheries and Food is handling the very important agriculture and food industry here and in an EU context. We are talking about a beef industry worth in excess of €15 billion per annum, a pig industry worth €450 million per annum and a poultry industry worth €250 million per annum. Surely the Minister is not blind to the fact that those three industries are under serious threat from the imports of Brazilian beef into the European Union and the imports of chickens and pork from China, Thailand and other far Eastern locations. This practice must end and clear country of origin labelling is essential. It is no good for these outside products to be brought in by the back door, put through some machine here and called Irish food. That is coddling the consumer, as the Minister of State, Deputy Sargent, knows. When he was in opposition he was vehement in this respect and cited his concerns and desires about it. However, apparently he is now rowing in with his Government colleagues.

The consumer must be assured that the product sold in our shops, supermarkets and giant superstores guarantees the country of origin on all food items displayed on their shelves or served in restaurants. In this day and age the poor form-filling Irish farmer is nearly required to declare the field on which his fat cattle produced for slaughter ate grass to accommodate the Department in its rules and regulations. These meat products are now being dumped on our consumers with no knowledge of the continent from which they came. Prior to our entry into the European Union we were advised that Irish agriculture would become the breadbasket of Europe. Instead we seem to be becoming the stewing pot of Europe.

This is happening because the Minister failed to impress on the European Union the need to stop the imports from Brazil and the far eastern countries of beef, pork and poultry products. Worse still the Minister is allowing them to be sold as Irish products. Furthermore, shops in my village of Goleen have been visited by inspectors to ascertain whether the shopkeeper has indicated the country of origin of oranges, apples, pears, bananas, cabbage, carrots and parsnips. However, the Government turns a blind eye to the back-door imports from third countries into Europe and this country. The Minister should cut out the coddling for once and for all and ensure that we eat genuine Irish beef, pork and poultry.

Deputy James Bannon: The motion addresses a major issue, namely, the survival of the Irish agrifood industry. I am delighted to speak on this motion having raised the future of the pig industry on the Adjournment debate last week. The

range of matters included in this motion is an indictment of the actions of the Minister, which have consistently failed Irish farmers since she first attempted to gain some insight into agricultural matters with, it now appears, little success. The bottom line is that Irish farmers expect the Minister for Agriculture, Fisheries and Food to protect their interest and in tandem those of the consumer. However, how can we consider that she is in any way protecting our farmers or consumers? The evidence is of a sector that is foundering due to inadequate back-up from the person assigned to look after the interest of the industry which accounts for 10% of employment, 8.5% of GDP and 25% of net foreign earnings.

Pig farmers are held to ransom by the rising cost of animal feed and an extraordinarily muddled approach by the Minister to the acceleration of EU approval for feed crops with GM components. On 27 September the Minister, Deputy Coughlan, abstained in a crucial vote at the Agriculture and Fisheries Council in Brussels, yet she was actively in favour of the EU proposals last June and had the full support of the IFA. However, some disjointed thinking forced her into a change of heart that was never fully explained. This U-turn has damaged Ireland's credibility in Brussels and assurances given by her last June now count for nothing. Irish farmers are once again facing heavy financial losses in this sector and rely heavily on the import of grain.

Deputy Trevor Sargent: This has nothing to do with that, as the Deputy knows.

Deputy James Bannon: The delays and the obstruction of grain and protein supplies have a detrimental effect on the entire livestock sector. The problem faced by our farmers are compounded by the labelling abuse which we know to our cost is permitted under the substantial transformation loopholes. In terms of meat we have a product from a source unknown to the consumer packaged here and labelled as Irish, for example beef from Brazil. The bottom line is that the only way to take action is through the courts to secure a prosecution. When will the first prosecution be made, which will successfully resolve this matter? The Minister of State is cowering and fearful in regard to issues raised. Such a weak approach is an insult to our farmers whose future in the agriculture industry is yet again on the line.

Deputy Trevor Sargent: The Minister of State, Deputy Pat The Cope Gallagher, has responsibility for this.

Deputy James Bannon: The Minister of State should deliver for the farming industry or step down from office to allow somebody else to do the job.

Deputy Michael D'Arcy: Europe must have a sustainable supply of its own food. World food production is no longer in a state of permanent

surplus due to increased consumption by China and India, climate change affecting production and the diversion of lands to biofuels.

Deputy Trevor Sargent: The Deputy is talking sense.

Deputy Michael D'Arcy: Why does Ireland as a producer of internationally renowned foodstuffs need labelling? The case of winter beef finishers, of whom I used to be one, should be considered. Last year most producers lost approximately €100 per head. The best case scenario for this winter is a maximum gross margin of €50 per head, which is unsustainable. European food production is highly regulated to guarantee premium foodstuffs. This is the correct model of food production but it is only sustainable if the product price allows a margin for the producer. Only clear labelling informing the consumer of the standards of production in regard to hormone usage, veterinary medicine usage, inputs, including the usage of GM crops, and animal welfare standards can ensure a premium price for a premium product. That underpins the sustainability of food production. No other producing bloc achieves the same standards of food production as Europe, otherwise food for European producers and consumers would be fraught with dangers. Europe must ensure this supply.

In 1900 the world's population was 1.5 billion whereas today it is more than 6 billion and it is projected to be 20 billion by 2050. At this time, it would be folly for Europe to compromise its agriculture industry in any way. No threat to food security can be tolerated and Europe must err on the side of caution. If there is a risk from any source, the food industry must be protected. The greatest risk currently is Brazilian beef and it should be banned immediately. I welcome today's decision by the EU Commission regarding the importation of herculex maize for feed. This will allow EU farmers to use the 2006 feed in their units. Unfortunately, this has all been traded by now and this decision will have a limited impact on the current high prices. There is a problem with the 2007 crop, which is almost fully harvested, because it contains two new GM crops, which are not approved by the EU. GM technologies are outpacing the approval systems. This begs the question of whether the Government will abstain on this occasion again or adopt a proactive position to facilitate EU farmers.

Deputy Tom Hayes: I fully support the motion. The way the Minister for Agriculture, Fisheries and Food is handling the Brazilian beef issue is a total disgrace. It is unfair to the farming community, which has reacted responsibly over the years regarding traceability from birth to slaughter. Every movement of every animal in the State is documented to the minute.

Deputy Mary Coughlan: The Deputy should not be concerned. I will never change my mind.

Deputy Tom Hayes: What the Minister is presiding over is a disgrace. Brazilian beef, which cannot be traced, is being imported. People do not know what they are eating in restaurants and elsewhere because of the Minister's inaction. Nobody knows what are the problems associated with disease in Brazilian beef. Hormones, which can destroy animals, are freely available. Brazilian animals, which are imported for processing in Ireland, are full of hormones and they are destroying our agriculture industry. The motion might do nothing other than prompt the Minister to do something about this deplorable situation.

Deputy Olwyn Enright: I am disappointed the Government felt the need to oppose the motion, which relates to something people have sought for years. Like many colleagues, I attended pre-election meetings with the IFA in Laois and Offaly. Every party was represented at the meetings and everybody agreed with the IFA and Fine Gael that this issue needed to be addressed, yet eight months later, the Government has adopted a totally different attitude.

Deputy Mary Coughlan: That is not true. The president of the IFA agreed with me.

Deputy Olwyn Enright: Our farmers operate to the highest, strictest standards and suffer severe penalties for the most minor infringements, even if they are completely accidental. They accept this because they know, in part, this is done to protect their market, yet they must tolerate a scenario where their direct competition does not meet the same criteria.

Consumers are unwittingly forced to purchase products that look Irish although they are anything but. The Minister of State, Deputy Sargent, accused Deputy Hayes of promoting law breaking. We want country of origin labelling because such labelling is clear. I visit supermarkets and the British flag, for example, is clearly emblazoned on British produce. Irish produce should be clearly labelled in the same way. We are not promoting law breaking. The origin of products should be clearly identified so that if sauce or breadcrumbs are added to a product, it is not classed as Irish.

Deputy Denis Naughten: I welcome the opportunity to contribute to the debate. I would like to focus on an issue, which I have raised with the Minister on numerous occasions, namely, the unpublished 2004 report by the Food Safety Authority of Ireland into the traceability and recall systems within the food industry. The report highlighted the complete failure of the current labelling regime to protect domestic shoppers. The report stated consumers are often misled on the country of origin of beef, chicken and salmon. It found that beef products marked and labelled as Irish originated in South America and imported salmon and chicken were also labelled

[Deputy Denis Naughten.]

as Irish. It was also pointed out that one fifth of retail outlets did not provide adequate information in line with laws in place at the time on loose and packaged beef.

I cannot understand why the Government is unwilling or unprepared to enforce the laws relating to the retail and catering sectors. A total of 75% of catering outlets and 20% of retail outlets are ignoring the law. While the Minister pontificated about all she was doing last night, it would be more in her line to ensure the legislation passed by the Oireachtas was enforced and resources were provided to do so. The Minister will pass the book to someone else on this issue but the law is not being enforced.

Deputy Mary Coughlan: I will not pass the book. The Minister of State is responsible for this.

Deputy Denis Naughten: The FSAI report was never published. However, when I raised this in the House on 14 February 2006, the Minister of State at the Department of Health and Children, Tim O'Malley, stated: "This year the Food Safety Authority of Ireland proposes to conduct a series of checks on various sectors of the food industry in conjunction with the staff of its official agencies. I would like to assure the Deputy that it is intended that the results of these audits will be published." However, after 20 months, instead of a comprehensive audit, a review of the labelling laws was published yesterday. Strangely, this publication made little mention of the blatant abuse of labelling laws. What happened to the extensive audit that was to be carried out in 2006? Has the audit been hidden? Was it ever completed? If not, why not? Were the FSAI and the Departments of Health and Children and Agriculture, Fisheries and Food afraid of what they would find if they carried out and published the audit?

The Minister for Agriculture, Fisheries and Food and the Minister for Health and Children have been aware of the contents of the 2004 report for three years. Nothing has happened and the report has only gathered dust. They are now complicit in a further cover up and a gross abuse of our labelling laws. Beef from Brazil, pork from the United States, vegetables from Israel, poultry from Asia and lamb from New Zealand can be brought into this country and sold as Irish food products when the only Irish aspect is the label itself. It is a disgraceful situation and one that cannot be accepted within the European Union.

It is extremely frustrating for Irish farmers that an animal that is sent to a meat processing facility in this State without the necessary traceability tags is immediately put in the skip. However, the Department turns a blind eye to what is happening in the food industry. I commend the motion to the House.

Deputy John O'Mahony: I fully support the Fine Gael motion. The agricultural sector is under pressure from all sides. Farmers are getting

lower prices for their products while paying increased prices for feed products. All that the agricultural industry seeks is a level playing field. Farmers in Ireland are regulated to the highest degree but must compete in the marketplace with food products from other countries with entirely different standards. Legislation must be introduced to provide a comprehensive labelling system. What is being demanded is not rocket science. We have talked about it for long enough.

Consumers are entitled to be confident that they are supporting Irish farmers. The only way this can be achieved is through a comprehensive labelling system that accurately indicates the origin of the products they wish to purchase.

Deputy Jimmy Deenihan: I had the privilege of serving in the Department of Agriculture, Fisheries and Food more than ten years ago. At that time, there was major concern about BSE. The then Minister and I confronted that challenge by putting in place adequate regulations to protect the future of the beef industry. One aspect of this was our concern to ensure the safety of Irish meat products, which we dealt with by introducing a comprehensive labelling system. Ten years later, however, little progress has been made. The legislation and directives are in place but, as I know at first hand, they are not being implemented.

The recently published report, *The Labelling of Food in Ireland 2007*, states:

Information required under the beef labelling regulations should be applied to, or attached to, individual pieces of meat or to their packaging material. Where beef is not wrapped, the information is required to be provided in a written and visible form to the consumer at the point of sale.

However, this is not happening. That is the bottom line.

Under WTO regulations, Brazil is entitled to export a specified quantity of beef to Europe and elsewhere. The issue we are discussing is the safety of that beef. Deputy Neville told me he worked in a meat processing plant in Rathkeale some years ago that exported a large quantity of beef to the United States. Every month, customer representatives came from the United States to inspect the quality of the meat they wished to purchase. Does somebody from Ireland or the EU travel regularly to Brazil to monitor the origin of the beef being exported here and how it is processed?

Deputy Mary Coughlan: That is a function of the Food and Agriculture Organisation. Irish beef has been banned from the United States since the discovery of BSE in our herd.

Deputy Jimmy Deenihan: My question is whether that inspection is happening. The same standards are not being applied to meat that is imported here.

The issue of the country of origin is at the core of this debate. Current regulations stipulate that if a beef product is derived from animals born, raised and slaughtered in the country in which it is being sold, the identification on the label may indicate that the country of origin is that country. If the beef is derived from animals from different countries, the label must indicate country or countries of birth, fattening and slaughter. An example might be an indication that a piece of beef came from an animal that was born and reared in France and slaughtered in Ireland. However, these regulations are simply not being upheld.

The Minister makes frequent reference to the Féile Bia scheme when addressing groups in this country and elsewhere on this issue. This was an excellent concept. However, in very few of those restaurants branded and accredited by Féile Bia does the menu declare the origin of the beef or lamb. This is because most of it comes from Brazil.

Deputy Mary Coughlan: That is not true.

Deputy Jimmy Deenihan: With respect to the Minister, it is true.

Deputy Mary Coughlan: It is not true that every piece of meat consumed in this State comes from Brazil.

Deputy Jimmy Deenihan: That is not what I said. My point is that the Minister is naive if she does not accept that what I have outlined is happening. That is the bottom line. There is no comprehensive monitoring of the Féile Bia scheme throughout the State. It is a great concept but it has not been successful because it is inadequately regulated.

I support this important motion. I am disappointed there are not more farmers' representatives in the Gallery.

Deputy Michael Creed: Perhaps the Minister of State, Deputy Gallagher, will give us a course on the regulations now.

Deputy Jimmy Deenihan: The IFA sometimes criticises us for not supporting agriculture and it is a pity more of its members are not here to observe this debate.

(Interruptions).

Deputy Michael Creed: It is the Department's job to monitor the regulations.

Deputy Mary Coughlan: The Deputy should not threaten me.

Deputy Michael Creed: I will give the Minister her answer.

Deputy Mary Coughlan: Is the Deputy threatening me?

Deputy Michael Creed: I am not threatening the Minister. I will give her her answer shortly.

Deputy Mary Coughlan: The Deputy should not dare to threaten me.

Deputy Michael Creed: I am not threatening the Minister.

An Ceann Comhairle: I have called the Minister of State, Deputy Gallagher.

Deputy Jimmy Deenihan: It is a pity the Minister did not listen to me.

Minister of State at the Department of Health and Children (Deputy Pat The Cope Gallagher):

While the issues raised in the course of this debate relate primarily to the responsibilities of my colleague, the Minister for Agriculture, Fisheries and Food, it is appropriate, given my role as Minister of State at the Department of Health and Children, with responsibility for food safety, that I reply to some of the issues raised. Rather than attempting to respond to all the points made, I will limit my contribution to a few issues of particular concern.

During this debate, the importance of good food information has been emphasised. The higher level of sophistication of the modern consumer, the greater health awareness of the general public, the increase in the number of products available on the Irish and international markets, and the continued globalisation of trade have all contributed to a greater need to ensure information is presented in a comprehensive, unambiguous manner. The necessity for well regulated labelling of foodstuffs has never been greater.

The Government recognises the importance of labelling. Both the Department of Health and Children and the Department of Agriculture, Fisheries and Food have produced a significant body of work in this area. In the past two years, four items of EU labelling legislation have been transposed. At national level, 2006 saw the enactment of primary legislation under which the beef-labelling requirements on country of origin were extended to the catering sector.

This year, there has been a consultation programme, culminating in draft national legislation on country of origin labelling. This legislation is intended to extend mandatory country of origin food labelling to sheep, pig and poultry meats. The Department of Health and Children is progressing this proposed legislation in consultation with the Department of Agriculture, Fisheries and Food. It will, of course, be necessary to notify the draft legislation to the European Commission to allow the Commission and other member states an opportunity to comment.

While much work has been done in the area of labelling by Departments, it must be recognised that the industry has a responsibility as well.

Deputy James Bannon: That work must have gone up in smoke with the Minister of State's roast dinner.

Deputy Pat The Cope Gallagher: With this in mind, the Food Safety Authority of Ireland announced yesterday a new report on food labelling in Ireland and a national campaign on the importance of correct food product labelling. This report, *The Labelling of Food in Ireland 2007*, aims to dispel confusion as to what a food label should contain. It will ultimately assist food businesses to ensure correct labelling. This will benefit consumers by enabling them to make informed purchasing decisions based on accurate and clear food labelling.

All food labelling should provide sufficient information to help all of us as consumers make an informed purchasing decision. Given that label space is limited, it is accepted that it may be necessary to distinguish the information that must be provided from that which should be provided. Further discussion is necessary on this information.

Deputy Ulick Burke: And action.

Deputy Pat The Cope Gallagher: We must determine what information should be mandatory and what should be optional. Food labelling should be clear, consistent and understandable. The current diversity of legislation, coupled with a range of regulations or directives, represents a complex and potentially confusing matrix. Therefore, it is being recommended that the provisions currently spread across a number of texts be recast into a simplified text.

Deputy Ulick Burke: As Ghaeilge.

Deputy Pat The Cope Gallagher: Deputies will be aware that at EU level, a working group has been set up to consider changes to legislation in this area as part of the Commission's overall review of food labelling legislation. Ireland submitted its particular concerns on food labelling to the Commission as part of this process. It is intended the Commission will present the document produced by the working group to the European Parliament in December.

Both Departments will be working closely with the Commission on this issue and I have suggested that a regulation, rather than a directive, would be the most appropriate legislative tool. It would provide less scope for differing interpretations across member states.

It is clear there are many changes on the horizon for those involved in food control activity in Ireland. Most of these changes emanate from Brussels and the European Union has been and will continue to be the main driver of change in food safety. It is therefore important that Ireland continues to be an active participant in the decision-making process.

An Ceann Comhairle: The Minister's time has expired.

Deputy Pat The Cope Gallagher: It is important to bear in mind that the agri-food industry is not only an industry of great importance to the Irish economy and in the maintenance of the fabric of rural life, but it is also an industry of great potential.

Deputy Michael Creed: Hear, hear.

Deputy Pat The Cope Gallagher: I thank Deputies from all parties, irrespective of their views. Some of them are wide of the mark but they have the right to make their views known here.

Deputy Ulick Burke: The Minister of State is the one wide of the mark.

Deputy Pat The Cope Gallagher: I thank them for their considered and thoughtful contributions in this debate.

Deputy Michael Ring: It is not salmon the Minister of State is talking about now.

Deputy Pat The Cope Gallagher: What is the Deputy talking about?

Deputy Michael Ring: The Minister of State ran away from the salmon.

Deputy Denis Naughten: The Minister of State should get his own house in order.

An Ceann Comhairle: I call Deputy Paul Kehoe.

Deputy Pat The Cope Gallagher: A Cheann Comhairle, tá an Teachta ag iarraidh ceist a chur orm.

Deputy Michael Ring: Slán go fóill.

An Ceann Comhairle: I call Deputy Paul Kehoe.

Deputy Pat The Cope Gallagher: We will see you modelling tomorrow night.

An Ceann Comhairle: Deputy Ring will have to try that bait somewhere else. I call Deputy Kehoe.

Deputy Paul Kehoe: It is great that the Minister, Deputy Coughlan, has such a great relationship with her constituency colleague in that she has written a lovely speech for him. She did an extremely good job.

Deputy Mary Coughlan: The Minister of State is well capable of writing his own speech.

Deputy Paul Kehoe: I thank Deputy Creed for putting down this fine motion. It is an awful pity

some on the Government side would not listen to our comments. I have no doubt that if the Minister of State, Deputy Sargent, was sitting on this side, as he did for the previous five years, he would agree with us and press the red button tonight. It is very sad the Minister of State's party has not got what it takes to tell the Government what to do.

Deputy Trevor Sargent: We are doing what the Deputy is asking for.

Deputy Paul Kehoe: I agree with the comments from those on this side of the House that we must have an honest debate on this matter. The Commission of the European Communities published a White Paper on food safety in January 2000. Chapter 7 of that White Paper states: "Consumers are to be provided with essential and accurate information so that they can make informed choices". That is not happening.

Binding labelling rules must therefore be accurate in ensuring the consumer has the information on product characteristics and determines choice on composition, storage and use of the product. Operators should be free to provide more information on the label, provided this information is correct and not misleading.

Has the Minister seen the IFA DVD which showed recordings made in Brazil?

Deputy Mary Coughlan: Yes.

Deputy Trevor Sargent: I have read the reports.

Deputy Paul Kehoe: If the Minister had seen it, she would vote with us tonight. As Minister for Agriculture, Fisheries and Food, Deputy Coughlan should be ashamed to watch the contents of that DVD. Irish people are eating that Brazilian beef, with no traceability and no labelling. The Minister and Ministers of State should be ashamed to stand over that. We have all spoken about food safety and I am sure the Minister has people looking after that issue in her Department. What the contents of the DVD show is deplorable. It is scandalous and shameful to have Brazilian beef imported into this country.

An Irish farmer has much to go through. Agricultural officials come on to farms to see what medication is given to animals, but this should be compared to the medication given by Brazilian farmers to their animals, which end up as beef in this country. I ask the Minister to look into this shameful activity.

Deputy Ulick Burke: The two most important items in this motion are the protection of consumers and farmers by introducing a comprehensive labelling legislation and the banning of sub-standard imports, and the protection of consumers and farmers by closing the legal loopholes allowing foreign produce to be passed off as Irish.

The Minister of State, Deputy Gallagher, has stated that "the necessity for well-regulated labelling of foodstuffs has never been greater". Has the Minister of State read the report, *The Labelling of Food in Ireland 2007*? He has indicated he had read this. The CEO of the Food Safety Authority of Ireland, Dr. John O'Brien, as recently as last Monday clearly outlined four examples which the Minister of State has clearly ignored.

One example was that fish sold as cod was actually pollack and another was that 25% of honey labelled as Irish is imported. Another example was that gluten-free breakfast cereals had high levels of gluten in them. If the Minister of State was serious about the contents of his address, he would not have mentioned that particular report.

I have previously spoken of Bord Bia, a statutory body with responsibility for food labelling on Irish products.

Deputy Trevor Sargent: It deals with promotion.

Deputy Mary Coughlan: That is the FSAI.

Deputy Ulick Burke: A representative of that statutory body approached the owner of a restaurant in County Galway and asked him if he was interested in getting certification for his restaurant. The restaurant owner was told that if he was interested, he had to get beef from a wholesaler in this country who turned out to import Brazilian beef. The restaurant owner stated his beef came from his own cattle. The official told the owner he could not receive certification if he was using his own beef.

Deputy Mary Coughlan: That is not right.

Deputy Trevor Sargent: That is rubbish.

Deputy Ulick Burke: That is what the Minister is presiding over, and as long as she does that, who can have confidence in the quality of Irish food?

Deputy Mary Coughlan: A Cheann Comhairle, when people are giving fabrications to the House—

Deputy Trevor Sargent: It is an untruth.

Deputy Ulick Burke: The Minister can protest as long as she likes. That is the reality. I asked her to investigate it before and she failed to do so.

Deputy Michael Ring: I will not speak in Irish but I will the next time I address the Minister of State.

Deputy Trevor Sargent: Maith an fear.

Deputy Pat The Cope Gallagher: Ar aghaidh leat.

Deputy Michael Ring: I will not do what the Minister of State did, running away from the fish farmers in Donegal. We will forget about that now.

Deputy Pat The Cope Gallagher: Ar aghaidh leat agus bí ag caint.

An Ceann Comhairle: Deputy Ring, without interruption.

Deputy Michael Ring: The only thing the Minister of State labelled was the salmon because he got rid of the fishermen. He let them down.

An Ceann Comhairle: Deputy Ring, this is not about fish, it is about meat.

Deputy Michael Ring: The Green Minister of State, Deputy Sargent, is wearing a yellow tie tonight, but he is going more yellow every day he is in Government. It is more yellow they are going.

Deputy Trevor Sargent: Ar aghaidh leat.

Deputy Michael Ring: I wish to speak on two issues. We cannot have two rules in this country, one for the Irish farmer and a different one for the Brazilian farmer. If there is foot and mouth disease in Brazil, their beef should not be coming into this country.

Deputy Michael Creed: Hear, hear.

Deputy Michael Ring: For any food in this country, we should have a label detailing where it was produced and we should not allow any industry to put Irish labels on if the product is not Irish. The same thing is happening in the pig industry, where pigs are being brought in from all over the world and being labelled as Irish. That is the kind of world in which we are living. I thought when Deputy Sargent was to be made Minister of State with responsibility for food, we would have many proposals, the first being that we would see proper labelling on food. While I accept that the Minister of State, Deputy Gallagher, holds responsibility in this regard, I would not ask him to take action. He let the fishermen down and now he is going to let us down with regard to food labelling.

People want——

Deputy Mary Coughlan: A good manager of——

Deputy Michael Ring: ——to know that what they are eating is safe and that it is produced by Irish farmers. We do not want the Department of Agriculture, Fisheries and Food placing all kinds of restrictions on farmers and business while allowing beef to be imported from Brazil where foot and mouth disease is prevalent. That is a disgrace and should not be allowed to happen. We should know that what we are eating is safe but

instead we have one rule for Irish farmers and another for their Brazilian counterparts. Shame on the Government because farmers are sick and tired of being over-regulated. The most common complaint one hears from them is that they are over-regulated. Meanwhile, the Government will not regulate those it should be regulating.

Deputy Johnny Brady: While we have been in power for the past ten years, the Deputy has been saying that——

(Interruptions).

A Deputy: Deputy Johnny Brady knows better than to——

Deputy Trevor Sargent: I suppose the Deputies opposite will be choosing the conditions.

Deputy Pat The Cope Gallagher: What label will the Deputy be wearing tomorrow night when he visits the Boxer's in the Glenties?

An Ceann Comhairle: I call on Deputy Creed to reply to the debate.

Deputy Michael Ring: I will tell the Minister of State one thing, I would make——

Deputy Trevor Sargent: A fine bit of meat is what the Deputy would make.

Deputy Michael Ring: I would not like to see Deputy Johnny Brady in a pair of boxers.

Deputy Johnny Brady: The Deputy is only jealous. The only decent man who served on that side of the House was Alan Dukes who——

An Ceann Comhairle: Deputy Johnny Brady should desist. Deputy Creed must reply to the debate.

Deputy Michael Creed: I thank colleagues on this side of the House who spoke in support of the motion. I particularly welcome the support we received from the Labour Party. I thank the Members on the opposite side who went to the trouble of reading the motion and addressing it in their contributions.

I wish to refresh Members' memories as regards the motion. It relates to consumer information and substantial transformation, the loophole through which a coach and four are being driven in order to facilitate the marketing and passing off of Brazilian beef to consumers here as an Irish product. It also relates to concerns regarding the viability of beef, pig and poultry producers' operations as a result of the difficulties they are experiencing in accessing affordable feed because of the failure to introduce a synchronised regulatory regime between the United States and the European Union. Very few Members opposite, with the exception of the Minister of

State, Deputy Sargent, and Deputy White, actually went to the trouble of reading the motion.

Deputy Mary Coughlan: I explained everything to the Deputy but he did not want to listen.

Deputy Michael Creed: The Committee on Procedure and Privileges may wish to examine this matter because the Government's amendment refers to the agrifood package under the national development plan, single farm payments and the meat and dairy industries. It does not in any way address the issue before the House.

The Minister referred to the AgriVision 2015 action plan, the national development plan, CAP reform, REPS, farm waste management—

Deputy Mary Coughlan: The Deputy did not get to hear about the welfare scheme on which I signed off, under which €253 million is being provided for beef farmers.

Deputy Michael Creed: —Enterprise Ireland, suckler cow schemes and the Saudi Arabian market.

(Interruptions).

Deputy Mary Coughlan: Fine Gael Deputies will be the first ones to return completed forms.

(Interruptions).

Deputy Michael Creed: On page 10 of a 15 page script the Minister commenced to address the issues of marketing, labelling and consumer interests. Members on this side of the House are patient.

Deputy Mary Coughlan: They would want to be because they will be occupying those benches for at least another five years.

Deputy Michael Creed: The Minister's Department received a report relating to substantial transformation and the abuse of consumer rights from the food labelling group in 2002. For five years she sat back and did nothing about it.

Deputies: Hear, hear.

Deputy Mary Coughlan: That is not true.

(Interruptions).

Deputy Michael Creed: That is the issue at stake.

Deputy Mary Coughlan: The Deputy should read every European Union debate in which my colleague, the former Minister of State at the Department Agriculture, Fisheries and Food, Deputy Brendan Smith, took part. He was the only one who ever raised the matter.

Deputy Michael Creed: What we, food producers and consumers, want to know is whether the Minister is on our side.

Deputy Mary Coughlan: The Minister of State was the only man to ever raise the matter.

Deputy Michael Creed: When the IFA representatives went to Brussels, the Minister was outside the door spinning against Irish farmers' interests.

Deputy Mary Coughlan: I was not spinning. I was the one in with the Commissioners—

Deputy Michael Creed: I remind the Minister of what she said at the time.

Deputy Mary Coughlan: The Deputy should listen to the truth. Which was the only country that raised non-trade concerns? The answer is Ireland

Deputy Michael Creed: The Minister stated there were problems with traceability and tagging but that Brazilian beef was a threat to trade, not a threat to health.

Deputy Mary Coughlan: The FBO did not accept it.

An Ceann Comhairle: Deputy Creed must be allowed—

Deputy Mary Coughlan: I apologise Ceann Comhairle but I have been obliged to listen to—

Deputy Michael Creed: When commencing this debate, I asked a question which the Minister conveniently avoided.

Deputy Mary Coughlan: No.

Deputy Michael Creed: Why is it that when a single outbreak of foot and mouth disease occurred in the United Kingdom, that country's market was closed down within six hours and it was prevented from exporting beef here?

Deputy Mary Coughlan: That is correct.

Deputy Michael Creed: If one has a problem with traceability and tagging and one goes to a factory with an animal, that animal will end up in a skip and not be processed into the human food chain. Why is it that the Minister can state there is a problem with traceability and tagging of beef from Brazil—

Deputy Mary Coughlan: That is correct.

Deputy Michael Creed: —while standing over a system which gives those who produce that beef—

Deputy Mary Coughlan: I was the only one who ever raised that issue.

Deputy Michael Creed: —unfettered access to the market here?

Deputy Mary Coughlan: The FBO has been asked to resolve the matter.

Deputy Michael Creed: The Minister is desperately trying to get onside, a fact we welcome, but she made a major *faux pas* and has a great deal of bridge-building to do with Irish farmers and beef producers.

Deputy Mary Coughlan: If anyone on this side of the House has supported agriculture, it is me.

An Ceann Comhairle: Deputy Creed to continue without interruption.

Deputy Michael Creed: The Minister is offside.

Deputy Mary Coughlan: I am not.

Deputy Johnny Brady: Vote the gangster.

Deputy Mary Coughlan: If the Deputy examined what the president of the IFA said—

Deputy Michael Creed: Will the Ceann Comhairle give me some protection from the Minister?

Deputy Mary Coughlan: —he would see that the latter agreed with what I had to say.

An Ceann Comhairle: Deputy Creed must be allowed to conclude.

Deputy Michael Creed: In the interests of consumers and with the willingness of the agriculture sector, we have invested a great deal of money in producing a quality product.

Deputy Mary Coughlan: That is correct.

Deputy Michael Creed: However, the Minister stood outside the door and spun against the interests of beef producers.

Deputy Mary Coughlan: I never engaged in spinning outside the door. I was inside and they were outside.

Deputy Michael Creed: The Minister was outside the door spinning against the interests of farmers.

Deputy Mary Coughlan: I was not.

Deputy Michael Creed: That is a fact and she cannot deny it. She was quoted in the *Irish Farmers Journal* to that effect and she did not deny it.

Deputy Mary Coughlan: The quote in question related to safety.

Deputy Michael Creed: The Minister said there was a problem with traceability.

(Interruptions).

Deputy Mary Coughlan: The president of the IFA made the same point.

An Ceann Comhairle: Deputy Creed must conclude because his time has expired.

Deputy Michael Creed: I wish to move on from that issue.

Deputy Mary Coughlan: Of all people who supported—

An Ceann Comhairle: Deputy Creed must be allowed to conclude without interruption.

Deputy Michael Creed: I will not be shouted down or bullied by the Minister. I will have my say.

Deputy Jimmy Deenihan: There is definitely bullying going on over there.

Deputy Michael Creed: I wish the Minister had used her contribution to address the issues to which the motion refers.

Deputy Mary Coughlan: If the Deputy would shut up, I could address—

(Interruptions).

An Ceann Comhairle: Deputy Creed to continue without interruption. He must conclude.

Deputy Michael Creed: I welcome the thoughtful contribution of the Minister of State, Deputy Sargent. However, I would not entirely agree with what he said.

There is a commitment in the programme for Government in respect of a GM-free island. The issue of GM organisms gives rise to a great deal of emotion and heat but not much light is being shed on it.

Deputy Trevor Sargent: I agree with the Deputy in that regard.

Deputy Michael Creed: I fail to understand how it is possible to have a GM-free island if the Minister facilitates the importation of GM feeds. I support the latter because they have been a part of the agriculture sector here for the past ten years and will continue to be so. There is an issue of serious significance coming down the line in this regard.

An Ceann Comhairle: The Deputy must conclude.

Deputy Michael Creed: Non-GM soya products will not be available in two years' time. Strains of GM soya are being sown in the United

States which will be the sole source of protein for the Irish feed industry. This matter must be addressed.

We must engage in a rational debate on the GM issue. If the Minister is intent on creating a GM-free island, we must be informed as to whether this will involve turning around the multi-billion euro agrifood sector and banning the importation of GM feeds.

Deputy Mary Wallace: That is not what is involved at all.

Deputy Trevor Sargent: It is very clear that what the Deputy stated is not what is involved at all.

Deputy Michael Creed: There is a fear that this is the agenda.

An Ceann Comhairle: In accordance with an order of the Dáil, I am obliged to put the amendment. I have given the Deputy a great deal of attitude.

Deputy Mary Wallace: Deputy Creed is wrong about this matter.

Deputy Michael Creed: The Minister had the opportunity to address the motion but did not do so. She cannot have her say at this point. When she spoke, she did not mention consumers.

An Ceann Comhairle: I must put the amendment.

Deputy Michael Creed: I wish to make a final point on which I will conclude. The GM issue is extremely serious for the feed industry, poultry, pig, beef and dairy producers and the entire food sector.

Deputy Mary Wallace: The Deputy is trying to scaremonger.

Deputy Michael Creed: Certainty is required but it has not been forthcoming.

Deputy Trevor Sargent: Choice is needed.

Deputy Michael Creed: We are absolutely in favour of choice. We favour organic products. We also favour commercial agriculture.

Deputy Trevor Sargent: And non-GM crops.

Deputy Mary Coughlan: Therefore, the Deputy is in agreement with the Minister of State.

Deputy Michael Creed: I commend the motion to the House. It should find favour with anyone who has the interests of consumers and the agriculture industry at heart.

Deputies: Hear, hear.

Amendment put.

The Dáil divided: Tá, 78; Níl, 65.

Tá

Ahern, Dermot.
Ahern, Michael.
Ahern, Noel.
Andrews, Barry.
Andrews, Chris.
Ardagh, Seán.
Aylward, Bobby.
Behan, Joe.
Blaney, Niall.
Brady, Áine.
Brady, Cyprian.
Brady, Johnny.
Browne, John.
Byrne, Thomas.
Carey, Pat.
Collins, Niall.
Conlon, Margaret.
Connick, Seán.
Coughlan, Mary.
Cowen, Brian.
Cregan, John.
Cuffe, Ciarán.
Cullen, Martin.
Curran, John.
Devins, Jimmy.
Dooley, Timmy.
Finneran, Michael.
Fitzpatrick, Michael.
Fleming, Seán.
Flynn, Beverley.
Gallagher, Pat The Cope.
Gogarty, Paul.
Gormley, John.
Grealish, Noel.

Haughey, Seán.
Healy-Rae, Jackie.
Hector, Máire.
Kelleher, Billy.
Kelly, Peter.
Kenneally, Brendan.
Kennedy, Michael.
Killeen, Tony.
Kirk, Seamus.
Kitt, Michael P.
Kitt, Tom.
Lenihan, Brian.
Lenihan, Conor.
Lowry, Michael.
Mansergh, Martin.
Martin, Micheál.
McDaid, James.
McEllistrim, Thomas.
McGrath, Finian.
McGrath, Mattie.
McGrath, Michael.
Moloney, John.
Moynihan, Michael.
Mulcahy, Michael.
Nolan, M. J.
Ó Cuív, Éamon.
Ó Fearghaíl, Seán.
O'Brien, Darragh.
O'Connor, Charlie.
O'Dea, Willie.
O'Flynn, Noel.
O'Hanlon, Rory.
O'Keeffe, Batt.
O'Rourke, Mary.

Tá—continued

O'Sullivan, Christy.
Roche, Dick.
Ryan, Eamon.
Sargent, Trevor.
Scanlon, Eamon.

Smith, Brendan.
Treacy, Noel.
Wallace, Mary.
White, Mary Alexandra.
Woods, Michael.

Nil

Allen, Bernard.
Bannon, James.
Barrett, Seán.
Broughan, Thomas P.
Bruton, Richard.
Burke, Ulick.
Burton, Joan.
Byrne, Catherine.
Carey, Joe.
Clune, Deirdre.
Connaughton, Paul.
Coonan, Noel J.
Costello, Joe.
Coveney, Simon.
Crawford, Seymour.
Creed, Michael.
Creighton, Lucinda.
D'Arcy, Michael.
Deasy, John.
Deenihan, Jimmy.
Doyle, Andrew.
English, Damien.
Enright, Olwyn.
Feighan, Frank.
Ferris, Martin.
Flanagan, Charles.
Flanagan, Terence.
Hayes, Brian.
Hayes, Tom.
Higgins, Michael D.
Hogan, Phil.
Howlin, Brendan.
Kehoe, Paul.

Lynch, Ciarán.
McCormack, Pádraic.
McEntee, Shane.
McGinley, Dinny.
McHugh, Joe.
McManus, Liz.
Mitchell, Olivia.
Morgan, Arthur.
Naughten, Denis.
Neville, Dan.
O'Donnell, Kieran.
O'Dowd, Fergus.
O'Keeffe, Jim.
O'Mahony, John.
O'Shea, Brian.
O'Sullivan, Jan.
Penrose, Willie.
Perry, John.
Rabbitte, Pat.
Reilly, James.
Ring, Michael.
Shatter, Alan.
Sheahan, Tom.
Sheehan, P. J.
Sherlock, Seán.
Shortall, Róisín.
Stagg, Emmet.
Stanton, David.
Timmins, Billy.
Upton, Mary.
Varadkar, Leo.
Wall, Jack.

Tellers: Tá, Deputies Tom Kitt and John Curran; Níl, Deputies Paul Kehoe and Emmet Stagg.

Amendment declared carried.

Motion, as amended, put and declared carried.

Adjournment Debate.

Hospital Services.

An Ceann Comhairle: I remind Members that the floor of the House is not a debating chamber. People must leave in silence and allow Deputy Perry the opportunity to speak on the matter he wishes to raise.

Deputy John Perry: The HSE is proceeding with the planned removal of oncology services from Sligo General Hospital. This week the Minister of State at the Department of Health and Children, Deputy Devins, stated publicly that he condemned the HSE plan to downgrade Sligo General Hospital. Later that same day the Minister, Deputy Harney, endorsed the HSE plan for centres of excellence. I tabled this matter to get

some clarity on the cutbacks proposed for Sligo General Hospital.

The HSE's planned removal of oncology services from Sligo General Hospital will over time drive that hospital into a lower division. On Monday of this week the Minister of State at the Department of Health and Children, Deputy Devins, stated on a local radio programme that he condemns the HSE's plan to downgrade Sligo General Hospital. People in the region served by that hospital are becoming alarmed at the HSE's plans to transfer services elsewhere and to downsize the hospital. The effect of all this uncertainty has been to destroy the morale of the professional medical and nursing staff. There is much talk of centres of excellence, but it is planned that a centre of excellence in Galway will be downgraded from a five day to a three day service. That is what is being discussed in Galway.

The HSE's proposal to downgrade Sligo General Hospital is not acceptable and it will not be accepted by the people of the region. It will be at the Government's peril to proceed to remove the breast cancer services from Sligo General Hospital. First, we had the budget cut-

backs. The Minister and the Minister of State at the Department of Health and Children told us there would be some budget cutbacks, but they said there would be no service cutbacks. A range of local health service professionals have stated that service cutbacks are now a fact of life. While budget cutbacks are bad enough, at least there is hope that when the budget position improves the services that were cut will be restored. However, the issue of most concern to me is the planned permanent ending of a range of health care services in Sligo General Hospital, starting with the transfer of breast cancer services to other locations.

The factual position is that the area manager has been given until the end of this month by the HSE to produce a plan for ending breast cancer services in Sligo General Hospital and for their transfer elsewhere. I ask the Minister of State to confirm or deny this statement. I am disappointed that the Minister, Deputy Harney, or the Minister of State, Deputy Devins, is not present to take this matter. That is not a reflection on the Minister of State present, but I am very disappointed about that.

I believe that the transfer of breast cancer services from Sligo General Hospital is the start of a process of transferring the full range of oncology services from that hospital. The HSE logic that drives the transfer of one cancer service will be slowly applied to the full range of oncology services. This will result in the downgrading of Sligo General Hospital by a process of 1,000 cuts.

The local Fianna Fáil politicians are bewildered and confused about what is happening to oncology services in Sligo General Hospital. It seems impossible for the Progressive Democrats-Independent-Fianna Fáil-Green Party Government to accept responsibility for standards of service in health.

In the past few months we had the Shannon fiasco and we are still wrestling with who knew what and when. Let us not make the same mistake with health cutbacks in Sligo General Hospital. The Minister responsible for health sector reform, who is not present, must take firm control of the situation. The Minister established this arrangement and must ensure that it delivers a health service that is in the best interest of citizens and delivers real value for all the extra taxpayers' money being spent.

The people of Sligo and the medical staff in Sligo General Hospital need to know what is happening. The Minister for Health and Children must tell us clearly what is going on. The Minister of State with responsibility for children is present but it is very much regrettable that the Minister is not here to take this matter.

It is not good enough for the Minister for Health and Children to act like a junior Minister in the Department of Finance, effectively acting as a courier in the delivery of €15 billion to the Health Service Executive, and take no responsibility for such expenditure. The confusion

between the Minister and the Minister of State, Deputy Devins, must be removed. Clarity is needed.

A fantastic service is available in Sligo General Hospital and I appeal for the retention of the oncology services there. While there is much talk of centres of excellence, a plan is being debated as I speak, a proposal to remove those services to Letterkenny General Hospital and to the centre of excellence in Galway. This week it is planned to downgrade the services in Galway from a five day to a three day service. Will the Minister confirm whether the HSE has been instructed to downgrade a mammogram service, attended by 30 patients per week, in a centre which also has an excellent oncology service?

I am disappointed that the Minister of State, Deputy Devins, whom I saw in the Chamber five minutes ago, is not present, that he did not have the courtesy to wait to take this matter and that he referred it to the Minister of State with responsibility for children. Where is the Minister, Deputy Harney? She has delegated all the functions to the HSE.

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

Deputy John Perry: I sincerely hope that the Minister of State's reply will clarify the position because a large public meeting will take place on this matter in Sligo tomorrow night and the people will certainly need answers.

Minister of State at the Department of Health and Children (Deputy Brendan Smith): I thank Deputy Perry for raising this important issue. I am taking this matter on behalf of my colleague, the Minister, Deputy Harney, who is unavoidably absent.

Deputy John Perry: She was absent on the last occasion as well.

Deputy Brendan Smith: Ministers have Government commitments. I welcome this opportunity to set out the current position on the restructuring of cancer services with particular reference to Sligo General Hospital. The HSE has appointed Professor Tom Keane as national cancer control director to lead and manage the establishment of the national cancer control programme. The delivery of cancer services on a programmatic basis will ensure equity of access to services and equality of patient outcome irrespective of geography. This will involve significant realignment of cancer services to move from the present fragmented system of care to one which is consistent with international best practice in cancer control.

The decisions of the HSE on four managed cancer control networks and eight cancer centres will be implemented on a managed and phased basis. The HSE plans to have completed 50% of the transition of services to the cancer centres by

[Deputy Brendan Smith.]

the end of 2008 and 80% to 90% by the end of 2009. The HSE has confirmed that services will not be transferred until appropriate capacity has been developed in the receiving centres.

Sligo General Hospital has a dedicated inpatient oncology unit, comprising 15 beds, and a dedicated day services unit, comprising eight beds. The HSE has informed the Department that in 2006, Sligo General Hospital had 285 patient discharges from its inpatient unit and 3,849 discharges from its day care unit.

The HSE has designated University College Hospital Galway and Limerick Regional Hospital as the two cancer centres in the managed cancer control network for the HSE western region which includes counties Sligo, Leitrim and Donegal. The designation of cancer centres aims to ensure that patients receive the highest quality care while at the same time allowing local access to services where appropriate. Where diagnosis and treatment planning is directed and managed by multi-disciplinary teams based at the cancer centres, much of the treatment, other than surgery, can be delivered in local hospitals such as Sligo. Cancer day care units will continue to have an important role in delivering services to patients as close to home as possible.

Patients from Sligo needing radiotherapy are referred to the radiation oncology unit at University College Hospital Galway for treatment. The HSE has informed the Department that in 2006, University College Hospital Galway treated almost 1,000 radiation oncology patients. The number of treatments increased from 11,300 in 2005 to 18,500 in 2006. The hospital expects treatments provided to increase by 7% this year over last year. The Department and the HSE have been working closely on the examination of procurement options in order to expedite the delivery of the national plan for radiation oncology. The Minister has been assured that the HSE will have in place radiation oncology capacity to meet the needs of the population by 2010. After 2010 the HSE will continue to increase capacity to ensure that these needs continue to be met. The Minister is fully confident that this will be achieved through a combination of direct Exchequer provision, public private partnership and, where appropriate, the use of the private sector.

In conclusion, the Government is committed to making the full range of cancer services available and accessible to cancer patients throughout Ireland in accordance with best international standards. The developments outlined will ensure that a comprehensive service is available to all patients with cancer in the western region, including Sligo.

Regional Airports.

Deputy Michael D. Higgins: I appreciate the opportunity of discussing the implications of this

regulation. A Council regulation is binding, while a directive may require domestic legislation. Regulation 95/93 has been amended some 40 times and the consolidated version is that of 2002. It lays down the fundamental principles of the management of slots in airports and aviation policy.

It opens by stating that the objective of the regulation is to give a proper answer to the “growing imbalance between the expansion of the air transport system in Europe and the availability of adequate airport infrastructure to meet that demand”. While the directive and its amendments deal with co-ordinated airports Shannon is not a co-ordinated airport and Dublin briefly was. The regulation lays down fundamental principles upon which aviation policy in the EU was to be based: “The use of flexibility is limited, it cannot be used for slots related to routes considered vital for economic development of the region where the airport is located, nor disturb airport operations, when another carrier with less frequencies has not been able to obtain landing and departure slots within two hours before or after.” Therefore it accepted that where a particular slot was vital “for the economic development of the region where the airport is located” that had to be borne in mind.

This brings me to the nub of the matter — compliance with the regulation was a Government responsibility. The original allocation of slots was a matter that had been discussed intergovernmentally. Therefore, on that fundamental principle, BMI could not, for example, move its slots to Shannon without reference to a co-ordinator or the co-ordinating committee.

On the other hand, the Irish Government, while under an obligation of compliance, decided to leave it to the board to comply even though the Government had not appointed members to the board. In turn, the board delegated a decision of this magnitude to what was regarded as an operational decision by the executive. This is absurd.

One of the reasons I raise this was to seek to resolve this issue. It could be resolved but we are not helped in Galway, the west or the mid-west by the bilious comments of the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív. In his lecture in Bunratty yesterday he stated:

While you must recognise the challenges and deficiencies in your region, never sell your region short. By always highlighting the difficulties and never the advantages, a great disservice is done to a region.

How dare he say this. Those of us asking for fair treatment of Shannon are asking only for equality. He goes on to give his Joyce country céilí band speech: “In my experience, in the Joyce country where I live, the vital turning point came when the people’s attitude towards their area changed from one of despair and negativity to one of positive thinking and pride.” I have no

problem if he regards himself as John the Baptist in the mountains but I object to his distortion of a genuine campaign. I condemn his ignorance of regional planning. No integrated regional planning has come about as a residue of open market thinking. It has required equality of infrastructure.

The Minister, like me, represents Galway West. He is happy that not one cent from the national development plan, under Transport 21, will be spent on an integrated transport service at Ceannt Station. More than ten acres of a 14.5 acre site will be sold to raise money for minor adjustments in Galway city. Instead of co-operating with us to see how we can make progress he gives these “up the airy mountain, down the rushy glen” speeches around the country. He claims we are talking ourselves down. We seek equality of treatment and when we speak of connectivity, it is not to highlight difficulty in the region but to refer to the capacity of the region. I have no objection to how he wishes to describe himself but he is being grossly unfair to the alliance and the workers.

My reason for this debate was to see how the Government is complying with a Council regulation, by which it is legally bound.

Deputy Brendan Smith: I thank Deputy Michael D. Higgins for raising this issue. The Minister for Transport and the Marine, Deputy Noel Dempsey, is unavoidably absent. The EU regulation to which the Deputy refers is of no relevance to the decision of Aer Lingus to discontinue its Shannon to Heathrow service. The regulation in question is Council Regulation (EEC) No. 95/93, as amended, on common rules for the allocation of slots at community airports. I propose to set out the background to the regulation and how it is applied.

The regulation lays down common EU rules for the allocation of slots to air carriers at airports in the community. Essentially the regulation took responsibility for the slot allocation process out of the hands of airport authorities at congested airports and made it the responsibility of slot coordinators who are designated by the member states. The Commission for Aviation Regulation has been designated as the competent authority for the regulation in Ireland.

Under the regulation, airports in the community are either co-ordinated or schedules facilitated, as referred to by Deputy Higgins. Generally, congested airports will be designated as co-ordinated airports by the relevant authority in the member state concerned which means that a carrier cannot operate a landing or a take-off at such an airport without being allocated a slot. A more flexible regime can be operated at schedules facilitated airports where capacity is not so constrained.

The application of Regulation 95/93 in Ireland is concerned only with the allocation of slots at Irish airports and Dublin airport is the only airport in the State that has been designated as a co-

ordinated airport by the Commission for Aviation Regulation. The slot allocation process at London Heathrow is entirely a matter for the UK authorities.

With regard to the wider issue of the withdrawal by Aer Lingus of the Shannon to Heathrow service, the Deputy will be aware that the Government is extremely disappointed with the decision taken by Aer Lingus and has clearly conveyed that disappointment to the management of the company, both publicly and privately.

Deputy Michael D. Higgins: And late.

Deputy Brendan Smith: The Minister for Transport and the Marine, Deputy Dempsey, made it clear to the company that the decision ran counter to public policy in several respects, including the national spatial strategy, regional development and aviation policy—

Deputy Michael D. Higgins: That is exactly what the Council regulation is about.

Deputy Brendan Smith: While it was recognised that Aer Lingus was not an instrument of Government policy, there was an expectation that it would take these wider policy issues into account in making commercial decisions. The Minister also made the point that Aer Lingus should have engaged more with its customers and wider stakeholders before announcing its decision. The Aer Lingus Chairman informed the Minister that the decision was taken to establish a new base at Belfast International Airport following extensive evaluation of growth opportunities throughout Europe. He said the decision was commercially robust and the company would not reconsider it.

The company has reiterated that position consistently and it was evident from early on that Aer Lingus would not deviate from this position. Given that fact, the Government began to look at the possibility of restoring connectivity on the route. A number of options were explored in that regard. The Minister investigated the possibility of the state acquiring Heathrow slots to replace the service. The Minister was informed that this was not legally possible. It is not open to the State to acquire slots as the applicable rules allow only for slots to be assigned to airlines. The option of providing funding to assist in acquiring such slots was also examined, but again this or any other form of direct subvention of a London Heathrow slot is constrained by the State aid rules.

Arising from this it was clear that the focus of attention had to move to securing a replacement service for the Shannon Heathrow route. It was indicated clearly to the Shannon Airport Authority that the Government would assist it in any way that it possibly could. The Shannon Airport Authority, which has direct responsibility for securing such services, has been actively pursuing all options in this regard since then. The authority has specifically identified airline services to the

[Deputy Brendan Smith.]

key European hub airports of London-Heathrow, Paris, Amsterdam and Frankfurt as being of key strategic importance to its ongoing development. The airport recently published a European hub airport incentive scheme for services to come into operation in 2008, which provides for significant discounts in airport charges and for the possibility of marketing support to be provided by Shannon Airport for new services.

Regarding connectivity for the mid-west region, it is accepted by the Government that this decision by Aer Lingus will have an adverse effect on the region—

Deputy Michael D. Higgins: Deputy Smith should tell that to Deputy Ó Cuív.

Deputy Brendan Smith: —particularly in relation to business travellers to the Middle-East, Asia and Australia. The Minister is very committed to ensuring that the mid-west region will continue to have the widest possible range of connectivity options available for the benefit of business and tourism throughout the region.

Deputy Michael D. Higgins: We can all go to Athenry and get the train.

School Services.

Deputy Brian Hayes: This is a fairly straightforward matter for the Minister of State to address. It involves the fundamental rights of approximately 2,500 deaf parents of hearing children who are currently denied automatic rights in terms of being able to sign with teachers and principals in the primary and post-primary school system. This is not a new issue. This matter has been on desks in the Department of Education and Science for five or six years. The society that represents these parents wants this issue to be resolved finally.

If the Minister was a parent and his child was in school, one of the most basic rights that he would have is to speak, on a regular or six-monthly basis, with a principal or teacher. That right is currently denied to the 2,500 deaf parents of hearing children here. Those parents face particular difficulties as a result. I am aware of cases where some schools refuse to provide Irish sign language interpreters for parents to access meetings that take place in the school. Some deaf parents are forced to pay for their own interpreters before a meeting with a teacher or principal. Many deaf parents are afraid to tackle schools over interpreters and are understandably embarrassed by such requests. Some parents are forced to use written communication with teachers even though they have literacy problems.

This situation has gone on for five or six years. The former Minister for Education and Science, Deputy Noel Dempsey, said in 2002 that this issue could be resolved by the Disability Bill, in terms of putting in place a national interpreter

system for deaf people. However, nothing happened because the Bill was only enacted in the latter days of the last Dáil. In recent times, in correspondence between the Irish Deaf Society and the Department, the view of the Department is that schools have capitation budgets they should use if they want to provide this facility.

I ask the Minister of State, in the first instance, to immediately issue a circular to all primary and post-primary schools demanding that the 2,500 deaf parents of hearing children are afforded some respect and decency in our school system and informing them that principals and teachers have an absolute obligation to ensure those parents are given information. Second, I ask him to give a commitment to the House to provide funding for these schools where parents are in this situation. Such parents find themselves in a very difficult position, where their children are communicating, can hear and are part and parcel of society but the parents are embarrassed by their situation. The Irish State, PLC, for the past five years, has given them bureaucratic reasons they do not have the right to sign in the context of the primary and post-primary sector.

I ask the Minister of State, who is a compassionate man and a person of commonsense, to deal with this issue now and desist from reiterating the kind of nonsense we have heard from the Department of Education and Science in Marlborough Street for the past five years.

Deputy Brendan Smith: I thank the Deputy for raising this important issue and will convey the contents of his contribution to the Minister for Education and Science, Deputy Hanafin, who is unavoidably absent.

I wish to clarify the position regarding the provision to schools of interpreters, or funding, to assist deaf parents in communicating with teachers. Schools' running costs are met by the Department's scheme of capitation grants, which affords schools considerable flexibility in the use of resources to cater for the needs of all their pupils. The Minister believes this is a preferable approach to putting in place grants for specific items.

As Deputy Hayes is aware, the primary school capitation grant has been increased substantially in recent years. Since 1997 the standard rate of capitation grant has been increased from €57.14 per pupil to €163.58 per pupil. This represents an increase of more than 186% in the standard rate of capitation grant since 1997.

There have been other significant improvements in the level of funding provided to primary schools in recent years. Since 1997 the standard rate of the ancillary services grant has increased from €38.09 per pupil to €145.50 per pupil at present. The amount of grant paid to an individual school is determined by the enrolment in the school, subject to a minimum grant of €8,730 for 60 pupils or fewer and a maximum grant of €72,750 for 500 or more pupils. Furthermore, enhanced rates of capitation funding are paid in

respect of children with special educational needs who attend special schools or special classes attached to mainstream primary schools. The current rates range from €418 to €805 per pupil.

Significant improvements have been made in recent years in the level of funding for voluntary secondary schools. With effect from January 2007, the standard *per capita* grant was increased by €18 per pupil and now amounts to €316 per pupil. In addition, voluntary secondary schools have benefited by the increase of €30 per pupil in 2007 in the support services grant, bringing that grant to €189 per pupil.

The cumulative increase of €48 per pupil in a voluntary secondary school brings the aggregate grant to over €500 per pupil. These grants are in addition to the *per capita* funding of up to €40,000 per school that is also provided by the Department to secondary schools to meet the costs of secretarial and caretaking services. For example, in the case of a secondary school with 500 pupils, the annual grants towards general expenses and support services are over €290,000. This represents an increase of 83% since 2000.

Budget allocations for schools in the VEC, and community and comprehensive sectors are increased on a *pro rata* basis with increases in the *per capita* grant. All schools are eligible for recurrent *per capita* grants towards special classes and curricular support grants.

Both primary and post-primary schools have benefited from major increases in funding in recent years. Schools can use some of this funding to pay for interpreters. The Minister for Education and Science, Deputy Hanafin, has no intention of introducing specific grants for this purpose. However, she will continue to prioritise increases in capitation and other grants paid to schools.

Deputy Brian Hayes: So nothing will happen. That is pathetic.

Garda Investigations.

Deputy Margaret Conlon: I have raised this matter because I wish to highlight the horrendous murder which happened in my constituency, Cavan-Monaghan, at Tullycora, Oram, County Monaghan, last Saturday.

First, I to extend my sympathies to Paul Quinn's parents, Stephen and Brid, and to his family and friends. This murder was one of the most barbaric acts ever committed on a human being in this country. It only takes one person to kill another with one blow. This young man was lured to an isolated rural area, man-handled out to a shed and up to 15 people with bats, crowbars and pickaxe handles brutally ended his young life.

The point has been made that these savages did not mean to kill Paul Quinn. What other outcome could be expected when a gang of masked men repeatedly attacked one lonely man with weapons? Several politicians were quick to claim they knew who did not commit this awful atrocity. However, there are people who know who did

and there are people who instructed that this savage act be carried out.

As a public representative for my constituency, I hope and expect that any honourable citizen of this island, north or south of the Border, who knows anything would give such information to the Garda or the PSNI. I commend Senators Eoghan Harris and David Norris on their statements of a similar nature today in Seanad Éireann.

If there was any paramilitary involvement in this murder, it could have serious ramifications north and south of the Border. We cannot afford to regress and undo the years of hard work which has delivered the new institutions in Northern Ireland. I will always advocate a peaceful resolution to any problem. We have learned over the years that violence is not a resolution to any dispute or cause, and the people who committed this barbarous act are nothing but thugs.

The wall of silence that surrounded the murder of Robert McCartney in Belfast must not be repeated in this case. A newspaper at the time said the dogs on the street knew who did it but still no one has been convicted of his murder. It could well be the same with this case. No one has the right to take the law into their own hands. In the McCartney case, the complete lack of respect for human life coupled with walls of silence has led to no prosecution since that awful killing in Belfast in January 2005. This must not be repeated in this case.

Tied in with this case, it must be noted that Ireland's homicide rates are due to hit a record high this year. I urge the Minister for Justice, Equality and Law Reform, Deputy Brian Lenihan, to introduce new legislation which favours the victims not the criminals. Zero tolerance has become something of a dirty phrase in political circles but that is what is needed to protect the silent majority who are law-abiding citizens.

We, as legislators, must act for the welfare of all citizens of this island. We must act with strength. We must pass anti-racketeering legislation, make our criminal legislation more victim-centred and allow the Garda and the PSNI to cross the Border while in pursuit of criminals. As a Border constituency Government Deputy, I will be pushing this at every opportunity.

Murder is murder. The Lord giveth life and only the Lord may taketh away. There is not just one victim of this crime. A community is in mourning. Paul Quinn's friends, who unwittingly were forced to call him to his death, must be badly affected and traumatised. It is his family who are ultimately left devastated by this heinous crime. They must live with the consequences of these thugs' ruthless and savage actions and their personal loss for the rest of their lives.

Ar dheis Dé go raibh a anam dílis.

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I thank Deputy Conlon for raising this serious matter. I also condemn the dreadful nature of this crime. I am certain Deputy

[Deputy Brian Lenihan.]

Conlon will understand I am somewhat constrained, however, in what I can say in the House on this matter. There is an ongoing investigation into this appalling crime in two jurisdictions. Nothing I say, therefore, should interfere with that process. I have a particular responsibility as Minister for Justice, Equality and Law Reform in this regard.

All Members were shocked to hear of the vicious murder of Paul Quinn last weekend. I extend my sympathies to his family and friends who have been robbed of him prematurely.

From the information available at this stage, it appears that Paul Quinn was lured to a farmhouse near Castleblayney, County Monaghan, where he was set upon by a number of individuals. The Garda Síochána was made aware of the incident at 6:10 p.m. on Saturday 20 October. Gardaí arrived at the scene at 6:20 p.m. and found Paul Quinn badly injured. Basic first aid was administered at the scene, and he was transferred by ambulance to Our Lady of Lourdes Hospital, Drogheda. He was found to have serious injuries to the head, lower body and legs. Despite the best efforts of the medical staff in Drogheda, he was pronounced dead at 8:40 p.m.

There has been speculation that the intention behind this vicious assault was not to kill but to teach a lesson. That is utterly irrelevant to the barbaric and fatal outcome. Likewise, there has been speculation that the attack was linked to illegal activities in the Border area, including fuel-laundering. Again, whether there is any truth to this, in my view it is irrelevant to the heinousness of the crime.

The Garda Síochána, in close co-operation with its colleagues in the PSNI, is carrying out a full and comprehensive investigation into the murder. It will pursue those responsible with the utmost vigour. In so doing the Garda will have our full support. I urge any member of the public with information on this matter to come forward. If any member of the public can give information on a confidential basis to the Garda Síochána, I would urge them to do so.

I share the Deputy's concerns but, as I have already indicated, there is a limit to what I can say on an ongoing and active Garda investigation. The investigation is at an early stage.

The Garda Commissioner has advised there is no information available to the Garda which suggests that this attack was carried out by, or on behalf of, any paramilitary grouping. The Chief Constable of the PSNI shares that view.

The Garda has appealed for anyone who has knowledge of the attack to come forward. It is vitally important that people with information which might help the Garda find the people responsible and bring them to justice make themselves known.

The details of this murder have already been subject to various theories and speculations, one or two of which I have mentioned, and none of which can at this time be verified. I hope people will allow the investigations of the two police services to run their course and not seek to pre-judge this matter. None of us must lose sight of the central fact here, the murder of a young man, the brutal taking of his life by those to whom humanity and decency are complete strangers. Deputy Conlon expressed it very well in her contribution and I echo the appeal of the Garda Commissioner and others for anyone with information about this matter to co-operate with the gardaí and the Police Service of Northern Ireland.

Deputy Conlon touched on the whole subject of reform of the criminal law and mentioned a number of topics in that connection. One topic she mentioned concerned the whole question of whether officers in the PSNI or the Garda Síochána could have powers of arrest on the other side of the land frontier. It is a measure of the advance we have made in the mutual confidence in policing in this country that a Deputy for a Border constituency can call for that to happen. Certainly, I am prepared to discuss with the Garda Commissioner what can be done to further enhance co-operation between the two police forces on this island. Co-operation between the two forces is already at a very high standard and we must build on that. Any constructive suggestions in that regard will be taken on board. Bringing the perpetrators of this heinous crime to justice must be a top priority.

Message from Seanad.

An Ceann Comhairle: Seanad Éireann has passed the Criminal Procedure (Amendment) Bill 2007, without amendment.

The Dáil adjourned at 9.45 p.m. until 10.30 a.m. on Thursday, 25 October 2007.

Written Answers.

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

Questions Nos. 1 to 17, inclusive, answered orally.

Questions Nos. 18 to 73, inclusive, resubmitted.

Questions Nos. 74 to 83, inclusive, answered orally.

Departmental Statistics.

84. **Deputy Liz McManus** asked the Minister for Enterprise, Trade and Employment the steps he plans to take to establish the number of people from other countries working illegally here; and if he will make a statement on the matter. [25391/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Employment Permits Acts 2003 and 2006 provide for a large number of obligations and offences. These include: offences relating to the employment of foreign nationals except in accordance with an employment permit and forgery, fraudulent alteration or fraudulent use of an employment permit.

Under the 2006 Act, data in respect of certain matters may be exchanged between my Department and the Department of Social and Family Affairs, the Department of Justice, Equality and Law Reform and the Revenue Commissioners. This has significantly enhanced the enforcement capacity of these Departments and agencies.

In order to ensure the satisfactory enforcement of the provisions of the Acts, authorised officials of my Department's Employment Permits Section may utilise information on compliance with employment permits legislation to refer cases for prosecution to the Chief State Solicitor's Office.

It is intended that an Employment Prosecution Unit will be set up within the Department where authorised officers under the Employment Per-

mits Act 2006 will utilise information on compliance with employment permits legislation to refer cases for prosecution to the Chief State Solicitor's Office. They will also liaise closely with the National Employment Rights Authority in ensuring that legally employed non-nationals enjoy the full range of statutory employment rights entitlements.

Article three of the International Labour Organisation's Labour Inspection Convention (C81), ratified by Ireland states that: There are currently 50 Labour Inspectors and a further 40 should be recruited by the end of 2007. It is essential that all employers abide by the Laws of the State.

Job Creation.

85. **Deputy Seymour Crawford** asked the Minister for Enterprise, Trade and Employment the efforts he has made through his Department, or a State agency related to it, to encourage industry into the Border regions, in particular Counties Cavan and Monaghan; his views on whether, in recent years particularly with the successful settlement in Northern Ireland, in the case of County Monaghan in particular, with the virtually completed restructuring of the N2 to Monaghan Town and with the provision of leisure facilities and good hotels there is no excuse that towns such as Monaghan, Clones, Ballybay or Castleblayney should not be as attractive as anywhere else in the country for high tech employment; if he will provide a commitment to re-energise the organisations to ensure that the Border regions receive a fair opportunity in view of the historic deficit in this area; and if he will make a statement on the matter. [25363/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The marketing of the regions for job creation and investment is a

[Deputy Micheál Martin.]

day-to-day operational matter for the development agencies and while I may give general policy directives to agencies, I am precluded under the Industrial Development Acts from giving directives regarding individual undertakings or from giving preference to one area over others.

Through its network of overseas offices, IDA Ireland is actively marketing the counties of Monaghan and Cavan for new and expansion investments. In line with the National Spatial Strategy, the Agency is concentrating on the hub towns of Cavan and Monaghan.

In the case of Cavan, IDA is working to secure new investment in the medical devices area for Cavan Town as it believes that the town is particularly suited to such a sector.

As regards Monaghan, the Agency is promoting its Business Park in Monaghan Town for new knowledge intensive inward investment. The completion of the new Monaghan by-pass has vastly improved access to the existing IDA Park and the ongoing work on the N2 is improving access to Dublin Airport and city. This, combined with the ongoing improvements to the Town's shopping and recreational facilities, continues to add to the attractiveness of the location for new inward investment.

Enterprise Ireland is committed to delivering on its regional mandate and continues to support the development of entrepreneurship in the region in collaboration with other State agencies and educational establishments. In addition E.I. is working strategically with Invest Northern Ireland and Intertrade Ireland for the benefit of their client companies.

Enterprise Ireland currently works with 138 client companies in County Monaghan, which employ a total of 4,695 people, while in County Cavan the Agency works with 96 client companies employing 6,590 people.

In January of this year, Enterprise Ireland and Invest NI secured funding from the Special EU Programmes Body for a Cross Border Enterprise Incubation Programme, which is known as the Transform Programme. This Programme, which commenced on 11th September, is a nine month full time programme intended for potential entrepreneurs who wish to set up a new export orientated knowledge intensive business. The Programme covers the six Counties in the Border Region of the Republic of Ireland and the six Counties of Northern Ireland.

Cavan and Monaghan County Enterprise Boards also play an role in the development of indigenous enterprise in the micro sector in the Border region. This support is available through both direct financial assistance and non-financial assistance. In 2006 Cavan and Monaghan CEBs paid over €497,000 in grant aid and assisted in the creation of 222 net jobs in the two counties.

All of the development agencies are committed to a pro-active approach to balanced regional development as outlined in the National Development Plan and I am confident that the policies in place are the correct ones to deliver sustainable investment and jobs for the region.

Insurance Industry.

86. **Deputy Brian O'Shea** asked the Minister for Enterprise, Trade and Employment the number of cases currently before the Personal Injuries Assessment Board; the number of cases for which rulings have been given since its inception; the number of these cases that have been referred to the courts for further action or appeal; the number of staff currently employed by the PIAB; the intended total number of staff to be employed by the PIAB; the date by which he expects the PIAB to be fully staffed; the date on which a review will be undertaken on staffing levels in the PIAB; and if he will make a statement on the matter. [25392/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Personal Injuries Assessment Board was established in April 2004 as part of the Government's insurance reform programme, with the aim of allowing certain classes of personal injury claim, where liability is uncontested, to be settled without the need for the costs associated with litigation. The threat of rising insurance costs at the time posed serious risks to Irish business and the economy generally.

Since its establishment the PIAB has successfully fulfilled its legal obligations: the PIAB is now assessing many claims three times faster and four times cheaper than under the old litigation system. To the end of Q2 2007, the PIAB had made actual savings to date of €51 million on awards totalling €228 million, when compared with the old, unwieldy, adversarial and litigation-based system. This is quite an achievement in such a short space of time, and can only be good news for accident victims, for business and for consumers generally who have seen, and should see further, reductions in their insurance premiums.

The PIAB has pared down the personal injury claims process in a wholly positive way. In 2003 it is estimated that the number of personal injury cases going through the Irish Courts system was in the region of 32,000 cases whereas the estimated figure for 2006 is 15,900 cases. The effects are felt throughout the Court system where valuable time has now been freed up to deal with cases that should more properly reside there.

At the end of September 2007 there were 4,815 cases with the PIAB in the 90-day "consent to process" period i.e. PIAB has received a claim and has issued formal notice to the responding party and is awaiting consent to process from that party. There were a further 6,325 cases in the

nine-month statutory assessment process, where the responding party has indicated that liability is not contested and damages are being assessed.

Approximately 13,300 assessments have been made to date, 6,500 of these having been issued by the end of 2006. Of the assessments issued 7,533 have been accepted, 4,707 have been rejected and authorised to proceed to litigation, and responses are awaited on the balance.

- Delivery costs are 4 times cheaper than old system
- Average delivery costs at approx €1,383 flat fee equating to approx 7% as against old system of 46%, e.g. a €15,000 award in the old system would have attracted costs of an additional €7,500 approximately. Under the Personal Injuries Assessment Board these costs would be €1,350.

Some of the rejected assessments will have been resolved since PIAB involvement and others will proceed to the Courts. The PIAB would not be aware of the number of these cases which actually proceed to litigation, although it is believed that a significant proportion are settled outside of the Courts once an authorisation issues from the PIAB.

The Board currently employs 81 staff members (up from 53 in May 2006) and is in the process of recruiting to bring numbers towards the staffing level of 85 agreed with my Department. There are no plans at this time to further review staffing levels in the PIAB.

Food Prices.

87. **Deputy Ciarán Lynch** asked the Minister for Enterprise, Trade and Employment his views on reports of recent increases of up to 22% in a range of food prices and forecasts that food prices will rise further by the end of 2007; if he is satisfied that sufficient protection is available to protect consumers against unwarranted price increases; and if he will make a statement on the matter. [25386/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): I am aware of recent media reports of increases in certain food prices. However, the September 2007 Consumer Price Index as published by the Central Statistics Office shows that annual rate of food inflation is 2%. This compares with an overall rate of inflation of 4.6%.

Rising food prices are being experienced right across the world. Such increases are due to a number of different factors including climatic, economic and demand reasons. A recent report by the Organisation for Economic Cooperation and Development and the United Nations' Food and Agriculture Organisation has identified that the rapid expansion of the global bio fuel industry

is causing fundamental changes to agricultural markets and is likely to keep the prices of agricultural commodities high over the next decade. The loss of potential food-producing land has in turn pushed up the cost of the animal feed used by dairy farmers. This has also coincided with surging demand for meat and dairy produce in India and China, as their economies and diets become more westernised. In Ireland, persistent rain this Summer has had a significant effect on crops such as cabbage, cauliflower and broccoli with up to 50% of some growers' yields being severely affected. Grain prices in Ireland continue to rise with the realisation that wheat harvests in most regions did not deliver as expected which in turn has increased the price of barley.

In so far as the price of food to Irish consumers is concerned, Government policy is focussed on providing competitive markets which benefit consumers and the economy as a whole.

The Groceries Order was abolished in March 2006. This Order was in place for 18 years and had the effect of keeping the price of groceries artificially high. Whilst the market will take some time to adapt to the changed legislative environment, the removal of the order should stimulate competition, drive increased efficiencies at all levels of the distribution chain and produce a consequent downward pressure on retail prices from which consumers will ultimately benefit.

As regards the experience since the Order was abolished, the Consumer Price Index shows that the prices of products previously covered by the Groceries Order rose by 1.8% in the period from September 2006 to September 2007. During the same period however, prices of products not covered by the Groceries Order rose by 2.3%. The Consumer Price Index for September shows products previously covered by the Groceries Order (GO) are up 0.1% in the month and non Groceries Order items are up 0.4% in the month. It is clear, therefore that the abolition of the Groceries Order has had a significant moderating effect in terms of food inflation.

Following the abolition of the Order, the Minister asked the Competition Authority to review and monitor developments in the grocery sector in light of the new regulatory environment. Under Towards 2016, the Competition Authority has been asked to assess, over time, the impact of the new regulatory environment in the context of abuse of a dominant position including both excessive and predatory pricing. As part of this process the Authority has been asked to report to the Government periodically and to make any recommendations it considers appropriate having regard to its findings.

Work is continuing on the Grocery Monitor Project. Since April 2007 one year's worth of post Groceries Order data has been available for analysis. Later this year the Authority intends to publish an analysis of developments in the sector

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focusing on pricing trends, market structures and barriers to entry.

Departmental Applications.

88. **Deputy Denis Naughten** asked the Minister for Enterprise, Trade and Employment the different types of applications processed by his Department; the average waiting time to process each application; the steps he is taking to speed up the processing time; and if he will make a statement on the matter. [25129/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): My Department processes a wide variety of different applications from Employment Agency Licences to Grants for Trade Union Amalgamations, from Insolvency Payments, Redundancy Lump Sums and Rebates to Export and Import Licences and from Employment Permits to Applications for the approval of the prospectus for a proposed Business Expansion Scheme (BES), to name but a few.

We operate a Customer Charter under which ambitious targets are set for the processing of various applications under a wide variety of schemes. My Department strives under the Charter to deliver a Quality Customer Service to all our customers. Where a sudden increase in demand for applications under a particular scheme results in a longer processing time than provided for, we endeavour to take corrective action at the earliest opportunity to bring our Customer Service back into line with Charter Commitments.

Naturally, given the wide range of schemes we operate, the targets we set for processing individual applications vary considerably under the

different schemes. For example, Import License applications are generally processed within 2 days whereas an Export License application may take between 5 and 25 days to process depending on whether the Department of Foreign Affairs and/or other EU Member States have to be consulted.

In addition to the many and varied schemes operated by my Department, the Companies Registration Office and the Office of Patents, Designs and Trademarks, which both come under my Department's remit, also exercise a number of statutory functions under which a variety of applications are made to both Offices. In this regard, both Offices also endeavour to process all applications as efficiently as possible. However, as Minister, I have no role to play in the exercise of those statutory functions.

My Department seeks to operate as speedy a decision-making timeframe on all applications as possible consistent with our obligations to examine carefully every single application under whichever scheme we receive. To this end, and as part of the eGovernment agenda, my Department has utilised information technology solutions to increase the efficiency and quality of internal work processes and also to provide a wider choice of access points to customers in terms of making applications online. My Department will continue to introduce further technologically-based solutions as appropriate.

Finally, the following tabular statement details the specific processing times currently applying is the various schemes administered directly by my Department. These can vary depending on demand. If Deputy Naughten has any specific details of delays in processing any specific applications I would be happy to have the matter investigated and report back to the Deputy.

List of Applications Processed by the Department

Type of Application	Average Waiting Time to Process each Application (i.e. time to reach decision on application)	Steps being taken to speed up processing time
Grant for Trade Union Education, Training and Advisory Services	1 working day	Not applicable
Employment Agency new licences	8 weeks	Not applicable
Employment Agency licence renewals	2 weeks	Not applicable
Grant for Trade Union Amalgamations	36 working days	Not applicable
Application for Funding under the Workplace Innovation Fund	9½ weeks	Liaison with the Social Partners
Insolvency Payment	4.4 weeks	Review of procedures
Redundancy Lump Sum Application	4 weeks	Encourage greater use of online Redundancy Payments System (RPS) by applicants / liquidators
Redundancy Rebate Application (online)	6 weeks	Encourage clients to use the "online" RPS
Redundancy Rebate Application (Manual)	10 weeks	Encourage clients to use the "online" RPS

Type of Application	Average Waiting Time to Process each Application (i.e. time to reach decision on application)	Steps being taken to speed up processing time
Employment Permits	15 days	The customer service target for issuing Employment Permits is 15 working days. Currently, all Employment Permit applications under the various schemes are within that target.
Freedom of Information Act	Dealt with within the statutory time frames	Not applicable
Data Protection Acts	Dealt with within the statutory time frames	Not applicable
Enterprise Areas Certificate (2-3 per annum)	Following approval by an Interdepartmental Monitoring Committee, the certificate is usually issued within 15 working days (which includes seeking the formal approval of the Minister for Finance as required by legislation).	Not applicable
Export Licence	(1) 5 days, if no outside consultation required; (2) 15 days, if the Department of Foreign Affairs or other EU Member State has to be consulted; and (3) 25 days if both the Department of Foreign Affairs and other Member States have to be consulted.	Introduction of OELAS electronic application system.
Import Licence	2 days	Not applicable
Application for the approval of the prospectus for a proposed Business Expansion Scheme (BES)	2 Weeks	Current processing time is regar as reasonable
Application for alignment of annual return dates of a subsidiary company with its parent	2-3 weeks depending on the information furnished with the application	Applicants are being encouraged to provide supplementary information via email.
Exemption from requirement to have all directors names on company's headed paper	2-3 weeks depending on the information furnished with the application	Applicants are being encouraged to provide supplementary information via email.
Occasional Trading Licences	1 Day	Not applicable
Media Merger Directions	8 Days — Under Section 23 of the Competition Act 2002 the Minister has 10 days to issue a direction to the Competition Authority. The Minister has processed 14 applications since 1st January 2007.	Current processing time is regarded as reasonable.

Departmental Funding.

89. **Deputy Joe McHugh** asked the Minister for Enterprise, Trade and Employment if there are plans to increase the funding for people setting up new businesses; and if he will make a statement on the matter. [25320/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The thirty-five County & City Enterprise Boards (CEBs) are the principal initial point of contact for people seeking support in setting up a new business. Their role is to provide support to micro-enterprise in the start-up and expansion phases, to promote and develop indigenous micro-enterprise potential and to stimulate entrepreneurship at local level. The CEBs provide both financial and non-financial assistance.

The forms of financial assistance which are available, subject to certain restrictions, include

Capital Grants, Employment Grants and Feasibility Study Grants.

- Capital grants are available at up to a maximum of 50% of the cost of capital and other investment or €75,000, whichever is the lesser; a portion of the grant in excess of 40% (in the BMW Region) or 35% (in the S&E Region) to be in refundable form.
- Employment grants are available in exceptional circumstances at a level of up €7,500 per new job at a maximum of 10 new jobs per project.
- Feasibility study grants are available up to a maximum of 60% (in the BMW Region) or 50% (in the S&E Region) of the cost of a feasibility study and business plan subject to an overall limit of €6,350 (in the BMW Region) or €5,100 (in the S&E Region).

Non-financial assistance from the CEBs cover a wide range of competitively priced “soft support”

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Programmes. These include Start-Your-Own-Business Programmes, Management Capability and Development courses, Sales and Marketing courses, IT Skills training as well as the successful Mentoring Programme offered by most CEBs. Through the availability of an appropriate suite of both financial and non-financial supports the CEBs are central in assisting people to set up their own business as well as assisting existing small businesses to expand and grow.

I am confident that the current level of financial assistance available from the CEBs, to any individual intending to set up a new businesses, is appropriate and that, in particular, the range and quality of “soft supports” on offer is highly valuable to any potential entrepreneur the significance of which should not be underestimated.

I have made available over €22 million in 2007 to the CEB network to directly assist micro-enterprise in Ireland in both in the start-up and the expansions phases. This is a significant level of state intervention and is separate to the interventions available from other State agencies, including Enterprise Ireland, who also have a role to play, albeit at different levels, in assisting entrepreneurial activity in Ireland.

I have also made available over €21m through the Community Enterprise Scheme for investment in community based business infrastructure. A first call for proposals issued recently and applications are presently being assessed by Enterprise Ireland.

Enterprise Ireland also manage the Seed and Venture Capital Scheme which provides an injection of €175m to support private venture capital funds investing in start-up and early stage companies. It is expected to leverage a further €1bn for investment.

Support of High Potential Start-Up companies is one of the key activities of Enterprise Ireland. These are start-up companies that have the potential to grow relatively quickly and build internationally. Enterprise Ireland assisted 150 such companies over the last two years.

Labour Inspectorate.

90. **Deputy Joe Costello** asked the Minister for Enterprise, Trade and Employment the number of inspections carried out by the labour inspectorate and the number of prosecutions initiated by the inspectorate in respect of the years 2002 to 2006 and to date in 2007; if there are plans to increase this number during the remainder of 2007; and if he will make a statement on the matter. [25381/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The number of workplace inspections/visits undertaken by the Inspection Services (during and after normal business hours) and prosecutions initiated in respect of the years

2002 to 2006 and to date in 2007 are set out in the following tabular statement. I am pleased to say that almost 8,000 inspections/visits have been undertaken in the year to date.

I am advised by the Director of the National Employment Rights Authority (NERA), which has assumed responsibility for Inspection Services, that, a focused employment rights compliance inspection campaign has been underway for the past two weeks in sectors covered by the National Minimum Wage. Such targeted campaigns, accompanied by awareness and promotional activities, will be a significant feature of NERA’s future employment rights compliance and information strategy.

The primary function of the Inspection Services is to seek compliance and rectification of any breaches identified, including redress for the individual/s concerned and payment of any arrears due to employees. In this regard Inspection Services, in 2006, recovered from some 349 employers arrears of pay amounting to almost €1.4 million. To date in 2007, over €2 million in arrears has been recovered.

The inspection services have referred 15 cases to date in 2007 for prosecution. It should be noted that in the majority of cases employers rectify the breaches and pay arrears due to employees without recourse to prosecution. However, Inspection Services reserve the right to initiate prosecutions in respect of breaches of certain employment legislation. Decisions in relation to prosecutions are made in the light of, among other matters, the particular circumstances of the case and the willingness of employees to give evidence in court proceedings.

The Deputy should be aware that Rights Commissioners of the Labour Relations Commission, a body independent of my Department, also hear complaints concerning breaches of the National Minimum Wage Act 2000, the Organisation of Working Time Act 1997, the Carer’s Leave Act, 2001, the Parental Leave Act, 1998 and the Payment of Wages Act 1991. In addition, Unions may make a complaint to the Labour Court under Section 32 of the Industrial Relations Act, 1946 in relation to breaches of a Registered Employment Agreement while Section 45 of the 1946 Act provides that employees may initiate proceedings in respect of failure to comply with the minimum wage conditions of an Employment Regulation Order.

In accordance with commitments given under Towards 2016, the Social Partnership Agreement, the number of Inspectors is scheduled to increase to 90, from the starting position of 31, by the end of 2007. Fifty one Inspectors currently hold appointments as Inspectors with the National Appointment Rights Authority (NERA). The Public Appointments Service’s recruitment and selection process for 10 Inspectors with specific language skills is at an advanced stage at present

while the competitions for the remaining Inspector positions are being progressed.

I met recently with the Director and senior management of NERA and am encouraged by the progress made to date in relation to the recruitment and training of additional Inspectors and in the enhancement generally of our employment rights compliance and information provision capability.

Employment Rights Compliance Inspections and Prosecutions Initiated: 2002-2007 (to date)

Year	Inspections/Visits	Prosecutions Initiated
2002	8,323	25
2003	7,168	20
2004	5,160	14
2005	5,719	25
2006	15,885	8
2007 (to 12/10/07)	7,849	15

County Enterprise Boards.

91. **Deputy Olivia Mitchell** asked the Minister for Enterprise, Trade and Employment if he will establish a one stop shop to assist entrepreneurs with business start ups; and if he will make a statement on the matter. [25349/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The role of the thirty-five County and City Enterprise Boards is to provide a source of support for micro-enterprise in the start-up and expansion phases, to promote and develop indigenous micro-enterprise potential and to stimulate economic activity and entrepreneurship at local level. The CEBs can provide a single point of contact at local level for new and established small businesses. The CEBs can support individuals, firms and community groups provided that the proposed projects have the capacity to achieve commercial viability. However, they must give priority to manufacturing and internationally traded services.

In addition, the BASIS (Business Access to State Information Services) website is a cross-departmental e-Government initiative managed by my Department which delivers Government Information and Services from a single reference point. It provides a one-stop shop for information and services that are relevant to the business community, including entrepreneurs with business start-ups. Details provided for example include information on starting a business, funding, employment issues, taxation, legal and regulatory and environmental issues.

While acknowledging that entrepreneurs and small owner/managers in Ireland currently have access to a very wide range of information

sources, nevertheless the Small Business Forum Report recommended the development, launch and promotion of a first-stop “Knowledge Base”, which would be a comprehensive central resource of relevant, up-to-date, user-led business information for entrepreneurs, owner/managers and their advisers.

The Forum recommended that the “Knowledge Base” as envisaged would be substantially different from anything currently available from public or private sources, but would build on the best of those sources.

The ongoing implementation of the recommendations of the Small Business Forum, to the maximum extent possible, remains a priority for Government. Considerable progress has already been made on the implementation of many of these recommendations.

The development of a “Knowledge Base” along the lines envisaged by the Small Business Forum, would require cross-departmental and cross agency support and private sector commitment at the highest level during the initial stages of development, the gathering of the content and the key task of keeping it up to date. My Department is in the process of setting up a Steering Group of stakeholders in such a project, including representatives of Enterprise Ireland, Forfás, the County Enterprise Boards, the Business Information Centres and my Department to consider how this might best be advanced.

Employment Rights.

92. **Deputy Thomas P. Broughan** asked the Minister for Enterprise, Trade and Employment the progress made in the establishment of the Office of the Director of Employment Rights Compliance; and if he will make a statement on the matter. [25378/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The Government is committed to delivering the key package of measures agreed under the chapter dealing with Employment Rights and Compliance in Towards 2016. In this regard the National Employment Rights Authority (NERA) has been established on an interim basis since February 2007. NERA has Department of Finance sanction for 141 staff, including an increased complement of 90 Labour Inspectors. An allocation of €8.553 million was provided under Vote 34 for the year 2007.

Three units which were formerly part of the Department of Enterprise, Trade and Employment, have been subsumed into NERA — the Employment Rights Information Unit, the Labour Inspectorate and the Prosecution / Enforcement Unit.

The Director of NERA was appointed and took up duty on 12 February 2007. The Director

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is supported in his role by a management team, including legal and accounting expertise, and administrative staff who are now in place.

Recruitment of the additional Inspectors is also progressing. The number of Inspectors has increased from 31 to 51 and interviews for a further 10 inspectors with specific language skills are scheduled for the 5th November.

Competitions for recruitment of the remaining 29 Inspectors have been advertised and it is proposed to hold interviews for these positions early in November. I am pleased with the progress made to date and I am confident that all 90 appointments will be made by end of 2007, in accordance with the commitment under Towards 2016.

As part of the Government decentralisation programme, NERA established its headquarters in Carlow at the end of July 2007. The Social Partnership Agreement “Towards 2016” also provided that the Labour Inspectorate, now part of NERA, would be established on a regional basis and in this regard, the new regional structure of the NERA Inspectorate is being progressed. In addition to Inspectors located in NERA headquarters in Carlow, regional offices of the Inspectorate will be located in Dublin, Cork, Shannon and Sligo. At this time, Inspectors are operating out of the NERA headquarters in Carlow, Dublin and temporary accommodation in Cork. In consultation with OPW, permanent premises have been identified in Cork and Sligo and leases are being finalised. In relation to Shannon, temporary accommodation has been identified and the permanent premises are currently under construction.

In line with the commitment under Towards 2016, joint investigation activity and exchange of information activity has commenced between Inspectors from NERA, the Revenue Commissioners and the Department of Social and Family Affairs. The necessary legislative provisions to enable the exchange of information between the three bodies came into effect on 30th March.

An information provision and public awareness campaign is being actively planned and a series of meetings with stakeholders has been undertaken to initiate structured dialogue between NERA and stakeholders.

The necessary legislation to give statutory authority to NERA is being progressed through the preparation of the Employment Law Compliance Bill which will be published this year. I am pleased with the progress made to date.

Decentralisation Programme.

93. **Deputy Billy Timmins** asked the Minister for Enterprise, Trade and Employment the situation with respect to the decentralisation of

the NSAI to Arklow, County Wicklow; and if he will make a statement on the matter. [23739/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Under the Government’s decentralisation programme the National Standards Authority of Ireland (NSAI) is due to relocate to Arklow, Co. Wicklow. The current NSAI implementation plan anticipates a target date of April 2009 as the completion date for its decentralisation programme; however, this is highly dependent on the resolution of matters at central level concerning the transfer of staff within the public service and other staffing related issues. The accommodation requirements for the NSAI in Arklow are being addressed by the OPW but to date there has been no progress in identifying and securing suitable office accommodation in the Arklow area.

The Deputy will be aware from my written response to PQ 24134/07 on 17 October that issues concerning the suitability of the accommodation occupied by NSAI in Glasnevin, which have been ongoing for some time, have given rise for an immediate requirement for suitable office accommodation to enable the Authority to provide its services in an efficient manner. The Authority recently decided to proceed with the consideration of securing office facilities in the north Dublin area to accommodate the staff currently based in Glasnevin. Leasing agreements will provide for break clauses in accordance with normal business practice. At this point the NSAI has initiated a building selection process with a view to occupation in early 2008.

I can assure the Deputy that notwithstanding changes in the NSAI’s existing office accommodation it continues to be part of the decentralisation programme and will continue to engage in preparations for relocation to Arklow.

Economic Competitiveness.

94. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which he or his Department have examined the underlying reasons for a growing lack of competitiveness in the Irish economy; the conclusions reached; his proposals to address the issue; and if he will make a statement on the matter. [25453/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Ireland unquestionably faces competitiveness challenges, but to categorise it as becoming uncompetitive would be wrong. Rather the economy’s competitive advantages are changing. This reflects the dynamic economy that Ireland is today. The structure of enterprise and the nature of job creation is changing. No modern economy is static and Government policies reflect this. Well balanced, pro

enterprise measures are helping the transition from an economy that was dominated by low cost manufacturing to one where international traded services, advanced manufacturing and an expanding research and development sector are now providing the impetus for employment, as well as foreign and indigenous investment.

Many Irish jobs are dependent on what we produce for world markets. Exports grew by an annual average of 5.2% between 2000 and 2006. For the first half of this year, export growth has been much stronger, increasing by 7%. Furthermore our services exports continue to be exceptionally strong. In 2000 Ireland's share of world trade in services was about 1.3%. Today it is about 2.6%. This is a sector that requires skill and a particular commitment to customer understanding.

These two factors alone show that Ireland has strong credentials when it comes to competitiveness. When it comes to either investing here or buying from companies that are based here, international markets and investors look for value for money and a return on investment. Ireland provides this.

Undoubtedly recent problems in global financial markets and the surge in the value of the Euro against the US dollar and dollar linked currencies will make it harder to win international business. Likewise our cost base has been moving out of kilter with many of our leading partners. Nevertheless, through our enterprise development agencies we are providing an extensive range of measures to help enterprise compete on the basis of higher productivity, innovation and research. There will be no diminution in my Department's commitment to strengthening the enterprise sector through its agencies. Government equally, through its own prudent management of the economy and finances, as well as through the Social Partnership process, will seek to secure a better equilibrium in the cost base of the economy.

Furthermore policies to strengthen competitiveness will continue to be informed by the analysis and suggestions of the National Competitiveness Council and the broader evaluations that are part of the work programme of Forfás, which advises me on enterprise, science and trade related issues.

Question No. 95 answered with Question No. 79.

Job Losses.

96. **Deputy Jan O'Sullivan** asked the Minister for Enterprise, Trade and Employment his views on the recent announcement that 178 jobs are to be lost at a plant (details supplied) in County Clare; his plans to ensure that replacement jobs

are found for the area; and if he will make a statement on the matter. [25375/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): On 26 September 2007, the company in question notified me that it was proposing collective redundancies in order to streamline and improve operating efficiencies. The company employs 200 staff. I understand the redundancies will take place between January / February 2008 and September 2009. However, some 20 jobs will be retained in research and development and engineering / project management. Accordingly, there is a possibility of future growth in these activities at Shannon.

I am very conscious of the effect that the proposed job losses will have on the workers involved and their families as well as the community in the surrounding area. I wish to assure the people concerned that the relevant State agencies will provide every support they can. The priority will be to find alternative employment for those involved at the earliest opportunity. The industrial training agency FÁS has already been in contact with the company regarding the assistance available from the agency. The full range of support services available from FÁS will be provided to the workforce. The full range of support services provided by FÁS include:

- Intensive interviews, individually and/or in groups, with affected workers to outline the range of supports and services available;
- Preparation of a Skills Analysis Report by FÁS based on identified workers' needs, and local opportunities;
- Referral by FÁS of redundant workers to jobs, training courses or other options;
- Establishment by FÁS of special or customised training courses where necessary;
- On-going support and action to keep redundant workers in touch with the labour market.

There is a strong diverse manufacturing base existing at Shannon. Shannon Development has now commenced a process, in conjunction with this company's phased downsizing, where it will bring Shannon Free Zone and regional potential employment opportunities to the attention of the company. In addition, the new Westpark Business Campus development will assist Shannon in winning new investment in key sectors into the future.

As part of an integrated mid-West strategy, IDA Ireland is actively promoting County Clare for foreign direct investment in line with its objective to pursue balanced regional development. The agency's strategy for the region involves a transition to the knowledge economy by winning new foreign direct investment in innovation

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driven, high value sectors and working with its existing company base to expand their presence in Ireland.

Enterprise Ireland continues to support the existing business base in County Clare. An extensive high potential start-up company promotion campaign will commence in the area. Indeed, Smithstown Industrial Estate near Shannon Airport is the location of a significant cluster of Irish owned manufacturing companies.

The Government and the State Development agencies, in partnership with other key players, recognize the need to provide high value employment opportunities in County Clare that provide sustainable long-term jobs. I am confident that the strategies and policies being pursued in the County, together with the ongoing commitment to regional development, will maximise the flow of potential investors for the area and convert these into investment and job opportunities.

Question No. 97 answered with Question No. 83.

Job Creation.

98. **Deputy Deirdre Clune** asked the Minister for Enterprise, Trade and Employment his plans to attract investment into the Cork region; and if he will make a statement on the matter. [25431/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): State support for enterprise and job creation is channelled through the industrial development agencies. While I may give general policy directives to the development agencies, I am precluded, under the Industrial Development Acts, from giving directives regarding industrial undertakings or from giving preference to one area over others.

Through its range of overseas offices, IDA Ireland is actively promoting Cork City and County to prospective investors across the full range of IDA targeted sectors, such as Pharmaceuticals, Medical Technologies, Information and Communications Technologies (ICT) and Internationally Traded Services. In 1997, there were 107 IDA companies employing 11,903 people, in 2006 there were 133 companies employing 19,977.

Recent announcements include companies such as Amazon, Blizzard, Netgear, Apex Funds, Citco. These are companies with significant investments who have announced expansions also, such as Pfizer, Eli Lilly and GSK.

In line with the National Spatial Strategy, IDA is concentrating on the gateway city of Cork and the hub location of Mallow. The Agency actively promotes other towns in the County such as Fermoy, Clonakilty and Youghal. The attractions of

the region include a young skilled population, the presence of a University and Institute of Technology with a student population of approximately 30,000 and the availability of first class business parks, good infrastructure and an international airport. The success of IDA's marketing strategy for the region is evident in the results which the Agency has achieved over the years.

At present, there are currently 133 IDA assisted companies in County Cork employing almost 20,000 people. A total of nine Foreign Direct Investment (FDI) projects have been announced for Cork City and County since the start of 2007, with an estimated 1000 jobs to be created at full operation. In the last 3 years over 3,100 jobs have been announced by companies that have announced their arrival or expansion in Cork City/ County- Netgear, Amazon, Eli Lilly, Pfizer, Citoc and Blizzard.

In terms of job creation, Enterprise Ireland activity is focussed on the creation of new jobs through supporting entrepreneurs setting up new High Potential Start-Up Companies, the retention and creation of new jobs in existing companies and in enhancing the innovation capability of Ireland at a national and regional level through support of research in companies and third level institutions.

The Agency's activities are aimed at assisting its client companies to compete and grow by working in partnership to develop their key capabilities in internationalisation and export growth. Enterprise Ireland also supports the third level colleges in the Regions to foster links with industry thereby encouraging industry to increase its use of technology.

Enterprise Ireland's success in this area has been demonstrated by recent announcements of investment/expansion plans in such companies as Eirebloc, Dairygold, Carbery Milk Products, Safeheaven and Epic Solutions. To date in 2007, Enterprise Ireland has approved almost €50m and made payments to client companies of €5.4m in County Cork.

I am confident that the co-operation between the state agencies, educational establishments and local authorities together with the roll out of the National development Plan will continue to bear fruit in terms of investment and employment for the people of Cork.

FÁS Training Programmes.

99. **Deputy Ruairí Quinn** asked the Minister for Enterprise, Trade and Employment the number of persons who undertook FÁS training courses in 2006; the percentage of those who were unemployed, who were in part-time employment and who were employed full-time; his plans for FÁS for 2007; and if he will make a statement on the matter. [25395/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): A total of 69,000 persons commenced FÁS training courses in 2006 with roughly 35% of those attending training unemployed and 65% who were in employment.

In addition, in 2006, 176,000 persons attended Safe Pass and Construction Skills training and a further 9,000 persons attended Evening Courses. A training element was also included for the total of 32,300 persons who participated on Community Employment and Job Initiative schemes at some stage in 2006.

Statistics in relation to those in part-time employment who are participating in training are not available. The development of the Irish economy into one that is both knowledge-based and innovation-driven is crucial to the State's ongoing prosperity. Labour market policy, and FÁS as the key labour market agency, plays a significant role in this going forward. In this regard two policy areas are particularly important. First we must continue to increase our focus on up-skilling those in the workforce, and secondly we must equip those not yet in the labour force to play their full part in it. FÁS' high priority goals set out in their latest Strategy Statement: 'Entry to the Labour Market,' 'Workforce Development,' and 'Social Inclusion' focus on these policy areas.

In relation to up-skilling those already in the workforce through Workforce Development, the FÁS One Step Up initiative is crucial in this going forward. This initiative helps to up-skill our workforce and encourages the process of lifelong learning. In particular it focuses on lower skilled workers in SMEs, as that is where the greatest need lies. This is borne out by studies conducted by FÁS and other agencies, which suggest that it is in the lower to middle range of occupations, especially those in the services sector, that the greatest need exists to improve skills and productivity.

FÁS, in collaboration with the relevant departments and agencies as well as other key partners and employers, will continue to assist individuals and groups experiencing exclusion from training and employment opportunities. It will lead by example by continuing to raise its own levels of inclusion, equality and diversity among its own workforce and by demonstrating the benefits to both customers and stakeholders alike.

FÁS's plans for the future include extending the apprenticeship system to those trades already identified as suitable for apprenticeship as well as applying the apprenticeship approach to other occupations, including those outside the normal "skilled worker" area. FÁS will also maintain the increased resources allocated to company/employee training and support targeted interventions to up-skill the employed, particularly those with low-level skills and older workers so that they will acquire more portable skills. In this context FÁS has approved six strategic alliances

with representatives of the Trade Union sector to support employment prospects through raising skills levels, particularly through training those with low level skills and workers in vulnerable employment. The cost of this training is €8.8 million and it is expected that it will provide for the delivery of 21,870 training days to a total of 3,470 employed people.

FÁS's training provision for the unemployed will maintain a clear focus on jobs, either delivered through skills training on courses closely related to work or through foundation training courses with high probabilities of progression to more specific work/job related training.

Unemployment Levels.

100. **Deputy Joe McHugh** asked the Minister for Enterprise, Trade and Employment if there are plans to tackle the increasing problem of unemployment in County Donegal, in particular a town (details supplied) which is reeling from the loss of several industries over the past two decades; and if he will make a statement on the matter. [25321/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): While it is recognised that Donegal has suffered particular difficulties in the past due to the demise of traditional industries such as agriculture, fishing and textiles, there is clear evidence that the county is successfully engaged in a transition to the new economy. Live register figures at 8,340 and 8,370 for September 2006 and 2007 respectively, are lower than any year going back to 1993. The Inter-departmental Group Report on Donegal, which I launched last year, identified the various infrastructure developments required to support enterprise development in the County. The report identified, not just that much progress had been made, but also that there were financial provisions available to complete major new infrastructure projects, such as roads. These will further equip Donegal going forward, as a location for enterprise development.

Donegal is a key target location for IDA with the County now competing for a different type of business to the labour intensive manufacturing, which we so successfully won over the past four decades. Investors are, in the main, seeking a large urban base with third level education facilities, well developed infrastructure, as well as top quality business services that are international in focus. In line with this, IDA Ireland has adopted a focused approach in the County with Letterkenny as the main location for IDA development efforts. Milford, some 20 kilometres from Letterkenny, will benefit from the growth of this gateway and through the creation of high calibre jobs within easy commute of the town.

[Deputy Micheál Martin.]

The IDA strategy fits with the national Spatial Strategy, which sets out a framework for use in planning and investment in the public and private sectors. The Strategy seeks to enhance the performance of strategically placed 'Gateways', in Donegal's case the linked gateway of Letterkenny and Derry. This Gateway will create the conditions necessary to drive economic growth and will be at the heart of extending balanced regional development to the region. Small villages and rural areas will draw strength from, contribute to and complement the Gateway, as in the case of Milford. The strategy also recognises the importance of improving the attractiveness of towns and villages through community and other activities, such as urban and village renewal schemes and urban design initiatives by local authorities, which many locations in Donegal are benefiting from.

Progress has been made by IDA in securing new investments from Pacificare, Pramerica, SITA and Abbott Diabetes with approximately 1,200 new jobs being added in the County by overseas firms over the last five years. These companies continue to recruit and are actively seeking new staff.

As regards Enterprise Ireland, during the years 2004 to 2006, a total of 1,156 jobs were created in Enterprise Ireland client companies in County Donegal as against job losses of 980 leaving a net gain of 176 jobs.

Since the beginning of 2004 Enterprise Ireland approved over €15m in support to its client companies in Co. Donegal and made payment of over €7.5m.

Enterprise Ireland's policy objectives for balanced regional development are reflected in the structure of its funding offer whereby funding for existing company expansion and start-up businesses is biased towards regions. The maximum grant level is higher than in Dublin and the Mid-East and a higher proportion of this funding is also non-repayable.

In addition to the foregoing, the role of the Donegal County Enterprise Board, funded by my Department, is to provide support to micro-enterprises in the start-up and expansion phases, to promote and develop indigenous micro-enterprise potential and to stimulate economic activity and entrepreneurship at local level. Through the provision of both financial and non-financial support the Board supports individuals, firms and community groups provided that the proposed projects have the capacity to achieve commercial viability.

Financial support is available in the form of Capital Grants, Employment Grants and Feasibility Study grants. From the Board's inception in 1993 to-date they have paid out over €6.7m in grant assistance to over 300 clients, which has assisted in the creation of 1,385 jobs.

I can assure the Deputy that funding supports and initiatives for enterprises in County Donegal is, and will remain, a priority for the State development agencies under the auspices of my Department.

National Minimum Wage.

101. **Deputy Shane McEntee** asked the Minister for Enterprise, Trade and Employment his views on the impact the most recent minimum wage increase has had on employment, small business and competitiveness; if his Department has carried out a study of same; and if he will make a statement on the matter. [25351/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): In November 2006 the Labour Court recommended that the Minimum Wage should be increased to €8.30 per hour from 1 January 2007 and to €8.65 from 1 July, 2007.

The Minister for Labour Affairs decided that, having regard to the fact that it had been 20 months since the minimum wage had last been increased and having regard to the period for which the new rates could be expected to remain in force, the increases would provide for a reasonable annual rate of increase over the period 2006 to 2008 as a whole. The increases were given effect by statutory Order in December 2006.

In September 2007 the Department of Enterprise, Trade and Employment invited tenders for the conduct of a national survey of firms to obtain data on the ongoing impact of the National Minimum Wage. The principal objective of this survey will be to deliver data that allow for the continued monitoring of trends in relation to the minimum wage and related matters.

Previous surveys (reports of which are available on the website of the Department) have provided data on such matters as the numbers of people on the minimum wage, the sectors in which they work, how many workers on the minimum wage are working part-time/full-time, the number of men/women on the minimum wage, the age of those on the minimum wage and the country of origin of low paid workers.

The surveys have also asked respondent firms to record their perceptions of the impact of the minimum wage on employment practices and procedures in the workplace, whether or not they feel that in the absence of the minimum wage legislation they would be employing more or the same number of people and the effect of the minimum wage on prices and profit.

The Report arising out of the next survey will also be made available publicly on the website of the Department of Enterprise, Trade and Employment.

Consumer Information.

102. **Deputy Michael D. Higgins** asked the Minister for Enterprise, Trade and Employment the number of prosecutions taken in each of the past five years under the Consumer Information Act 1978; the nature of the prosecution in each case; the number of convictions which were secured; the penalty imposed in each case; if he is satisfied that the law in regard to consumer protection is being applied; and if he will make a statement on the matter. [25385/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Prosecutions under the Consumer Information Act 1978 Act were essentially initiated by the Director of Consumer Affairs. Details of the proceedings taken by the Director under that Act can be found in the various annual reports of the Director's office. Should the Deputy require further information on these cases it can be obtained from the National Consumer Agency.

The Consumer Information Act 1978 was repealed in its entirety on the enactment of the Consumer Protection Act 2007 in May this year. The 2007 Act updated and modernized a significant element of the existing framework of consumer protection law, including the provisions of the Consumer Information Act 1978. The responsibility for enforcing the provisions of the Consumer Protection Act lies with the National Consumer Agency, which on its establishment effectively subsumed the Office of the Director of Consumer Affairs. The new Act gives the Agency a much greater suite of enforcement options including the ability to issue fixed payment notices, accept undertakings, seek prohibition orders etc. as well as providing for greater fines and penalties for breaches of consumer law.

I am satisfied that the Consumer Protection Act gives the National Consumer Agency the necessary additional powers to ensure that traders comply with their obligations under consumer law and also provides for significant penalties for those traders convicted of breaches of the law.

Job Creation.

103. **Deputy Jan O'Sullivan** asked the Minister for Enterprise, Trade and Employment if his Department has undertaken an assessment of the implications for industrial development and job creation generally in the west and mid west regions of the plan by Aer Lingus to end its Shannon Heathrow service; and if he will make a statement on the matter. [25376/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): I share the sense of regret and disappointment voiced by business leaders and public representatives in the west and

mid-west that Aer Lingus intends to cease its scheduled air service between Shannon and London Heathrow.

Shannon Development and the City and County Enterprise Boards have a key role to play in promoting the development of the mid west region in line with the Government's policy objective of ensuring balanced regional development and the implementation of the National Spatial Strategy.

I have met business leaders in the region and fully appreciate their concerns about the implications of the decision and the merits of the business case made for a Shannon — Heathrow service, not least because of the connectivity available to European and long-haul destinations from Heathrow. I have also asked the relevant agencies to work closely with the companies affected to explore means of overcoming the obstacles presented by the Aer Lingus decision.

My Department was represented on the Senior Officials Group set up by the Department of the Taoiseach to examine the implications for the region of the Aer Lingus decision and has also contributed to the preparation, by the Department of Transport, of an Economic and Tourism Development Plan for the Shannon Airport catchment area. The purpose of the plan is to ensure that the region is well placed to respond to the challenges and opportunities emerging in the context of full liberalisation of the transatlantic aviation market and the phasing out of the Shannon Stop as envisaged under the EU-US Open Skies Agreement. I understand that the Plan is nearing finalisation.

Having regard to the findings of the report by the Senior Officials Group and the actions outlined in the Economic and Tourism Development Plan, the enterprise development agencies will continue to work in partnership with other stakeholders in the region to identify and bring forward new initiatives, projects and programmes to maximise the development potential of the west and mid west.

Job Losses.

104. **Deputy Willie Penrose** asked the Minister for Enterprise, Trade and Employment the number of redundancies notified to his Department to date; the way this compares with the same period in each year from 2002 to 2006; his views on the reported increase in the number of redundancies; and if he will make a statement on the matter. [25373/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The numbers of actual redundancies notified to my Department for the period 1 January to 30 September for the years 2002-2007 are as follows:

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Actual Redundancies 2002-2007

Year	2002	2003	2004	2005	2006	2007
Actual	19,073	19,170	19,631	17,325	17,324	19,218

This compares with the full year figures for the years 2002-2006 which were:

Actual Redundancies 2002-2006

Year	2002	2003	2004	2005	2006
Actual	24,432	25,769	25,041	23,156	23,684

These figures show the number of employees who actually qualified for statutory redundancy lump sum payments. They do not reflect those who lost their jobs with less than two years service in an employment. I have no control over the number of redundancies that occur at any given time. The number of redundancies over the period in question have fluctuated year on year. The final figure for 2007 will be available early in the new year.

The number of people in employment has increased significantly since 2002. Redundancy is a risk associated with employment and the risk has increased from an average annual risk prior to 2002 of 0.787% to 1.34% for the period 2002 to 2006.

EU Directives.

105. **Deputy Brian O'Shea** asked the Minister for Enterprise, Trade and Employment the number of EU Directives for which his Department has responsibility remaining to be implemented; the directives that are overdue; the number of reasoned opinions received from the EU Commission since 2002 to date in 2007 regarding delays or non-implementation of such directives; and if he will make a statement on the matter. [25393/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): There are currently a total of twelve Directives due to be transposed by my Department up to 2010. One of these Directives is overdue and the following is the position with regard to implementation progress: Directive 2006/139/EC amending Council Directive as regards restrictions on the marketing and use of arsenic compounds for the adapting of its Annex I to technical progress. The transposition deadline was 30 June 2007 and the expected date of transposition is 10 November 2007.

Another two Directives are due for transposition during the remainder of 2007 and nine further Directives are scheduled to be transposed in 2008 and subsequent years.

My Department has received 24 Reasoned Opinions from the European Commission related to Directives since 2002. The outstanding issues concerning all but two of these Directives have been resolved satisfactorily.

Corrective measures are currently being taken in the context of legislation to introduce a public lending right to address a European Court of Justice ruling against Ireland for incorrect transposition of Directive 92/100/EC related to rental rights and lending rights in the field of intellectual property. In that regard, the Copyright and Related Rights (Amendment) Bill 2007 passed the final stages in the Seanad on 11 October and will shortly be introduced to the Dáil.

The European Commission issued a Press Release on 17 October 2007 announcing its Decision to issue Reasoned Opinions against twelve Member States, including Ireland, concerning the implementation of Council Directive 96/82/EC on the control of major accident hazards involving dangerous substances as amended by Directive 2003/105/EC (known as the Seveso Directive). Measures will be in place to ensure compliance by the end of this year.

Employment Rights.

106. **Deputy Phil Hogan** asked the Minister for Enterprise, Trade and Employment the number of cases and prosecutions that have taken place against employers for violations of immigration and employment law under the Employment Act, 2003 and the Employment Permits Act, 2006; and if he will make a statement on the matter. [25352/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Under the Employment Permits Acts 2003 and 2006, it is illegal to employ a non-EEA national without an employment permit where one is required.

These Acts provide for a large number of obligations and offences including those relating to:

- The employment of foreign nationals except in accordance with an employment permit
- Refusal to cooperate with inquiries of An Garda Síochána
- Forgery, fraudulent alteration or fraudulent use of an employment permit
- Misuse by employer or employee of employment permit e.g. transfer to another person.

Any prosecutions initiated under these Acts are a matter for An Garda Síochána, who come under the auspices of the Department of Justice, Equality and Law Reform. I am informed that the Department of Justice, Equality and Law Reform has made enquiries with the Garda authorities in relation to the number of prosecutions but it has not been possible in the time frame available to obtain the statistical information requested. This information will be forwarded to the Deputy as soon as it is available.

Company Law.

107. **Deputy Willie Penrose** asked the Minister for Enterprise, Trade and Employment if he has plans to consolidate the Companies Acts in order to allow companies to better understand their rights and obligations in regard to company law; and if he will make a statement on the matter. [25372/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Company Law Review Group published its General Scheme of the Companies Consolidation and Reform Bill in July 2007. The Government subsequently approved the drafting of a Bill along the lines of the General Scheme and the Office of the Parliamentary Council is at present drafting the legislation. As the Office of the Parliamentary Council has indicated that its work on the Bill is expected to take a minimum of 12 months, the Bill is unlikely to be published before late 2008.

The proposed legislation will consolidate the existing 13 Companies Acts, dating from 1963 to 2006, as well as other regulations and common law provisions relating to the incorporation and operation of companies, into a single Act, comprising over 1,200 sections. In summary, the provisions cover the incorporation of companies, corporate governance, duties of directors and secretaries, financial statements and auditors, receivers, reorganisations and examinerships, windings-up and compliance and enforcement. The provisions are brought together in a coherent manner which will facilitate business people in incorporating and operating companies on a day-to-day basis.

The General Scheme also modernises company law to reflect modern business practice. Given that 90% of companies in Ireland today are in the form of a 'private company limited by shares', the General Scheme sets out all of the provisions relating to that type of company in sequential sections. In subsequent sections the provisions for the 'private company' are modified for other company types such as public limited companies (PLCs).

Furthermore, to promote compliance with the law and to protect investors and creditors, the General Scheme also sets out clearly the corporate governance duties of directors, company secretaries, auditors etc. The General Scheme also sets out the functions of the Companies Registration Office, the Office of the Director of Corporate Enforcement and the Irish Auditing and Accounting Supervisory Authority in ensuring compliance with the law and brings together the provisions relating to compliance and enforcement such as company investigations, compliance and protective orders, disclosure orders, disqualification and restriction of directors and prosecution, offences and evidential matters.

Question No. 108 answered with Question No. 79.

Departmental Funding.

109. **Deputy Seymour Crawford** asked the Minister for Enterprise, Trade and Employment the funding supports or initiatives in place for small and medium enterprises in County Monaghan; if his Department will provide additional funding supports or initiatives for them in the future; and if he will make a statement on the matter. [25362/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Small and Medium Enterprises are generally recognised as firms which employ between 0 and 250 employees. Enterprise Ireland (EI) is the national development agency with primary responsibility for assisting the development of indigenous SMEs in the manufacturing and internationally traded services sector. Enterprise Ireland currently works with 138 client companies in County Monaghan, which according to the latest Forfás Annual Employment Survey employ a total of 4,695 people.

The full range of EI supports is available to SMEs in County Monaghan. These range from employment and training grants to productivity improvement funding to innovation and R&D funding.

As part of its regional development role Enterprise Ireland works in collaboration with other development agencies, such as the County Enterprise Boards in County Monaghan to

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develop the business infrastructure. EI also works with Community Groups in the County to develop Community Enterprise Centres in order to foster micro enterprises, which can in time grow into larger companies.

The thirty-five County & City Enterprise Boards (CEBs) are the principal initial point of contact for people seeking support in setting up a new business. Their role is to provide support to micro-enterprise in the start-up and expansion phases, to promote and develop indigenous micro-enterprise potential and to stimulate entrepreneurship at local level. The CEBs provide both financial and non-financial assistance.

A total of €22.4m has been allocated to the CEBs for 2007 for Capital expenditure. This level of funding enables the CEBs to deliver on their primary role of assisting and supporting the small business sector through the provision of both direct grant aid and soft support measures.

Since 2004 Enterprise Ireland has approved over €13m in funding to its client companies in County Monaghan to assist them with their business development. In the same period payments of over €6.4m have been made to these companies.

Enterprise Ireland is currently recruiting for participants for the Enterprise Start Programme, which is due to commence in early November. A number of Information Sessions were held recently. The closing date for receipt of applications is Wednesday 24th October 2007. For the Enterprise Start Programme, Enterprise Ireland is seeking Innovative, Technology based projects with export potential in either manufacturing or internationally traded services. In addition to financial support, EI provides a range of non-financial support to its client companies.

Enterprise Ireland and Invest NI are currently running a Cross Border Enterprise Incubation Programme, which is known as the Transform Programme. The Transform programme, is an enterprise development programme for potential entrepreneurs, delivered over 1 year to 40 participants (50/50 North/South).

InterTrade Ireland, the cross-border body, focus its attentions on stimulating cross-border trade (Acumen Programme), knowledge and technology between industry and academia (Fusion Programme), all island collaborative R&D (Innova Programme), benchmarking (Irish Benchmarking Forum), graduate placement, sectoral studies, the All Ireland Supply Chain Forum and the development of the equity markets and Business Angels networks on the island of Ireland. EI will continue to assist and advise the International Fund for Ireland and the Ireland Funds on the assessment of business related proposals as required.

I am satisfied that the strategies and initiatives currently in place for the development of County

Monaghan are the most appropriate and will lead to productive and sustainable employment for the people of the region.

Industrial Wage.

110. **Deputy Ruairí Quinn** asked the Minister for Enterprise, Trade and Employment the average industrial wage earned by a male worker and female worker respectively; the average male earnings and average female earnings generally; if he plans additional measures to help bridge the male/female earnings gap; and if he will make a statement on the matter. [25394/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Data from the CSO quarterly industrial survey show that average industrial earnings per hour for male industrial workers on adult rates in March 2007 was €16.44. For female industrial workers the average rate was €12.53.

From the CSO National Employment Survey, March 2003, average hourly earnings were €17.74 for males and €14.93 for females. These latter figures cover the entire economy (excluding employees in agriculture, forestry and fishing).

The gender pay gap has fallen consistently and is now below the EU average of 15%. The most recent official figures from Eurostat (2005) put the gender pay gap at 9%, placing Ireland fourth lowest among the EU27. This compares with a rate of 14% in 2003, showing a drop of 5% in two years.

Primary responsibility for policy in relation to the gender pay gap is a matter for my colleague the Minister for Justice, Equality and Law Reform. Addressing the factors behind the gender pay gap is, however, a multi faceted task involving a number of Government Departments and agencies as outlined in the National Women's Strategy, 2007-2016. The Department of Enterprise, Trade and Employment undertakes the following actions.

I am responsible for the National Minimum Wage legislation. The national minimum wage was introduced in Ireland in April 2000. Since its introduction there have been six increases to the minimum rate. The most recent increase saw the minimum wage increase to €8.65 per hour, which is the second highest in the EU. The introduction of the national minimum wage in 2000 has had a positive impact on women who previously were more likely to have received very low wages in sectors which were predominantly female. Prior to the introduction of the minimum wage, the gender pay gap was at 22%.

My Department is responsible for chairing and providing the secretariat for the National Framework Committee on Work/life Balance Policies. This Committee, which was established under the social partnership process, comprises representa-

tives from IBEC, ICTU, the Equality Authority and a number of Government Departments. The Committee has undertaken and continues to undertake a range of activities to raise awareness and encourage the provision of work/life balance at the level of the enterprise, including the provision of financial assistance to organisations, information dissemination activities, seminars, research etc.

“Expanding the Workforce”, which is run by FÁS, is aimed at proactively encouraging women to return to work. The initiative facilitates women returnees by ensuring that training is provided in a flexible manner and is tailored to meet business requirements and skills needs of employers.

National Minimum Wage.

111. **Deputy Joe Costello** asked the Minister for Enterprise, Trade and Employment the number of inspections carried out by the labour inspectorate during 2006 and to date in 2007 to check that the minimum wage was being paid; the number of breaches detected in these inspections; the number of prosecutions that followed; and if he will make a statement on the matter. [25380/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The tabular statement sets out, insofar as sectors covered by the National Minimum Wage Act, 2000 are concerned, the number of inspections/visits, the number of inspections/visits during which breaches were detected and the number of prosecutions initiated for breaches of that Act for the year 2006 and to date in 2007.

The primary role of the Labour Inspection Services, now encompassed by the National Employment Rights Authority, or NERA, in the case of breaches of employment rights legislation, is to seek compliance and rectification of any breaches identified, including redress for the individual/s concerned and payment of any arrears due to employees.

It should be noted that in the majority of cases employers rectify the breaches and pay arrears due to employees without recourse to prosecution. However, Inspection Services reserves the right to initiate prosecutions in respect of breaches of certain employment legislation. Decisions in relation to prosecutions are made in the light of, among other matters, the particular circumstances of the case and the willingness of employees to give evidence in court proceedings.

The Deputy should be aware that Rights Commissioners of attached to the Labour Relations Commission, a body independent of my Department, also hear complaints concerning breaches of the National Minimum Wage Act 2000.

Finally, a focused employment rights compliance inspection campaign has been underway for the past two weeks in sectors covered by the National Minimum Wage. Such targeted campaigns, accompanied by awareness and promotional activities, will be a significant feature of NERA’s future employment rights compliance and information strategy.

National Minimum Wage Act, 2000: Inspections/Visits, Breaches and Prosecutions

Year	No. of Inspections/Visits	No. of Inspections/Visits during which breaches were detected	No. of Prosecutions Initiated
2006	2,002	104	1
2007 (to 12/10/07)	871	95	0

Question No. 112 answered with Question No. 79.

Proposed Legislation.

113. **Deputy Aengus Ó Snodaigh** asked the Minister for Enterprise, Trade and Employment if his attention has been drawn to the campaign by SIPTU for legislation to provide equal treatment to agency workers; and if he will introduce legislation along the lines proposed. [25418/07]

126. **Deputy Martin Ferris** asked the Minister for Enterprise, Trade and Employment if he will bring in legislation to provide equal treatment to agency workers; and his views on a European Directive to give effect to equal treatment across the EU. [25416/07]

128. **Deputy Arthur Morgan** asked the Minister for Enterprise, Trade and Employment his views on the concerns raised by union representatives that employers are using the growing phenomenon of obtaining staff through employment agencies to undermine and dismantle agreements on standards, pay and conditions. [25413/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): I propose to take Questions Nos. 113, 126 and 128 together.

As part of the Government’s commitment under the partnership agreement — Towards 2016 — I am currently considering the final elements of proposals for the draft Scheme of a Bill to regulate the employment agency sector. I intend to submit a Memorandum to Government very shortly seeking approval to have the Bill drafted by the Parliamentary Counsel to the Government.

The Bill as drafted will reflect the commitment, in Towards 2016, to a licensing system where, to be licensed, employment agencies will be

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required to comply with the terms of a Statutory Code of Practice which will set out the practices and standards which employment agencies would be expected to follow. A Monitoring and Advisory Committee will advise me on the Code of Practice and on other matters related to this sector of our economy. Other elements in the Bill are aimed at further strengthening and enhancing the effective enforcement of the employment rights of agency workers.

As regards the stalled EU Directive on Temporary Agency Workers which has again been placed on the table for discussion by the Portuguese Presidency, Ireland will continue to adopt a constructive role in these discussions. Some key outstanding issues include the review of restrictions and prohibitions that apply regarding the use of temporary agency workers and the duration of the “grace period” or qualifying period with regard to the principle of equal treatment. Ireland and several other EU Member States have argued that a qualifying period of six weeks is far too short and that pay parity should only apply after a longer waiting period to be agreed in negotiation between the Member States. In this regard Ireland is seeking to obtain a balance between promoting more flexible forms of work organisation while not undermining the employment rights of agency workers. Our aim is to better reconcile flexibility and job security and create more and better jobs which is a fundamental goal of the Lisbon Strategy.

In the course of consultations on the proposed Bill some parties have been trying to negotiate matters not included in the current partnership agreement, including pay parity from the commencement of employment. This demand is outside the scope of measures agreed in Towards 2016 and, in any case, does not have due regard to the complex arrangements in other Member States.

My Department has engaged with ICTU regarding assertions that agency workers are being used increasingly to undermine basic labour standards and are precipitating a so called “drive to the bottom”. However, the Department has not been supplied with specific evidence supporting this thesis and the argument to date has hinged on anecdotal evidence. We would be interested in seeing any hard evidence in this area.

Finally, I should point out that Ireland’s comprehensive body of employment rights legislation provides that employee protection applies to migrant workers in Ireland and also to agency and posted workers who have entered into a contract of employment that provides for him or her being employed in the State or who works in the State under a contract of employment. This means that irrespective of nationality or place of residence, such persons have the same rights under employment rights legislation as Irish

employees. Indeed this is acknowledged by SIPTU which has included a full listing of such entitlements in an information leaflet on agency workers of June 2007.

With regard to enforcement, Labour Inspectors pursue allegations of worker mistreatment and when evidence of non-compliance with the relevant employment rights legislation is found, the Inspectorate seeks redress for the individual/s concerned and, if appropriate, a prosecution is initiated. It should be noted also, that in many cases, Employment Rights Legislation has provisions whereby workers who believe that they have been denied their entitlements, or otherwise unfairly treated, can take the matter before dispute settling agencies such as the Rights Commissioner Service, Labour Court and Employment Appeals Tribunal. I urge anyone who has evidence of the mistreatment of agency workers to furnish all the relevant details and any related materials to the Inspectorate with a view to pursuing the matter.

OECD Project.

114. **Deputy Leo Varadkar** asked the Minister for Enterprise, Trade and Employment the reason he refused to provide funding to the OCED for its study entitled Internal Assessment of Adult Competencies; and if he will make a statement on the matter. [25347/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Programme for the International Assessment of Adult Competencies (PIAAC) is a project of the OECD together with a number of member countries for the development of a new generation of household-based surveys of adult skills in selected domains of measurable ability.

Ireland declined to be involved in the OECD’s PIAAC due to a number of concerns. These included the high cost of participation, reservations concerning the proposed methodology, the unclear gains in terms of additional knowledge that participation in the programme would provide, the lack of participation by virtually all EU Member States, resulting in limitations in terms of comparability at EU level and concerns regarding value for money of participating in the PIAAC.

This decision reflected advice from within my own Department, Forfás and FÁS.

Job Losses.

115. **Deputy Jim O’Keeffe** asked the Minister for Enterprise, Trade and Employment his views on current trends in relation to job losses; the reasons therefore; and if he has proposals for dealing with same. [24952/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): There were

2,095,400 persons in employment at the end of May 2007. This represents an annual increase of 78,400 or 3.9%.

The pre-budget outlook forecasts employment to grow by 70,000 or 3.5% in 2007 and 26,000 or 1.25% in 2008. The ESRI forecasts employment to grow by 50,000 or 2.5% in 2007 as a whole and by 12,000 or 0.6% in 2008. In both cases we are forecasting continued employment growth, albeit not at the exceptionally high rates achieved in recent years.

There is a significant churn in employment. Traditional low cost industries are under pressure leading to some downsizing and closure. However, services and high-end manufacturing are now providing much employment. The Government has recognized the effects of globalization. The response is to ensure Ireland remains attractive for investment and enterprise growth. We now have a benign tax and regulatory environment, a better-educated workforce, an improving infrastructure and a commitment to world-class standards of research, development and innovation. Maintaining and improving on our standards is key to sustaining Ireland's competitiveness. The ability of an economy to create new and better jobs to replace those that are lost is the real test of competitiveness.

In a market orientated and vibrant economy, like Ireland's, there will always be job losses. That is the nature of the market economy that has brought extensive benefits and prosperity to the country over the past decade. Sensible economic and enterprise policies, supported by our Social Partnership process, have enabled our economy to grow. As the robust employment data shows we have consistently generated more jobs than have been lost, while the economy has been operating at full employment for a number of years.

A significant part of my job is to help create the conditions and context for growing high value jobs in Ireland in the medium to long term. Increasing international competition is creating pressure for improvements in efficiency, quality and productivity and a growing need to innovate. It requires forward-looking steps to develop a knowledge-based economy, to achieve real strategic change and show tangible results. The Strategy for Science, Technology and Innovation, addresses these very demanding challenges, and the NDP commitment of €8.2 billion over the 2007-2013 period provides the wherewithal to give concrete effect to the SSTI goals of stimulating knowledge creation and diffusing and applying such knowledge for purposes of Ireland's economic development.

Finally, insofar as individual company closures or downsizing is concerned, FÁS provide an integrated support service for people being made redundant because of company restructuring or closures. This involves information sessions, skills analysis, training/retraining courses and job

placement. In the delivery of these services, FÁS liaises with other relevant agencies such as Enterprise Ireland, IDA Ireland, the City/County Enterprise Boards and the Department of Social and Family Affairs. FÁS also works closely with the agencies to identify and support individuals who wish to start their own business.

Consumer Protection.

116. **Deputy Michael D. Higgins** asked the Minister for Enterprise, Trade and Employment his proposals for a consultation process regarding the prohibition of credit card and other relevant methods of payment surcharges to consumers; when he expects the process to be completed; and if he will make a statement on the matter. [25384/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The issues raised by the Deputy relate to Sections 48 and 49 of the Consumer Protection Act 2007. My Department launched a public consultation in the summer in relation to the commencement of these provisions of the Act. To-date almost 50 submissions have been received. I am currently considering the detailed issues raised in the various submissions.

Website Development.

117. **Deputy Leo Varadkar** asked the Minister for Enterprise, Trade and Employment the reason the BASIS website is so out of date; the action he will take in relation to same; and if he will make a statement on the matter. [25346/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The main objective of the BASIS website is to provide a single point of access to public sector information that is relevant to the business community. The content for the BASIS website is currently sourced from the websites of over 50 public sector organisations and is presented in a consistent format, with links back to the appropriate websites.

My Department monitors the links on BASIS on an ongoing basis to ensure they are up to date. However, it is for the public sector organisations themselves to ensure that the information on their websites is current and to notify the BASIS administrator of any relevant changes.

My Department is considering some further maintenance of the site as well as a marketing campaign but, in the long-term, the future development of BASIS will depend on the establishment of any alternative Government Portal to consolidate and enhance the information available to the business community.

Work Permits.

118. **Deputy Olivia Mitchell** asked the Minister for Enterprise, Trade and Employment if he is

[Deputy Olivia Mitchell.]

satisfied at the length of time it is taking for work permit applications to be processed; and if he will make a statement on the matter. [25348/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Employment Permits Section of my Department has a customer service target of processing all valid employment permit applications within 15 working days. I am pleased to inform the Deputy that this target is currently been met in the categories of Green Cards, Medical Permits and Intra-Company Transfers. The current processing time for Work Permits is 16 working days and for Spousal Permits is 17 working days.

I would like to draw the Deputy's attention to my Department's website where the processing times for valid employment permit applications are displayed. This information is updated on a daily basis.

Consumer Protection.

119. **Deputy Kathleen Lynch** asked the Minister for Enterprise, Trade and Employment the steps being taken to implement the commitment in the Programme for Government that steps would be taken to ensure that consumer codes of conduct are published by businesses; and if he will make a statement on the matter. [25389/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Consumer Protection Act 2007 gives the National Consumer Agency specific functions to publish guidelines applicable to traders in relation to matters of consumer welfare and practice and also to review and approve codes of practice submitted to it by businesses or their trade associations.

In this regard, I am advised that the Agency has already had some preliminary engagement with a number of businesses and representative bodies in relation to possible codes of practice. I am further advised that one particular trade association has submitted a draft code of practice to the Agency for consideration and that discussions to advance the draft code are progressing.

The Agency is keen to establish a strong relationship with business in order to encourage traders to develop a high standard of consumer protection and to promote voluntary compliance by business with consumer legislation. In this regard, I understand that when exercising its statutory function in relation to reviewing codes of practice submitted by businesses, the Agency intends that the approved codes would be published.

Labour Inspectorate.

120. **Deputy Thomas P. Broughan** asked the Minister for Enterprise, Trade and Employment

the number of labour inspectors currently employed by the labour inspectorate of his Department; the number of labour inspectors currently available for assignment on normal duties; the number of labour inspectors currently in training following recruitment; the status of the recruitment campaign to increase the Labour Inspectorate to 90 inspectors; and if he will make a statement on the matter. [25379/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The delivery of commitments on employment rights under Towards 2016 is a key priority for Government. The necessary resources to ensure their delivery have been provided.

In relation to the Labour Inspectorate, the Social Partnership Agreement "Towards 2016" provides that the number of Labour Inspectors would be progressively increased from 31 to 90 by end-2007. Recruitment of the additional Labour Inspectors is progressing.

In addition to the 31 serving Labour Inspectors, six new Labour Inspectors were appointed in April 2007 and have undergone intensive training and are now available for assignment on normal duties.

Fourteen more Labour Inspectors were appointed in September and October 2007. Six have completed their intensive training and have commenced on the job training. The remaining eight are still undergoing intensive training.

Selection of the ten Labour Inspectors with specific language skills is progressing. Final interviews are scheduled for the 5th November 2007. Appointments are anticipated shortly thereafter. When these appointments are made, there will be 61 Labour Inspectors appointed.

Competitions for recruitment of the remaining 29 Labour Inspectors have been advertised. The closing dates for these competitions are 26th October and 1 November and it is proposed to hold interviews for these positions in early November.

I am pleased with the progress made to date and I have confidence that all assignments will be made by end of 2007, in accordance with the commitment under Towards 2016.

Labour Force Upskilling.

121. **Deputy Martin Ferris** asked the Minister for Enterprise, Trade and Employment the training that has been put in place to upskill vulnerable workers in the construction sector to facilitate them accessing alternative employment in the event that they lose their jobs due to the decline in that sector; and the number of workers that have availed of such training to date. [25417/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Government is committed to improving the skills levels of

workers. The State's key providers of training continue to offer appropriate and relevant training programmes to all those in the workforce with a particular focus on the low skilled and workers employed in vulnerable employment.

FÁS as the National Training and Employment Authority, is currently reviewing the employment trends within the construction sector and the impact of its related training programmes. A FÁS Board committee has recently been established to oversee the development of a suitable plan for the construction sector that will be informed by projected future developments and how best to respond to them.

While there is now insufficient definitive and contemporary data available to FÁS on this specific issue, there is some anecdotal evidence to suggest that there has been a recent increase in the number of redundancies in the construction sector. This is based on the number of job-seekers with a construction background who are presenting to FÁS Employment Services Offices, the number of clients who are making contact with the FÁS National Contact Centre regarding alternative job possibilities and the number of clients referred to FÁS by the Department of Social and Family Affairs under the National Employment Action Plan (NEAP).

FÁS provides a range of support services to people, including construction workers, who have been made redundant. The overall approach taken is to offer a tailored service as early as possible to the workers affected with a view to assisting them access alternative employment. Redundant workers may also avail of the Technical Employment Support Grant which provides a flexible fund to support the training and other employment related needs of clients where these are not immediately, conveniently or directly provided by FÁS itself.

FÁS Training Programmes.

122. **Deputy Liz McManus** asked the Minister for Enterprise, Trade and Employment the steps being taken to implement the commitment in the Programme for Government to expand the role of FÁS and Enterprise Ireland to increase the employer commitment to training, particularly in the SME sector; and if he will make a statement on the matter. [25390/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Both FÁS and Enterprise Ireland are taking the necessary steps to expand their role in increasing employer commitment to training, in accordance with the commitment in the Programme for Government.

The FÁS budget for the training of the employed has been substantially increased, including that for training and development owner/managers and employees in SMEs. This has allowed FÁS to enter into Strategic Alliances with third party organisations, including

employers, associations to deliver training. Three of these Alliances specifically target the SME sector including:

- a project on providing a range of business skills appropriate to meet the growth related needs of Irish SMEs,
- an alliance with the Small Firms Association to establish a National Centre of Excellence for SME training and
- the development of a Scholarship Programme and SME training courses with ISME.

Earlier this year FÁS further expanded their offerings to the SME sector by approving a range of management development programmes for SMEs at a projected cost of €10m for 8,200 owners/managers. The IMI, Chambers Ireland, the Small Firms Association, ISME and others will deliver these programmes.

In relation to Enterprise Ireland their overall mission is to accelerate the development of world-class Irish companies to achieve strong positions in global markets, resulting in increased national and regional prosperity. Developing the leadership and management capabilities in Irish companies, including SMEs and encouraging the acquisition of critical skills within those companies is vitally important to this overall objective.

Recent developments by Enterprise Ireland to build up its offering to client companies in this area include the Leadership 4 Growth Programme, provided in conjunction with Stanford University in the US. The follow on to this programme involves individual management development and training investments in these companies supported by Enterprise Ireland.

A programme for CEOs in the software and life sciences sector has recently begun and work is in progress on a leadership programme for CEOs in the construction sector.

Enterprise Ireland currently offer Management Development Programmes that will enable the owners/managers/CEOs to build their ambition and capability and with this experience to go on to build the skills at all levels within the companies. Enterprise Ireland also offers the International Selling Programme and the MSc in International Business, to their clients, which aim to develop employees key competencies and skills vital to succeeding in global markets.

Earlier this year I also established the Management Development Council upon which both FÁS and Enterprise Ireland are represented — the Council will, over the next three years, focus on ensuring the provision of management development opportunities for all SMEs. The Council has been charged with examining the existing provision of management development provision for SMEs, to determine if there are any gaps in this provision and propose solutions to address these gaps.

[Deputy Micheál Martin.]

The Council also has responsibility for developing a coordinated approach to building appreciation in the SME sector for the value and need of leadership and management skills. It is hoped that by convincing SME managers and owners of the benefits of training, this will act as a gateway to increasing their commitment to the provision of training for their employees.

Employment Rights.

123. **Deputy Róisín Shortall** asked the Minister for Enterprise, Trade and Employment his plans to consolidate the Employment Acts and regulations in order to allow employers and employees to better understand their rights and obligations in regard to employment law; and if he will make a statement on the matter. [25398/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): As I have already advised the house, my priority is to secure the enactment of the Employment Law Compliance Bill 2007 and the Employment Agencies Regulation Bill 2007, so as to give effect to commitments for new legislation in Sections 11 to 16 and 21 of Part 2 of “TOWARDS 2016” — 10 Year Framework Social Partnership Agreement 2006-2015. Work on preparing both Bills is advancing for their publication as quickly as possible.

I propose to follow-up with an Employment Law Consolidation Bill in 2008, to simplify and codify employment law spanning more than 40 years, pursuant to Section 16.3 of Part 2 of “TOWARDS 2016”. Preparatory work has already started on this.

Labour Force Upskilling.

124. **Deputy Aengus Ó Snodaigh** asked the Minister for Enterprise, Trade and Employment his views on proposals put forward by the Irish Congress of Trade Unions for the introduction of paid learning leave to enable workers to up-skill. [25419/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): I have noted with interest the proposal put forward by the Irish Congress of Trade Unions for the introduction of paid learning leave to enable workers to up-skill.

Earlier this year I asked the Expert Group on Future Skills Needs to examine paid learning leave and wage compensation so as to determine if it would be an appropriate mechanism to stimulate demand and participation for training and upskilling in Ireland. The Expert Group are currently discussing this issue and they are likely to come to a view on it over the next couple of months.

In addition, FÁS are currently undertaking paid learning leave pilot programmes. They are focused on workers in the manufacturing sector with low skills and who have received no training or qualification in the past 5 years with the same employer. It is still too early to determine the success of these programmes but a full evaluation is due in February of next year. That will provide an important input to determining the most appropriate response in this area and the emphasis and scope of any such response.

Employment Rights.

125. **Deputy Pat Rabbitte** asked the Minister for Enterprise, Trade and Employment if his attention has been drawn to the practice of false contracting being used across a wide range of industries in order that employers can avoid many of their duties towards employees; if he will engage in a public information campaign to highlight the legal situation surrounding false contracting and the methods available for reporting it; the number of false contracting cases identified in 2006; and if he will make a statement on the matter. [25396/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): I am aware of the allegations referred to by the Deputy in relation to false or bogus self-contracting within certain sectors. The Government recognises that an effective response to these allegations requires a whole of Government response across the relevant agencies and in particular the Revenue Commissioners, the Department of Social and Family Affairs and the new National Employment Rights Authority.

In most cases it will be clear whether an individual is employed or self-employed. Where there is doubt in relation to the employment status of an individual the relevant Departments and Agencies have regard to the Code of Practice for Determining Employment or Self-Employment Status of Individuals.

A number of criteria are set out in that Code for determining whether an individual is an employee or self-employed. These include whether the person is under the control or direction of another person, owns his/her own business, supplies labour only, receives a fixed wage, is exposed to financial risk, assumes responsibility for investment and management, supplies materials for the job, can sub-contract the work, works set hours or a given number of hours per week/month, etc.

A revised edition of the Code of Practice, reflecting the outcome of recent discussions involving the Revenue Commissioners, the Department of Social and Family Affairs, the National Employment Rights Authority, or NERA, and the Social Partners, will be issued shortly and extensively promulgated.

The Department of Social and Family Affairs and the Office of the Revenue Commissioners will have details of the number of bogus self-contractors identified in 2006 in the context of their specific responsibilities. It is the practice of NERA's Inspection Services to refer suspected cases of bogus self-contracting to those bodies for definitive determination in order to ensure consistency in terms of enforcement generally. For example, NERA encountered a claim in 2007 by an employer that workers were engaged on a sub-contract basis and were not, therefore, subject to employment rights legislation. In this case NERA's Inspection Services referred the question of the employment status of the workers concerned to the Scope Section of the Department of Social and Family Affairs. Should it be determined that the workers are employees, NERA will seek to ensure that the employment rights entitlements of these workers are observed.

A major package of measures has been agreed by the parties to Towards 2016, the new Social Partnership Agreement, to provide for enhanced public confidence in the system of employment rights compliance. New legislation will be published this year to provide for enhanced employment rights measures, including the establishment of the National Employment Rights Authority on a statutory basis. The provision of greater clarity in the application of employment rights legislation to employees is under consideration in the context of that legislation.

The Social Welfare and Pensions Act, 2007, which came into operation on 30th March, 2007, provides for the disclosure of relevant employment data between the Office of the Revenue Commissioners, the Minister for Social and Family Affairs and the National Employment Rights Authority/Minister for Enterprise, Trade and Employment. This legislation effectively enables NERA's Inspectors to join with inspectors from the Department of Social and Family Affairs and/or the Office of the Revenue Commissioners to work together in joint investigations. Such investigations, a number of which have already taken place, have a particular focus on the employment status of workers. In addition, since the enactment of the legislation, ongoing exchange of information is taking place between the bodies.

The package of measures provided for under Towards 2016 will be supported by enhanced employment rights promotional and educational efforts. The Social Partners and other organisations such as the Department of Social and Family Affairs and the Office of the Revenue Commissioners will be invited to bring their knowledge and networks to bear on the design and delivery of this education and awareness programme which, it is anticipated, will also address the issues associated with bogus self-employment.

The Relevant Contracts Tax (RCT) declaration form is currently being revised to require additional specific information as to why a proposed contract is considered by the parties not to be a contract of employment. The Revenue Commissioners will require those completing RCT forms to return them to the Commissioners in certain circumstances, including where the tracking of the pattern of employment suggests a disproportionate level of self-employment. The information accruing from RCT returns is to be shared in the context of the exchange of information with the National Employment Rights Authority and the Department of Social and Family Affairs. This will be a useful tool in terms of identifying potential cases of bogus self-employment.

Finally, the National Employment Rights Authority has joined the re-launched Hidden Economy Working Group and is working within that Group with the Revenue Commissioners, Department of Social and Family Affairs and the Social Partners in examining issues such as bogus self-employment.

Question No. 126 answered with Question No. 113.

EU Directives.

127. **Deputy Emmet Stagg** asked the Minister for Enterprise, Trade and Employment the correspondence or contacts that have been entered into between the EU Commission and his Department in relation to the transposition of the EU Posting of Workers Directive into Irish law; when it is proposed to transpose the Directive; and if he will make a statement on the matter. [25400/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services was transposed into Irish law by the Oireachtas by Section 20 of the Protection of Employees (Part-Time Work) Act 2001 which came into effect on 20th December 2001. For the purposes of the Directive and the transposing legislation a posted worker means a worker who, for a limited period, carries out his or her work in the territory of a Member State other than the State in which he or she normally works. Section 20 of the 2001 Act provides that all employee protection legislation on the statute book in the State applies to posted workers in the same way as it applies to Irish workers.

There have been numerous routine contacts from the EU Commission requesting factual information from my Department in relation to transposition of the Directive by way of questionnaires.

[Deputy Billy Kelleher.]

The most significant contact from the EU Commission about transposition of the Directive was a letter of 27 June 2006 requesting the observations of the Irish authorities on the fact that the transposing Irish legislation applied all employee protection legislation to posted workers and thus went beyond the nucleus of mandatory legislation applying to posted workers under Article 3(1) of the Directive. The Commission pointed out that the first indent of Article 3, paragraph 10 of the Directive stipulated that the Directive does not preclude the application by Member States, in compliance with the Treaty and on a basis of equality of treatment, of terms and conditions of employment on matters other than those referred to in Article 3(1), in the case of public policy provisions.

Ireland replied to the Commission by letter of 14 July 2006 by stating that not to apply all employee protection legislation to posted workers could possibly lead to discrimination cases being taken by posted workers under equality legislation on the grounds of nationality or race. Ireland also pointed out in this letter that in pursuing the above course we took into account the provisions of article 3(7) of the Directive which provides that paragraphs 1 to 6 of Article 3 of the Directive shall not prevent the application of terms and conditions of employment which are more favourable to workers.

Question No. 128 answered with Question 113.

Semi-State Bodies.

129. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Enterprise, Trade and Employment his views on the recent proposal from the Ulster Bank Group chairman that the IDA should merge with its Northern equivalent, Invest NI. [25415/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): As the Deputy is no doubt aware, the proposal he refers to was just one of a number of recommendations made by the Chairman of the Ulster Bank Group on how to deliver the future of the Northern Ireland economy.

The Comprehensive Study on the All-Island Economy published last year, examined the joint marketing of the island for Foreign Direct Investment. That Study concluded that the package of incentives offered by North and South differed in certain critical respects. On this account, a marketing campaign based only on common elements of the offerings could not be anything other than a lowest common denominator. However, the Study suggested, and I concur, that the position be kept under review.

I might mention that there is already close liaison between the two agencies. Joint board meetings between IDA and Invest NI already take

place and there is increasing contact at executive level. As a result of these meetings, IDA and Invest NI have agreed that the present focus for collaboration would be around the business operating environment (eg Communication, Infrastructure, Skills, Legislative Policy, Business Environment and Knowledge/Research) and the examination of how they can work together to jointly influence and/or change the business environment in a manner that would increase the attractiveness of the whole island for Foreign Direct Investment.

I should add that a key criterion in progressing North/South initiatives, is that they demonstrate clearly that they will result in mutual benefit.

Finally, I would refer the Deputy to the fact that InterTradeIreland, the all-island trade and development body established under the Good Friday Agreement is a joint North/South agency promoting the all-island economy. It has established an impressive track record across a broad range of initiatives. I am committed to ensuring that the full potential of North/South economic cooperation is realised.

Workplace Accidents.

130. **Deputy Eamon Gilmore** asked the Minister for Enterprise, Trade and Employment the number of deaths and injuries arising from workplace accidents generally and specifically in regard to the construction industry for 2006; the way these figures compare with 2003, 2004 and 2005; the additional steps he will take to reduce such accidents; and if he will make a statement on the matter. [25382/07]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Figures published by the Health and Safety Authority, show that in 2006 there were 50 recorded fatalities in Ireland as a result of work-related accidents, compared to 74 work-related deaths in 2005, 50 in 2004 and 68 in 2003. The same industry sectors of construction and agriculture remained the most dangerous throughout this period. As regards construction, there were 12 fatalities in 2006 and 23, 16, and 20 for the years 2005, 2004 and 2003 respectively.

Last year saw the introduction of significant legislative change in the construction sector with the introduction of the Safety, Health and Welfare at Work (Construction) Regulations 2006 (S.I. No. 504 of 2006) from 1 November.

The Construction Regulations 2006 build on design and management requirements introduced in earlier Regulations and also on the duties related to construction work set out in section 17 of the Safety, Health and Welfare at Work Act 2005.

To improve health and safety standards on construction sites, the Health and Safety Authority has to date in 2007—

- carried out a focused programme of 5,229 construction site inspections covering appointment of competent designers, project supervisors and contractors, safety and health plans and safety statements, work at heights, traffic management and vehicle-reversing safety, welfare arrangements, and slips, trips and falls on a level,
- carried out 90 inspections of designers concentrating on design risk assessments for work at a height and the provision of slip resistant floor surfaces,
- held 2 Construction Campaigns focusing on work at heights, safe use of ladders, working platforms, vehicle safety, traffic management, health surveillance and Safe System of Work Plans awareness,
- produced information notes and guidance on Work at Height Regulations and in particular the Safe Use of Ladders and Working Platforms,
- developed a Code of Practice on Safety Statements for employers of three or less in construction,
- developed a Code of Practice for Scaffolding, Overhead Lines,
- updated existing Codes of Practice and Guidance to reflect the 2006 Construction Regulations,
- developed in conjunction with the Local Authorities a Safe System of Work Plan for Road Maintenance.

National Consumer Agency.

131. **Deputy Eamon Gilmore** asked the Minister for Enterprise, Trade and Employment if he will make a statement on the work to date of the National Consumer Agency. [25383/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The National Consumer Agency which was established as a statutory entity on the 1st May was given a significantly expanded remit with specific functions in areas such as consumer advocacy, research, information, education and awareness and enforcement.

Notwithstanding that the Agency has only been statutorily established for a number of months, it has already undertaken a significant amount of initiatives in a number of different areas. In the area of consumer awareness, in July the Agency published the results of a pilot study comparing prices of branded grocery products across a range of retailers. I am advised that the Agency intends to conduct regular surveys so as to raise awareness in relation to prices available in different retail outlets. In addition the Agency also conducted an awareness campaign in relation to con-

sumer scams targeted at different nationalities currently living and working in Ireland.

In the area of information regarding consumer rights, the Agency has undertaken a number of different initiatives including the development of two consumer information websites, namely consumerconnect.ie which provides comprehensive information on consumer rights and NCA.ie which is the corporate website of the Agency. In addition to these web-based initiatives, the Agency also operates a dedicated lo-call consumer helpline (lo-call number 1890 432 432) which is available to consumers with queries or complaints in relation to their rights. The Agency has also published a total of 8 guides dealing with specific areas of consumer protection and rights. Copies of these guides are available from the Agency's consumer website.

In the area of consumer research, the Agency recently announced that it had commissioned an independent study into the home construction industry and the consumer in Ireland. The study will assess consumer welfare in home construction, purchase, repair & renovation related matters. As part of the study the Agency has engaged in a public consultation process inviting comments and submissions from all interested parties. I am advised that the Agency expects to conclude this study in early 2008.

In the area of consumer advocacy, I would advise the Deputy that in March 2007 the Agency established a Multi-Unit Development Stakeholder Forum to agree voluntary actions to be undertaken by key stakeholders in the sector to address ongoing consumer concerns relating to buying and living in multi-unit developments in Ireland.

With regard to the enforcement of consumer protection laws, I understand that the Agency intends to adopt a risk-based approach to enforcement and will primarily focus on areas of significant consumer detriment. One particular priority identified by the Agency is in the area of car clocking. I understand that the Agency has a multi-faceted enforcement campaign underway, supported by a public information campaign in relation to this area.

I wish to congratulate the National Consumer Agency on the various initiatives it has undertaken to date. I am confident that the dynamic approach of the Agency will ensure that the consumers will have a strong advocate and the interest of the consumer will be represented at all levels of national policy.

Question No. 132 answered with Question No. 79.

Consumer Information.

133. **Deputy Ciarán Lynch** asked the Minister for Enterprise, Trade and Employment the action being taken to implement the commitment in the Programme for Government that steps will be

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taken to ensure that prices of goods are labelled and transparent in order that the consumer is well informed; and if he will make a statement on the matter. [25387/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Price display law is covered by Orders made under Section 19 of the Prices Acts 1958 to 1972 and under the European Communities (Requirements to Indicate Product Prices) Regulations 2002, Statutory Instrument No. 639 of 2002. The various Price Display Orders made under the Prices Acts 1958 to 1972 cover Drinks Display in Licensed Premises, Hairdressing Services, Petrol and Diesel and Restaurants. The European Communities (Requirements to Indicate Product Prices) Regulations 2002 requires retailers to display the selling and where appropriate the unit price (the price per litre or kilo) for all products covered by the scope of the Regulations.

The National Consumer Agency whose function it is to enforce consumer laws, regularly undertakes surveillance exercises and enforcement proceedings in the Courts when necessary.

My aim is to review and improve price display law when required. With this in mind in July 2007, my Department published a consultation paper on the Consumer Information (Advertisements for Concert or Theatre Performances) Order 1997 which contained proposals designed to broaden the scope and enhance the transparency of the price information provided to consumers about concerts, theatrical performances and other events. Follow-up meetings have been held with a wide range of interested parties and I hope to be in a position to introduce new Regulations in this area before the end of the year.

It was my intention to undertake a similar review of the Consumer Information (Advertisements for Airfares) Order 2000. As a proposed European Union Regulation on Air Transport Services contains specific provisions on price transparency for airfares, there was little point in amending domestic legislation in this area prior to, or independently of, the adoption of new Community rules.

Economic Competitiveness.

134. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which Ireland is competitive and successful in achieving inward investment leading to increased employment; if Ireland's position relative to other European countries has altered in terms of competing for such investment in the past 10 years; and if he will make a statement on the matter. [25454/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The level of

foreign direct investment in Ireland, relative to the size of the economy, is one of the highest in the world. Today, more than 1,000 overseas companies have substantial international operations in Ireland. These include many of the leading companies in Information & Communications Technologies, Life Sciences, Globally Traded Businesses and Financial Services. There are strong and irrefutable reasons why this is so. While having the lowest effective corporate tax rate in the EU is widely known there are other indicators that help explain why we continue to be successful in winning more than our fair share of high quality and sophisticated FDI. For example, in key sectors such as chemicals, medical devices and electronics average productivity is higher than in many of our competitors. We have the lowest tax wedge in the OECD and it has fallen faster in Ireland than in most of our competitors.

Just last week a major Irish bank published the first edition of a new foreign direct investment performance index. This compares Ireland's performance at attracting inward investment compared to leading destinations globally. It shows that Ireland continues to attract a high share of global investment projects. In the words of its Chief Economist "Ireland continues to punch above its weight when it comes to attracting mobile foreign investment". The Index put Ireland at number 2 in the EU-15 for FDI inflows.

There continues to be huge changes in the world economy and of Ireland's relative position in it. China and India are now more fully integrated into the world economy and, with the rest of Asia and Central and Eastern Europe, they provide strong competition for many activities. Our relative costs now are higher than before. We have responded nationally to these changes by positioning ourselves as the location for more advanced activities, with more qualified and better paying jobs. This is why the proposed investments, structures and policies set out in the National Development Plan 2007-2013 and National Spatial Strategy are so important.

Our focus has moved to winning research and development investment as well as specialised investment in high value services and manufacturing. All these require a labour force that is skilled, adaptable and educated. We are successful in this market because Ireland's 25-34 year-olds are more highly qualified than most of their counterparts in the OECD. Our educational performance is higher than the EU-15, the US and the OECD in this area.

I am satisfied that the policies being pursued by Government, together with the activities of the development agencies will continue to enable us to maintain the enviable position which we hold in terms of attracting foreign direct investment.

Consumer Rights.

135. **Deputy Kathleen Lynch** asked the Minister for Enterprise, Trade and Employment the steps being taken to implement the commitment in the programme for Government to introduce on the spot fines for breaches of consumer law; and if he will make a statement on the matter. [25388/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The commitment to introduce on-the-spot fines for breaches of consumer legislation has been met by the Consumer Protection (Fixed Payment Notice) Regulations 2007 which came into effect on 13 October 2007.

The Regulations permit an authorised officer of the National Consumer Agency to serve a fixed payment notice in respect of breaches of the European Communities (Requirements to Indicate Product Prices) Regulations 2002 and of the various price display orders made under the Prices Act 1958 and retained by the Consumer Protection Act 2007. The Regulations provide that a prosecution for an alleged offence under these enactments will not be instituted if, during the period of 28 days from the issue of the fixed payment notice, the person alleged to have committed the offence makes a payment of €300 to the National Consumer Agency.

By simplifying the enforcement procedure for relatively minor breaches of consumer legislation, the new Regulations will permit the National Consumer Agency to devote greater resources to tackling more serious breaches of the law.

Labour Force Upskilling.

136. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Enterprise, Trade and Employment if he will provide further details on the commitment in the programme for Government to support up-skilling of low-skilled workers in the manufacturing sector by investing more than €2.8 billion over the next six years in up-skilling; and the action that has been taken in this regard to date. [25414/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The commitment contained in the Programme for Government reflects the National Development Plan's intention to invest €2.8 billion in the upskilling of the workforce over the next six years. This includes the training for people in employment, upskilling those affected or likely to be affected by industrial restructuring including those in the manufacturing sector, improving and enlarging the apprenticeship system and providing opportunities for school-leavers.

The Government is fully committed to upskilling and this year the State will invest approximately €70 million in the training of those in employment. This represents a significant

increase in investment in comparison with other years. As a result of this increase there has been expansion in publicly funded training and development programmes for managers and workers, including those working in the manufacturing sector participating in these programmes.

Several FÁS in-company training programmes contain specific sectoral training initiatives to support the Food, Clothing, Engineering, Print and Packaging, Construction industries. FÁS plan to continue to further expand these in the future to continue to meet the needs of industry.

FÁS have also arranged 'Strategic Alliances' with IBEC/SFA, ISME, Chambers Ireland, ICTU and DIT. These are delivering high volume training to indigenous small and medium sized companies, of which approximately 25% are in the manufacturing sector.

In September FÁS approved six more Strategic Alliance projects to support employment prospects through raising skills levels, particularly through training those with low level skills and workers in vulnerable employment. The cost of this training is €8.8 million and it is expected that it will provide for the delivery of training to a total of 3,470 employed people.

Skillnets, the other key provider for training for those in employment, continues to support enterprise-led training on a broad basis and are seeking to encourage an increase in training for those with lower basic skills by offering higher levels of support for projects, which include training for those with lower basic skills. They will invest €24 million this year under this heading and are expected to train approximately 28,500 people.

Tax Code.

137. **Deputy John Perry** asked the Tánaiste and Minister for Finance if he will confirm that an organisation (details supplied) in County Sligo has charitable status which is necessary to obtain derogation on stamp duty; and if he will make a statement on the matter. [25532/07]

Tánaiste and Minister for Finance (Deputy Brian Cowen): I am advised by the Revenue Commissioners that a list of bodies who have been granted charitable tax exemption under section 207 of the Taxes Consolidation Act 1997 is available on the Revenue website at www.revenue.ie. The organisation referred to by the Deputy has charitable tax exemption.

Electronic Payment System.

138. **Deputy Richard Bruton** asked the Tánaiste and Minister for Finance if he has considered introducing incentives to encourage people to move to cashless systems of payment and transactions which would bring considerable administrative savings as well as savings in security costs; and his estimate of the savings on

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administration costs within the public service that would be obtained when a person switches to receive payment electronically. [25677/07]

Tánaiste and Minister for Finance (Deputy Brian Cowen): As the Deputy will be aware, there is a general move in favour of electronic payments from cash and paper-based payment methods. The Government has been proactive in supporting this change through its payroll and scheme payments policies. Indeed, methods to facilitate cashless payments by and to Government Departments and Offices have been well established for a number of years.

The Department of Social and Family Affairs offers electronic payments options in respect of most of its schemes. In fact, EFT now accounts for about 56% of all welfare payments, up from 34% in 2004, and growing by about 1% per month. The Department of Agriculture, Fisheries and Food makes payments to some 66,000 farmers (about 50% of the total) via EFT and this is likely to increase to about 90% under EU regulations. The revenue Online Service (ROS) allows self-employed individuals and small businesses to meet certain of their tax obligations online, and there has been extensive take-up of this option by taxpayers.

The Government's adoption of electronic payment methods reflects an assessment that such methods offer efficiency gains and also provide the State's customers with a convenient service. However, there is no reliable method of assessing the savings on administration costs that accrue from the switch to cashless payments available at this time.

On a wider front, the national Strategy for the Implementation of eProcurement in the Irish Public Sector, approved by government in 2002, recognised the necessity for enabling electronic marketplaces to facilitate electronic procurement of goods and services including electronic invoicing, processing and payment.

Implementation of financial management systems supporting electronic Purchase-to-Pay (P2P) functionality is essential to facilitate electronic invoicing and payments and such systems are being implemented across the public sector. A project is currently underway in my Department to assess the status of implementation and usage in all public sector bodies.

One of the EU's eGovernment targets anticipates 100% eProcurement capability by 2010 in all member states — this includes eSourcing (eTendering), eOrdering, eInvoicing and ePayment. Progress on this initiative is being monitored by the Department of the Taoiseach for regular reports to the European Commission.

Of course the bulk of day-to-day payments take place in the private sector. Most employers now pay their staff via EFT to their bank accounts. With EFT applying to salary and a con-

siderable proportion of State payments, it is clear that the demand for cash is not so much on the 'income' side, but rather on the 'expenditure side. A very considerable proportion of point-of-sale transactions are made in cash. The Irish Payment Services Organisation (IPSO) Ltd. is the representative body for the payments industry. It is active in promoting the ePayment agenda, engaging with all public and private stakeholders.

Tax Code.

139. **Deputy John Deasy** asked the Tánaiste and Minister for Finance if his attention has been drawn to the difficulties that have arisen as a result of section 116 of the Finance Act 2007 which will have huge tax implications for co-habiting couples in long term relationships where the house owning partner wishes to transfer their property into joint names; if it was his intention that people who may not have great financial resources may now on the death of the house owning partner be levied with high capital acquisition tax on the family home; the plans he has to revisit this section of the Finance Act 2007; if he will introduce an amendment to ensure that partners and children in this situation are protected; and if he will make a statement on the matter. [25758/07]

Tánaiste and Minister for Finance (Deputy Brian Cowen): Section 116 of the Finance Act 2007 amends section 86 of the Capital Acquisitions Tax Consolidation Act 2003 by providing that (with some exceptions) relief will not be available where a donee lives in the principal private residence of the disponent and subsequently that residence is gifted by the disponent to the donee. This is intended to prevent a son or daughter being gifted a house by his or her parent free of capital acquisitions tax where that son or daughter was, until shortly before the time of the gift, still living in the parental home.

The section also requires that the gifted house must be owned by the disponent during the 3-year period even if it, or any house that it replaced, was not his or her principal private residence. This is to counter a claim for relief where an individual sells his or her principal private residence to his or her parent for full value and the house is then gifted back to that individual by his or her parent. It also counters the use of family trusts in gifting houses to children.

It will be noted that the amendments in the Finance Act 2007 apply only to gifts of houses. No changes have been made to the conditions applying to houses acquired by way of inheritance. The position of partners and children in the situation outlined in the Deputy's question has not, therefore, been affected in relation to houses acquired by way of inheritance.

Social Insurance Fund.

140. **Deputy Róisín Shortall** asked the Tánaiste and Minister for Finance the rate of returns on the investment of the social insurance fund; and if he will make a statement on the matter. [25760/07]

Tánaiste and Minister for Finance (Deputy Brian Cowen): The bulk of the accumulated surplus of the Social Insurance Fund is invested by the National Treasury Management Agency in euro denominated deposits and government bonds, subject to guidelines from the Minister for Finance. In 2006 the rate of return on the funds managed by the NTMA was 2.72% and the annualised return (to 19 October 2007) for the current year was 3.80%.

Foreign Adoptions.

141. **Deputy Billy Timmins** asked the Minister for Health and Children the situation with respect to a protocol with Belarus with respect to the adoption of children; if the proposed protocol is deemed to be unconstitutional; the grounds for same; and if she will make a statement on the matter. [25529/07]

Minister of State at the Department of Health and Children (Deputy Brendan Smith): The Adoption Board entered into an informal working arrangement with Belarus in 1999, to facilitate the adoption of children from Belarus to Ireland. In 2005, the Belarusian Authorities sought to formalise this arrangement in a draft Protocol. The Adoption Board referred this draft Protocol to the Attorney General's Office, and were advised that it was not compatible with Irish law as it contained terms which conflict with the Constitution of Ireland.

Unfortunately legal advices preclude agreement by Ireland on the terms which are being required by Belarus. Due to Constitutional difficulties an agreement with Belarus is very unlikely and, in that light, negotiations have concluded.

I appreciate very much that this is disappointing for the prospective adoptive parents involved. However, the authorities in Belarus, as in all "sending" States, must retain the absolute prerogative with regard to what children may be adopted, and what requirements must be satisfied to ensure children's best interests have been central to any decision regarding their placement and adoption at home or abroad. The Deputy will appreciate this is the same prerogative and minimum standard we require within the Irish State in respect of Irish children being placed for adoption in Ireland.

Ambulance Service.

142. **Deputy Pat Breen** asked the Minister for Health and Children the strength of the ambulance service in County Clare; if this is sufficient

in the event of major accident or emergency; and if she will make a statement on the matter. [25488/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services is a matter for the Health Service Executive and funding for all health services has been provided as part of its overall Vote. Therefore, the Executive is the appropriate body to consider the particular issue raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Health Services.

143. **Deputy Mary O'Rourke** asked the Minister for Health and Children the amount of finance that has been allocated during 2007 for home care packages in County Westmeath; the amount of such packages that have been sanctioned; and if she will make a statement on the matter. [25510/07]

Minister of State at the Department of Health and Children (Deputy Máire Hctor): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004. Therefore, the Executive is the appropriate body to consider the particular matter raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

144. **Deputy Mary O'Rourke** asked the Minister for Health and Children the amount of finance that has been allocated during 2007 for home care packages in County Longford; the amount of such packages that have been sanctioned; and if she will make a statement on the matter. [25511/07]

Minister of State at the Department of Health and Children (Deputy Máire Hctor): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004. Therefore, the Executive is the appropriate body to consider the particular matter raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Mental Health Services.

145. **Deputy Bobby Aylward** asked the Minister for Health and Children if she will approve

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funding for the Health Service Executive south towards the Waterford befriending project which provides ongoing training and support for persons with mental health difficulties by volunteers who are given comprehensive training in this field; and if she will make a statement on the matter. [25526/07]

Minister of State at the Department of Health and Children (Deputy Jimmy Devins): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004 and funding for all health services has been provided as part of its overall vote. The Executive, therefore, is the appropriate body to consider the particular matter raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Child Support.

146. **Deputy Liz McManus** asked the Minister for Health and Children if she will consider reviewing the NCIP scheme (details supplied); and if she will make a statement on the matter. [25533/07]

Minister of State at the Department of Health and Children (Deputy Brendan Smith): The main supports the Government makes available to parents to assist them with their child care costs are Child Benefit and the Early Child care Supplement. The latter payment, which is in recognition of the higher child care costs of pre-school children, is the responsibility of my Office, and it alone amounts to expenditure of over €400m in a full year. These payments are universal and benefit all parents, regardless of their income, labour market status or the type of child care they choose and regardless of whether they live in urban or rural areas. In addition to these universal supports, Government child care policy has also recognised the need to target additional supports towards disadvantaged families.

Under the Equal Opportunities Child care Programme 2000-2006 (EOCP), which is co-funded under the EU Social Fund (ESF), targeted support was provided through the staffing support grant scheme whereby community based not-for-profit child care providers with a strong focus on disadvantage were awarded grant aid towards their staffing costs to allow them to operate reduced fees to disadvantaged parents. Funding under this scheme was originally awarded for a limited period during which services were expected to move towards sustainability. This funding was subsequently continued to the end of 2007, where it was considered necessary to enable services to continue to make their services accessible to disadvantaged parents.

This continuation funding was subject to the condition that tiered fee structures were implemented by the services in question. As a proviso under the EOCP community based not-for-profit child care providers were obliged to provide information on the level of disadvantage being catered for by their facilities in order to obtain staffing grant assistance.

With the closure of the EOCP in December 2007, to continue to support community child care services to provide affordable child care to disadvantaged parents, the Community Child care Subvention Scheme (CCSS) is being introduced from January 2008 under the Exchequer funded National Child care Investment Programme 2006-2010 (NCIP), the successor programme to the EOCP. The CCSS has been allocated €153 million over the next 3 years, representing a 16% increase in funding over the EOCP staffing scheme, and will continue to support community child care services to provide reduced child care fees for disadvantaged parents, complementing the universal supports in place for all parents. Under the new scheme, it will be possible to ensure that the level of grant aid which individual services qualify for will reflect the actual level of service they provide and the profile of the parents benefiting from their service. As part of their application for funding under the new scheme, services will be required to ask parents using their services to complete a simple declaration form which will be included in a return to my Office and on which basis the level of subvention for each service will be determined. The subvention received by services as a result of the information provided will, in turn, be reflected in the reduced fees for parents who qualify as disadvantaged under the scheme.

In practice, this will mean that parents with children in such services and in receipt of most social welfare payments (or participating in a scheme such as Community Employment which demonstrates an underlying entitlement to same) will see a €80 weekly subvention in respect of full daycare (with pro-rata reductions in respect of shorter hour services). Parents in receipt of Family Income Supplement (FIS), will see a €30 weekly subvention in respect of full daycare (with pro-rata reductions). A further subvention of €30 per week will be paid where the subvented child is a baby, in recognition of the higher costs associated with the care of children aged under 1 year. Parents who do not qualify under either of these categories will be charged the cost price for their child care service, however, as community not-for-profit services will, generally, have availed of capital grant aid under the EOCP or NCIP removing the requirement to cover rent or a mortgage, and as the services are run on a not-for-profit basis, this should still be significantly below the market price.

It is considered that the new scheme will provide an effective framework for the continued

targeting of additional resources towards disadvantaged parents and their children while continuing to support community child care services generally. The scheme has been informed by and takes account of a number of enhancements recommended by the report of the Value for Money Review of the EOCP. These include the fact that the subvention to services will be more responsive to the level of service provided as well as the degree of parental disadvantage supported and the ceiling for funding, which existed under the previous scheme, is being removed. Account will also be taken of all of the operational costs of the service rather than staffing costs alone. Services, including full-time, part-time and sessional ones, which at present are, in some cases, inaccessibly priced for disadvantaged parents, will be available to them at more appropriate rates under the new scheme.

The new scheme has clear advantages over its predecessor. There is an increase in the level of funding available under it, and a majority of services will benefit from the changes it introduces. Existing EOCP staffing grant recipients who enter the new scheme will continue to be funded at their current levels until July 2008. My Office has engaged in a series of meetings with existing grant recipients to outline to them the details of the new scheme and to gather feedback from the services themselves. A meeting with representatives of the City and County Child care Committees has also taken place.

Transitional arrangements have been made under which existing grant recipients will continue to be funded at their current levels until 1st July 2008. This is to ensure that existing child care services are facilitated to adjust to the new scheme, including making any adjustments necessary to their fee structures. As signalled when I announced the new scheme in July this year, the transitional period between now and 1 July 2008 will also be used to monitor and review the impact it will have on individual groups, on the basis of the more detailed and comprehensive data which is due to be received from applicants in November. If appropriate, any adjustments necessary to the scheme to secure the best outcomes for child care services and for disadvantaged parents and their children will be considered on the basis of this data and well in advance of the commencement of the new funding levels in July 2008.

Services for People with Disabilities.

147. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the reason the report of the investigation into a residential centre (details supplied) in County Galway has not been published; when it is intended to publish this report; and if she will make a statement on the matter. [25545/07]

Minister of State at the Department of Health and Children (Deputy Jimmy Devins): I understand from the HSE that it is finalising a report into allegations of abuse at the Brothers of Charity Services at Kilcornan, Clarenbridge, Co Galway. I am informed by the HSE that this report is due to be completed before the end of the year.

Health Services.

148. **Deputy John O'Mahony** asked the Minister for Health and Children the reason a person (details supplied) in County Mayo has had individual transport withdrawn from them in view of the danger of cross-infection; and if she will make a statement on the matter. [25549/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services is a matter for the Health Service Executive and funding for all health services has been provided as part of its overall Vote. Therefore, the Executive is the appropriate body to consider the particular case raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Nursing Home Subventions.

149. **Deputy Joanna Tuffy** asked the Minister for Health and Children the amount of money that has been paid out to date in refunds under the nursing home repayment scheme; the amount due to be repaid currently; the number of applications made to date for a refund; the number of those applications that have been accepted; the number that have been rejected; and if she will make a statement on the matter. [25550/07]

Minister for Health and Children (Deputy Mary Harney): The Health Service Executive (HSE) has responsibility for administering the health repayment scheme in conjunction with the appointed scheme administrator KPMG/McCann Fitzgerald.

The HSE has informed my Department that since the commencement of the scheme over 30,000 claims have been received and to date over 3,800 payments totalling over €77.3m have issued while 6,375 offers of repayment totalling over €119.8m have been made. The HSE have also informed my Department that over 3,183 applications have been rejected up to 12 Oct 2007.

Based on the projected level of repayments to be completed by the scheme administrator in 2007, an allocation of €150m will be provided for the scheme in the estimates for 2008. All eligible applications received prior to the closing date will be repaid in full and an appropriate provision will

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be made as necessary to meet any costs arising under the scheme.

Child Care Services.

150. **Deputy Paul Connaughton** asked the Minister for Health and Children if her attention has been drawn to the potential damage that can be done to child care projects around the country by the introduction of the new staffing grants system and that a significant number of families who are just over eligibility for social welfare payments and who are on very low incomes will be precluded from using the facilities; if her Department has studied the effects that this particular proposal will have on small rural communities; and if she will make a statement on the matter. [25690/07]

Minister of State at the Department of Health and Children (Deputy Brendan Smith): The main supports the Government makes available to parents to assist them with their child care costs are Child Benefit and the Early Child care Supplement. The latter payment, which is in recognition of the higher child care costs of pre-school children, is the responsibility of my Office, and it alone amounts to expenditure of over €400m in a full year. These payments are universal and benefit all parents, regardless of their income, labour market status or the type of child care they choose and regardless of whether they live in urban or rural areas. In addition to these universal supports, Government child care policy has also recognised the need to target additional supports towards disadvantaged families.

Under the Equal Opportunities Child care Programme 2000-2006 (EOCP), which is co-funded under the EU Social Fund (ESF), targeted support was provided through the staffing support grant scheme whereby community based not-for-profit child care providers with a strong focus on disadvantage were awarded grant aid towards their staffing costs to allow them to operate reduced fees to disadvantaged parents. Funding under this scheme was originally awarded for a limited period during which services were expected to move towards sustainability. This funding was subsequently continued to the end of 2007, where it was considered necessary to enable services to continue to make their services accessible to disadvantaged parents. This continuation funding was subject to the condition that tiered fee structures were implemented by the services in question.

With the closure of the EOCP in December 2007, to continue to support community child care services to provide affordable child care to disadvantaged parents, the Community Child care Subvention Scheme (CCSS) is being introduced from January 2008 under the Exchequer funded National Child care Investment Programme 2006-2010 (NCIP), the successor prog-

ramme to the EOCP. The CCSS has been allocated €153 million over the next 3 years, representing a 16% increase in funding over the EOCP staffing scheme, and will continue to support community child care services to provide reduced child care fees for disadvantaged parents, complementing the universal supports in place for all parents. Under the new scheme, it will be possible to ensure that the level of grant aid which individual services qualify for will reflect the actual level of service they provide and the profile of the parents benefiting from their service. As part of their application for funding under the new scheme, services will be required to ask parents using their services to complete a simple declaration form which will be included in a return to my Office and on which basis the level of subvention for each service will be determined. The subvention received by services will, in turn, be reflected in the reduced fees for parents who qualify as disadvantaged under the scheme.

In practice, this will mean that parents with children in such services and in receipt of most social welfare payments (or participating in a scheme such as Community Employment which demonstrates an underlying entitlement to same) will see a €80 weekly subvention in respect of full daycare (with pro-rata reductions in respect of shorter hour services). Parents in receipt of Family Income Supplement (FIS), will see a €30 weekly subvention in respect of full daycare (with pro-rata reductions). A further subvention of €30 per week will be paid where the subvented child is a baby, in recognition of the higher costs associated with the care of children aged under 1 year. Parents who do not qualify under either of these categories will be charged the cost price for their child care service, however, as community not-for-profit services will, generally, have availed of capital grant aid under the EOCP or NCIP removing the requirement to cover rent or a mortgage, and as the services are run on a not-for-profit basis, this should still be significantly below the market price.

It is considered that the new scheme will provide an effective framework for the continued targeting of additional resources towards disadvantaged parents and their children while continuing to support community child care services generally. The scheme has been informed by and takes account of a number of enhancements recommended by the report of the Value for Money Review of the EOCP. These include the fact that the subvention to services will be more responsive to the level of service provided as well as the degree of parental disadvantage supported and the ceiling for funding, which existed under the previous scheme, is being removed. Account will also be taken of all of the operational costs of the service rather than staffing costs alone. Services, including full-time, part-time and sessional ones, which at present are, in some cases, inaccessibly priced for disadvantaged

parents, will be available to them at more appropriate rates under the new scheme.

The new scheme has clear advantages over its predecessor. There is an increase in the level of funding available under it, and a majority of services will benefit from the changes it introduces. Existing EOCP staffing grant recipients who enter the new scheme will continue to be funded at their current levels until July 2008. My Office has engaged in a series of meetings with existing grant recipients to outline to them the details of the new scheme and to gather feedback from the services themselves. A meeting with representatives of the City and County Child care Committees has also taken place.

The Community Child care Subvention Scheme will not discriminate against rural services and the number of parents in rural areas supported by the new scheme is not expected to be lower than in urban areas. Per capita, the majority of the social welfare benefits which are referenced by the new schemes are availed of by more people outside the Dublin area than in it and parents in receipt of Farm Assist will attract the higher level of subvention. Data available from EOCP grant applications also suggests that the costs of running a rural service, and therefore the costs charged to parents, are lower than those for services in urban areas.

Transitional arrangements have been made under which existing grant recipients will continue to be funded at their current levels until 1st July 2008. This is to ensure that existing child care services are facilitated to adjust to the new scheme, including making any adjustments necessary to their fee structures. As signalled when I announced the new scheme in July this year, the transitional period between now and 1 July 2008 will also be used to monitor and review the impact it will have on individual groups, on the basis of the more detailed and comprehensive data which is due to be received from applicants in November. If appropriate, any adjustments necessary to the scheme to secure the best outcomes for child care services and for disadvantaged parents and their children will be considered on the basis of this data and well in advance of the commencement of the new funding levels in July 2008.

Food Safety Authority.

151. **Deputy Finian McGrath** asked the Minister for Health and Children the person who is the final arbiter when it comes to the regulation of sanitary accommodation for a premises where seating is provided for patrons (detailed supplied). [25697/07]

Minister of State at the Department of Health and Children (Deputy Pat The Cope Gallagher): The Food Safety Authority of Ireland (FSAI) is responsible for enforcing food law — including provisions relating to the availability of toilets for the use of patrons. A food business operator who

fails to comply with general hygiene requirements is guilty of an offence and may be prosecuted — generally by the Health Service Executive acting under a service contract with the FSAI. The final arbiter in any such case is the court where an alleged offence is prosecuted or a court to which a conviction is appealed.

Hospital Procedures.

152. **Deputy Michael Ring** asked the Minister for Health and Children when a person (details supplied) in County Mayo will be called for an MRI scan. [25702/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive and funding for all health services has been provided as part of its overall Vote. Therefore, the Executive is the appropriate body to consider the particular case raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have this case investigated and to have a reply issued directly to the Deputy.

Health Services.

153. **Deputy James Reilly** asked the Minister for Health and Children the status of the nursing home refund scheme for the repayment of illegal nursing home charges; the number of claims received and completed to date; the amount refunded to date; the number of applications that have been rejected; the reason they have been rejected; the cost of the scheme; the cost of administering the scheme; the average time for an application to be processed; when she expects the scheme to complete its work; and if she will make a statement on the matter. [25703/07]

Minister for Health and Children (Deputy Mary Harney): The Health Service Executive (HSE) has responsibility for administering the health repayment scheme in conjunction with the appointed scheme administrator KPMG/McCann Fitzgerald.

The HSE has informed my Department that since the commencement of the scheme over 30,000 claims have been received and to date over 3,800 payments totalling over €77.3m have issued while 6,375 offers of repayment totalling over €119.8m have been made. The HSE have also informed my Department that over 3,183 applications have been rejected up to 12 Oct 2007. There are a variety of reasons for applications being rejected and these include instances where the relevant person died prior to 9 December 1998, where the relevant person resided in an institution not within the scope of the scheme and where duplicate applications were received on behalf of the relevant person.

Based on the projected level of repayments to be completed by the scheme administrator in

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2007, an allocation of €150m will be provided for the scheme in the estimates for 2008. All eligible applications received prior to the closing date will be repaid in full and an appropriate provision will be made as necessary to meet any costs arising under the scheme. The HSE has estimated the administrative costs associated with the scheme to be approximately €23m.

Mental Health Services.

154. **Deputy James Reilly** asked the Minister for Health and Children the number of catchment area teams that have been established in relation to the vision for change strategy; the number that are fully staffed; the geographic area covered by these catchment areas; the population of each of the catchment areas; the name of the person with managerial responsibility for mental health services in each of the catchment areas; and if she will make a statement on the matter. [25704/07]

Minister of State at the Department of Health and Children (Deputy Jimmy Devins): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004 including the organisation and management of catchment areas. The Executive is, therefore the appropriate body to consider the matter raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Hospital Accommodation.

155. **Deputy James Reilly** asked the Minister for Health and Children the number of acute hospital beds, both public and private, in each of the hospitals for 2005, 2006 and to date in 2007; and if she will make a statement on the matter. [25705/07]

Minister for Health and Children (Deputy Mary Harney): In 2001, the year of the publication of the Health Strategy, the average number of in-patient beds and day places available in the 53 public acute hospitals was 12,145, based on information supplied for the Department of Health and Children's Integrated Management Returns. At the end of 2005, this figure had increased by 1,199 to a total of 13,344, involving an additional 719 in-patient beds and 480 day places. This expansion of capacity represents an increase of 300 beds and places on average per year.

My Department will forward the detailed information on each hospital requested for 2005 directly to the Deputy.

During 2006 the Health Service Executive undertook an extensive survey of capacity across all acute hospitals, including in-patient beds, day beds and other treatment placements, on a

speciality by speciality basis. I understand that the HSE intends to publish the results of the survey in the near future.

I have asked the Parliamentary Affairs Division of the Health Service Executive to supply the information requested by the Deputy for 2006 and 2007 directly to him as soon as it is available.

Nursing Home Accommodation.

156. **Deputy James Reilly** asked the Minister for Health and Children the number of nursing home beds, both public and private, for each of the years 2001 to date in 2007; and if she will make a statement on the matter. [25706/07]

Minister of State at the Department of Health and Children (Deputy Máire Hootor): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004 and funding for all health services has been provided as part of its overall vote. Therefore, the Executive is the appropriate body to consider the particular matter raised by the Deputy. The Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Health Services.

157. **Deputy James Reilly** asked the Minister for Health and Children the number of beds closed as a result of the cutbacks and recruitment ban; and if she will make a statement on the matter. [25707/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive and funding for all health services has been provided as part of its overall Vote. Therefore, the Executive is the appropriate body to consider the particular issue raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have this matter investigated and to have a reply issued directly to the Deputy.

Medical Cards.

158. **Deputy James Reilly** asked the Minister for Health and Children the number of full medical cards issued as at year end 2006; the number issued to date in 2007; and if she will make a statement on the matter. [25708/07]

159. **Deputy James Reilly** asked the Minister for Health and Children the number of general practitioner visit medical cards issued as at year end 2006; the number issued to date in 2007; and if she will make a statement on the matter. [25709/07]

Minister for Health and Children (Deputy Mary Harney): I propose to take Questions Nos. 158 and 159 together.

Details of the numbers of medical card and GP visit card holders are provided to my Department each month by the Health Service Executive's Primary Care Reimbursement Service. The figures are provided on a net basis showing the balance after new cards have been issued and other cards, as appropriate, have been deleted from the Executive's database, e.g. following a review of an applicant's circumstances. The following table shows the number of medical cards and GP visit cards as at the 1st December, 2006 and as at the 1st October, 2007.

Month	No. of Medical Cards	No. of GP Visit Cards
1st December, 2006	1,219,829	47,550
1st October, 2007	1,264,434	73,644

160. **Deputy James Reilly** asked the Minister for Health and Children the income thresholds for qualification for a full medical card and for a general practitioner visit card indicating the thresholds for single persons, married couples and single parents; the way in which they vary between age categories and the category of married couples, one of whom is over 70 years and one whom is not, and that of dependent children; her plans to review income thresholds; and if she will make a statement on the matter. [25710/07]

Minister for Health and Children (Deputy Mary Harney): Medical cards are made available to persons and their dependants who would otherwise experience undue hardship in meeting the cost of General Practitioner (GP) services. In 2005 the GP visit card was introduced as a graduated benefit so that people on lower incomes, particularly parents of young children, who do not qualify for a medical card would not be deterred on cost grounds from visiting their GP. Persons aged 70 and over are statutorily entitled to a medical card, regardless of income. In all other cases an assessment of means is undertaken.

Since the beginning of 2005 I have introduced a number of significant changes to the manner in which the assessment for medical cards and GP visit cards is undertaken. The assessment guidelines have been increased by a cumulative 29%. Applications are now considered on the basis of income net of tax and PRSI and allowance is made for reasonable expenses incurred in respect of mortgage/rent, child care and travel to work. In June 2006, I agreed with the Health Service Executive (HSE) a further adjustment to the assessment guidelines for GP visit cards and these are now 50% higher than those used in respect of medical cards.

My Department and the HSE monitor the number of medical cards and GP visit cards on an ongoing basis and the need for changes to the guidelines is kept under review, having regard to factors such as changes in income levels generally, the nature of typical household outgoings and also changes to the various social welfare schemes.

The Programme for Government commits to the following: Indexing the income thresholds for medical cards to increases in the average industrial wage; Implementation of an annual publicity campaign and making applications easier so as to increase uptake amongst those who are eligible for Medical Cards and GP Visit Cards; Doubling of the income limit eligibility of parents of children under 6 years of age, and trebling them for parents of children under 18 years of age with an intellectual disability; Allowing people with disabilities to work without losing key essential medical card cover after 3 years.

My Department is at present considering the steps required to enable these commitments to be implemented. My Department is also examining the steps necessary to give effect to the Towards 2016 commitment to review the eligibility criteria for the assessment of medical cards in the context of medical, social and economic/financial need with a view to clarifying entitlement to a medical card.

The following table gives details of the financial guidelines used by the Executive to assist it in determining if a person qualifies for a medical card or GP visit card. Table showing allowed weekly net income, after income tax/PRSI and allowable mortgage/rent, child care and travel to work expenses are taken into account.

	Medical Card	GP Visit Card
<i>Single Person Living Alone</i>		
Aged up to 65 years	184.00	276.00
Aged between 66-69 years	201.50	302.00
<i>Single Person Living with Family</i>		
Aged up to 65 years	164.00	246.00
Aged between 66-69 years	173.50	260.00
<i>Married couple/Single Parent Families with dependent children</i>		
Aged up to 65 years	266.50	400.00
With 1 Child	304.50	457.00
With 2 Children	342.50	514.00
With 3 Children	383.50	575.00
With 4 Children	424.50	637.00
Aged between 66-69 years	298.00	447.00
Aged between 70-79 years (see Footnote)	596.50	895.00

Footnote

This is the weekly rate used to assess a couple where one person is aged 70 years or over and the other has not yet reached 70 years.

Hospital Services.

161. **Deputy James Reilly** asked the Minister for Health and Children the number of high dependency patients in acute hospital care in hospitals (details supplied) who need to be transferred to more appropriate nursing home care; and if she will make a statement on the matter. [25711/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004 and funding for all health services has been provided as part of its overall vote. Therefore, the Executive is the appropriate body to consider the particular issues raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matters investigated and to have a reply issued directly to the Deputy.

Care of the Elderly.

162. **Deputy James Reilly** asked the Minister for Health and Children the number of people in receipt of home care packages as per Health Service Executive area for each of the years 2005, 2006 and to date in 2007; and if she will make a statement on the matter. [25712/07]

Minister of State at the Department of Health and Children (Deputy Máire Hootor): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004. Therefore, the Executive is the appropriate body to consider the particular matter raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

General Practitioner Co-operatives.

163. **Deputy James Reilly** asked the Minister for Health and Children if her Department is in negotiation with groups to form out of hours general practitioner services; and if she will make a statement on the matter. [25713/07]

Minister for Health and Children (Deputy Mary Harney): Out of hours cooperatives allow general practitioners to put in place arrangements to provide services to their patients, while their surgeries are closed in the evenings, on weekends and bank holidays. The development of GP cooperatives is in line with the overall health service policy of strengthening primary care services and ensuring that to the greatest extent possible, people's care needs are met in the primary care setting.

Out of hours cooperatives are now in place in all Health Service Executive (HSE) areas, providing coverage in all or in part of all counties. In 2007, almost €37 million is available to the HSE to fund the operation of GP out of hours services. This figure does not include the fees of the participating doctors.

As the Health Service Executive has the operational and funding responsibility for this service, it is the appropriate body to provide the information sought by the Deputy. My Department has therefore requested the Parliamentary Affairs Division of the Executive to arrange to address this matter and to have a reply issued directly to the Deputy.

164. **Deputy James Reilly** asked the Minister for Health and Children the measures she has taken to enhance direct access of general practitioners to diagnostic services; and if she will make a statement on the matter. [25714/07]

Minister for Health and Children (Deputy Mary Harney): The Primary Care Strategy aims to support and promote the health and well-being of the population by developing multi-disciplinary teams of professionals, including general practitioners, which enable the vast majority of people's health and social care needs to be met in their local community. I recognise that in order to support and facilitate this model of care, general practitioners need to have access to appropriate diagnostic services so that, as far as possible and as appropriate, the diagnosis and the management of illness can take place in the community rather than the hospital setting.

The Health Service Executive has, I understand, undertaken a number of measures to enhance access for GPs to x-ray and ultrasound services for patients. As the Executive has the operational and funding responsibility for Primary Care services, it is the appropriate body to provide more detailed information in this regard. My Department has therefore requested the Parliamentary Affairs Division of the Executive to arrange to have this matter investigated and to have a reply issued directly to the Deputy.

Accident and Emergency Services.

165. **Deputy James Reilly** asked the Minister for Health and Children the measures she has taken to improve cleaning services and enhance security measures for accident and emergency departments as outlined in her accident and emergency ten point plan; and if she will make a statement on the matter. [25715/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004 and funding for all health services has been provided as part

of its overall vote. Therefore, the Executive is the appropriate body to consider the particular issues raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matters investigated and to have a reply issued directly to the Deputy.

Care of the Elderly.

166. **Deputy James Reilly** asked the Minister for Health and Children the number of the 32 local health office areas of the Health Service Executive that have an elder abuse officer who has been appointed to that position in a permanent capacity; and if she will make a statement on the matter. [25716/07]

Minister of State at the Department of Health and Children (Deputy Máire Hootor): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004. Therefore, the Executive is the appropriate body to consider the particular matter raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Health Service Executive.

167. **Deputy James Reilly** asked the Minister for Health and Children the number of complaints received by the Health Service Executive under its complaints system up to 30 September 2007; the number deemed to be valid; the number acknowledged within five working days of their receipt; the number resolved on an informal basis; the number withdrawn; the number of complaints officers involved in the investigation of these complaints; and if she will make a statement on the matter. [25717/07]

Minister for Health and Children (Deputy Mary Harney): Section 6 of the Health Act, 2004 states that the Health Service Executive is a corporate body. In view of this, the number of complaints received by the Health Service Executive under its complaints system and the breakdown of these complaints is a matter for the HSE.

Accordingly, my Department has requested the Parliamentary Affairs Division of the Executive to arrange to have this matter investigated and to respond directly to the Deputy.

168. **Deputy James Reilly** asked the Minister for Health and Children the number of complaints received by the Health Service Executive under its complaints system up to 31 July 2007; the number received; the number investigated by a complaints officer; the number of complaints that were investigated and concluded within the

30 day time-frame set out in the regulations; the number of cases in which the complainant sought a review of the recommendation of the complaints officer; and if she will make a statement on the matter. [25718/07]

Minister for Health and Children (Deputy Mary Harney): Section 6 of the Health Act, 2004 states that the Health Service Executive is a corporate body. In view of this, the number of complaints received by the Health Service Executive under its complaints system and the breakdown of these complaints is a matter for the HSE. Accordingly, my Department has requested the Parliamentary Affairs Division of the Executive to arrange to have this matter investigated and to respond directly to the Deputy.

169. **Deputy James Reilly** asked the Minister for Health and Children the number of cases in which the Health Service Executive assigned its functions in relation to reviewing any recommendation made by a complaints officer to another body; the identity of the body to which it has assigned such functions under Section 49 (4) of the Regulation; and if she will make a statement on the matter. [25719/07]

Minister for Health and Children (Deputy Mary Harney): Section 6 of the Health Act, 2004 states that the Health Service Executive is a corporate body. In view of this, the number of complaints received by the Health Service Executive under its complaints system and the breakdown of these complaints is a matter for the HSE. Accordingly, my Department has requested the Parliamentary Affairs Division of the Executive to arrange to have this matter investigated and to respond directly to the Deputy.

Ambulance Service.

170. **Deputy James Reilly** asked the Minister for Health and Children if her attention has been drawn to the areas where there are identified deficiencies in the ambulance service; the steps she proposes to take to deal with the identified deficiencies in this important service; and if she will make a statement on the matter. [25720/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services is a matter for the Health Service Executive and funding for all health services has been provided as part of its overall Vote. Therefore, the Executive is the appropriate body to consider the particular issue raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Hospital Waiting Lists.

171. **Deputy James Reilly** asked the Minister for Health and Children the location of acute medical admission units; the stage of delivery these facilities are at; and if she will make a statement on the matter. [25721/07]

172. **Deputy James Reilly** asked the Minister for Health and Children the proposed location of acute medical admission units; the stage of delivery these facilities are at; and if she will make a statement on the matter. [25722/07]

173. **Deputy James Reilly** asked the Minister for Health and Children the status of the acute medical admission units proposed for Beaumont Hospital; and if she will make a statement on the matter. [25723/07]

Minister for Health and Children (Deputy Mary Harney): I propose to take Questions Nos. 171 to 173, inclusive, together.

Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004 and funding for all health services has been provided as part of its overall vote. Therefore, the Executive is the appropriate body to consider the particular issues raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matters investigated and to have a reply issued directly to the Deputy.

Accident and Emergency Services.

174. **Deputy James Reilly** asked the Minister for Health and Children the reason there are no spare trolleys available for ambulance use at accident and emergency departments; and if she will make a statement on the matter. [25724/07]

Minister for Health and Children (Deputy Mary Harney): Operational responsibility for the management and delivery of health and personal social services is a matter for the Health Service Executive and funding for all health services has been provided as part of its overall Vote. Therefore, the Executive is the appropriate body to consider the particular issue raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Nursing Home Standards.

175. **Deputy James Reilly** asked the Minister for Health and Children when the National Standards for Nursing Home Care will be completed and published; and if she will make a statement on the matter. [25725/07]

Minister for Health and Children (Deputy Mary Harney): In January 2007 the Minister for Health & Children published a new set of draft national standards which will apply to all nursing homes. The standards were developed by a working group chaired by DoHC and included the Health Service Executive, Social Service Inspectorate and the Irish Health Services Accreditation Board. As the Health Act, 2007 provides that the enhanced inspection function will be taken over by the Health Information and Quality Authority (HIQA), the draft standards were formally referred to Health Information & Quality Authority for consultation and finalisation. The Authority established a wide-ranging Working Group to finalise the draft standards. The terms of reference of the Group were to: review and develop the draft standards; establish a process for targeted and public consultation; oversee the public consultation process; consider feedback from the public consultation process; and finalise the draft standards for publication and inspection. The group held its first meeting on 30th January and have met on a regular basis since.

On 8 August, 2007 the Authority published their draft for public consultation prior to finalising the standards. Members of the public, service users, their families, service providers and all those with an interest in residential care for older people were invited to submit their views on the draft before Monday 17 September 2007.

The results of the public consultation were discussed at the most recent meeting of the HIQA Working Group on Friday 19th October. The final report of the Consultation has now been sent to HIQA and will be distributed to the Group in the coming days. It is proposed to hold 2 further meetings of the Working Group to finalise the standards. The next step in the process will involve the standards being referred to the Minister for approval. Following this, Regulations will be drafted to give statutory underpinning to the Standards.

National Treatment Purchase Fund.

176. **Deputy James Reilly** asked the Minister for Health and Children the way, in relation to the NTPF intention to negotiate the cost of private beds on behalf of the Health Service Executive, she expects the NTPF to achieve this in the absence of nursing home care standards; and if she will make a statement on the matter. [25726/07]

Minister of State at the Department of Health and Children (Deputy Máire Hackett): Currently, private nursing homes are registered in accordance with the Health (Nursing Homes) Act 1990 and are subject to inspection on the basis of the standards set out in the Care and Welfare Regulations 1993. The NTPF will negotiate with registered private nursing homes on this basis.

However, the Deputy will be aware that the Health Act 2007 provides for the registration and inspection of all nursing homes — public, private and voluntary. As the Act provides that the enhanced inspection function will be taken over by the Health Information and Quality Authority (HIQA), draft standards (prepared by a Working Group chaired by the Department of Health and Children) were formally referred to Health Information and Quality Authority for consultation and finalisation. The Authority established a wide-ranging Working Group to finalise the draft standards. The group held its first meeting on 30th January and have met on a regular basis since.

On 8 August, 2007 the Authority published their draft for public consultation prior to finalising the standards. Members of the public, service users, their families, service providers and all those with an interest in residential care for older people were invited to submit their views on the draft before Monday 17 September 2007.

The results of the public consultation were discussed at the most recent meeting of the HIQA Working Group on Friday 19th October. The final report of the Consultation has now been sent to HIQA and will be distributed to the Group in the coming days. It is proposed to hold 2 further meetings of the Working Group to finalise the standards. The next step in the process will involve the standards being referred to the Minister for approval. Following this, Regulations will be drafted to give statutory underpinning to the Standards. In the interim, the HSE will continue to inspect private nursing homes using the 1993 Care and Welfare Regulations.

The ongoing work regarding the introduction of the new nursing home standards under the 2007 Act does not impact in any way on the NTPF negotiations surrounding the introduction of the new Nursing Home Support Scheme — A Fair Deal.

177. **Deputy James Reilly** asked the Minister for Health and Children the number, in relation to the NTPF intention to negotiate the cost of private beds on behalf of the Health Service Executive, of these beds that will be standard beds; the number that will be medium and high dependency beds; and if she will make a statement on the matter. [25727/07]

Minister of State at the Department of Health and Children (Deputy Máire Hctor): Under the proposed new Nursing Home Support Scheme — A Fair Deal — the NTPF will negotiate prices for long-term residential care with private providers. The Fair Deal scheme is a voluntary one. In order to qualify for State support under the scheme, a person must be assessed by the HSE as requiring long-term residential care and then avail of such care in a nursing home registered with the HSE and where a price has been negotiated and agreed

with the NTPF. This price will inform the maximum level of State support payable on behalf of a person who qualifies under the scheme.

Health Services.

178. **Deputy Pat Breen** asked the Minister for Health and Children when a person (details supplied) in County Clare will be facilitated; and if she will make a statement on the matter. [25751/07]

Minister of State at the Department of Health and Children (Deputy Máire Hctor): Operational responsibility for the management and delivery of health and personal social services was assigned to the Health Service Executive under the Health Act 2004. Therefore, the Executive is the appropriate body to consider the particular case raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued directly to the Deputy.

Sheltered Housing Charges.

179. **Deputy Bernard Allen** asked the Minister for Health and Children the status of the application made by a person (details supplied) in County Cork for repayment under the Health Service Executive repayment scheme in respect of payments made by them in sheltered housing over 15 years. [25766/07]

Minister for Health and Children (Deputy Mary Harney): The Health Service Executive has responsibility for administering the Repayment Scheme and the information sought by the Deputy relates to matters within the area of responsibility of the Executive.

My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issued to the Deputy.

Infectious Diseases.

180. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the number of deaths recorded from MRSA or MRSA type infections in respect of each of the past five years; and if she will make a statement on the matter. [25781/07]

Minister for Health and Children (Deputy Mary Harney): Tackling Healthcare Associated Infections (HCAIs), including MRSA, is a priority for my Department and for the Health Service Executive (HSE).

MRSA is not a notifiable disease. However, the Health Protection Surveillance Centre of the HSE collects data on MRSA. The data are collected on the first episode of blood stream infection of MRSA per patient per quarter. This

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system shows that there were 445 cases in 2002, 480 cases in 2003, 553 cases in 2004, 592 cases in 2005 and 588 cases in 2006. Figures for the first six months of 2007 shows that there were 292 cases.

A National Surveillance System has been established recently to collect data and provide information on a quarterly basis on four key areas, to monitor HCAs in our healthcare system: Staphylococcus bacteraemia; Antibiotic consumption; Alcohol gel use; MRSA surveillance in Intensive Care Units. The first report is expected shortly and eventually 52 hospitals and 30 local health offices will report into the system.

The HSE has established a National Infection Control Action Plan. The Infection Control Steering Group is chaired by Dr. Pat Doorley, National Director (Population Health) and is responsible for reducing infection levels in Ireland's health care facilities. Over the next three to five years the HSE aims to reduce HCAs by 20%, MRSA infections by 30% and antibiotic consumption by 20%. Achievement of these targets will benefit all patients who are at risk. The Steering Group is supported by eight Local Implementation Teams which will ensure that all local facilities are focused on achieving the national targets.

It is difficult to identify the number of fatalities attributable to MRSA as many people also have significant co-morbidity factors.

While accepting that not all HCAs are preventable, I am satisfied that significant steps are being taken to reduce the rates of infection and to treat them promptly when they occur.

Drug-Related Deaths.

181. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the number of deaths attributed to overdoses or abuse of illicit drugs in respect of each of the past five years; and if she will make a statement on the matter. [25782/07]

Minister for Health and Children (Deputy Mary Harney): The General Mortality Register, the main source of information on drug-related deaths prior to the establishment of the National Drug Related Deaths Index in 2005, shows that the number of direct drug-related deaths was 113 in 2000; 93 in 2001; 90 in 2002; 96 in 2003; and 112 in 2004 — the latest year for which data are available. Direct drug related deaths refer to those due to intentional or unintentional overdose. The figure of 113 such deaths in 2000 represents a decrease on the 122 recorded in 1999. Sixty percent (60%) of the direct drug related deaths between 2001 and 2004 were as a result of opiate overdose.

The statistics in the General Mortality Register are collected by the Central Statistics Office which measures — as it is required to do — direct drug-related deaths based on an international

classification system. It does not have a reliable measure of deaths which are indirectly related to drug use and so does not provide the full picture of drug-related deaths. For example a death through an infectious disease contracted through drug use may not feature in the General Mortality Register as drug-related.

To remedy these limitations, the Department of Health and Children and the Department of Justice, Equality and Law Reform jointly asked the Alcohol and Drug Research Unit of the Health Research Board to establish and maintain a National Drug-Related Deaths Index.

This index was established to comply with Action 67 of 'Building on Experience: National Drug Strategy 2001-2008'. The index is a census of drug and alcohol-related deaths and deaths among substance users in Ireland which is one of the European Monitoring Centre for Drugs and Drug Addiction's (EMCDDA) key indicators to measure the consequences of the drug situation. The data for the Index are drawn from a number of sources including the General Mortality Register; the Coroner's Service; the Hospital In-patient Enquiry (HIPE); and the Central Treatment List.

A committee, co-chaired by the two above-mentioned Departments, provides general and technical advice on the development of the index. The first publication from the index is scheduled for 2008.

Air Services.

182. **Deputy Fergus O'Dowd** asked the Minister for Transport and the Marine if his Department's Press Office brought press reports relating to the establishment of a hub by Aer Lingus in Belfast to his attention; the response given; and if he will make a statement on the matter. [25736/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): My Department's Press Office did not bring press reports relating to the establishment of a hub by Aer Lingus in Belfast to my attention before my office was made aware of this possibility at the end of July.

183. **Deputy Fergus O'Dowd** asked the Minister for Transport and the Marine when he first became aware of the decision of Aer Lingus to end the Shannon Heathrow service; the person who informed him of this fact; the actions he took including contacts, meetings and formal or informal discussions with Aer Lingus employees or Aer Lingus board or former board members, civil servants, employees of State or semi State companies, public representatives or others; if meetings took place, the dates of such meetings and with whom; and if he will make a statement on the matter. [25737/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): An email was sent to my Private

Secretary by an Assistant Secretary in my Department which stated that Aer Lingus intended “to announce the new Belfast base on 8th August. This will involve the reallocation of Shannon-Heathrow slots to Belfast from early 2008”.

A meeting with the Chairman and Chief Executive was arranged for the earliest opportunity — 3rd August. At the meeting, which was also attended by officials, the Chairman and Chief Executive informed me of the decision to open a hub in Belfast and to reallocate all of the Shannon Heathrow slots to a new Belfast-Heathrow service.

In the aftermath of the decision I had contacts, direct and indirect, with the Chairman of Aer Lingus during which I conveyed the Government’s views to him.

I had a more formal meeting with the Chairman and Chief Executive on August 28th the details of which I outlined to the House on 18th October. Since 3rd August I have spoken to Aer Lingus board members, civil servants, public representatives and many others.

Insurance Industry.

184. **Deputy Bernard J. Durkan** asked the Minister for Transport and the Marine the extent to which motor insurance costs here compare with those within the European Union and within the Eurozone; and if he will make a statement on the matter. [25775/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): Motor insurance costs throughout the European Union are not comparable. In Ireland it is the driver who is insured whereas on the continent, it is the vehicle which is insured. Other differences include size of motor insurance markets, competition, level of litigation and legal costs. Social welfare and health support systems also have a bearing on motor insurance costs. The cost of motor insurance in Ireland has reduced by over 38% between April 2003 and September 2007.

Road Network.

185. **Deputy Michael Ring** asked the Minister for Transport and the Marine if funding will be made available for a road (details supplied) in County Mayo; if so, the amount of funding that will be provided; and if he will make a statement on the matter. [25543/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): The provision and improvement of non-national roads in its area is a matter for Mayo County Council to be funded from its own resources supplemented by State grants. In 2007, Mayo County Council was allocated €31,625,821 in non-national road grants. Following the issue

of road grants for 2007, Mayo County Council sought additional funding for the upgrading of the R312 Castlebar — Belmullet Road. The Council was informed on 5 March 2007 that the 2007 non-national road grant allocations had already been notified to local authorities and accordingly there were no funds available from which further grants could be made available for this project. The Council was also informed that the design stage of the project would be considered for funding in 2008, having regard to, *inter alia*, the overall funding available for non-national roads and competing demands from other local authorities. To facilitate future consideration of the proposal, the Council was asked to submit details of the proposed scheme, including confirmation of the proposed works, a draft expenditure profile and details of the Council’s proposed own resources expenditure on the scheme and possible funding from other sources. This information is awaited from the Council. The 2008 non-national road grant allocations to local authorities will be announced early next year.

Public Transport.

186. **Deputy Joe Costello** asked the Minister for Transport and the Marine the procedure whereby Dublin Bus, Bus Éireann and the private bus sector acquire permission to park buses on the public street; the way an area (details supplied) in Dublin 1 has become a bus depot; and if he will make a statement on the matter. [25561/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): Under section 85 of the Road Traffic Act 1961, it is the function of the Garda Commissioner to direct, by the issue of a notice in writing, that specified points on a bus route shall be stopping places (bus stops) or stands (termini) for buses. The procedure is that the operator of a bus service must contact the Garda authorities in relation to any location where a bus stop or bus stand (terminus) is sought. The operator must await the issue of a notice containing a direction from the Garda Commissioner to specify the points to be stopping places and to specify the places to be used as stands for buses. The operator can only operate the service in compliance with a direction given.

Road Safety.

187. **Deputy Fergus O’Dowd** asked the Minister for Transport and the Marine if proper barriers will be erected on the M1 (details supplied); and if he will make a statement on the matter. [25695/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): As Minister for Transport, I

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have responsibility for overall policy and funding in relation to the national roads programme element of Transport 21. The implementation of individual national road projects is a matter for the National Roads Authority under the Roads Act 1993, in conjunction with the relevant local authorities concerned.

Air Services.

188. **Deputy Pat Breen** asked the Minister for Transport and the Marine if the recent completion of the EU/US Open Skies agreement will mean a reduction in direct US services from Shannon Airport; if there is a reduction in the number of US direct services for the winter period October 2007 to March 2008 compared to the winter period from October 2006 to March 2007; if he expects a reduction in the number of scheduled US direct services through Shannon Airport for the summer of 2008; and if he will make a statement on the matter. [25699/07]

189. **Deputy Pat Breen** asked the Minister for Transport and the Marine the steps he will take to protect Shannon Airports transatlantic business following the recent decision by Aer Lingus to end the Shannon Heathrow service. [25728/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): I propose to take Questions Nos. 188 and 189 together.

From 30 March 2008, the transatlantic aviation market will be fully liberalised. American and European airlines will be free to develop and operate transatlantic services on a fully commercial basis, without restrictions which persist under the existing system of bilateral agreements. Experience has shown that the liberalisation of aviation markets results in a greater level of competition among airlines, lower fares and the development of a wider range of services. I understand that several studies have projected that the Open Skies agreement will lead to considerable economic benefits for Ireland, the business sector, the tourism industry and the air transport industry itself. For Winter 2007 there will be 28 direct flights and seven indirect flights between Shannon and the US each week. I understand that Aer Lingus will operate daily direct flights to Boston and New York and daily flights to Chicago via Dublin. It is also understood that Continental Airlines will continue to operate a daily service to Newark Airport while Delta Air Lines will continue to operate a daily service to New York. American Airlines has withdrawn its daily Chicago service this winter and it is understood that it will not operate out of Shannon next year. Delta Air Lines will not operate the Shannon — Atlanta service for Winter 2007-08

but it is envisaged that this service will recommence for Summer 2008. The summer 2008 schedule of direct services for Shannon/US routes has not yet been finalised.

I understand that Aer Lingus is putting into place an agreement with US carrier JetBlue allowing passengers to and from Shannon to interconnect with services to and from over 50 cities in the US, Caribbean and Mexico. It is understood that Shannon Airport is making every effort to ensure that year-round transatlantic services are maintained. I am confident that the Airport Authority, with the continued support of business and tourism interests in the region, can respond to the challenges and opportunities presented by Open Skies. It should also be borne in mind that the new direct gateway services by Aer Lingus from Washington, San Francisco and Orlando and the potential for additional services by US carriers, provide the opportunity to substantially grow more North American business to Ireland. Traditional travel patterns and the attractiveness of the tourism product in the West, suggest that over 50% of such incremental business will involve visits to Ireland's Western regions.

Ministerial Appointments.

190. **Deputy Denis Naughten** asked the Minister for Transport and the Marine the dates on which he held meetings with a person (details supplied); the agenda for each meeting and the topics discussed; and if he will make a statement on the matter. [25734/07]

191. **Deputy Denis Naughten** asked the Minister for Transport and the Marine the dates on which a document (details supplied) was completed; when it was presented to him; and if he will make a statement on the matter. [25735/07]

192. **Deputy Fergus O'Dowd** asked the Minister for Transport and the Marine the details regarding his initial briefings from civil servants when he was appointed; the dates such meetings took place; the agenda and the list of those present; and if he will make a statement on the matter. [25741/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): I propose to take Questions Nos. 190 to 192, inclusive, together.

The Secretary General of my Department is compiling a report on these issues.

Air Services.

193. **Deputy Fergus O'Dowd** asked the Minister for Transport and the Marine the nature of the contact his Department had both formal and informal with Aer Lingus regarding the proposed Aer Lingus hub at Belfast; the level of such con-

tact and dates of same; if meetings took place, the attendees, agenda and outcome of same; and if he will make a statement on the matter. [25742/07]

194. **Deputy Fergus O'Dowd** asked the Minister for Transport and the Marine the nature of the contact his Department had both formal and informal with Aer Lingus regarding the proposed withdrawal of the Shannon Heathrow service; the level of such contact and dates of same; if meetings took place, the attendees, agenda and outcome of same; and if he will make a statement on the matter. [25743/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): I propose to take Questions Nos. 193 and 194 together.

The nature of the contact my Department had with Aer Lingus regarding the proposed Aer Lingus hub at Belfast and the withdrawal of the Shannon Heathrow service will be dealt with in the context of a report currently being prepared by the Secretary General of my Department. I expect to receive that report within the next week and to make it public.

195. **Deputy Fergus O'Dowd** asked the Minister for Transport and the Marine the nature of the contact his Department had both formal and informal with the Dublin Airport Authority regarding the proposed Aer Lingus hub at Belfast; the level of such contact and dates of same; if meetings took place the attendees, agenda and outcome of same; and if he will make a statement on the matter. [25744/07]

Minister for Transport and the Marine (Deputy Noel Dempsey): On 13 June, an official of my Department had contact with the Dublin Airport Authority in order to determine the performance, in terms of passenger numbers and load factors, of the Shannon Heathrow route. The initial contact was followed by some email exchanges. The approach was made in the context of separate contacts between the Department and Aer Lingus concerning the media coverage of a possible Belfast base. The discussion with the DAA was on a confidential basis since it concerned commercially sensitive information about Aer Lingus.

Undocumented Irish.

196. **Deputy Dinny McGinley** asked the Minister for Foreign Affairs if he has had an opportunity of discussing the plight of the undocumented Irish in the United States during his recent visit there; the people and organisations he met with; if he will report on progress; and if he will make a statement on the matter. [25507/07]

Minister for Foreign Affairs (Deputy Dermot Ahern): The failure of efforts by the United

States Congress to pass comprehensive immigration reform legislation earlier this year was a major disappointment and a setback for the thousands of undocumented Irish people in the United States and for their families in Ireland. Given the present very difficult and divided environment in Congress on immigration, it is now widely considered that such comprehensive legislation is unlikely to be back before Congress in a meaningful way in advance of the next US Presidential and Congressional Elections.

In the aftermath of this disappointment, I made clear my determination to actively review the situation and to explore possible alternative options, including bilateral arrangements. In the months since the collapse of the comprehensive reform bill, my Department and the Embassy in Washington have been engaged in a wide range of consultations with Congressional, Administration and Irish community figures to assess how best to proceed.

My recent visit to the United States provided me with the opportunity to discuss the situation with senior members of the Administration and with some of the key central players in Congress. In this regard, among those with whom I had meetings were Secretary of State Condoleezza Rice, Under Secretary Paula Dobriansky, Senators Edward Kennedy, Charles Schumer, Patrick Leahy and Lindsay Graham as well as with the House of Representatives Friends of Ireland Group. While they all emphasised the present extremely difficult environment for making progress on immigration reform in Congress, I was pleased that they were very willing to work with us in exploring further possible ways for resolving the position of our undocumented citizens. This work is being pursued by the Ambassador and his staff in Washington and will be reviewed by me on an on-going basis.

I also reviewed the situation with the Irish lobby for immigration reform, and subsequently briefed them on my discussions in Washington, including the considerable challenges seen by our friends in Congress in achieving a breakthrough at this time. Finally, I had a detailed discussion on the situation with the Secretary for Homeland Security, Mr Michael Chertoff, and had a meeting with members of our undocumented community in New York.

Diplomatic Representation.

197. **Deputy Finian McGrath** asked the Minister for Foreign Affairs the position regarding developing Ireland's social economic and political relationship with Cuba. [25759/07]

Minister for Foreign Affairs (Deputy Dermot Ahern): As I informed the Deputy in my response to Parliamentary Question Number 517 on 26 September 2007, relations between Ireland

[Deputy Dermot Ahern.]

and Cuba have developed in recent years, particularly since the establishment of diplomatic relations in 1999. Our Ambassador in Mexico City is accredited to Cuba. In 2001, Cuba established a resident Embassy in Dublin, which has been headed by a resident Ambassador since October 2005. Prior to that the Embassy was headed at Chargé d’Affaires level, with the Cuban Ambassador to Ireland resident in London. The Cuban Chargé d’Affaires and, subsequently, the Cuban Ambassador have been very active in seeking to promote links between our two countries based, *inter alia*, on people-to-people contact and cultural activities.

My Department and our Embassy in Mexico City also support the development of such links. In July 2005, the International Joyce exhibition, commissioned by my Department, was opened for display at the National Library in Havana and a donation of Spanish translations of the plays of Samuel Beckett was also presented on the occasion. And of course, many Irish people have visited Cuba in recent years. I welcome these developments and I would certainly wish to see the bilateral relationship between Ireland and Cuba develop further.

As the Deputy will be aware, the European Union’s 1996 Common Position on Cuba remains the basis of both the European Union’s and Ireland’s approach to relations with that country. The overriding objective of Ireland and our European Union partners in our relations with Cuba is to encourage, but not to enforce by external coercion, a process of transition to pluralist democracy and respect for human rights and fundamental freedoms.

The Common Position was most recently reviewed at the General Affairs and External Relations Council on 18 June 2007, at which I participated. The Council’s Conclusions deplored the fact that the human rights situation in Cuba has not fundamentally changed, and noted that the Cuban Government continues to deny its citizens internationally recognised civil, political and economic rights and freedoms. We also recognised the right of Cuban citizens to decide independently about their future. While the European Union will continue to pursue its dialogue with Cuba’s civil society and to offer to all sectors of society practical support towards peaceful change in Cuba, the Council also emphasised the Union’s willingness to resume a comprehensive and open political dialogue with the Cuban authorities on all areas of mutual interest. In order to sound out the potential for such a dialogue, which should take place on a reciprocal and non-discriminatory basis, the Council decided to invite a Cuban delegation to Brussels.

The Council Conclusions represent a balanced approach, which is in accordance with the principles of the Common Position. The decision

which we took in Council to invite a Cuban delegation to Brussels would provide an opportunity for establishing an open political dialogue with the Cuban authorities. The Cuban authorities have rejected this invitation. However, we remain hopeful that such a dialogue will be established in the future. In this regard, on foot of a further initiative of the European Union, a Ministerial-level meeting between the European Union Troika and Cuba was held en marge of the 62nd United Nations General Assembly in New York on 24 September 2007.

Work Permits.

198. **Deputy Chris Andrews** asked the Minister for Enterprise, Trade and Employment the status of an application by a person (details supplied) for an employment permit; and if he will make a statement on the matter. [25553/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Employment Permits Section of my Department has informed me that an application for a Work Permit was refused and the applicant notified accordingly. An appeal of this decision was subsequently lodged and this is currently under consideration. It is anticipated that a decision will issue in the next 7 days.

Semi-State Bodies.

199. **Deputy Leo Varadkar** asked the Minister for Enterprise, Trade and Employment the number of representatives of small and medium sized businesses represented on the boards of FÁS and Enterprise Ireland; and if he will make a statement on the matter. [25522/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The Board members of FÁS and Enterprise Ireland are respectively appointed under the Labour Services Act 1987 and the Industrial Development (Enterprise Ireland) Act 1998. The Board of FÁS has four employers’ members, including representation from the Irish Business and Employers Confederation, who represent the interests of industry, including small and medium sized businesses at both individual and association level.

The Board of Enterprise Ireland includes several members from industry and serves to progress the functions of the agency, including developing industry and enterprise and strengthening the skills base of industry including small and medium sized businesses.

Job Losses.

200. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment

the number of jobs lost to the economy due to relocation or closed down for other reason in each of the past ten years; and if he will make a statement on the matter. [25767/07]

202. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the number of new jobs created here in each of the past ten years; and if he will make a statement on the matter. [25769/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): I propose to take Questions Nos. 200 and 202 together.

Table 1 sets out details of jobs created and job losses in the enterprise development agencies under my remit in the period 1997 to 2006. In that period 294,713 new permanent full time jobs were created while job losses amounted to 236,057 giving a net increase in employment in these agency firms of 58,656. It is not possible to quantify how many of the job losses incurred in the period were due to relocation or company closures. Many of the job losses incurred in the period were situated in low value added manufacturing and these losses have been more than offset by jobs created in higher value added manufacturing and the financial and international services sectors.

While enterprise agency assisted firms play an important role in creating employment they are just one element of the economic activity impacting on employment and as Table 2 indicates over 600,000 jobs have been created in the economy since Q2 1998. This represents an outstanding

performance over the period outperforming many of our European counterparts and is a testament to the resilience of the economy in terms of job creation.

Ireland is no longer a low cost economy and manufacturers in particular are facing increased competition from producers in lower cost economies. The model of manufacturing in developed countries is changing and Irish enterprises are adapting to those changes and engaging in higher value added activities in order to compete in the global marketplace. This has been achieved as a result of increased productivity, technology levels and sophisticated skills of Irish employees. Competition for foreign direct investment (FDI) is also relentless but Ireland continues to punch above its weight when it comes to attracting overseas investment. While costs are higher, we have responded by positioning ourselves as a location for more advanced activities, with more qualified and better paying jobs.

The Programme for Government contains a range of commitments focused on maintaining and enhancing our framework competitive conditions, and promoting new areas of competitive advantage, including by developing our R&D base, investing in critical physical and communications infrastructures, and promoting tertiary education and lifelong learning. Over the period of the new National Development Plan the Government will provide €3.3bn investment specifically to support the development of the indigenous and FDI enterprise base in addition to NDP investment in infrastructure and skills.

Table 1: Job Gains and Job Losses in Enterprise Agency* Assisted Companies

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Change in Period
Job Gains	29,215	30,597	36,825	43,465	28,861	25,782	22,818	24,415	26,904	25,831	294,713
Job Losses	-13,743	-16,526	-20,289	-20,086	-31,914	-34,230	-30,092	-25,298	-23,680	-20,199	-236,057
Net Change	15,472	14,071	16,536	23,379	-3,053	-8,448	-7,274	-883	3,224	5,632	58,656

* Enterprise Ireland, IDA Ireland and Shannon Development.
Source: Forfás Business Information System.

Table 2: QNHS Data Persons in employment (Thousand) Quarter 2 1998-2007

1998Q2	1999Q2	2000Q2	2001Q2	2002Q2	2003Q2	2004Q2	2005Q2	2006Q2	2007Q2	Change in Period (,000)	% increase over period
1494.0	1589.1	1671.4	1721.9	1763.9	1793.4	1836.2	1929.2	2017.0	2095.4	601.4	40.3

Source: CSO Database Direct.

Economic Competitiveness.

201. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the countries to which jobs have relocated from here in the past ten years; and if he will make a statement on the matter. [25768/07]

203. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment his proposals to address the issue of rising costs with resulting lack of competitiveness affecting employment here; and if he will make a statement on the matter. [25770/07]

205. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which he has identified the rising costs which tend to deter foreign inward investment; his proposals by way of action to address these issues; and if he will make a statement on the matter. [25772/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): I propose to take Questions Nos. 201, 203 and 205 together.

It is not possible to provide a list of countries to which companies have relocated from Ireland. While the Department's enterprise development agencies collect, on an annual basis, employment data in their client firms, no data is gathered on a similar basis of the new location of companies that relocate their Irish operations. Companies allocate their resources and plant location strategies for many practical and business reasons such as to be closer to key customers, to have access to specialist skills, to address market needs or customer relationship requirements. Firms do not necessarily relocate because of cost issues alone.

In key aspects Ireland remains a strong competitive and efficient location for many sectors. Our competitiveness is robust in the new enterprise sectors on which we are building a growing international reputation. This is borne out by the successful pipeline of R&D projects that IDA Ireland is winning in the face of exceptional competition from other developed countries. It is interesting to note that analysis undertaken by Forfás shows that Irish cities are more cost competitive for key positions in biopharmaceutical and medical device sectors than similar cities in developed economies. These are key areas of the economy and among ones we are targeting to drive future economic growth. They are closely linked with the significant investment in R&D and related infrastructure that this Government is undertaking to strengthen our international competitiveness in high technology and high reward sectors.

In October alone three major, world class companies selected Irish universities with whom to undertake collaborative R&D. These projects are in areas that are critical to the future product development of these firms. Two relate to research in medical technologies at Galway and Dublin involving GlaxoSmithKline and Smith & Nephew and the other was a decision of Nortel Networks to significantly invest in R&D and innovation at its Galway centre. The decision to select Ireland for strategic investment in corporate R&D clearly demonstrates our growing reputation, competitiveness and success for the foreign direct investment we are seeking to attract to Ireland.

This Government has always been focussed on addressing competitiveness issues as they emerge.

There will be no diminution of our commitment to making the economy one of the most important locations in which to build businesses in high technology and internationally traded services. The Government has introduced a number of non-inflationary budgets in recent years, has set up the Anti Inflation Group under the terms of Towards 2016 and responds to the regular advice on the competitiveness agenda provided by important bodies such as the National Competitiveness Council.

These policies have promoted employment growth because they recognise that economies are dynamic and always evolving. The ability of an economy to create new and better jobs to replace those that are lost is the real test of competitiveness. Last year total employment in the country exceeded 2 million for the first time and net job creation in agencies such as IDA and Enterprise Ireland, was the highest since 2000. The last Quarterly National Household Survey on the labour market showed that the pace of employment growth actually accelerated slightly and employment over the year was up by 3.8%. This means there are nearly 2.1 million employed in Ireland — an increase of 78,000 on the same quarter in 2006.

In addition to broad, pro enterprise policies, my Department has given a strong mandate to its development agencies to deliver a wide range of measures to help strengthen their clients capacity to undertake more and better innovation, research, technology acquisition and skills development. These are the competitive characteristics on which Ireland will grow. They will be consistently improved and developed to match the changing needs of business.

Question No. 202 answered with Question No. 200.

Question No. 203 answered with Question No. 201.

Job Creation.

204. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the number of jobs created on foot of foreign inward investment here in each of the past five years; and if he will make a statement on the matter. [25771/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): In the 5 year period from 2002 to 2006 (the latest date for which figures are available) a total of 54,750 jobs were created in IDA supported companies. The number of jobs created in each of those years is set out in the tabular statement.

The level of foreign direct investment in Ireland, relative to the size of the economy, is one of the highest in the world. Today, more than

1,000 overseas companies have substantial international operations in Ireland. These include many of the leading companies in Information & Communications Technologies, Life Sciences, Globally Traded Businesses and Financial Services.

The global economy, and Ireland's position in it, is changing rapidly. China and India are now more fully integrated into the world economy and, with the rest of Asia and Central and Eastern Europe, they provide strong competition for many activities. Our relative costs now are higher than before. We have responded nationally to these changes by positioning ourselves as the location for more advanced activities, with more qualified and better paying jobs. This is why the proposed investments, structures and policies set out in the new National Development Plan and National Spatial Strategy are so important.

In the 1990s the number of jobs created was the key criterion of success. Today, it is the quality and value of the activities undertaken here that matters. IDA Ireland has for many years followed a strategy of active engagement with its client companies to move more of their strategic and higher value activities to Ireland. The Agency continues to be very successful with this strategy as is evidenced by the very strong investment achievements in 2006, when IDA supported 71 new business projects with combined investments of over €2.6bn.

In addition to these direct benefits, FDI has multiplier effects throughout the economy, creates demand for high skills, advanced management and business processes, and guides national developments in education, science, telecommunications and other infrastructure. The roll out of the National Development Plan 2007-2013, which provides for strong investment in infrastructure and knowledge-driven activities is critical to underpin our continued success in attracting FDI.

The number of jobs created in IDA supported companies Ireland over the past five years.

Year	2006	2005	2004	2003	2002
Jobs Created	11,846	12,032	10,972	9,399	10,501

Question No. 205 answered with Question No. 201.

Economic Competitiveness.

206. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the number of jobs created in each of the regions on an annual basis over the past seven years; the number of jobs lost in the same areas during the same period; if any, all or none of these were

relocated and for what reason; and if he will make a statement on the matter. [25773/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Table 1 shows the numbers of jobs created and job losses by region for the period 2000-2006 in firms assisted by the enterprise development agencies under my remit. In total 198,076 new jobs were created in all regions while job losses amounted to 185,499 giving a net increase of 12,577 over the period. It is not possible to quantify how many of the jobs lost in the period were relocated.

In the period covered by this data it is noticeable that the Border and Mid West Regions have suffered net losses in terms of employment in agency assisted companies particularly in the period post 2001. However the Border Region has seen a net gain of 1,273 jobs since 2004 while there has been a net increase of 1,100 in the numbers employed in agency assisted companies in the Mid West region over the last two years.

Direct support from the Enterprise Development Agency is, however, only one element of the economic activity impacting on employment and as Table 2 shows 424,000 jobs have been created in the economy since Q2 2002 with substantial employment gains in all regions. For example in the Border region employment has grown by 32.4% in the period.

The Government is committed to achieving balanced regional development and a key regional objective included in the NDP is to support the creation of conditions necessary to extend the process of employment and productivity growth in higher value added functions to all regions. In that regard, we have made significant progress in working towards maintaining and enhancing our framework competitive conditions, and promoting new areas of competitive advantage, by developing our R&D base, investing in critical physical and communications infrastructures and, promoting tertiary education and lifelong learning. Clearly the strategies set out in the new National Development Plan, which support the continued implementation of these policies, will play a crucial role in maintaining the attractiveness of the regions as investment locations.

The enterprise agencies aim to support sustainable, high value added enterprise, in all regions through the provision of mentoring and developmental supports, the enhancement of management capabilities and critical workforce skills in client companies, support for the creation and implementation of strategies for market entry, development and growth, and strong supports for innovation and for research and development. Furthermore, we are continuing to pursue policies to promote lifelong learning and up-skilling to improve labour market flexibility and, where necessary, ensure that appropriate training supports are provided for workers in sectors that are no longer competitive, and who may need to find alternative employment.

[Deputy Micheál Martin.]

*Table 1: Employment Gains / Losses in Enterprise Agency Assisted Firms by Region

		2000	2001	2002	2003	2004	2005	2006	Total
South East	Job Gains	2,215	2,510	2,743	2,308	1,798	1,754	2,298	15,626
	Job Losses	-2,091	-2,043	-2,434	-2,492	-2,377	-2,326	-1,829	-15,592
	Net Change	124	467	309	-184	-579	-572	469	34
Border	Job Gains	2,971	2,870	2,346	2,329	2,416	3,212	2,840	18,984
	Job Losses	-3,113	-3,976	-2,808	-2,946	-2,328	-2,084	-2,283	-19,538
	Net Change	-142	-1,106	-462	-617	88	1,128	557	-554
Mid West	Job Gains	3,761	2,210	1,790	1,680	1,906	2,181	2,640	16,168
	Job Losses	-1,996	-3,513	-4,155	-2,470	-2,012	-1,934	-1,787	-17,867
	Net Change	1,765	-1,303	-2,365	-790	-106	247	853	-1,699
South West	Job Gains	7,525	3,750	4,189	2,851	3,316	3,113	3,892	28,636
	Job Losses	-2,087	-3,375	-4,649	-3,292	-2,259	-2,873	-4,102	-22,637
	Net Change	5,438	375	-460	-441	1,057	240	-210	5,999
Dublin	Job Gains	17,773	11,595	9,275	7,966	9,482	10,308	9,210	75,609
	Job Losses	-6,794	-13,129	-13,493	-13,331	-11,042	-9,829	-5,643	-73,261
	Net Change	10,979	-1,534	-4,218	-5,365	-1,560	479	3,567	2,348
West	Job Gains	3,961	2,110	1,619	1,888	2,152	2,566	1,793	16,089
	Job Losses	-1,475	-1,927	-3,323	-1,854	-1,867	-1,451	-1,685	-13,582
	Net Change	2,486	183	-1,704	34	285	1,115	108	2,507
Mid East	Job Gains	3,944	2,297	2,310	2,783	2,106	2,387	1,744	17,571
	Job Losses	-1,284	-2,481	-2,079	-2,454	-2,250	-2,774	-1,787	-15,109
	Net Change	2,660	-184	231	329	-144	-387	-43	2,462
Midlands	Job Gains	1,310	1,512	1,509	1,013	1,236	1,381	1,414	9,375
	Job Losses	-1,246	-1,470	-1,289	-1,248	-1,160	-409	-1,083	-7,905
	Net Change	64	42	220	-235	76	972	331	1,470
All Regions	Gains	43,465	28,861	25,782	22,818	24,415	26,904	25,831	198,076
	Losses	-20,086	-31,914	-34,230	-30,092	-25,298	-23,680	-20,199	-185,499
	Net	23,379	-3,053	-8,448	-7,274	-883	3,224	5,632	12,577

* The data contained in this Table is compiled in respect of firms assisted by Enterprise Ireland, IDA Ireland and Shannon Development.

Table 2: Numbers in Employment (Thousand) by Region*

	2000Q2	2001Q2	2002Q2	2003Q2	2004Q2	2005Q2	2006Q2	2007Q2	Increase over Period (,000)	% increase in period
State	1671.4	1721.9	1763.9	1793.4	1836.2	1929.2	2017.0	2095.4	424.0	25.4
Dublin	528.4	542.7	545.9	548.2	550.2	574.3	595.4	614.7	86.3	16.3
South East	170.3	176.0	184.6	188.1	192.2	200.3	213.6	221.2	50.9	29.9
Mid East	178.0	188.0	194.2	201.6	204.2	217.3	225.6	241.1	63.1	35.4
Midlands	88.7	91.0	96.9	100.7	102.9	110.1	115.2	121.2	32.5	36.6
South West	241.8	247.1	250.4	253.7	264.1	277.9	292.3	304.4	62.6	25.9
Mid West	145.4	144.3	151.0	152.9	156.7	163.9	174.2	173.5	28.1	19.3
West	154.6	159.8	167.3	170.8	176.2	187.6	195.5	201.8	47.2	30.5
Border	164.2	173.1	173.5	177.4	189.7	197.8	205.2	217.4	53.2	32.4

*Source: CSO Database.

Insurance Industry.

207. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which public liability insurance costs here compare with others within the Eurozone; and if he will make a statement on the matter. [25774/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): When the National Competitiveness Council looked at general insurance in its 2005 Annual Competitiveness report, it found that of the 16 countries benchmarked, Irish expenditure on non-life insurance was the fourth highest. However, the NCC also found that the rate of growth in the cost of insurance has slowed down substantially in recent years. This can be attributed to the series of initiatives the Government has pushed through to reform the insurance sector. The action taken by Government to ensure healthy competition in the insurance sector had already seen benefits for consumers.

Data from the CSO shows motor insurance costs for May 2007 had dropped to levels last seen in May 1997. This data also shows the cost of home insurance in May 2007 has dropped below November 2001 levels. In November 2006, it was the view of IBEC that employers' liability insurance costs do not represent the burden which they once were.

Under the Central Bank Act 2003, supervision of insurance is the responsibility of the Financial Regulator (formerly known as the Irish Financial Services Regulatory Authority). The Financial Regulator has a wide regulatory remit covering consumer protection and prudential supervision of practically all of the financial services industry, including insurance, and the services provided by it. The Financial Regulator comes under the aegis of my colleague the Minister for Finance.

Job Creation.

208. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the growth or loss on an annual basis of jobs in the manufacturing and services sectors here over the past seven years; the prospect for the future if trends continue; and if he will make a statement on the matter. [25776/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The following tables 1 and 2 set out the number of full time permanent created and job losses in manufacturing and services in Enterprise Agency (Enterprise Ireland, IDA Ireland and Shannon Development) assisted firms for each of the years between 2000 and 2006. Over the period approx 17,000 net jobs were lost in manufacturing firms supported by the enterprise agencies while 30,634 net new jobs were created in the Financial and Internationally Traded services sector. In the

wider economy 27,500 jobs were lost in manufacturing in the period 2000-2006 while employment in the services sector grew by 288,200 in the same period (Table 3).

Over the last number of years there has been a significant churn in employment and recent losses are unwelcome, but these have occurred in the midst of an historically phenomenal period of job creation; with well over half a million jobs created in the last 7 years. According to the latest Quarterly National Household Survey there were 2,095,000 people in employment for the 2nd Quarter of 2007. This represents an outstanding performance over the period, outperforming many of our European counterparts and is a testament to the resilience of the economy in terms of job creation. While overall economic performance remains strong, the Government is committed to increasing the number of high-paid jobs and knowledge intensive investment needed to sustain our performance into the future.

Ireland is no longer a low cost economy and manufacturers in particular are facing increased competition from producers in lower cost economies. The model of manufacturing in developed countries is changing and Irish enterprises are adapting to those changes and engaging in higher value added activities in order to compete in the global marketplace. This has been achieved as a result of increased productivity, technology levels and sophisticated skills of Irish employees. Therefore while employment in manufacturing has fallen, productivity has increased by 35% in the period 2000-2006. Competition for foreign direct investment (FDI) is also relentless but Ireland continues to punch above its weight when it comes to attracting overseas investment. While costs are higher, we have responded by positioning ourselves as a location for more advanced activities, with more qualified and better paying jobs. For instance, during 2006 the IDA successfully marketed the country as a location for 71 new investments, valued at over €2.6 billion over the next few years; the agency also successfully negotiated 54 Research & Development projects representing an investment of almost €470 million. Ireland is now a global competitor for Research and Innovation investment from multinational companies and leading research institution.

In terms of job creation, Enterprise Ireland activity is focused on the creation of new jobs through supporting entrepreneurs in manufacturing and internationally traded services companies who are setting up new High Potential Start-Up Companies, the retention and creation of new jobs in existing companies and in enhancing the innovation capability of Ireland at national and regional levels through supporting innovation and R&D in companies and third level institutions.

Looking to the future, neither the Government nor my Department is complacent or unaware of

[Deputy Micheál Martin.]

the varied challenges facing the country's economy. One of our main tasks is to ensure that Ireland remains an attractive place to do business, and to support the development of economic competencies higher up the value chain. In that regard, we continue to work to maintain and

enhance our framework competitive conditions, and promote new areas of competitive advantage by developing our R&D base, investing in critical physical and communications infrastructures, and promoting tertiary education and lifelong learning, in line with the NDP and the Programme for Government.

Table 1: Full-time Manufacturing Jobs in EI and IDA assisted firms

	2000	2001	2002	2003	2004	2005	2006
Gains	25,641	17,153	15,278	14,329	14,084	15,316	14,686
Losses	-15,606	-24,221	-23,901	-21,715	-17,825	-15,834	-14,468
Net	10,035	-7,068	-8,623	-7,386	-3,741	-518	218

Table 2: Full-time Jobs in Services in EI and IDA assisted firms

	2000	2001	2002	2003	2004	2005	2006
Gains	17,824	11,708	10,504	8,489	10,331	11,588	11,145
Losses	-4,480	-7,693	-10,329	-8,377	-7,473	-7,846	-5,731
Net	13,453	4,108	214	265	3,041	3,910	5,643

Table 3: Numbers employed (Thousand)*

	2000Q4	2001Q4	2002Q4	2003Q4	2004Q4	2005Q4	2006Q4	Change 000s
Manufacturing Industries (NACE 15-37)	248.4	243.2	232.9	224.8	218.8	218.5	220.9	-27.5
Services	1088	1128.2	1162.9	1207.6	1253.2	1324	1376.5	288.2

*Source: CSO Database Direct.

Job Losses.

209. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the manufacturing and services jobs created in County Kildare in each of the past seven years; the number in both categories lost in the same period; and if he will make a statement on the matter. [25777/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): The following tables set out the number of full time permanent jobs, between manufacturing and services in Enterprise Ireland and IDA Ireland assisted firms in Co. Kildare for each of the years between 2000 and 2006. Overall in the period in question over 7,000 new manufacturing jobs were created while job losses amounted to 4,276. In addition Kildare County Enterprise Board assisted in the creation of 203 net new Manufacturing jobs over the period, giving an overall net increase in Manufacturing employment in Kildare of 2,979.

With regard to Services employment, 1,065 new jobs were created by Enterprise Ireland and IDA, while job losses amounted to 1,045. In addition Kildare County Enterprise Board assisted in the creation of 132 net new Services

jobs over the period, giving an overall net increase in Services employment in Kildare of 152.

Kildare has in recent years attracted some world class manufacturing companies such as Intel, Braun Oral-B and Hewlett Packard. These companies continue to invest in the area. This is reflected in the 2006 announcement by Hewlett-Packard Financial Services of the expansion of their EMEA headquarters in Leixlip. Similarly Intel announced in 2007 its plans to establish the Technology Research for Independent Living (TRIL) Centre in Ireland. Approximately \$30 million will be invested in the TRIL Centre over a period of three years and Intel will collaborate with several leading Irish universities, including UCD, TCD and NUI Galway to create one of the largest research efforts of this type in the world. IDA Ireland is also working to attract the International Services, Software, Financial Services and Pharmaceuticals sectors.

The enterprise development agencies are committed to promoting Kildare as a location for investment as part of an integrated East Region, with access to a population base of 1.5 million people, as well as supporting and developing businesses already present in the county.

In general, IDA Ireland's strategy for County Kildare is to:—

- Progress the development of a knowledge economy;
- Encourage increased co-operation between foreign direct investment companies and third level institutions in the county; e.g University College Maynooth and the establishment of the Innovation Value Institute;
- Work with the existing client base in the county to expand its presence;
- Provide modern property solutions with supporting infrastructure;
- Work with Local Authorities and relevant infrastructure providers to influence the delivery of appropriate infrastructure to the county.

Enterprise Ireland activity is focused on the creation of new jobs through supporting entre-

preneurs in manufacturing and internationally traded services companies who are setting up new High Potential Start-Up Companies, the retention and creation of new jobs in existing companies and in enhancing the innovation capability of Ireland at national and regional levels through supporting research in companies and third level institutions. Since the beginning of 2003, EI has approved over €12m in support to companies in Kildare to help them grow their sales and exports and improve innovation and new product development in order that they can compete on world markets.

New companies — now leaders in the consumer products market — have been established and have created new employment. The consumer foods sector in particular, has shown rapid growth in recent years. Over the last two years we have seen significant investment by Green Isle Foods and Dawn Farm Foods Ltd, both supported by Enterprise Ireland, leading to significant employment increases in both of these state of the art facilities.

Table 1: Full-time Job Gains & Losses in Enterprise Agency Assisted Firms in Manufacturing: Co. Kildare

	2000	2001	2002	2003	2004	2005	2006	Change over Period
Job Gains	2,143	608	882	843	1,020	773	783	7,052
Job Losses	-277	-951	-499	-747	-733	-382	-687	-4,276
Net change	1,866	-343	383	96	287	391	96	2,776

Table 2: Full-time Job Gains & Losses in Enterprise Agency Assisted Firms in Financial and Internationally Traded Services: Co. Kildare

	2000	2001	2002	2003	2004	2005	2006	Change over Period
Job Gains	321	81	145	141	84	166	127	1,065
Job Losses	-43	-254	-403	-132	-79	-107	-27	-1,045
Net change	278	-173	-258	9	5	59	100	20

Data in these tables relates to Enterprise Ireland and IDA Ireland only.

Source: Forfás Business Information System.

Employment Statistics.

210. **Deputy Bernard J. Durkan** asked the Minister for Enterprise, Trade and Employment the number of jobs relocated from County Kildare in the past seven years; the reason for the relocation; the action taken to address such reasons; and if he will make a statement on the matter. [25778/07]

Minister for Enterprise, Trade and Employment (Deputy Micheál Martin): Statistics on job relocation are not compiled by the Industrial Development agencies. However, I understand that the number of jobs lost in agency assisted companies (IDA Ireland and Enterprise Ireland) over the last seven years in Co. Kildare is 5,321. In the same period, these two agencies created a total of 8,117 jobs.

Over the seven-year period from 1999 to 2006, permanent jobs in IDA Ireland assisted companies increased by 1,967 to 10,869 in County Kildare. Permanent employment in Enterprise Ireland assisted companies in the County increased by 829 to 5,430 in the same period.

There has been a significant turnaround in the nature of employment in recent years. The most significant areas of new employment are services and high-end manufacturing rather than traditional low-cost industries. The Government has recognised the changes taking place across the world markets for both trade and investment. The emphasis is now on enterprise policies that equip companies with the ability to compete better in world markets, capture the opportunities provided by globalisation and build competitive advantage in innovation and knowledge.

[Deputy Micheál Martin.]

According to the latest Quarterly National Household Survey which is for the second quarter of 2007, approximately 425,000 people have been added to our workforce nationwide since the corresponding quarter in 2000. This represents unprecedented growth with more than two million people now in employment. Job relocations, which inevitably arise in the globalised marketplace, have been far exceeded by new job creation, usually accompanied by higher skilled and better paid employment. I expect this to continue.

Pre-budget Submissions.

211. **Deputy Brian O'Shea** asked the Minister for Arts, Sport and Tourism the proposals he has to meet the concerns of the Irish Hotel Federation in regard to Budget 2008 (details supplied); and if he will make a statement on the matter. [25745/07]

Minister for Arts, Sport and Tourism (Deputy Séamus Brennan): I have met with representatives of the Irish Hotels Federation on a number of occasions since my assumption of the Tourism portfolio and discussed its pre-budget submission and related matters. Such discussions were useful in understanding the concerns of the industry as the Government progresses its own work on the preparation of the forthcoming budget and the Departmental Estimates for 2008.

Electronic Payments System.

212. **Deputy Richard Bruton** asked the Minister for Social and Family Affairs if he has considered introducing incentives to encourage people to move to cashless systems of payment and transactions which would bring considerable administrative savings as well as savings in security costs; and his estimate of the savings on administration costs within the public service that would be obtained when a person switches to receive payment electronically. [25676/07]

Minister for Social and Family Affairs (Deputy Martin Cullen): It is government policy to facilitate the greater use of electronic payment systems in the economy in the interests of developing a world class payments environment in Ireland. In this context, the National Payments Implementation Program Advisory Group, under the aegis of the Department of An Taoiseach, monitors the growth in electronic payments, the reduction in cash transactions and any new payment mechanisms which come on the market. My Department is represented on this group.

The objective of my Department's payment strategy is to ensure that cost effective arrangements are in place for making payments to social welfare customers using a range of payment options and that new payment facilities are made

available to customers as they arise. Customers opt for a particular payment method having regard to their own personal circumstances.

Currently some 50% of customers receive their payment electronically direct to their bank or financial institution, or electronically at their local Post Office. The remaining customers are paid by paper based payment instruments — cheques or personal payment order books.

The mix of paper and electronic payment methods in operation, limits the level of savings from electronic payments. The full benefits of these payment types will be achieved as they are rolled out to all customers over the coming years.

Social Welfare Benefits.

213. **Deputy Finian McGrath** asked the Minister for Social and Family Affairs the position regarding a query (details supplied); and if he will ensure that this person is receiving all of the benefits they are entitled to. [25698/07]

Minister for Social and Family Affairs (Deputy Martin Cullen): The supplementary allowance (SWA) scheme, including rent supplement, is administered on my behalf by the Community Welfare division of the Health Service Executive (HSE).

The person concerned applied for rent supplement in September 2007. Her application is held pending determination of her entitlement to participate in my Department's Back To Education Allowance (BTEA) scheme. The question of whether or not she is entitled to BTEA will have a bearing on her possible entitlement to rent supplement.

My Department is awaiting additional information from the person concerned regarding her participation in an approved course of study for the purposes of this scheme. Once this information is received, her application for BTEA will be determined and the Executive will then be in a position to make a decision in relation to her rent supplement.

214. **Deputy Ruairí Quinn** asked the Minister for Social and Family Affairs the basis for discrimination in rates of child benefit paid in respect of twins, in three households where twins are joint first and second oldest, joint second and third oldest, joint third and fourth oldest; the reason these children are not been treated equally; and if he will make a statement on the matter. [25746/07]

Minister for Social and Family Affairs (Deputy Martin Cullen): Child benefit (CB) is a universal payment, paid in respect of children up to the age of 16 years. It continues to be paid in respect of children up to age 19 who are in full-time education, or who have a physical or mental disability.

Studies have shown that poverty is concentrated in larger families. In recognition of this, the child benefit scheme is designed to ensure that additional resources are targeted at larger families through the existence of a higher rate of payment in respect of the third and subsequent qualified children. CB rates are currently €160 per month for each of the first two qualified children and €195 per month in respect of the third and subsequent qualified children.

In the case of twins, a special rate of 150% of the normal monthly CB rate is paid for each child. Twice the normal rate is paid in respect of all other multiple births. In addition, a special grant of €635 is paid in respect of all multiple births at three stages: at birth, at the age of four years and again at the age of twelve.

The amount of CB payable to any family is determined solely on the basis of the number of qualified children in the family. It is not determined on the basis of the place of each individual child within the family. Accordingly, the rate of payment which applies in respect of an individual child depends on that child's place among the qualifying children in the family.

I trust this clarifies the matter.

215. **Deputy Niall Collins** asked the Minister for Social and Family Affairs the reason an application by a person (details supplied) for a back to school allowance was not processed in the normal fashion. [25752/07]

Minister for Social and Family Affairs (Deputy Martin Cullen): The Southern Area of the Health Service Executive has advised that they have no record of this application. The executive further advises that if the person concerned contacts the Community Welfare Officer at her local health centre in Kilmallock (phone: 061 98411), the matter will be dealt with without delay.

Grant Payments.

216. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Community, Rural and Gaeltacht Affairs if his attention has been drawn to the fact that Donegal County Council has approved counter-funding for the sea wall at Tory Island and is awaiting funding from his Department; and when this funding will be made available. [25487/07]

Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív): As the Deputy will be aware from my response to Parliamentary Question No. 227 on 4 April 2007, Donegal County Council had previously indicated that the work in question could not be afforded priority status, as protection of public property did not arise. Accordingly, the project was not included in the islands works programmes for Donegal which were drawn up for 2007 and for which grant assistance totalling €352,495 was allocated by my Department.

No official application has been received in my Department in the interim seeking funding for the project.

I can assure the Deputy that if an official application is received, it will be given due consideration in the context of other applications on hand and available funding.

Áiseanna Oileáin.

217. D'fhiafraigh **Deputy Dinny McGinley** den Aire Gnóthaí Pobail, Tuaithe agus Gaeltachta an dtuigeann sé an géarghá atá ann an balla cosanta i mBaile Thiar Oileán Thoraí a chríochnú chomh luath agus is féidir mar tá tithe i gcontúirt faoi láthair; an bhfuil deontas ceadaithe ina leith; cad é méid an deontais sin; an bhfuil cómhaoiniú ceadaithe ag Comhairle Chontae Dhún na nGall agus cén uair a bhfuil súil aige go cuirfear tús leis an obair. [25515/07]

Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív): Mar is eol don Teachta ó mo fhreagra ar Cheist Dála Uimh. 227 ar 4 Aibreán 2007, bhí curtha in iúl ag Comhairle Chontae Dhún na nGall nach dtabharfaí tosaíocht don obair áirithe ós rud é nach raibh cosaint maoine nó áiseanna poiblí i gceist. Dá réir sin, ní raibh an togra curtha san áireamh nuair a bhí cláir oileánda Dhún na nGall á gcur le chéile do 2007, cláir ar cheadaigh mo Roinn €352,495 ina leith.

Níl iarratas oifigiúil faighte ag mo Roinn san idirlinn i ndáil le maoiniú an togra seo.

Ach iarratas oifigiúil a fháil, déanfar é a bhreithniú i gcomhthéacs líon na n-iarratas atá ar láimh agus an mhaoinithe atá ar fáil.

EU Directives.

218. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food the reason a penalty has been imposed regarding the nitrates directive on a person (details supplied) in County Galway in view of the fact that they were informed they would not have a penalty applied on their REP scheme for exceeding the nitrogen limit; and if she will make a statement on the matter. [25685/07]

Minister for Agriculture, Fisheries and Food (Deputy Mary Coughlan): My officials have determined that there was no breach of the REPS nitrogen limits and consequently no REPS penalty will apply in this case.

Alternative Farm Enterprises.

219. **Deputy Martin Ferris** asked the Minister for Agriculture, Fisheries and Food the number of acres devoted to the growing of energy crops; and the projected growth for this sector is over the next five years. [25731/07]

Minister for Agriculture, Fisheries and Food (Deputy Mary Coughlan): The area of oilseed rape, which is used to produce liquid biofuel, increased from 12,350 acres in 2006 to 18,500 acres in 2007. A further 1,900 acres of willow and miscanthus were planted in 2007. The increase in area planted can be attributed to the developing Bioenergy market and the introduction of incentives at farm level to stimulate production of energy crops. The incentives include a new national energy crops payment of €80 per hectare. This will be paid as a top-up to the EU premium available under the EU Energy Crops Scheme, subject to certain conditions. Establishment grants of up to €1,450 per hectare are available under the new Bioenergy Scheme to encourage farmers to plant willow and miscanthus.

The future outlook for energy crops depends on a number of factors, not least profitability at farm level. In the short-term, the soaring world demand for grain is likely to lead to an increase in the area devoted to conventional cereal crops in Ireland and elsewhere in response to the current high grain prices. More long-term projections are difficult to forecast at this stage. Much will depend on the rate of development of production and consumption patterns for biofuels over the next number of years.

Schools Building Projects.

220. **Deputy Dinny McGinley** asked the Minister for Education and Science if there is an application from a school (details supplied) in County Donegal for renovation and extension; when such application was received in her Department; if same is being considered; when it is expected that a decision will be made to approve funding to carry out the necessary work; and if she will make a statement on the matter. [25508/07]

Minister for Education and Science (Deputy Mary Hanafin): The school referred to by the Deputy made an application for capital funding towards the provision of additional accommodation. An assessment of projected enrolment trends, demographic trends and housing developments in the area was carried out in order to inform the determination of the long term projected staffing on which the school's accommodation needs will be based. This has been finalised and notified to the school. The building project required is being considered in the context of the multi-annual School Building and Modernisation Programme.

Fee-Paying Secondary Schools.

221. **Deputy Leo Varadkar** asked the Minister for Education and Science the number of students currently attending fee-paying secondary schools; and if she will make a statement on the matter. [25518/07]

223. **Deputy Leo Varadkar** asked the Minister for Education and Science the estimate of the amount of money saved to the State in capitation fees and other school supports with respect to pupils who attend fee-paying second level schools; and if she will make a statement on the matter. [25520/07]

Minister for Education and Science (Deputy Mary Hanafin): I propose to take Questions Nos. 221 and 223 together.

There are currently 56 fee-charging second level schools in the country, of which 21 are Protestant, 2 Inter-denominational, one Jewish and the remainder Catholic.

The number of students enrolled in fee-charging schools in the 2006/07 school year was 26,463. Enrolment figure for the 2007/2008 school year are not yet available to my Department.

Fee-charging schools, with the exception of the Protestant and Jewish fee-charging schools for which special arrangements apply, do not receive capitation or related supports.

In the case of the Protestant schools a payment is made to the Central Protestant Churches authority — the Secondary Education Committee — of a grant (the Protestant Block Grant) for distribution among needier Protestant students to enable them to meet the cost of attending Protestant schools. The grant is calculated by reference to the number of pupils in Protestant schools, on a broadly similar basis to the per capita grant payable to schools in the Free Education Scheme. Parents make applications for assistance to the Committee which on the basis of a means test distributes the funds by individual schools on the basis of pupil needs.

In addition, Protestant fee-charging schools are eligible for payment of such grants as the transition year support grant, the secretarial grant and caretaking grant.

My Department estimates that if capitation and related supports had been paid to the fee-charging schools, with the exception of the Protestant and Jewish fee-charging schools, the cost would have been in the region of €9 million for the 2006/07 school year.

Departmental Property.

222. **Deputy Leo Varadkar** asked the Minister for Education and Science further to Parliamentary Question No. 425 of 2 October 2007, if her attention has been drawn to the fact that no letter has been received by the legal representatives of the owners of the adjacent property as was stated in her reply; when they can expect to receive such a letter; and if she will make a statement on the matter. [25519/07]

Minister for Education and Science (Deputy Mary Hanafin): My Department has been in contact with the Chief State Solicitors Office and

been advised that the letter has now issued to the appropriate legal representative.

Question No. 223 answered with Question No. 221.

Departmental Agencies.

224. **Deputy Leo Varadkar** asked the Minister for Education and Science further to Parliamentary Question No. 435 of 2 October 2007, if her attention has been drawn to the fact that her Department was the only Department which refused to answer this question; the reason she did not answer this question; and if she will make a statement on the matter. [25521/07]

Minister for Education and Science (Deputy Mary Hanafin): As the Deputy will be aware, my Department receives a large volume of parliamentary questions relating to education policy and services across all levels of the education system. My Department is involved in the delivery of services to nearly 1 million students, 4,000 schools and a myriad of education related bodies across the education sector. As previously advised, the information requested by the Deputy would involve an inordinate amount of administrative time to compile. If the Deputy has any queries in relation to a particular body then officials in my Department would be more than happy to discuss these with him. The Deputy will also be aware that information on staffing and budgets is available in annual reports and other documents published by various bodies. Many of these reports are available in the Oireachtas Library or can be downloaded from the websites of bodies concerned. Also information on expenditure for a number of bodies is included in my Department's Audited Appropriation Accounts published annually.

School Transport.

225. **Deputy Bobby Aylward** asked the Minister for Education and Science if she will approve school transport for all of the children in the Goresbridge area of County Kilkenny whose parents were given assurances by her Department that no child would be disadvantaged by the closure of a school (details supplied) and allow their parents the choice to educate their children in various schools in Kilkenny by providing additional school transport to accommodate the pupils concerned; and if she will make a statement on the matter. [25525/07]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): Pupils residing in the Goresbridge area, where the school referred to by the Deputy was located, are eligible for school transport to Borris Post Primary Centre provided they meet the eligibility criteria set out in the Post Primary School Transport Scheme. It is not the practice under the

terms of the post-primary scheme to facilitate parents who send their children to a post-primary centre outside of the catchment area in which they reside. However, children who are fully eligible for transport to the post-primary centre in the catchment area in which they reside, may apply for transport on a concessionary basis to a post-primary centre outside of their own catchment area — otherwise known as catchment boundary transport. These children can only be facilitated if spare seats are available on the bus after all other eligible children travelling to their local post-primary centre have been catered for. Such children have to make their own way to the nearest pick up point within that catchment area. The Transport Liaison Officer for County Kilkenny has advised that services are operating to capacity. Parents should continue to liaise with their local Bus Éireann office regarding availability of spare seating in the future.

Higher Education Grants.

226. **Deputy Pat Breen** asked the Minister for Education and Science if a person (details supplied) in County Clare will be facilitated; and if she will make a statement on the matter. [25547/07]

Minister for Education and Science (Deputy Mary Hanafin): Under the prescribed terms and conditions of my Department's student maintenance grant schemes grant assistance may not generally be awarded in respect of a repeat period of study at the same level, irrespective of whether or not funding was previously awarded. The awarding body may, however, waive this provision in exceptional circumstances — example, certified serious illness. In such cases decisions are made by the assessing authority on a case by case basis. It should be emphasised, however, that this discretion would generally only be exercised where a candidate is repeating a period of study on the same course.

My Department understands, from the information provided by the Deputy on the candidate referred to, that the candidate has already pursued year two of a two-year Business Studies course and is now repeating second year — the final year of the programme. The decision on eligibility for repeat year funding is a matter for the relevant assessing authority which I understand is County Clare VEC in this case. The assessing authorities do not refer individual applications to my Department except, in exceptional cases where, for example, advice or instruction regarding a particular clause in the relevant scheme is desired.

If an individual applicant considers that she/he has been unjustly refused a maintenance grant she/he may appeal in the first instance to the relevant assessing authority. Where an individual applicant has an appeal turned down by the relevant assessing authority, and remains of the view

[Deputy Mary Hanafin.]

that the body has not interpreted the schemes correctly in his/her case, an official appeal form (available from the assessing authority) outlining the position may be submitted by the applicant to the Higher Education: Equity of Access unit in my Department.

Schools Building Projects.

227. **Deputy John O'Mahony** asked the Minister for Education and Science when she will sanction a new school for a school (details supplied) in County Mayo. [25548/07]

Minister for Education and Science (Deputy Mary Hanafin): An application for capital funding towards the provision of new school building has been received from the school authority referred to by the Deputy. An assessment of projected enrolment trends, demographic trends and housing developments in the area will be required in order to determine the long term projected staffing figure on which the school's accommodation needs will be based. Once the long term projection has been determined and agreed with the school authorities the required building project will be considered in the context of the multiannual School Building and Modernisation programme.

228. **Deputy Denis Naughten** asked the Minister for Education and Science the funds presently available and unallocated for the development of new build primary and post primary schools outside the greater Dublin area; the corresponding figure for the greater Dublin area; the estimated figure in both categories for 2008, excluding the recently announced new builds; and if she will make a statement on the matter. [25558/07]

Minister for Education and Science (Deputy Mary Hanafin): This year is the first year of the rollout of the new NDP which will involve an investment of over €4.5 billion in school building infrastructure during the period 2007 to 2013. As the investment is delivered through a multi-annual school building programme, expenditure on individual projects is not confined to a given calendar year. Typically, new school buildings at primary and post-primary level have a twelve to eighteen month construction phase. My Department's focus with the NDP funding will be on the provision of school places in the rapidly developing areas.

Psychological Service.

229. **Deputy Paul Connaughton** asked the Minister for Education and Science the reason a school (details supplied) in County Galway has been prevented from gaining access to the

National Educational Psychological Service; if her attention has been drawn to the fact that the management of the school were informed in November 2005 that the school was no longer in the NEPS scheme and that the position would be reviewed at Easter 2006, that no such review has taken place and that the NEPS scheme should be made available as a matter of urgency to this school; and if she will make a statement on the matter. [25687/07]

Minister for Education and Science (Deputy Mary Hanafin): The Deputy will be aware that all primary and post primary schools have access to psychological assessments either directly through the National Educational Psychological Service (NEPS) or through the Scheme for Commissioning Psychological Assessments (SCPA). Schools that do not currently have NEPS psychologists assigned to them may avail of the SCPA and have an assessment carried out by a member of the panel of private psychologists approved and paid for by NEPS. The prioritisation of urgent cases for assessment is a matter for the school principal in the first instance. NEPS is regionally based organisation with some 20 offices countrywide. Coverage of schools by NEPS psychologists is dependant upon the staffing levels in a given region and such coverage is reviewed on a regular basis within each region and office. The Deputy may be aware that since NEPS was established in 1999, we have trebled the number of psychologists in the service and that further staffing increases are provided for in the Towards 2016 agreement.

Schools Building Projects.

230. **Deputy Brian Hayes** asked the Minister for Education and Science the action her Department will take to resolve the ongoing issues that confront a school (details supplied) in Dublin 7; if her attention has been drawn to the exasperation and frustration felt by the teachers and management of this school and their recent threat to take industrial action if her Department fails to resolve the situation; and if she will make a statement on the matter. [25691/07]

Minister for Education and Science (Deputy Mary Hanafin): The Department acknowledges the need for a solution to the accommodation difficulties at the school to which the Deputy refers and it is committed to working to achieve a satisfactory solution as soon as possible. In this regard, the Department is considering a number of options. One of these options is the building of a permanent structure on the school's current site. A number of issues have arisen in relation to this proposal. However, it will be pursued in tandem with a number of other options being considered. In the meantime, it remains open to the school authority to apply to School Planning

Section for any remedial works required in respect of its existing accommodation.

231. **Deputy Joe McHugh** asked the Minister for Education and Science if there are funding avenues for a school (details supplied) in County Donegal to install security cameras to alleviate the vandalism problems suffered over the past couple of months; and if she will make a statement on the matter. [25693/07]

Minister for Education and Science (Deputy Mary Hanafin): The Building Section of my Department has no record of an application for funding in respect of the installation of security cameras under the Emergency Works Grant Scheme from the school referred to by the Deputy. However, I have arranged for an application form to be issued to the school for completion and return.

232. **Deputy David Stanton** asked the Minister for Education and Science the progress that has been made in providing an extension to a school (details supplied) in County Cork; the proposed timescale in her Department in respect of the remaining stages of this project; and if she will make a statement on the matter. [25747/07]

Minister for Education and Science (Deputy Mary Hanafin): Officials in the Department have completed a technical visit of the school referred to by the Deputy with a view to determining the project brief. The future progression of the project will be considered in the context of the School Building and Modernisation Programme.

Schools Refurbishment.

233. **Deputy David Stanton** asked the Minister for Education and Science if she is in receipt of an application from a school (details supplied) in County Cork for assistance in order to repair a roof which is leaking; if and when such assistance will be provided; and if she will make a statement on the matter. [25748/07]

Minister for Education and Science (Deputy Mary Hanafin): The Building Section of my Department has no record of an application for funding in respect of roof repairs under the Emergency Works Grant Scheme from the school referred to by the Deputy. However, I have arranged for an application form to be issued to the school for completion and return.

Schools Building Projects.

234. **Deputy John Curran** asked the Minister for Education and Science the position regarding a proposed building project at a school (details supplied) in Dublin 20. [25754/07]

Minister for Education and Science (Deputy Mary Hanafin): The closing date for receipt of

tenders from building contractors in respect of the project referred to by the Deputy elapsed recently and the school's Design Team is currently preparing a tender report. When this report is completed it will be forwarded to my Department for consideration.

235. **Deputy John Curran** asked the Minister for Education and Science the position regarding a proposed building project at schools (details supplied) in County Dublin. [25755/07]

Minister for Education and Science (Deputy Mary Hanafin): A building project for the schools to which the Deputy refers has been assigned a Band one rating under the published prioritisation criteria for large-scale building projects. The project is currently being prepared for the appointment of a Design Team following a technical inspection which will enable the finalisation of accommodation briefs. Progress on the project can then be considered in the context of the multi-annual School Building and Modernisation Programme.

Pupil-Teacher Ratio.

236. **Deputy John Deasy** asked the Minister for Education and Science the number of primary school pupils attending schools in each county council and city council area; the number of pupils in each of those areas who are in classes of 30 or over in each of the past three school years; the number of pupils in each of those areas who are in classes of 25 to 29 for the same period; and if she will make a statement on the matter. [25757/07]

Minister for Education and Science (Deputy Mary Hanafin): The information requested by the Deputy is given in the following tables for the 2005/2006 school year and 2006/2007 school year. The information for the 2007/2008 school year is currently being collated in my Department.

As the Deputy will be aware, major improvements have been made in staffing at primary level in recent years. There are now 5,000 more primary teachers than there were in 2002. By the 2006/07 school year, we had reduced the average class size in our primary schools to 24, while the pupil teacher ratio was 16.4:1, including resource teachers etc. In that year, schools were staffed on the basis of a general rule of at least one classroom teacher for every 28 children. Given that the national average was 24, many schools benefited from much more favourable staffing ratios than this.

Extra teachers were provided by the Government for the 2007/08 school year to improve primary school staffing so that schools would generally get at least one classroom teacher for every 27 children. Posts allocated on the basis of the improved staffing schedule are specifically for mainstream classes and should be deployed

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accordingly. School authorities are requested to ensure that the number of pupils in any class is kept as low as possible, taking all relevant contextual factors into account (e.g. classroom accommodation, fluctuating enrolment). In particular, school authorities should ensure that there is an equitable distribution of pupils in mainstream classes and that the differential between the largest and smallest classes is kept to a minimum.

A further initiative in recent years that has been of direct benefit to primary schools has been the change in the criteria for developing schools. For the current school year the threshold for get-

ting a developing school post was reduced specifically to help schools that are seeing large increases in enrolments each year. Over 350 such posts have been sanctioned in the 2007/08 school year compared to 280 in 2006/07.

The improvements we have made in school staffing in recent years are absolutely unparalleled. The Government is committed to providing more teachers to our primary schools over the next five years. We will also continue our focus on measures to improve the quality of education in our primary schools to ensure that increased resources lead to better outcomes for our children.

Number Of Pupils By Class Size Range By County (2005/2006)

	25-29	30-34	35-39	40 & Over	Totals
Carlow	2,270	1,304	142		5,539
Cavan	2,334	1,552	285		7,684
Clare	3,504	2,476	640	41	11,793
Cork City	4,193	2,754	286		13,547
Cork County	13,401	9,592	1,792	44	36,956
Donegal	5,914	3,300	185		17,246
Dublin Belgard	10,541	6,495	245		26,578
Dublin City	13,346	8,133	360		40,706
Dublin Fingal	10,775	9,021	322		24,491
Dún Laoghaire/Rathdown	6,379	4,989	248		15,612
Galway City	2,066	1,366	35		5,735
Galway County	5,073	2,830	214	40	17,415
Kerry	4,969	2,898	70		14,455
Kildare	10,437	6,351	531		22,070
Kilkenny	3,332	2,383	176		9,274
Laois	3,169	1,466	72		7,190
Leitrim	953	160	146		2,971
Limerick City	1,973	1,392	106		6,238
Limerick County	5,184	2,758	212		13,348
Longford	1,292	471	71		3,610
Louth	5,260	3,731	282		13,337
Mayo	4,204	1,654	186		13,190
Meath	7,827	5,220	757		18,615
Monaghan	2,126	1,139	214		6,242
Offaly	3,516	1,684			8,638
Roscommon	1,685	721	148	40	6,221
Sligo	1,911	975	143		6,437
Tipperary N.R.	2,515	913	106	41	7,339
Tipperary S.R.	2,882	1,358	284		9,224
Waterford City	2,668	1,021	72		5,375
Waterford County	2,771	1,109	248		6,723
Westmeath	3,352	2,282	144		9,238
Wexford	5,922	3,503	497		15,195
Wicklow	4,621	4,222	465		13,734
Totals	162,365	101,223	9,684	206	441,966

Number Of Pupils By Class Size Range By County (2006/2007)

	25-29	30-34	35-39	40 & Over	Totals
Carlow	2,373	1,403	148		5,836
Cavan	2,513	1,652	425		8,040
Clare	3,782	2,587	612	40	12,113
Cork City	4,736	2,467	70		13,655
Cork County	14,209	9,671	1,369		38,108
Donegal	6,596	3,575	177		17,684
Dublin City	13,256	7,742	288		40,891
Dun Laoghaire/Rathdown	6,672	4,854	35		15,678
Fingal	13,025	8,140	35		25,925
Galway City	1,932	1,456			5,981
Galway County	5,723	2,787	175		18,052
Kerry	5,699	2,522	253		14,749
Kildare	11,905	6,397	216		23,221
Kilkenny	3,688	2,354	322		9,576
Laois	2,505	2,184	70		7,577
Leitrim	1,129	378	76		3,147
Limerick City	2,193	1,325	35		6,329
Limerick County	5,139	3,497	211		13,654
Longford	1,375	408	74		3,859
Louth	5,373	3,778	358		13,866
Mayo	4,379	1,985	146		13,377
Meath	8,394	5,434	427		19,707
Monaghan	2,426	1,073	179		6,365
Offaly	4,024	1,584	71		8,995
Roscommon	1,969	903	70		6,428
Sligo	2,178	781	218		6,572
South Dublin	10,888	6,042	140		27,263
Tipperary N.R.	2,705	1,160	105		7,566
Tipperary S.R.	3,268	1,690	249		9,435
Waterford City	2,387	1,389	36		5,606
Waterford County	2,835	1,181	182	40	6,886
Westmeath	3,717	1,932	143		9,553
Wexford	6,468	3,302	428	41	15,618
Wicklow	4,964	3,951	287	41	14,143
Total	174,425	101,584	7,630	162	455,455

Special Educational Needs.

237. **Deputy Brian Hayes** asked the Minister for Education and Science if there is a maximum level of additional teaching and learning supports for primary students; if any primary school student in the State had or has two full-time special needs assistants assigned to them; the reason the onus is on her Department to accept recommendations by qualified educational psychologists regarding additional teaching and learning supports for students; and if he will make a statement on the matter. [25779/07]

Minister for Education and Science (Deputy Mary Hanafin): The Deputy will be aware that my Department implemented a general allocation system of learning support/resource teachers

(LS/RT) to mainstream primary schools in September 2005. The system is intended to cater for children with high-incidence special education needs such as borderline mild general learning disability and mild general learning disability and specific learning disability. The allocation is also intended to support those with learning support needs, that is, those functioning at or below the tenth percentile on a standardised test of reading and/or mathematics.

It is a matter for each school to identify the pupils with learning support and high-incidence special education needs that will receive supplementary teaching support. Each school will have enough resource teaching hours to provide its pupils with a level of support appropriate to their needs. The school can use its professional

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judgement to decide how these hours are divided between different children in the school, to ensure that all their needs are met. My Department issued a guidance circular to schools which contained detailed information on how the system operates. Individual allocations for pupils with special educational needs arising from low incidence disabilities continue to be made by the Special Educational Needs Organisers (SENOs).

The Deputy will be aware that the National Council for Special Education (NCSE), through the local SENO, is responsible for processing applications from schools for special educational needs (SEN) supports such as resource teaching and special needs assistant (SNA) support. The teaching and SNA support allocated are intended to enable schools to meet the needs of pupils as outlined in psychological and other reports.

In fulfilling this obligation, the NCSE requests the submission of relevant reports from psychologists and other professionals with applications for SEN resources. The criteria for allocation of such resources are set down in my Department's circulars having regard to the recommendations of the Report of the Special Education Review Committee, 1993, also known as the SERC Report. My Department's Circular SP ED 02/05 lists the low-incidence disability categories that require the submission of supporting professional reports. The Circular also specifies the eligibility criteria used by the NCSE in respect of these disabilities. Evidence to show that this criteria has been met must be included in the professional's report to enable the granting of the appropriate level of support. The requisite levels of support that may be sanctioned in respect of each low-incidence disability are also outlined in Circular SP ED 02/05.

There is no onus, *per se*, on my Department to accept the recommendations of a qualified educational psychologist in the allocation of additional teaching and learning supports for students. However, there is an onus on my Department and its agencies to give careful consideration to such recommendations within the terms of Department circulars, save in the most exceptional circumstances.

The extent of supports allocated to individual students as requested by the Deputy is not retained by my Department. I will forward the Deputy's question to the NCSE for their attention and direct reply in the event that they hold such information.

Criminal Prosecutions.

238. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of homicides, detections of homicides, prosecutions of homicides, and convictions for homicides since 1998 to date in 2007 broken down by age and sex of victim, location of the offence and the means by which the homicides were

carried out; and if he will make a statement on the matter. [25494/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): In the time available it has not been possible to obtain the statistics sought by the Deputy for the period in question. I will be in contact with the Deputy when the information is to hand.

Garda Stations.

239. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of Garda stations here; the number of stations functionally operational; the number of stations permanently closed; the number vacated on a temporary basis due to the need for renovation or replacement; the number of stations open for a limited period every month; and if he will make a statement on the matter. [25495/07]

240. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of green men in place in Garda property here; the number that are operational; and if he will make a statement on the matter. [25496/07]

243. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of Garda stations in rural Ireland; the number of rural Garda stations with residential accommodation included or attached for the use of gardaí; the number of Garda stations with used, and with unused, residential accommodation for the use of gardaí; the Government policy on the provision of residential accommodation in stations for Gardaí; and if he will make a statement on the matter. [25499/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I propose to take Questions Nos. 239, 240 and 243 together.

I am informed by the Garda Authorities that there are a total of 703 Garda Stations in the State. A full list of Garda Stations, listed by Division, is available at www.garda.ie. The Deputy will be aware that in accordance with section 22 of the Garda Síochána Act 2005 decisions on the opening or closing of Garda Stations are for the Garda Commissioner in the first instance in the context of his Annual Policing Plan. I expect the draft Annual Policing Plan to be presented to me shortly and it will be laid before the Houses of the Oireachtas in due course.

With regard to residential accommodation in use by the Garda authorities, there are a number of official residences for garda use mainly in rural areas. The allocation of the accommodation is a matter for the Garda authorities. As is the case with all Garda accommodation, such residences are maintained by the Office of Public Works. I am advised that the Garda Síochána plan to prepare a new garda accommodation strategy and I

expect that the requirements for official residential accommodation in the future will be examined as part of that strategy.

The remainder of the very detailed information which the Deputy has requested is not readily available and An Garda Síochána will need to dedicate resources to its collection. As soon as the information is to hand I will communicate it directly to the Deputy.

Garda Strength.

241. Deputy Charles Flanagan asked the Minister for Justice, Equality and Law Reform the number of gardaí per division; the civilian populations in each division; the crime rates broken down by division; and if he will make a statement on the matter. [25497/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): As of the 30 September last, the latest date for which figures are readily available, the personnel strength of each Garda Division is as follows:

Division	Strength
DMR South Central	768
DMR Southern	609
DMR Northern	683
DMR West	743
DMR North Central	697
DMR Eastern	611
Louth/Meath	589
Longford/Westmeath	306
Leix/Offaly	305
Carlow/Kildare	398
Wexford/Wicklow	365
Waterford/Kilkenny	412
Tipperary	355
Cork City	655
Cork North	281
Cork West	291
Kerry	315
Limerick	564
Clare	314
Galway West	417
Galway East/Roscommon	269
Mayo	307
Sligo/Leitrim	295
Donegal	478
Cavan/Monaghan	403

I understand that the Central Statistics Office is currently preparing the Small Area Population Statistics (SAPS) based on the 2006 census. It is not expected that these SAPS figures will be available until mid-November 2007. It is, therefore, not yet possible to provide the population

per Garda Division based on the 2006 Census figures.

Following the submission in 2004 of a report and recommendations by an expert group on crime statistics, it was decided that the compilation and publication of crime statistics should be taken over by the Central Statistics Office, as the national statistical agency, from the Garda Síochána. The Garda Síochána Act, 2005 consequently makes provision for this and the CSO has established a dedicated unit for this purpose.

Following the setting up of the necessary technical systems and auditing of the data from which the statistics are compiled, the CSO is now compiling and publishing criminal statistics and has published provisional headline crime statistics since the third quarter of 2006. In addition, it has compiled and published a series of quarterly and annual statistics for the period starting with the first quarter of 2003. I understand that the CSO are examining how the crime statistics published might be expanded and made more comprehensive.

I have requested the CSO to provide the statistics sought by the Deputy directly to him.

242. Deputy Charles Flanagan asked the Minister for Justice, Equality and Law Reform the number of gardaí excluding members of the Reserve Defence Force working on the beat in Dublin, Cork, Limerick, Galway and Waterford during the night-time shift of 10 p.m. to 6 a.m. on 31 December 2006, 28 February 2007, 24 May 2007 and 7 October 2007; and if he will make a statement on the matter. [25498/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by the Garda Commissioner that for security and operational reasons, it is Garda policy not to disclose the number or percentage of personnel on duty at any specific area or over any given period of time.

It is the responsibility of the Garda Divisional Officer to allocate personnel within his or her Division taking everything into account. The situation will be kept under review by the Garda Commissioner and when additional personnel next become available the needs of all Garda Divisions will be fully considered by him within the overall context of the needs of Garda Districts/Divisions throughout the country.

Question No. 243 answered with Question No. 239.

Garda Stations.

244. Deputy Charles Flanagan asked the Minister for Justice, Equality and Law Reform the number of police stations in the 26-county area now comprising the State on 1 January 1922, 1 January 1960, 1 January 1980, 1 January 2000 and the 18 of October 2007; and if he will make a statement on the matter. [25500/07]

Minister for Justice, Equality and Law Reform

(Deputy Brian Lenihan): I am informed by the Garda Authorities that there are a total of 703 Garda Stations in the State. A full list of Garda Stations, listed by Division, is available at www.garda.ie. I am advised by the Garda authorities that the historical data requested by the Deputy is not readily available and would require a manual search of archived records. The compilation of such information would involve a disproportionate amount of Garda time and resources which could not be justified in the circumstances.

Visa Applications.

245. **Deputy John Curran** asked the Minister for Justice, Equality and Law Reform when a decision will be made regarding an application for residency by a person (details supplied) in County Dublin. [25504/07]

Minister for Justice, Equality and Law Reform

(Deputy Brian Lenihan): I am informed by the Immigration Division of my Department that a decision in relation to the application for residence in the State based on EU Treaty Rights issued to the person in question by registered post on 16th July 2007.

Illegal Fireworks.

246. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of seizures of illegal fireworks made in the years 2005, 2006 and to date in 2007 together with the value of each consignment. [25506/07]

Minister for Justice, Equality and Law Reform

(Deputy Brian Lenihan): I am informed by the Garda Commissioner that, each year, particularly in the lead up to and during Hallowe'en, an Garda Síochána puts in place special operations to address the illegal importation of fireworks. This involves the gathering of information and appropriate follow-up action by the Gardaí aimed at the seizure of illicit fireworks and involves close liaison with local authorities. Operation Tombola was launched again in September this year. The following table details the number of seizures of illegal fireworks and approximate value in 2005 and 2006.

Year	No. of Seizures	Estimated Value
		€
2006	76	115,286
2005	126	454,760

I have asked the Garda Authorities to compile corresponding figures, in the next couple of weeks, when the traditional season for the use of fireworks is over and I will forward them to the Deputy when they are available.

Public Order Offences.

247. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform the number of behaviour warnings which have issued in respect of adults and children in Athlone and surrounding areas of County Westmeath under the ASBO legislation. [25512/07]

248. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform the number of behaviour warnings which have issued in respect of adults and children in Mullingar and surrounding areas of County Westmeath under the ASBO legislation. [25513/07]

251. **Deputy Niall Blaney** asked the Minister for Justice, Equality and Law Reform the number of behaviour warnings issued in County Donegal since their introduction; and if he will make a statement on the matter. [25544/07]

Minister for Justice, Equality and Law Reform

(Deputy Brian Lenihan): I propose to take Questions Nos. 247, 248 and 251 together.

Part 11 of the Criminal Justice Act 2006, which provides for civil proceedings in relation to anti-social behaviour by adults, was commenced on 1 January, 2007. Part 13 of the Act relating to anti-social behaviour by children was commenced on 1 March, 2007. These provisions set out an incremental procedure for addressing anti-social behaviour by adults and children. With regard to children, these range from a warning from a member of An Garda Síochána, to a good behaviour contract involving the child and his or her parents or guardian, to referral to the Garda Juvenile Diversion Programme and to the making of a behaviour order by the Children's Court.

I am informed by the Garda authorities that up to 30 September, 2007, 264 behaviour warnings to adults and 80 behaviour warnings to children were issued. There have also been two formal good behaviour contracts, which are used only in the case of children, agreed.

I am further informed these figures include the Longford/Westmeath Garda Division, which includes Athlone and Mullingar Garda Districts, where three behaviour warnings issued to adults and the Donegal Garda Division where one behaviour warning issued to an adult. Figures are provisional, operational and liable to change.

Garda Investigations.

249. **Deputy Billy Timmins** asked the Minister for Justice, Equality and Law Reform if charges (details supplied) were brought in this country; if the investigation is ongoing; the current situation regarding same; and if he will make a statement on the matter. [25530/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by the Garda authorities that the Garda investigation into this matter is ongoing and that a substantial investigation file has been submitted to the Director of Public Prosecutions (DPP). The directions of the DPP are awaited.

Importation Licences.

250. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of licences for the importation of fireworks issued in 2004, 2005 and 2006 and to date in 2007; if he is satisfied with the criteria for the importation and possession of fireworks; and if he will make a statement on the matter. [25535/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): In accordance with the Explosives Act, 1875, fireworks are deemed to be explosives. Accordingly, fireworks may not be imported into the State except under an importation licence granted by my Department. It is a long standing policy that these licences are granted only for organised displays conducted by competent and professional operators.

I am fully satisfied that the current restrictive policy for the granting of importation licences for fireworks and the criteria for same goes a long way towards protecting the public from the inherent dangers of fireworks while at the same time ensuring that they are not deprived of the spectacle of fireworks.

The following table outlines the number of importation licences issued in recent years.

Year	Number of importation licences issued
2007	353 to date
2006	376
2005	387
2004	356

Question No. 251 answered with Question No. 247.

Citizenship Applications.

252. **Deputy Chris Andrews** asked the Minister for Justice, Equality and Law Reform the status of an application by a person (details supplied) in Dublin 14 for citizenship; and if he will make a statement on the matter. [25551/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): An application for a certificate of naturalisation from the person referred to in the Deputy's Question was received in the Citizenship Section of my Department in August 2006.

On examination of the application it was determined that the person concerned did not satisfy the residency requirements as set out in the Irish Nationality and Citizenship Act 1956, as amended. A letter informing him of this was issued on 24 July 2007.

It is open to the individual in question to lodge a new application if and when he is in a position to meet the statutory residency requirements applicable at that time.

253. **Deputy Chris Andrews** asked the Minister for Justice, Equality and Law Reform the status of an application by a person (details supplied) in Dublin 6 for citizenship; and if he will make a statement on the matter. [25552/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by officials in the Citizenship Section of my Department that there is no record of an application for a certificate of naturalisation from the person referred to by the Deputy.

254. **Deputy Chris Andrews** asked the Minister for Justice, Equality and Law Reform the status of an application by a person (details supplied) in County Dublin for citizenship; and if he will make a statement on the matter. [25554/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by officials in the Citizenship Section of my Department that there is no record of an application for a certificate of naturalisation from the person referred to by the Deputy.

Irish Prison Service.

255. **Deputy Denis Naughten** asked the Minister for Justice, Equality and Law Reform if an approach has been made to the Irish Prison Service regarding an access road (details supplied); the response from the Irish Prison Service; and if he will make a statement on the matter. [25557/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by the Director General of the Irish Prison Service that a meeting has taken place between officials from the Irish Prison Service and Roscommon County Council in relation to this matter. The Prison Service advised the County Council that it will need further details in relation to the proposal in order that it can be evaluated with regard to prison security issues.

Citizenship Applications.

256. **Deputy Joe Costello** asked the Minister for Justice, Equality and Law Reform the progress on the application for naturalisation by a

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person (details supplied) in Dublin 7; and if he will make a statement on the matter. [25560/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by officials in the Citizenship Section of my Department that there is no record of an application for a certificate of naturalisation from the person referred to by the Deputy. The reference number provided by the Deputy is a generic number assigned to persons who have submitted application forms for naturalisation which are defective in some way. These forms are returned to the applicants either for amendment or for resubmission of freshly completed application forms, depending on the nature of the defect.

257. **Deputy Mattie McGrath** asked the Minister for Justice, Equality and Law Reform the status of applications for naturalisation by persons (details supplied) in south Tipperary; and when a decision will be made on their applications. [25692/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): An application for a certificate of naturalisation from the third-named person referred to in the Deputy's Question was received in the Citizenship Section of my Department in February 2007. On examination of this application it was determined that the applicant did not meet the residency requirement as set out in the Irish Nationality and Citizenship Act 1956, as amended. A letter informing him of this issued on 28 June 2007. It is open to the person concerned to lodge a new application if and when he is in a position to satisfy the statutory requirements applicable at that time. Officials in the Citizenship Section of my Department have advised me that there are no records of applications for certificates of naturalisation from the other three persons referred to by the Deputy.

Public Transport.

258. **Deputy Tony Gregory** asked the Minister for Justice, Equality and Law Reform the role the Gardaí had in designating a location (details supplied) in Dublin 1 as a bus terminus; if they considered the security concerns of residents and pedestrians obscured from public view by parked buses along a badly lit park area; and if the Gardaí will review this matter in view of local concerns. [25733/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by the Garda authorities that An Garda Síochána is consulted on the location of bus stops in the Dublin Metropolitan Region following the issue of a licence for a route by the Department of Transport to Dublin Bus.

I am also informed that each bus stop is assessed for suitability by An Garda Síochána and Dublin Bus. The assessment considers the safe access and egress for all passengers using buses, the accessibility of the location, whether buses can stop safely and parallel to the footpath and whether public lighting is adequate at the bus stop site.

The bus stop at the location in question is situated at the kerb on the footpath adjacent to a green area. The stop has a designated stopping area which is clearly marked on the roadway. Buses can access the stop safely and stop parallel to the footpath and the stop is safe for passengers. The area can accommodate a number of buses at any one time. Additional public lighting has been installed. No incidents have been recorded by Gardaí in the area concerned in recent months. An Garda Síochána does not consider that the parking of coaches at the location referred to gives rise to safety concerns.

Citizenship Applications.

259. **Deputy John Curran** asked the Minister for Justice, Equality and Law Reform when it is expected that a decision will be made regarding an application for citizenship made by a person (details supplied) in Dublin 20. [25756/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): An application for a certificate of naturalisation from the person referred to in the Deputy's Question was received in the Citizenship Section of my Department in October 2006. Officials in that Section are currently processing applications received at the beginning of 2005 and have approximately 9,800 applications on hand to be dealt with before that of the person concerned. These are generally dealt with in chronological order as this is deemed to be the fairest to all applicants. It is likely, therefore, that further processing of the application will commence in the first half of 2009. I will inform the Deputy and the person concerned when I have reached a decision on the matter.

Residency Permits.

260. **Deputy Fergus O'Dowd** asked the Minister for Justice, Equality and Law Reform if a person (details supplied) in County Louth will be granted permission to remain and obtain employment; and if he will make a statement on the matter. [25780/07]

Minister for Justice, Equality and Law Reform (Deputy Brian Lenihan): I am informed by the Immigration Division of my Department that there is no record of an application for permission to remain from the person referred to by the Deputy. The person concerned should contact the

Immigration Division of my Department, General Immigration, 3rd Floor, 13/14 Burgh Quay, Dublin 2, outlining their future intentions in the State and enclosing supporting documentation.

Housing Aid for the Elderly.

261. **Deputy Joanna Tuffy** asked the Minister for the Environment, Heritage and Local Government if her attention has been drawn to the fact that no more funding is available to the Health Service Executive towards the cost of home adaptations for the elderly and disabled; and if she will make available additional funding for this scheme. [25514/07]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Batt O'Keeffe): Funding towards the cost of home adaptations for the disabled is currently provided through the local authorities under the Disabled Persons Grant scheme. My Department recently announced a new Housing Adaptation Grant for People with a Disability and this will come into operation on 1 November, 2007. The new grant may cover up to 95% of the cost of works and the maximum grant is being increased from €20,320 to €30,000.

In the case of urgently needed remedial works to the homes of the elderly, my Department advised the Health Service Executive on 19 October, 2007, that an additional €7.132 million has been allocated to the Special Housing Aid for the Elderly scheme. This brings the total allocation for 2007 to €19.132 million.

National Heritage Issues.

262. **Deputy Paul Connaughton** asked the Minister for the Environment, Heritage and Local Government the reason the Office of Public Works intend to remove the famous historical Turoe Stone from its present position at Bullaun, Loughrea to Galway City; if his attention has been drawn to the fact that the family who own the land around the stone would provide sufficient space free of charge for a proper cover to be erected, that the same landholder will provide their services free of charge as a caretaker to the stone and that the Heritage Council do not agree with its removal; and if he will make a statement on the matter. [25688/07]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): I refer to the replies to Questions No. 188 of 27 September 2007 and No. 488 of 2 October 2007. The position remains unchanged. The expert advice available to me is that the erection of a cover over the Stone would not be adequate to address the serious deterioration in its condition in the longer-term and that it is essential to move

it to an environmentally controlled indoor location, where conditions such as temperature and humidity can be stabilised. The Heritage Council has advised my Department that it has had no involvement in this matter.

Management Companies.

263. **Deputy Ciarán Lynch** asked the Minister for the Environment, Heritage and Local Government if legislation governing management companies will facilitate the transfer in newly completed housing estates of responsibility for essential public services such as water, sewage, roads, lighting and common open spaces to the control of the local authority and restrict the use of management companies in traditional housing estates. [24730/07]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): I refer to the reply to Question Nos. 95 and 142 of 10 October 2007. The introduction of legislation in relation to the governing of management companies is a matter for my colleague the Minister for Justice, Equality and Law Reform.

Fire Stations.

264. **Deputy James Bannon** asked the Minister for the Environment, Heritage and Local Government the position in relation to the new fire station in Edgeworthstown, County Longford; and if he will make a statement on the matter. [25682/07]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Tony Killeen): Under the 2007 Fire Service Capital Programme, approval in principle was given by the Department for the construction of a new fire station at Edgeworthstown, County Longford.

It is a matter for Longford County Council, as fire authority, to progress the project. I understand that detailed costs and design drawings are being prepared for submission to the Department.

Local Authority Staff.

265. **Deputy James Bannon** asked the Minister for the Environment, Heritage and Local Government the way the provision of better local Government can be delivered with embargoes on staffing levels still in place, as it is misleading to the public to issue directives requiring extra work and not allow the necessary extra staff to be engaged; and if he will make a statement on the matter. [25683/07]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): I refer to the reply to question No. 305 of the 10

[Deputy John Gormley.]

October, 2007. Under section 159 of the Local Government Act 2001, it is a matter for the City or County Manager concerned to make such staffing and organisational arrangements as may be necessary for the purposes of carrying out the functions of the local authorities for which he or she is responsible.

Water Quality.

266. **Deputy James Bannon** asked the Minister for the Environment, Heritage and Local Government the measures being taken to eliminate the risks of cryptosporidium in the country's water supply; and if he will make a statement on the matter. [25684/07]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): On 17 September 2007, when publishing the Water Services Investment Programme 2007-2009, I outlined the measures being taken by my Department, in conjunction with the Environmental Protection Agency (EPA), to develop a systematic and accelerated response to the cryptosporidium risk, as well as to persistent E-Coli failures, in public water supplies. These measures include a new contingency funding arrangement to deal with priority infrastructural upgrades.

My Department and the EPA are examining the latest drinking water quality results with a view to cataloguing those supplies at greatest risk from cryptosporidium and also supplies that are subject to continuing E-Coli or other chemical exceedences. This analysis is expected to be completed within the next few months. The objective is to develop an action programme that identifies an appropriate solution in each case. This may involve, inter alia, abandoning or replacing sources, upgrading treatment facilities or improving operational and maintenance arrangements. The contingency funding arrangement will apply where infrastructural works are urgently required that have not already been provided for in the current or previous phases of my Department's Water Services Investment Programme. The EPA will oversee implementation of any necessary remedial actions as part of its enhanced supervisory function under the European Communities (Drinking Water) Regulations (No. 2), 2007 (S.I. No. 278 of 2007).

In the immediate term, local authorities have been asked by my Department to review the operation of all water treatment plants (and associated infrastructure) to ensure that the installation of continuous chlorine alarms and turbidity meters at appropriate locations at the treatment plant or in the distribution network (including at reservoirs) is progressed without delay. Authorities have also been asked promptly to complete and return an amended Cryptospori-

dium Risk Assessment to the EPA. Reliable risk profiling of individual schemes will be available following completion of the joint Departmental/EPA examination referred to above and submission of amended Cryptosporidium Risk Assessments by all local authorities.

Housing Grants.

267. **Deputy Bobby Aylward** asked the Minister for the Environment, Heritage and Local Government when approval will issue to Kilkenny County Council for funding towards the cost of a housing project (details supplied) and where all information requested from the County Council has been submitted to his Department. [25696/07]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Batt O'Keeffe): The local authority made an initial submission to my Department in respect of the development in question on 10 July 2007. Following consideration of this submission in my Department, a request for a clarification on a number of points issued to the authority on 20 August 2007. A response in this regard was received from the local authority on 22 October 2007. This is currently being considered by my Department and a decision will issue shortly.

Broadcasting Services.

268. **Deputy Michael McGrath** asked the Minister for Communications, Energy and Natural Resources if RTE is obliged in law to provide a television signal of reasonable quality to citizens who pay the television and radio licence. [25486/07]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): Section 28(1) of the Broadcasting Act 2001 requires RTE to provide a national television and sound broadcasting service free-to-air, insofar as it is reasonably practicable, to the whole community on the island of Ireland. This is a function in which the Oireachtas has provided statutory responsibility to RTE and in which I have no role.

269. **Deputy Liz McManus** asked the Minister for Communications, Energy and Natural Resources his views on difficulties faced by television owners in Roundwood, County Wicklow to receive a reception of Irish television channels while at the same time getting a reception from BBC Wales; if his attention has been drawn to other areas in the country that experience similar difficulties; the details of same; if he will provide an update for the publication of the Broadcasting Bill; and if he will make a statement on the matter. [25509/07]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): Reception issues associated with terrestrial reception of the national broadcasting channels are a matter for RTÉ.

There is currently overspill of UK analogue TV broadcasts from Wales and Northern Ireland into Ireland. This overspill may be received in the South East of the country and along the border with Northern Ireland. This is expected to cease in the next few years as the UK switches off its analogue terrestrial network and progresses to a digital terrestrial television platform. This is a matter for the Government of the United Kingdom.

The draft general scheme of the Broadcasting Bill was submitted to the Joint Oireachtas Committee on Communications, Marine and Natural Resources in September 2006 for the purposes of public consultation under the eConsultation initiative. The Joint Oireachtas Committee published its conclusions on the draft general scheme in April 2007.

It is proposed to publish the consequent Broadcasting Bill in early 2008, having considered the Joint Oireachtas Committee's conclusions on the outcome of the eConsultation process, with a view to ensuring the appropriate regulatory structure for the growth and development of public service, commercial and community broadcasting in Ireland.

Telecommunications Services.

270. **Deputy Paul Connaughton** asked the Minister for Communications, Energy and Natural Resources when a person (details supplied) in County Galway and others in that community will get a broadband service; if his attention has been drawn to the fact that the lack of this service is mitigating against the creation of jobs in the area; and if he will make a statement on the matter. [25686/07]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): The provision of telecommunications services, including broadband, is a matter in the first instance for the private sector. Broadband service providers operate in a fully liberalised market, regulated, where appropriate, by the independent Commission for Communications Regulation, (ComReg).

The role of the Government is to formulate regulatory and infrastructure policies to facilitate the provision of high quality telecommunications services, by competing private sector service providers.

The widespread provision of broadband services continues to be a priority for the Government. In that regard my Department has undertaken initiatives to address the gaps in broadband

coverage. These include providing grant-aid under the recently concluded Group Broadband Scheme and investment in Metropolitan Area Networks (MANs).

There are a number of platforms for delivery of broadband, and service providers are now offering broadband by wireless, satellite, fibre or standard telephone cable in most areas of the country. My Department operates a dedicated website, www.broadband.gov.ie, where potential broadband customers can ascertain the availability of services in their area. The information on broadband availability and pricing on this website is provided by the broadband operators.

There are still some parts of the country where the private sector will be unable to justify the commercial provision of broadband services. Accordingly, the procurement process for a National Broadband Scheme (NBS) is under way. The NBS will provide broadband services to areas that are currently unserved and will ensure that all reasonable requests for broadband in unserved areas are met.

The first phase of the procurement process, the Pre-Qualification Questionnaire (PQQ) phase, is now complete and four candidates have pre-qualified. As my Department indicated on 2 September 2007, the four candidates are, in alphabetical order, BT Communications Ireland Ltd Consortium, eircom Ltd, Hutchinson 3G Ireland Ltd and IFA/Motorola Consortium. The next phase of the procurement process involves inviting candidates to participate in a competitive dialogue process. My Department is anticipating that the award of the NBS contract will take place during Quarter 2 of 2008, with rollout of the services due to begin as soon as possible thereafter. This timeline is subject to negotiations with candidates during the competitive dialogue phase of the procurement process.

Electricity Generation.

271. **Deputy Martin Ferris** asked the Minister for Communications, Energy and Natural Resources the plans in place to facilitate net metering for those who generate small amounts of renewable energy to be incorporated into the all-island single electricity market. [25732/07]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): The Programme for Government commits to developing Ireland's considerable potential for distributed generation, including micro-generation. In terms of international best practice we have a considerable distance to catch up.

The first step in implementing the Programme for Government commitment, in relation to micro-generation, is the facilitation of a 'net metering' system whereby local producers can sell surplus electricity they generate back to the grid.

[Deputy Eamon Ryan.]

This will be facilitated by the introduction of smart meters to all micro-generation sites.

My Department is working closely with the Commission for Energy Regulation, Sustainable Energy Ireland, ESB Networks and the Electro-Technical Council of Ireland, to put in place these and all other administrative, technical and safety

standards and practices to underpin the widespread deployment of micro-generation technologies.

Any development of distributed generation on an all-island basis would be undertaken in full consultation with the Northern Ireland authorities in the context of the all-island energy framework.