



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

Thursday, 6 November 2008.

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# DÁIL ÉIREANN

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*Déardaoin, 6 Samhain 2008.*  
*Thursday, 6 November 2008.*

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

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*Paidir.*  
*Prayer.*

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## **Requests to Move the Adjournment of the Dáil under Standing Order 32.**

**An Ceann Comhairle:** Anois, iarratas chun tairisceant a dhéanamh an Dáil a chur ar athló faoi Bhuan Ordú 32. We will now deal with a request to move the adjournment of the Dáil under Standing Order 32.

**Deputy Jan O'Sullivan:** In accordance with the terms of Standing Order 32, I seek to move the adjournment of the Dáil to discuss the following specific and important matter of public interest requiring urgent attention, namely, the serious implications for the health of women of the Government decision not to proceed with the planned cervical cancer vaccination programme aimed at 12 year old girls, particularly in light of expert opinion that such a programme could save up to 80 lives per year, and the urgent need for the Minister for Health and Children to review the decision and re-instate the programme at the earliest possible date. In light of the importance of this matter, I hope that the Ceann Comhairle will allow it.

**An Ceann Comhairle:** Tar éis breithnithe a dhéanamh ar an níardaithe, níl sé in ord faoi Bhuan Ordú 32. Having considered the matter raised, it is not in order under Standing Order 32.

## **Order of Business.**

**Minister for Finance (Deputy Brian Lenihan):** It is proposed to take No. 18, Broadcasting Bill 2008 [*Seanad*] — Second Stage (resumed); and No. 19, Tribunals of Inquiry Bill 2005 — Second Stage (resumed).

**An Ceann Comhairle:** There are no proposals to put to the House.

**Deputy Enda Kenny:** That was an easy announcement for the Minister for Finance on his advancement. A further reduction in interest rates by the European Central Bank is expected today. The Minister rightly stated that——

**An Ceann Comhairle:** This does not sound promising.

**Deputy Enda Kenny:** It relates to legislation.

**An Ceann Comhairle:** That is fine, but it does not sound promising.

**Deputy Enda Kenny:** It is only 10.30 a.m. The Ceann Comhairle is out of the traps quickly today.

**An Ceann Comhairle:** As is the Deputy.

**Deputy Enda Kenny:** I will give him full marks for his response, but I will ask my question in any event. The House passed legislation giving the banking system a guarantee on deposits, which we supported. The Minister for Finance rightly stated we are deep into the banking sector. How is it proposed to use the legislation to ensure the reduction in interest rates is passed on quickly to the thousands of mortgage holders and small businesses who need it and that it will not be used by the banks to expand their profit base?

Some 18 sitting days remain until the proposed Christmas recess. From a budget that was clearly botched emerged the proposal to withdraw the universal right of persons over 70 years of age to medical cards. When will the legislation be introduced in the House and will there be adequate time to analyse the Government's response to the effect that only 5% of persons over 70 years of age will lose their medical cards?

Regarding the question asked by Deputy Jan O'Sullivan, the Minister for Health and Children announced the withdrawal of the proposed cervical cancer vaccination scheme for girls of 12 and 13 years of age. Given that the amount of money involved is so small, the Government is being short-sighted. Will it consider trying to find €10 million somewhere else——

**An Ceann Comhairle:** That is not in order.

**Deputy Enda Kenny:** ——so the programme can continue? In the long term, it will be important——

**An Ceann Comhairle:** Deputy Kenny must find another way to raise the matter.

**Deputy Enda Kenny:** ——for the health and survival of a great number of women. When it was announced last August, it was accepted as a priority, but the proposal has been reneged on. The amount of money is relatively small.

**An Ceann Comhairle:** Deputy Kenny cannot raise this matter now. We cannot discuss it.

**Deputy Enda Kenny:** Will the Government not examine the other Departments to find money for this important health initiative? Will the Minister answer my three questions?

**Deputy Paul Kehoe:** It was cold and callous.

**An Ceann Comhairle:** On the legislative proposal, the first matter raised by Deputy Kenny is not in order. In deference to his position as the Leader of the Opposition, however, the Minister should help if he can.

**Deputy Enda Kenny:** The House passed the legislation.

**An Ceann Comhairle:** I know, but it is not promised legislation.

**Deputy Brian Lenihan:** I will assist the Leader of the Opposition on the question of the interest rate cuts. Last Monday and Tuesday, I attended a meeting of ECOFIN and meetings yesterday and today have been attended by the governor of the Central Bank, Mr. John Hurley. I welcome the European Central Bank's announcement of a cut in interest rates, which I expect our banks to pass on. In the case of tracker mortgages, they are obliged to do so. It would also be essential in terms of their competitiveness to pass on cuts, not only to those purchasing properties on variable mortgages, but to small and medium-sized enterprises in need of credit.

**Deputy Enda Kenny:** And quickly.

**Deputy Brian Lenihan:** It is important to bear in mind that the legislation, in respect of which I thank the Deputies for their co-operation, provides a framework for the giving by the State of a guarantee to the banks. It does not provide for State assistance or participation in the banks. For this reason, the State does not have a right of commercial interference. However, I anticipate that the cuts will be passed on to those most in need of them, namely, the banks' customers.

Regarding legislation on medical cards, the HSE will shortly write to all persons of 70 years of age and over asking those whose income is more than €700 per week gross for a single person——

**Deputy Brendan Howlin:** How much will that cost?

**Deputy Paul Connaughton:** It had better be a good letter.

**Deputy Brian Lenihan:** ——or €1,400 per week gross for a married couple to notify their circumstances to the HSE.

**Deputy Emmet Stagg:** The Government should ensure they get their letters before Christmas.

**Deputy Brian Lenihan:** Legislation to give effect to the above changes will be enacted before the end of 2008 and will come into effect on 1 January 2009. The heads of a Bill have been drafted to give effect to the budget arrangements and will be tabled before the Government shortly. The other matter does not arise on the Order of Business.

**Deputy Joan Burton:** That is another year.

**Deputy Bernard J. Durkan:** It is a reversal of the 2002 general election promise. It took the Government a long time to come up with that.

**Deputy Paul Kehoe:** The Minister is cold and callous like the Minister for Health and Children. He should answer the question. Women are being treated badly.

**An Ceann Comhairle:** Deputy Kehoe can address this matter in a different way. Deputy Gilmore is in order.

**Deputy Eamon Gilmore:** I wish to raise a number of issues. First, I would like the Minister for Finance to clarify his response in respect of the legislation for the withdrawal of medical cards from the over-70s. What he has just said represents a change from that previously announced. I would like the Minister to clarify the matter.

Second, with regard to the Minister's response to Deputy Kenny on the issue of the expected reduction in interest rates by the European Central Bank, ECB, I share his hope that the Irish banks and lending institutions will pass on that reduction to their borrowers and mortgage holders. I am astonished by what the Minister said in this regard. In effect, what he is saying is that if the banks and building societies do not pass on the reduction in interest rates, there is nothing he can do about it.

**Deputy Joan Burton:** He does not do a lot.

**Deputy Eamon Gilmore:** To me, this is at variance with the terms of the much lauded guarantee scheme. Are we now in the situation where taxpayers are effectively underwriting and guaranteeing the entire banking system, but——

**An Ceann Comhairle:** Deputy Gilmore cannot discuss that matter now.

**Deputy Eamon Gilmore:** —if there is a reduction in interest rates and the banks do not pass it on—

**An Ceann Comhairle:** We cannot have a discussion on the matter now.

**Deputy Eamon Gilmore:** —the Minister for Finance cannot do anything about it?

**An Ceann Comhairle:** We cannot have a discussion on the matter now.

**Deputy Eamon Gilmore:** Third, 80 girls, currently aged 12 years, will die from cervical cancer if they are not given the vaccination the Minister for Health and Children announced for them—

**An Ceann Comhairle:** I realise the matter raised is important but the problem I have is that there is no Question Time on Thursday mornings. The issue raised is not in order in accordance with the Standing Orders of the House.

**Deputy Dermot Ahern:** Hear, hear.

**Deputy Michael Ahern:** Scaremonger.

**Deputy Paul Kehoe:** If we had a humane Minister for Health and Children, we would get an answer to the question.

**Deputy Eamon Gilmore:** We do not have a—

**An Ceann Comhairle:** If Members of the House wish to change Standing Orders, I am, as I have previously stated, amenable to that. I cannot deal with matters that are extraneous to Standing Orders and Deputy Gilmore knows that.

**Deputy Enda Kenny:** The Chief Whip, Deputy Carey, has been looking at proposals for the past year.

**Deputy Eamon Gilmore:** We do not have a particularly heavy schedule today, a Cheann Comhairle.

**An Ceann Comhairle:** That is not the point.

**Deputy Eamon Gilmore:** The Minister for Finance and Minister for Health and Children are in the House.

**An Ceann Comhairle:** That is not the point. Members must obey the rules.

**Deputy Eamon Gilmore:** One of them made the decision to withdraw that vaccination. It is a short-sighted decision that is putting the lives of young girls at risk.

**Deputy Bernard J. Durkan:** Hear, hear.

**An Ceann Comhairle:** We cannot deal with the matter now.

**Deputy Eamon Gilmore:** The decision is short-sighted financially because it will end up costing more to provide care for people who do not get this vaccination than it will to provide them with the vaccination in the first place.

**An Ceann Comhairle:** I appreciate the Deputy's interest in the matter but I cannot allow a discussion on the matter now. I call on the Minister to reply to the first questions raised by Deputy Gilmore.

**Deputy Eamon Gilmore:** A Cheann Comhairle, somebody has turned off my microphone. On a point of order, has what I said been recorded? This happens occasionally with microphones. There must be something wrong with the electronics. I am glad to note my microphone is back on.

Will the Minister for Health and Children make a statement in the House today in regard to the withdrawal of this vaccination? She says it was coincidental that the announcement was made on the day of the American presidential election.

**An Ceann Comhairle:** There are several other ways this matter can be raised and the Deputy should avail of them.

**Deputy Eamon Gilmore:** I am not going to second-guess that. If that is the case, the Minister for Health and Children should come into the House, give her explanation and answer questions about it.

**An Ceann Comhairle:** There are several ways the Deputy can raise that matter. I call the Minister, Deputy Brian Lenihan.

**Deputy Brian Lenihan:** Deputy Gilmore has raised the same questions as Deputy Kenny. In relation to the medical cards, legislation to give effect to the changes in this regard will be enacted before the end of 2008 and will come into effect on 1 January 2009. Heads of a Bill, to give effect to the budget arrangements, have been drafted and will come before Government soon. I anticipate the legislation will be published this month.

As regards the passing on of interest rate reductions by the European Central Bank, I have already explained that I anticipate these interest rate changes will be passed on. I wish to put on the record and to explain that under the guarantee scheme the Government has entered into an arrangement with each of the institutions whereby substantial influence can be exerted on these institutions through the appointment of directors and participation by the regulator in the credit and risk assessment procedures of these banks. It is in the banks' own commercial interests to pass on these interest rate reductions.

**An Ceann Comhairle:** I call Deputy Crawford.

**Deputy Brendan Howlin:** What about the other issue raised?

**Deputy Brian Lenihan:** The other issue does not arise on the Order of Business.

**Deputy Eamon Gilmore:** What about the third issue?

**An Ceann Comhairle:** It does not arise on the Order of Business. I allow leeway to the leaders of Fine Gael and the Labour Party in the House. In allowing this leeway, I must also be given a certain amount of latitude. It must be understood that I have no choice but to implement Standing Orders where a clear breach occurs, as is the case in this instance. Members are engaging in Question Time and are not asking about legislation as provided for under Standing Orders. This is the problem that has arisen.

**Deputy Eamon Gilmore:** All I ask for——

**An Ceann Comhairle:** Does Deputy Gilmore understand my position?

**Deputy Bernard J. Durkan:** We understand and we sympathise with the Ceann Comhairle.

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

**Deputy Paul Connaughton:** We do.

**Deputy Eamon Gilmore:** Yes, and I want the Ceann Comhairle to understand my position. I am asking that the Minister for Health and Children take the opportunity today, when we do not have a particularly heavy legislative burden before us, to explain to the House what she has done. My reason for asking is that the Minister misled the country this morning with some of the things she said on “Morning Ireland”.

**An Ceann Comhairle:** That is a matter for the Whips.

**Deputy Eamon Gilmore:** The figures that she used were completely wrong.

**An Ceann Comhairle:** The Deputy cannot go into that matter now and he cannot utilise the Order of Business in this fashion.

**Deputy Eamon Gilmore:** The Minister for Health and Children should take the opportunity of coming into the House to set out the facts.

*(Interruptions).*

**An Ceann Comhairle:** The Minister, Deputy Lenihan, has stated it is a matter for the Whips to discuss. I call Deputy Crawford.

**Deputy Seymour Crawford:** I would like clarification on three issues. In light of the Government’s U-turn on the cancer vaccine issue and the complete mismanagement of the health service, particularly in the north east, when will the health information Bill come before the House?

**Deputy Bernard J. Durkan:** Hear, hear.

**Deputy Seymour Crawford:** In light of the fact that the cancer vaccination programme has been cancelled owing to the unavailability of funding, when will the legal costs Bill come before this House to enable us to find a way to cut the excessive costs of tribunals?

The fair deal legislation has been promised for the past two years. It has now been replaced by the nursing home support Bill which is extremely different from that originally promised. I understand the nursing home support Bill will come before the House next Thursday. Will the Minister assure me that ample time will be given to the debate on this Bill which is extremely different to the original legislation?

**Deputy Brian Lenihan:** The health information Bill provides a legislative framework for the governance and information of the health sector. A wide ranging public consultation process has been completed and submissions are being examined. It is not possible to indicate at this stage when the Bill will be published.

On the legal costs Bill, this legislation provides for the regulation and assessment of legal costs. Legislative proposals are being developed while taking into account the report of the legal costs working group. It is expected the Bill will be published 2009. However, on the specific matter of excessive costs of tribunals of inquiry, the Tribunals of Inquiry Bill 2005 is before the House today.

On the legislation to provide for the fair deal in regard to nursing home provision for the elderly, this legislation will be brought before the House next Thursday.

**An Ceann Comhairle:** I call Deputy McManus.

**Deputy Paul Kehoe:** On a point of order, I would like clarification on a particular matter. The Minister stated that the Whips will meet to discuss the possibility of the Minister for Health



and Children coming into the House to make a statement on the cancellation of the cancer vaccination for young children. This is my understanding of what the Minister said.

**An Ceann Comhairle:** As I understand it, that is a matter for the Whips.

**Deputy Brian Lenihan:** It is a matter for the Whips. Let us be clear, I gave no undertaking in relation to what the Whips might or might not do.

**Deputy Joan Burton:** The Minister did.

**Deputy Brian Lenihan:** I simply said if that matter is to be pursued, it is a matter for the Whips. I am not giving any undertaking in that regard.

**Deputy Paul Kehoe:** We, on this side of the House, want to pursue that matter. It is important we pursue the matter on the floor of the House this morning.

**An Ceann Comhairle:** We cannot do that.

**Deputy Paul Kehoe:** I know that if I meet the Whips following the Order of Business I will be told — I have no doubt the Labour Party will get the same answer — that no statement will be forthcoming from the Minister today. Both Opposition Leaders have asked that the Minister make a statement on the matter in the House today.

**An Ceann Comhairle:** We cannot deal with that matter now.

**Deputy Paul Kehoe:** I am not accepting this.

**An Ceann Comhairle:** Deputy Kehoe is well aware that there are many avenues open to Members to pursue this issue.

**Deputy Paul Kehoe:** I do not accept this. We will go the Whips meeting and will be told that the Minister for Health and Children is not available today to make a statement in the House. The Minister is here now and should take the opportunity to come into the House later today to make a statement on the matter.

**An Ceann Comhairle:** I cannot anticipate what will happen at the Whips' meeting.

**Deputy Paul Kehoe:** I do not accept——

**An Ceann Comhairle:** The Minister, Deputy Lenihan, has stated that the Whips will meet to discuss this matter. I can do no more about this.

**Deputy Paul Kehoe:** The Minister will say she is not available but the Minister for Finance should be able to say that.

**Deputy Brian Lenihan:** I may be of assistance to the Deputy if he resumes his seat. Deputy Kehoe should have raised this matter before we agreed the Order of Business but he neglected to do so.

**Deputy Bernard J. Durkan:** That is rubbish.

**Deputy Brian Lenihan:** The Government is most anxious——

**Deputy Olivia Mitchell:** Is that helping?

**Deputy Noel J. Coonan:** Rubbish.



**Deputy Brian Lenihan:** —that any information the House may wish to have in this regard will be provided. The Minister for Health and Children and Government Whip are more than willing to facilitate a statement on the matter.

**Deputy Paul Kehoe:** So are we.

**Deputy Brian Lenihan:** We are willing to give time if the Whips wish to discuss it.

**Deputy Bernard J. Durkan:** That is more like it.

**Deputy Paul Kehoe:** As Whip of the Fine Gael Party—

**Deputy Billy Kelleher:** The Deputy should have asked the question this morning.

**Deputy Paul Kehoe:** I am not aware that Deputy Kelleher is the Government Chief Whip.

**Deputy Billy Kelleher:** The Deputy is not the Government Chief Whip either.

**Deputy Paul Kehoe:** I have no doubt the Labour Chief Whip and other Whips will be agreeable to the Minister coming to the House today to make a statement, with a question and answer session afterwards.

**An Ceann Comhairle:** That is a matter for the Whips.

**Deputy Paul Kehoe:** May we have a schedule for it?

**Deputy Brian Lenihan:** Not here or at this time.

**An Ceann Comhairle:** That is a matter for discussion.

**Deputy Noel Dempsey:** The Deputy will talk himself out of it.

**Deputy Paul Kehoe:** A Cheann Comhairle—

**An Ceann Comhairle:** I call Deputy McManus. The Deputy must resume his seat; the Chair is on its feet.

**Deputy Emmet Stagg:** The Whips would be very happy to accommodate the Minister. The Minister is the authority in the matter and if he tells the Government Chief Whip to go to a Whips' meeting to give space in this House, it will be done and we will agree to it.

**An Ceann Comhairle:** That is the position. I call Deputy McManus.

**Deputy Enda Kenny:** Well done to the Minister for Finance. His generosity is great.

**Deputy Brian Lenihan:** Well done to the Government.

**Deputy Liz McManus:** Ireland is facing very—

**Deputy Seán Barrett:** It is showing promise.

**Deputy Bobby Aylward:** I am delighted to hear the Labour Whip tell the Fine Gael Whip how to run business.

**An Ceann Comhairle:** Deputy McManus, without interruption.

**Deputy John Curran:** It is experience.

**Deputy Bernard J. Durkan:** It is not.

**Deputy Noel J. Coonan:** Bobby can stick to the hurling.

**Deputy Liz McManus:** Is the Deputy finished?

**Deputy Bobby Aylward:** The point is made.

**Deputy Liz McManus:** Ireland is facing very challenging targets with regard to climate change and we must adopt renewable sources of energy. There is potential in geothermal energy and for some time those in the sector have sought legislation. In today's newspapers, the Minister for Communications, Energy and Natural Resources is quoted as saying he will do everything required to ensure this source of energy can be developed and exploited. I take that to mean he will deliver on legislation. Will the Minister for Finance indicate if the legislation is being prepared and when it is likely to come before us?

**Deputy Brian Lenihan:** I will contact the Minister and he will convey the information to the Deputy. I am not aware of such legislation.

**Deputy Arthur Morgan:** I hope the Minister for Finance's comments on the banks passing on the expected ECB interest rate cut later today is correct. Will he ensure local authority mortgage holders receive the same benefit because as of now, local authority mortgage holders have still not received the benefit of last month's cut?

**An Ceann Comhairle:** The problem is——

**Deputy Arthur Morgan:** Whatever about the grey area of the Minister's authority——

**An Ceann Comhairle:** ——the Deputy will have to find another way of raising the matter.

**Deputy Arthur Morgan:** ——there is no grey area with regard to local authority mortgage holders. I ask the Minister to assure the House the interest rate cut will be passed on.

**An Ceann Comhairle:** The Deputy will need to find another way of raising that matter. I call Deputy Durkan.

**Deputy Arthur Morgan:** Will the Minister give that assurance?

**Deputy Bernard J. Durkan:** I thought the Minister wished to answer as he was making shapes to do so. Some time ago the Taoiseach and the Minister for Finance indicated that arising from the general banking and financial crisis, there was a need to get back to traditional banking practices. In addition to promised legislation, is it intended to introduce further legislation? Legislation is proposed to consolidate and modernise financial services legislation in accordance with the Government's better regulation agenda. I did not know the Government had a better regulation agenda.

**An Ceann Comhairle:** The Deputy had better not ask a question on it then.

**Deputy Bernard J. Durkan:** It has been announced and published. When will the legislation be brought before the House and is it deemed necessary to bring it in as a matter of urgency in the current unstable climate that exists in the financial sector? Will the Minister give some indication to the House as to the importance he is likely to accord to that legislation, given the manner in which it is likely to affect his Department and his Department will affect it?

**An Ceann Comhairle:** We do not rate legislation at this time, we look for answers on when it will come.

**Deputy Brian Lenihan:** Three legislative measures relate to Deputy Durkan's question. The financial services regulation Bill, as Deputy Durkan mentioned, consolidates and modernises financial services legislation in accordance with the Government's better regulation agenda and an advisory forum has been established to assist and advise my Department on completing this project. Initial work indicates the consolidation aspect of the project involves 50 Acts, 250 statutory instruments and 70 commencement orders. The advisory forum will report on the draft heads to the Minister early next year so it is not possible at this stage to give a publication date.

There is a financial services deposit guarantee scheme Bill, which contains 11 heads, and this gives effect to the Government decision to enhance the protection arrangements applying to deposits with banks, building societies and credit unions from 20 September 2008. That is a new Bill which is expected to be published as soon as possible. To some extent, for the next two years, the Bill has been superseded by the terms of the guarantee given by the Government. It remains important legislation for the credit unions and institutions not within the scope of the guarantee.

There is also the financial services miscellaneous provisions Bill, which contains 21 heads, and this transfers ministerial responsibility for building societies from the Minister for the Environment, Heritage and Local Government to the Minister for Finance and provides for various miscellaneous amendments. The scope of required legal changes is being examined and the Bill is expected to be published in 2009.

On the general banking position, I am content with the powers given by the Houses of the Oireachtas in dealing with ongoing developments.

**Deputy Kathleen Lynch:** I would say the Minister is.

**An Ceann Comhairle:** That statement should keep Deputy Durkan going on the Order of Business for at least a year.

**Deputy Bernard J. Durkan:** It was a very comprehensive reply. It sounded very complicated and tedious though.

**Deputy Brian Lenihan:** It is.

**Deputy Bernard J. Durkan:** I found it difficult even listening to it.

**Deputy Fergus O'Dowd:** Arising from the Order of Business and documents laid before the House today and yesterday relating to special advisers to Ministers and Ministers of State, I ask the Tánaiste if it is appropriate——

**Deputy Olivia Mitchell:** He is the Minister for Finance.

**Deputy Fergus O'Dowd:** I apologise. I ask the Minister for Finance if it is appropriate for a Minister of State to appoint, from five special advisers, four family members as detailed in documents laid before the Oireachtas.

**An Ceann Comhairle:** That is not in order at all.

**Deputy Fergus O'Dowd:** They are his wife, his brother, his son and daughter.

**An Ceann Comhairle:** That is not in order. I am moving on.

**Deputy Fergus O'Dowd:** They are his special advisers as Minister of State.

**An Ceann Comhairle:** I call Deputy Burton.

**Deputy Fergus O'Dowd:** This Government has allowed that to happen.

**An Ceann Comhairle:** There are other ways of raising that. I am sure the Deputy is creative enough to find other ways.

**Deputy Fergus O'Dowd:** On a point of order, it is a document laid before the House and this is the appropriate venue to raise this issue. It is before us today. Is it right and proper that should happen when we will have unemployment of over 325,000 next year and when one person loses their job in this country every three minutes?

**Deputy Noel J. Coonan:** These are hard times.

**An Ceann Comhairle:** That is not a matter——

**Deputy Fergus O'Dowd:** For a Minister of State to appoint family members as special advisers is unacceptable.

**An Ceann Comhairle:** It is not a matter for the Minister for Finance and may not be raised unless the Minister wishes to comment on it.

**Deputy Fergus O'Dowd:** It is.

**Deputy Ciarán Lynch:** It might be a matter for the Minister for Social and Family Affairs.

**Deputy Brian Lenihan:** I did not sanction four special advisers for any Minister of State.

**Deputy Fergus O'Dowd:** They have their own special advisers.

**An Ceann Comhairle:** This is a matter——

**Deputy Fergus O'Dowd:** I wish to make a point I hope is in order.

**Deputy Emmet Stagg:** The Deputy's microphone is not working.

**Deputy Fergus O'Dowd:** It is appropriate the documents are laid before the House and Ministers would have special advisers.

**An Ceann Comhairle:** No.

**Deputy Fergus O'Dowd:** It is inappropriate that four from five special advisers, in the case of one Minister of State——

**An Ceann Comhairle:** May I interpret the proceedings for the Deputy?

**Deputy Fergus O'Dowd:** ——would be family members.

**An Ceann Comhairle:** For future reference, the document laid before the Dáil is laid in accordance with the appropriate ethics Act and does not come before the House in any other form.

**Deputy Fergus O'Dowd:** Why are we given notice of it?

**An Ceann Comhairle:** I have explained the position.

**Deputy Joan Burton:** I ask the Minister for Finance — the previous Minister for Justice, Equality and Law Reform — what the timeframe is for legislation relating to property management companies. This issue is very difficult for tens of thousands of people who are in properties subject to property management companies. They cannot even address matters where there are serious defects in a property, as there are in many such properties. These people have no legal remedy to take control of the management company and get work done. They are also being charged exorbitant fees.

*11 o'clock*

**An Ceann Comhairle:** Deputy Burton, we have had this conversation a good few times.

**Deputy Joan Burton:** The Minister is concerned about the property market. Many people sitting in property managed by companies——

**An Ceann Comhairle:** I know, but we have had this conversation every second week for a good while now——

**Deputy Joan Burton:** ——cannot sell their properties because of defects in the structures.

**Deputy Bernard J. Durkan:** Hear, hear.

**An Ceann Comhairle:** ——and I always have told the Deputy she must find another way of raising it.

**Deputy Joan Burton:** This is——

**An Ceann Comhairle:** Can the Minister for Finance tell Deputy Burton when the legislation is expected?

**Deputy Joan Burton:** He should do so because he was in the Department of Justice, Equality and Law Reform, so it would be appropriate to hear his reply. Can the Minister tell Members what he intends to do?

**An Ceann Comhairle:** The Deputy should let him answer.

**Deputy Brian Lenihan:** Options are being considered in consultation with the relevant Departments and the Attorney General as to whether it would be more expeditious to introduce a single Bill or to adopt a sectoral approach to amending existing legislation.

**Deputy Michael D. Higgins:** That is the end of it.

**Deputy Brian Lenihan:** A Government decision on the matter will be made on the basis of how quickly the required legislation can be enacted. The main features of the legislation were outlined——

**Deputy Emmet Stagg:** That answer is a year old.

**Deputy Brian Lenihan:** The main features of the legislation were outlined in a strategy——

**Deputy Emmet Stagg:** Mushrooms and blue mould are growing on that reply.

**Deputy Brian Lenihan:** —on foot of a Government decision taken on 23 September this year.

**Deputy Joan Burton:** I asked the Minister specifically for a timeline for the legislation.

**An Ceann Comhairle:** He might not be able to give that.

**Deputy Joan Burton:** Members know what they want to see in the legislation. They know it is complicated. They know the Government finds it difficult to do two things at once. It now is being asked to bring forward either three items of legislation or a single item of legislation.

**Deputy Seán Power:** The Deputy is doing two things. Laurel and Hardy.

**An Ceann Comhairle:** Let the Minister answer. Can the Minister assist the Deputy?

**Deputy Joan Burton:** Members were told, in respect of a recent election, that it should be possible for politicians to think about two things at once. The Minister should tell Members when the Government intends to address this issue.

**An Ceann Comhairle:** Can the Minister assist Deputy Burton? If he does so, he will be of great assistance to me.

**Deputy Brian Lenihan:** I can. I will assist the Ceann Comhairle by stating this legislation will be prepared by the Government as soon as possible and that the Government and I are quite capable of multitasking.

**Deputy Joan Burton:** The Minister should go on a FÁS course to learn how to do a couple of things at once because he is not addressing them.

**An Ceann Comhairle:** Please, do not mind the FÁS courses. I call Deputy Upton.

**Deputy Joan Burton:** If they would have him on a FÁS course. He probably would not pass.

**Deputy Billy Kelleher:** What is wrong with FÁS?

**An Ceann Comhairle:** I call Deputy Upton.

**Deputy Seán Power:** That was uncalled for.

**An Ceann Comhairle:** Do not mind that stuff now. I call Deputy Upton.

**Deputy Mary Upton:** I refer to two items of legislation. What is the position in respect of the Irish Sports Council (amendment) Bill? Second, are there plans to introduce legislation to prevent developers from getting planning permission for a development while they are in breach of planing legislation?

**Deputy Emmet Stagg:** Not at all. Would Fianna Fáil do that?

**An Ceann Comhairle:** We cannot have hypothetical situations on the Order of Business.

**Deputy Mary Upton:** A question was tabled to the Minister for the Environment, Heritage and Local Government and the answer was less than helpful or clear.

**Deputy Emmet Stagg:** Surprise, surprise.

**Deputy Mary Upton:** That is the reason I ask the question again today.

**An Ceann Comhairle:** Is legislation promised in the latter area and what is the position with regard to the former?

**Deputy Brian Lenihan:** Deputy Upton asked two questions. First, the heads of the Irish Sports Council (amendment) Bill, were approved by the Government on 4 July 2006. A decision has yet to be made on whether to proceed with the establishment of the subsidiary companies and the expected publication date is in the middle of 2009.

As for the planning question, existing legislation enacted by a previous Government in 2001——

**Deputy Emmet Stagg:** And not enforced.

**Deputy Brian Lenihan:** ——already governs this matter. However, further measures to strengthen the law in this regard are contained in the planning and development (amendment) Bill, for which the heads are expected at the end of this year. Its expected publication date is next year.

**Deputy Emmet Stagg:** It will not be enforced either.

**An Ceann Comhairle:** I call Deputy Kathleen Lynch.

**Deputy Noel Dempsey:** It is not up to the Government to enforce it.

**Deputy Kathleen Lynch:** Has the Minister any idea how many rabbits have died since the heads of the Sports Council (amendment) Bill were produced?

**An Ceann Comhairle:** It is a good question but the Deputy cannot raise it now.

**Deputy Bobby Aylward:** The Deputy is raising hares.

**Deputy Billy Kelleher:** The Labour Party got rid of the last Rabbitte.

**Deputy Seán Power:** The Deputy will be lynched.

**Deputy Kathleen Lynch:** That is one rabbit we can account for. It is the rest of them about which I am worried.

When will Members have sight of the mental capacity Bill? From his experience as Minister for Justice, Equality and Law Reform, the Minister for Finance will be aware this legislation is desperately needed.

**Deputy Brian Lenihan:** The heads of the mental capacity Bill were approved by the Government on 3 September this year. It will be published in the middle of next year.

**Deputy Michael D. Higgins:** I understand that officials in the Department of the Environment, Heritage and Local Government have offered to monitor and be part of a working group on the Aarhus Convention to help other European countries have their citizens acquire information on planning. When does Ireland propose to ratify the Aarhus Convention? Second, in a Government White Paper some years ago, a commitment was given to ratify the United Nations Convention against Corruption. Is the Minister in a position to indicate when Ireland proposes to ratify either of these two conventions? He also might indicate the number of ratifications that await the attention of the Department of Justice, Equality and Law Reform to enable Ireland to honour obligations for which it has signed.

**An Ceann Comhairle:** Is the Government in ratification mode?



**Deputy Brian Lenihan:** Ireland signed the Aarhus Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters on 25 June 1998.

**Deputy Michael D. Higgins:** That was some time ago.

**Deputy Brendan Howlin:** Only a decade.

**Deputy Brian Lenihan:** Progress towards ratification is closely aligned with work at EU level. In that context, the European Union has adopted two directives as part of the ratification process for the convention.

**Deputy Joan Burton:** What is ten years?

**Deputy Brian Lenihan:** Regulations transposing the European Communities access to information on the environment directive were signed and came into effect on 1 May 2007. The process to transpose the other directive is well advanced, with legislation completed to amend the majority of the relevant consent systems pertaining to that directive within an Irish legislative framework. Work is continuing on the outstanding issues, namely, four consent systems, of which three currently are the responsibility of the Department and one of the Office of Public Works. It will be finalised at the earliest possible date. On completion of the full transposition of Directive 2003/35/EC, the Ministers for the Environment, Heritage and Local Government and Foreign Affairs will ensure the instrument of ratification of the Aarhus Convention will be submitted to the Government and laid before the Dáil.

As for the other matter raised by Deputy Higgins, the United Nations Convention against Corruption, I regret I must ask the relevant Minister to communicate with the Deputy about that.

**Deputy Michael D. Higgins:** I would appreciate that, as I have a large file on that convention. People write to me every six months or so. It is in the Government White Paper on aid and in the Government programme for legislation twice. I appreciate the Minister now is approaching it with urgency, so it may happen within my lifetime.

As for the other convention, we are heading into the 11th year since Ireland signed the Aarhus Convention. We have offered to help other European countries implement it in respect of information systems for their citizens.

**Deputy Seán Barrett:** We have plenty of experience.

**Deputy Michael D. Higgins:** Would ten years not constitute sufficient consideration in the relevant Department? Would it not be great for the partners in government to at least have this small achievement in the lifetime of the present Government or the one that will follow it?

**Deputy Bernard J. Durkan:** Hear, hear.

**Deputy Brian Lenihan:** As Deputy Higgins will be aware, it can be highly complicated when ethical objectives must be realised within an EU framework. However, in respect of the Prevention of Corruption (Amendment) Bill, I can assist the Deputy further. The criminal justice (United Nations Convention Against Corruption) Bill, which allows for the ratification of that convention, now has been amalgamated with the Prevention of Corruption (Amendment) Bill, which I understand is before the House.

**An Ceann Comhairle:** A success. I call Deputy Gilmore.

**Deputy Michael D. Higgins:** I would not describe it as a success after five years. It has another five years to go before it reaches the same level as the Aarhus Convention.

**Deputy Bernard J. Durkan:** In ten years time.

**Deputy Eamon Gilmore:** It has been brought to my attention that Senator Corrigan has been out on the plinth having her photograph taken. Does it follow therefore that the Government soon will move the writ for the Dublin South by-election?

**Deputy Brian Lenihan:** No legislation is promised and I am not aware of any plans at present.

**An Ceann Comhairle:** There could be many reasons for it. I call Deputy Ciarán Lynch.

**Deputy Enda Kenny:** The Minister is learning the ropes quickly.

**Deputy Ciarán Lynch:** I am aware the Ceann Comhairle already has ruled Deputy O'Dowd out of order on the issue of the appointment of family members. I suggest Members could facilitate that discussion in the debate on the social welfare Bill in respect of the family income supplement.

**An Ceann Comhairle:** Right. I call Deputy McEntee.

**Deputy Shane McEntee:** On local LMFM radio this morning, some of the families of the nine people who were misdiagnosed in the north east stated they would greatly appreciate, if possible, were the Minister for Health and Children to make personal contact or issue a personal apology to them in respect of what happened.

**An Ceann Comhairle:** We cannot go into that now. I call Deputy Reilly.

**Deputy Enda Kenny:** She will.

**Deputy Mary Harney:** I already did.

**Deputy James Reilly:** As I am given to understand there are 280,000 people over the age of 60 who subscribe to the VHI and that risk equalisation fell in the courts, will the Minister outline what plans the Government has to address this issue legally to ensure community rating remains and that these people will not face hikes in their premiums?

**An Ceann Comhairle:** Is legislation promised in that area?

**Deputy Brian Lenihan:** The Government is determined to preserve the principle of community rating and will bring forward proposals in due course.

**Deputy James Reilly:** When will that be?

**Deputy Noel Dempsey:** In due course.

**Deputy Bernard J. Durkan:** What is meant by due course?

**Deputy Joanna Tuffy:** My question is related to Deputy Higgins's question about ratifying the Aarhus Convention. Do we have to pass legislation in this House in order to ratify that convention? We have to transpose a public participation directive from the European Union. We may need to amend other legislation, such as that relating to foreshores and planning. When will that happen?

**Deputy Brian Lenihan:** I understand the implementation is taking place by way of secondary legislation.

**Broadcasting Bill 2008 [Seanad]: Second Stage (Resumed).**

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

**Deputy Noel Treacy:** Is cúis áthais dom é cuidiú leis an díospóireacht seo a leathnú arís. Mar a bhíá rá agam an lá cheana, is Bille an-tábhachtach é an Bille Craolacháin 2008.

In reflecting on the broadcasting legislation before us, it is important to look back at the history of broadcasting in Ireland, its contribution to our community and whether we are being served by the State broadcasting corporation, RTE. As far as I am concerned RTE is a left wing organisation that has not committed itself to enunciating and promoting policies laid down by Government or Parliament. Following the recent budget, in the post-budget discussions RTE had all left wing commentators on programmes without any balance. Audiences were loaded against Government representatives.

**Deputy Emmet Stagg:** Where is this fellow coming from?

**Deputy Noel Treacy:** A Government representative is brought onto a panel on either radio or television where all the other panel members hold opposite views. That situation is distorting the balance. It is time for us as a Parliament to ensure that whatever we do we fulfil the constitutional duty of equality, fairness and balance in the interests of our citizens. That is very important.

I remember going onto an RTE radio programme one morning with a celebrated broadcaster who was highly paid. He enunciated to the nation how the world should proceed as he saw it. He had 17 staff assisting him. The questions he asked on-air were automatically generated on a computer screen and he had only to read out the questions. That gave the impression to the world that he had researched all those questions himself and that he was a highly intelligent man. Perhaps he was a much more intelligent man than I. Members must be accountable for their staff and the amount of money that is spent, including Ministers. It is time we examined that situation.

I am aware of serious invasions of privacy when families in my constituency were bedevilled by trauma. In sad situations involving misadventure, houses were surrounded by the media. The State broadcaster sent couriers to push messages through letter-boxes stating that if a special interview was given by the family at an arranged location to it alone then all of the other media could be looked after, that one interview would solve the situation, and that the family should do that in its own interest. On the two occasions with which I am familiar the two families did not give interviews, they withstood the pressure, sustained themselves and stood together. One family was confined to its own house for a week.

Another woman was confined also in her home as a result of utterances in a debate in this House, which RTE covered in almost its entirety because it involved more drama than fact. That woman, whose house was surrounded by the media, died a few weeks later as a result of the pressures that were put on her following the unfortunate allegations made against her beloved son. In both cases there was no wrongdoing, there was just sadness and trauma in a family situation and they were exploited and exposed to unnecessary public mire.

I abhor radio programmes, be they in the independent radio system or on RTE, where people can telephone anonymously and make allegations and statements but nobody knows who they are. If a broadcaster licensed by Parliament and the State authorities broadcast such

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pronouncements the people who make them should be named on those programmes. If people are not prepared to put their names to the comments they should not be read out.

I abhor also another situation in which I feel RTE has failed the State. I worked for a period as Minister of State at the Department of Enterprise, Trade and Employment. Our remit was to ensure the creation from foreign direct investment of as many jobs as possible and to assist IDA Ireland, which has done an outstanding job in attracting foreign direct investment in this country. On one occasion the senior Minister in my Department travelled to a provincial town to announce 400 jobs. RTE was there and showed the Minister at the opening but it did not cover his speech. It interviewed the president of the local chamber of commerce who complimented the Government and the IDA on the investment in the town but that interview was not shown. The RTE team drove 40 miles to another town and spoke to the president of the chamber of commerce of that town who made a negative comment about the 400 jobs that were awarded to the other town. The implication was that it was wrong to give the 400 jobs to the first town when they should have gone to the other town.

That was not balanced or fair. It was not an equitable coverage of a situation. The town that got the investment was fully entitled to it as the enterprise suited that location, yet the coverage of the massive investment by the State on behalf of taxpayers with the support of the IDA in partnership with a foreign company was distorted by RTE. What view would the company have taken when it played the clip back in its boardroom and saw the type of coverage the State broadcaster gave to its investment and commitment to our country? How could the board be satisfied it was getting proper, fair and equitable treatment? It is critical that we examine such situations carefully.

The State has supported RTE over the years and the public pays a hefty licence fee. It is time we revisited that situation. TG4, which is doing an outstanding job, should be an independent entity. It is time for one third of the licence fee to go to TG4, another third should remain with RTE and one third should go to TV3 and the independent radio sector. That would ensure there is an equitable playing field and that there is fairness across the board in all aspects of broadcasting.

Successive Governments have enacted legislation which has resulted in the Department of Communications, Energy and Natural Resources, acting in conjunction with the broadcasting authority, issuing licences for local radio. This Bill should be amended to ensure that if the companies that are licensed are sold then a percentage of the profits made on the sale should accrue to the State.

**Acting Chairman (Deputy Charlie O'Connor):** The Deputy has one minute remaining.

**Deputy Noel Treacy:** I was hoping the Acting Chairman would say one hour.

**Acting Chairman:** If Deputy Treacy wants to change the Standing Orders he should try to do so.

**Deputy Noel Treacy:** I cannot do that. I thank the Acting Chairman for the opportunity to speak.

A famous Irishman who was chairman first of CIE and subsequently chairman of RTE was asked a question on his retirement about the difference between the two organisations. He said, "Regretfully, I think the latter carries more passengers". That was a serious indictment from a man who helped to build up many semi-State corporations. It is time that we as legislators ensured there is fairness, equity and proper scrutiny, and that Members of Parliament, no matter what party they belong to or none, and, similarly, members of Government, are

treated with dignity and respect in order that such situations as we witnessed recently do not re-occur, when the Taoiseach and two former Ministers were ridiculed by way of satiric comedy on a national broadcaster. I do not have a problem with satire and comedy in their rightful place but if a show is broadcast nationally to families, including young children, in a world of global communications, the Members of this Parliament and all people holding public office deserve due regard and respect. Loading audiences and having unbalanced programmes is no way to serve politics, the Parliament, the public or the nation.

**Acting Chairman:** Deputy Stagg also has 20 minutes.

**Deputy Emmet Stagg:** I will not need them. I could have given some to Deputy Noel Treacy, who was very entertaining. I am sure the members of the board of RTE, who are appointed by Fianna Fáil, would be very excited at the prospect of being described as left wing by one of the Fianna Fáil Deputies.

**Deputy Noel Treacy:** I never described them as such.

**Deputy Emmet Stagg:** Maybe they are some of the leftover socialists from the time of former Taoiseach, Deputy Bertie Ahern, who described himself as a socialist. The idea that the RTE board is a left-wing organisation is crazy. I am not on RTE very often but any time I am in its studios, I am treated with respect and as any human being should be treated. I have no complaint in that regard whatever.

The reason I am intervening in this debate is an announcement made yesterday by Cathal Goan of RTE regarding the decision to broadcast RTE programmes to the diaspora, particularly in Britain. The Taoiseach, Deputy Cowen, announced yesterday that he is postponing that project, indefinitely I would say.

The Minister of State, Deputy Seán Power, supports the project and I will recap for him the history of the decision. The Labour Party tabled a Private Members' motion in the House concerning the implementation of a task force for the Irish abroad. One aspect was the broadcasting of RTE material so that it would reach the Irish who live in Britain. Very many Irish live there who were forced out of this country for economic reasons in the 1950s, 1960s, 1970s and 1980s. Most are now very old but they long to have contact with home and to be informed about what is happening here. RTE was to be the vehicle to meet this demand. For some time, the commercial channel Tara rebroadcast some of the RTE programmes but it was discontinued for commercial reasons.

I raised this matter in the House with the former Taoiseach, Deputy Bertie Ahern, and got a very receptive response. He told me a broadcasting Bill was due and that my proposal would be contained in it. This is the Bill we are debating today. Given that I knew the gestation period of such legislation, I asked the former Taoiseach whether he would agree to producing a short Bill simply to deal with this issue. The Minister responsible at the time was the Minister, Deputy Noel Dempsey, and he was not as responsive to my pleading as Deputy Bertie Ahern. I kept pressing the matter and the former Taoiseach convinced the Minister in one way or another — I am not sure what method he used — to introduce a short Bill. He did so and the Bill had two purposes, the first of which was to deal with broadband and the second of which was to authorise RTE to broadcast outside the island of Ireland. RTE was very unfavourably disposed to the idea of broadcasting outside the island and it dug up the old Broadcasting Act and found an excuse therein for not doing so.

However, the Government and Parliament changed the law, on foot of the task force report, to enable RTE to broadcast to Britain. This was a positive development. RTE is obliged to implement Government policy in this regard. If it wants to find areas in which to make cut-



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backs, I will find some, as would Deputy Noel Treacy. I would save €2 million for it without any difficulty and I am sure Deputy Treacy would save €10 million quite easily in its very large budget.

At the time the legislation was considered, RTE representatives told me the proposal would cost money and would not be commercially viable. It stated it did not want to implement it. The Government, with the support of Parliament, changed the law and told it to do so. Broadcasting was to commence on St. Patrick's Day this year. Mr. Goan stated to the Oireachtas Committee on Communications, Energy and Natural Resources yesterday morning that RTE would save money by not implementing Government policy in this regard. Will the Minister of State, Deputy Seán Power, use every bit of authority he has to address this matter? He has the full support of all sides of this House, which supported the campaign to implement the proposal that RTE should broadcast to the Irish in Britain at an early date. I ask the Minister of State to use all his authority, with the backing of all parties in this House, to make RTE reverse its decision and make €2 million in savings elsewhere. It should implement the decision that the Government changed the law to allow for in the first instance. The Minister of State is positively disposed towards this, as is the Government.

**Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Seán Power):** I thank the Deputies who have spoken during this debate for their valuable contributions and constructive approach.

The general thrust of this Bill is to ensure a regulatory environment that will sustain and develop the broadcasting sector in Ireland, and the component parts of that sector, including public service broadcasting, commercial broadcasting, community broadcasting and the independent production sector. The Bill aims to strike a balance between the needs and interests of the various sectoral players, but at its core is a belief that the interests of viewers and listeners are paramount. This is reflected in a number of initiatives, including amendments to the framework for the children's advertising code, as referred to by a number of Members; the requirement for RTE and TG4 to maintain a focus on children's programming; the requirement for RTE and TG4 to maintain audience councils; the enhanced right of reply; and empowering the BAI to conduct audience surveys at the start of the broadcasting contract award process.

I will respond to some of the issues raised by the Deputies during the course of this debate and I acknowledge their very constructive approach. Most of them were very supportive of what we propose and had some suggestions and ideas for improving the Bill in some areas. This was also the case in the Seanad, whose Members were also very supportive of what we are proposing. They dealt with the Bill in a very constructive manner.

A debate on broadcasting standards took place in the Seanad earlier in the week. It arose as a result of audiences feeling they were insulted by comedians on television in recent times. It is obviously difficult to try to strike a balance without interfering too much but it is important that we have certain codes that would be adhered to. There will always be an expectation of standards, particularly when watching the programmes of the national broadcaster. People do not want to be insulted or offended when watching programmes in their own kitchens or sitting rooms.

Deputy Durkan stressed the importance of the development of an Oireachtas channel as a means of making the workings of our democracy transparent and as widely available as possible. I noted the support of Deputies White, Kenneally, Naughten and Creighton for this position and I wholeheartedly agree with them. The recent debate in these Houses on the Credit Institutions (Financial Support) Bill would have drawn a significant viewership, as would Private Members' debates over recent weeks. Making the work of these Houses accessible,

even in the case of a small audience with a specialist interest, is a proper public service. None of us expects that thousands of people will be tuning in every day to hear what we are saying in the Houses.

**Deputy Bernard J. Durkan:** The Minister of State should not undersell this. One can never tell. I know many people who——

**Deputy Seán Power:** Perhaps with the exception of when Deputy Durkan is speaking.

**Deputy Bernard J. Durkan:** ——would be interested in knowing what goes on here all the time. Does the Acting Chairman agree with me?

**Acting Chairman:** The Minister of State, without interruption.

**Deputy Bernard J. Durkan:** Especially people in Tallaght.

**Deputy Seán Power:** The types of material to which Deputy Durkan refers and material on the Internet fall to be addressed by existing criminal law rather than within the context of the Broadcasting Bill. The aim of the Bill is to ensure that broadcasting standards are maintained. Viewers and listeners have a general expectation of high standards from Irish broadcasters and we must ensure that this trust is not breached.

Regarding Deputy Durkan's comments on the right of reply, I agree with him that this is not a panacea for all ills. However, a right of reply will assist in mitigating the damage done to a person's reputation by means of a broadcast of inaccurate facts. I concur with Deputy Clune's and Deputy McGrath's points that if this recourse is to work speed is of the essence. Those who feel they have been unjustly treated on television or radio always wish to have the matter dealt with as quickly as possible.

In respect of Deputy McManus's and Deputy Coveney's observations on whether the BCI and ComReg might be merged into a single entity, this issue was considered in the formulation of the legislation. The principal argument against is the requirement for separate knowledge sets. In essence, ComReg is a network or platform distribution regulator and the BCI and BCC are content regulators.

Deputies McManus and O'Higgins are correct in saying that the Bill contains no general definition of what is meant by public service broadcasting. However, there are very specific definitions of the public service broadcasting mandates of individual public service broadcasters, namely, section 114 for RTE, section 118 for TG4, section 125 for the Oireachtas Channel and section 127 for the Irish Film Channel. The mandates of RTE and TG4 continue to encompass the public service formula of Lord Reith, the first chairman of the BBC, whose definition of what public service broadcasting should be was: "to inform, to educate and to entertain". The approach taken in the Bill mirrors that of jurisdictions with strong traditions of public service broadcasting.

Deputies McManus, Coveney, Kenneally and O'Flynn also raised the concerns of broadcasters in respect of any levy introduced in order to fund the activities of the BAI. Section 37 of the Bill requires the BAI to publish estimates of expenditure in advance to allow broadcasters to assess the likely extent of the levy. Expansion of this provision is being considered in order to address some of the concerns expressed.

Deputy McManus made a point regarding archiving. The Bill leaves it to the BAI to decide upon the appropriate balance of funding from the Broadcasting Fund as between programme making and archiving. Archiving is necessary if we are to maintain for future generations a sense of who we are and of the road we have travelled. However, the process of developing



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archives, and, more important, the process of developing a culture of archiving among all broadcasters, is a long-term one. We would all agree that the preservation of archival material is a progressive development and it is one we would all support. The older we get the more important archival material becomes.

As is evidenced by subsections (6) to (12) of section 69 the emphasis in this Bill is on the initial tentative step in that process, that of preservation. Concerning analogue switchover, Deputies will be aware that the Broadcasting (Amendment) Act 2007 set the framework for the roll-out of digital terrestrial television by RTE and, subject to contract finalisation by the BCI, by Boxer DTT. The roll-out of digital terrestrial television services in 2009 will afford the opportunity to begin the process of informing viewers of the process of analogue switch-off. Section 11(8) of the Broadcasting (Amendment) Act 2007, which is restated in section 139(6) of the Bill, provides that RTE must take steps to ensure that viewers are made aware of analogue switch-off, the reason for it, the consequences of it, and practical information on how viewers can receive services by digital means after switch-off.

**Deputy Emmet Stagg:** Perhaps the Acting Chairman will allow me to intervene very briefly if the Minister of State permits me. Section 3 of the Act of 2007, as mentioned by the Minister of State, is the section that empowers RTE or gives it authority to broadcast to Britain. I ask the Minister of State that, in his response, he might say something about this. If he does not, RTE will say that the Minister ignored Deputy Stagg in the Dáil.

**Deputy Seán Power:** I have taken note of Deputy Stagg's comment and I shall refer to it later.

I thank the Minister of State at the Department of Health and Children, Deputy Mary Wallace, and Deputies Clune, Andrews, Kenneally and White for their comments and support in respect of the strengthened provisions on children's advertising. These provisions will serve to protect the general public health interests concerning children. We are all aware that significant budgets are provided for programming aimed at young people and also that many young people believe that everything contained in such programming is true. We must be very careful about what we allow and about the type of advertising aimed directly at children that we permit on television. The finalisation of the national nutrition policy as outlined by the Minister of State, Deputy Wallace is something I welcome.

I concur with the views of Deputies Nolan and Coveney in respect of the need for a focus on the development of children's programming. Section 101 specifically requires RTE and TG4 to outline on a regular basis their proposals for children's programming. Section 96 of the Bill empowers the audience councils of RTE and TG4 to conduct research into the programming needs of children and young persons.

I welcome Deputy Calleary's support for the added transparency measures outlined in the Bill in respect of contract award processes. These legislative changes are intended to reflect the outcome of the 2004 radio licensing review. I agree also with his point about the critical role played by local radio in reporting local news and current affairs. As public representatives, we can all appreciate the importance that locals play——

**Deputy Bernard J. Durkan:** Hear, hear.

**Deputy Seán Power:** They tune in on a regular basis to keep in touch with what is going on in their area, and to know about the functions, the roles and the contributions of their Deputies in this House. I feel, and I am sure Deputies Durkan and Stagg will agree, that the coverage local radio gives us is fair and well-balanced.

**Deputy Bernard J. Durkan:** Absolutely. It is very important.

**Deputy Seán Power:** In respect of the 20% news and current affairs quota, it should be recognised that all broadcasters benefit from the allocation to them of very valuable radio spectrum. The *quid pro quo* for such an allocation is that certain public service obligations attach, particularly with regard to the news and current affairs quota which will also apply to RTE under this Bill. The rationale for this quota is, and continues to be, the importance to our democracy of ensuring independent news sources and debating fora.

With regard to Deputy Coveney's observations on the television licence, at some stage in the future we may have to move away from the television licence as a basis for the funding of public service broadcasting, given the pace of technological developments. This is an issue with which many European countries are attempting to grapple. However, the licence fee has served us well over the last half century, despite its limitations. It ensured some measure of independence for RTE from both political and commercial pressures. It has also acted as a direct link between audiences and RTE, reminding the national public service broadcaster to whom its public service duty is ultimately owed. As such we must review proposed alternatives with caution and due diligence.

Deputies Naughton, Creighton, Andrews, Coveney, McGrath, Clune and O'Flynn raised concerns regarding religious advertising. As the Deputies will be aware, the prohibition on religious advertising was subject to a lengthy public consultation in 2004 during which over 150 submissions from the public were received by my Department. The conclusion from that consultation process was that the existing prohibition should be retained.

Section 41 of the Broadcasting Bill continues the prohibition on religious advertising but does so in a less restrictive manner. The provision focuses on advertisements that address the issue of the merits, or otherwise, of adhering to any religious faith or belief, or of becoming a member of any religion or religious organisation. The existing broader restriction relates to advertisements directed towards a religious end. The section also maintains the clarification that permits advertisements which provide information about a religious magazine or periodical being available for sale, or about a religious event or ceremony taking place. This is a difficult and sensitive issue, and is one that merits further discussion by Deputies on Committee Stage.

I wish to acknowledge the important role played by Deputy O'Flynn in chairing the Joint Oireachtas Committee on Communications, Energy and Natural Resources, which oversaw the innovative eConsultation process that informed the formulation of this Bill. The committee's role was important and committee members worked together in a genuine and helpful way.

Deputy Treacy was very critical of RTE in his contribution this morning, as he was some weeks ago. Yesterday RTE made a presentation before the joint committee and outlined the serious financial situation in which it finds itself. There is no doubt the organisation must make difficult decisions in the months ahead.

Deputy Stagg expressed dissatisfaction regarding RTE's decision to postpone the RTE International television service and the Freesat system to Britain. The organisation has an obligation to provide RTE International under the Broadcasting (Amendment) Act 2007. RTE wrote to the Department to indicate that RTE International would not launch as planned by March this year owing to cutbacks but that the matter would be reconsidered later in the year. The Department has written to RTE underlining the organisation's statutory obligation and seeking clarity on when the service will be launched. The broadcasting needs of Irish people overseas are also being discussed with the Department of Foreign Affairs. We are conscious of the commitment we gave in this regard and we will continue with our efforts with RTE to have the matter resolved.

**Deputy Liz McManus:** Will the Government provide RTE with more money?

**Deputy Seán Power:** As with many organisations, RTE receives money, albeit not enough.

I thank Deputies from all sides for their constructive contributions to the Second Stage debate. I look forward to Committee Stage which will provide an opportunity to tease out and address many of the issues raised by Members.

Question put and agreed to.

**Broadcasting Bill 2008 [*Seanad*]: Referral to Select Committee.**

**Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Seán Power):** I move:

That the Bill be referred to the Select Committee on Communications, Energy and Natural Resources in accordance with Standing Order 120(1) and paragraph 1(a)(i) of the Orders of Reference of that committee.

Question put and agreed to.

**Business of Dáil.**

**Minister of State at the Department of the Taoiseach (Deputy Pat Carey):** I move:

That, notwithstanding anything in Standing Orders, statements on cancer vaccine shall be taken today at 12.30 p.m. and shall be brought to a conclusion not later than 2 p.m., the order shall resume thereafter and the following arrangements shall apply:

(i) the statements of a Minister or Minister of State and the main spokespersons for the Fine Gael Party, Labour Party and Sinn Féin, who shall be called upon in that order and who may share their time, shall not exceed 15 minutes in each case; and

(ii) immediately following the statements a Minister or Minister of State shall take questions for a period not exceeding 30 minutes.

Question put and agreed to.

**Tribunals of Inquiry Bill 2005: Second Stage (Resumed).**

The following motion was moved by the Minister for Finance, Deputy Brian Lenihan, on Tuesday, 20 November 2007:

That the Bill be now read a second time.

Debate resumed on amendment No. 1:

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

Dáil Éireann having regard to the fact that existing Tribunals of Inquiry established by the Oireachtas have not completed the entirety of their work, declines the second reading of the Tribunals of Inquiry Bill 2005.

—(Deputy Charles Flanagan.)

**Deputy Bernard J. Durkan:** The explanatory memorandum states:

The purpose of the Bill is to consolidate and reform:

- the Tribunals of Inquiry (Evidence) Act 1921;
- the Tribunals of Inquiry (Evidence) (Amendment) Act 1979;
- the Tribunals of Inquiry (Evidence) (Amendment) Act 1997;
- the Tribunals of Inquiry (Evidence) (Amendment) Act 1998;
- the Tribunals of Inquiry (Evidence) (Amendment) (No. 2) Act 1998;
- the Tribunals of Inquiry (Evidence) (Amendment) Act 2002;
- the Tribunals of Inquiry (Evidence) (Amendment) Act 2004;

It must have been tough going in 1998 if two Act were required. This list is indicative that something is wrong in society. From time to time, questions have been raised about whether various matters are proceeding in accordance with good practice and due diligence. While I do not argue that the current regime is complicit in this matter, during my time as a Member of the Oireachtas various issues have been raised which could and should have been addressed in the House by way of Question Time, parliamentary inquiry, for which provision is made, or one of a number of other methodologies available to Members. We did not have the wherewithal or commitment to take this course of action and opted instead for a cumbersome and expensive procedure of inquiry.

In general, those who have been critical of the inquiry system have not criticised the inquiries *per se* but have focused on their cost and the endless nature of the process. Members of the public also ask the reasons inquiries take so long and cannot be brought to a conclusion much earlier. I fully realise that the tribunals of inquiry must have due regard for the rights of the persons who come before them, the various procedures laid down and their terms of reference.

The inquiries established thus far, including the Tribunal to Inquire into Certain Planning Matters and Payments and the Morris tribunal, have shed light on indiscretions which have taken place at various levels. I was astonished during the recent debate on the report of the Morris tribunal that the Minister for Justice, Equality and Law Reform chose to lambaste a serving Deputy and former Deputy. His intervention in this matter was unprecedented in my experience in the House and I have been a Deputy for longer than he has. The manner of the Minister's departure from procedure and practice was scandalous.

**Deputy Thomas Byrne:** He did nothing more than cite the report.

**Deputy Bernard J. Durkan:** When I discuss the report in a moment Deputy Byrne, as a new Member, would do well to listen.

**Acting Chairman:** Remarks must be addressed through the Chair.

**Deputy Bernard J. Durkan:** I have done so. This is a simple matter. The Minister should have addressed himself to the reasons the Morris tribunal was established. Why was the Government reluctant to allow an inquiry to be held? Deputies should remember the extensive debate we had in the House on the necessity of establishing an inquiry into the events subsequently inquired into by the Morris tribunal. The issues which caused the House to establish the tribunal were obvious and members of the public had been concerned about them for a long time.

What did the Minister do in his contribution to the recent debate? He did not apologise to the victims or beg the forgiveness of the House for the long delay but instead attacked a Member of the Oireachtas and a former Deputy on the basis that the issue was raised in the tribunal's report. I am surprised that Deputy Byrne, who is a legal practitioner, cited this as a

[Deputy Bernard J. Durkan.]

reason for the Minister's intervention. Members of the Judiciary know well that they have no function in ordering how the House should conduct its business because they are specifically and explicitly precluded from in any way interfering with the process of the House. While the Oireachtas is precluded by the Constitution from interfering in the judicial process, over the years, it has become the practice for Members to deviate from this stipulation from time to time by commenting on the courts, often in a less than positive manner. The fact that the Executive has the power to hire and the Oireachtas the power to fire should not be lost on those who wish to make comment.

In recent times, the courts and some members of the Judiciary have seen fit to curtail the activities of the Houses of the Oireachtas and the manner in which we attend to our business. They have no authority in this area and any intrusion should be stoutly resisted in the Houses. The only persons who have control over procedure and privilege in the Houses are the Ceann Comhairle of the Dáil and Cathaoirleach of the Seanad. Any intrusion must be resisted, resented and contested because it is an interference in the rights of Members of Parliament to raise issues as they see fit, a right which has nothing to do with the courts.

While Members have from time to time commented on the Judiciary, as elected public representatives we have a duty to raise public issues without deference to anyone inside or outside the House. If we respond to the queries raised by members of the public, that is our function. I emphasise that under the separation of powers laid down in the Constitution, the courts have no function in telling Members of the Oireachtas what we should do. We are coming to a stage where we may have to have a referendum. I know the Government does not like referendums, based on recent experiences. We may well need to have a referendum to decide who deals with what, and when. The interpretation of the Constitution is entirely a matter for the courts. Far be it from me to attempt to lecture my learned colleagues on the opposite side of the House, but I reserve the right, nonetheless — and I have read a small bit of it as well.

**Acting Chairman:** Will the Deputy please speak through the Chair?

**Deputy Bernard J. Durkan:** I always speak through the Chair. I sometimes look away, however, so as not to sound personal.

**Acting Chairman:** I thank the Deputy.

**Deputy Bernard J. Durkan:** The Minister fed information to a backbencher who was not even in the House when that particular tribunal——

**Deputy John Moloney:** That is a scurrilous allegation.

**Deputy Bernard J. Durkan:** It is not. The information was fed by Government or by the Minister, by some means or other, to a rookie Member of the House, who was not here when the tribunal of inquiry was set up and knew nothing about it — and tended to judge the manner and methodology used by Members of the House in the pursuit of their business. I am amazed nothing has happened as a result of that. It was an appalling attack by a Minister, for whatever purpose he saw fit to do it, whereby he pointed a finger at two Members of the Oireachtas who were pursuing their business as public representatives, as they were well entitled to do at any time. I thought the Minister would have told the House he was very very sorry for the circumstances in which this particular tribunal of inquiry had to be set up.

**Minister of State at the Department of Justice, Equality and Law Reform (Deputy Conor Lenihan):** He was quoting Mr. Fred Morris, though, the judge.



**Deputy Bernard J. Durkan:** I had already dealt with Mr. Justice Morris before the Minister of State came into the Chamber. I have explained that Mr. Justice Morris, respected member of the Bench that he is, has no authority whatsoever to tell Members of this House how they should do their business. That is a matter for him and he is prevented from so doing by the Constitution, as the Minister of State well knows.

**Deputy Conor Lenihan:** He is entitled——

**Deputy Bernard J. Durkan:** He is not entitled to do anything of the sort.

**Deputy Conor Lenihan:** He is when he is empowered by the Oireachtas. The Deputy actually voted for this.

**Deputy Bernard J. Durkan:** I am sorry, but the Minister of State had better read it again. The powers——

**Deputy Thomas Byrne:** The Deputy does not like the answers.

**Deputy Bernard J. Durkan:** ——that the Oireachtas devolved are contained in the tribunal's terms of reference. Anything that relates to the constitutional position of the Judiciary, the courts and the House remains the same. They are not set aside. No attempt has been made to set them aside, nor can there be.

**Deputy Conor Lenihan:** He is allowed——

**Deputy Bernard J. Durkan:** It is as simple as this, but if the Minister of State wants to go down that road, I shall be happy to entertain him. However, I would not go too far if I were he. Suffice to say that serious problems arose in policing in Donegal to which that tribunal refers. Any attempt by a Member of the House to try to justify and cover this up by making an attack on the Members of the Opposition is appalling and the Minister should either apologise publicly to the people he offended or consider his position.

**Deputy Conor Lenihan:** I do not believe there is any requirement on him to apologise. I am quite good at doing that and I do not believe the Minister, my senior colleague, should.

**Acting Chairman:** Will the Minister of State please allow Deputy Durkan to continue?

**Deputy Bernard J. Durkan:** The knowledge the Minister of State has as regards these issues is obviously much superior to mine. However, I should not venture down that road.

**Acting Chairman:** I believe the Deputy is attracting some attention from the Government benches.

**Deputy Bernard J. Durkan:** I always did. I must emphasise that I was a Member of this House during all those proceedings. I listened and learned as I watched the daily occurrences. I saw and heard, as did the Acting Chairman, as all the allegations were being made. I saw that innocent members of the public were imprisoned for something they had nothing to do with. The Minister did not see fit to comment on that at all, and neither did he see any reason to apologise to the House. What is going on over there? I cannot understand what they are talking about — and incidentally——

**Deputy Conor Lenihan:** What is the Deputy referring to?

**Deputy Bernard J. Durkan:** ——why is he interrupting? The Minister of State is in the business of interrupting. He will have an opportunity to speak.

**Deputy Conor Lenihan:** I am just inquiring.

**Deputy Bernard J. Durkan:** If he wants to elucidate further on the Minister's previous outburst in the House, then he can do so.

**Acting Chairman:** In fairness to the Minister of State, the Deputy is encouraging him, but perhaps I shall ask him to desist somewhat.

**Deputy Bernard J. Durkan:** Far be it from me to encourage the Minister of State. He is very good at encouraging himself, on any occasion that he gets overly exuberant. In the event, I shall do my utmost, with the good help of the Acting Chairman, to curtail his activities.

**Acting Chairman:** Proceed Deputy.

**Deputy Bernard J. Durkan:** I shall reiterate the points I have already made. The Minister's attitude was outrageous. He completely failed and I do not know why he raised that issue. He could not have raised the issue on behalf of the gardaí throughout the country who are doing their duty. They certainly did not ask him to raise the issue. Perhaps some innocent people were accused, but then many other innocent people were accused of doing things they had no hand, act or part in at the same tribunal of inquiry. It behoved the chairman of that particular tribunal to deal with the injustices that had been done to all those and keep his reservations about certain Members of the Oireachtas to himself.

**Deputy Conor Lenihan:** Does the Deputy not believe we should be self-critical as regards how we conduct ourselves? It is no harm for us to criticise ourselves from time to time.

**Deputy Bernard J. Durkan:** That applies to the chairman of the tribunal as well.

**Deputy Conor Lenihan:** Yes, but we should take that on board.

**Deputy Bernard J. Durkan:** The Minister of State keeps interrupting me and the last time I heard from him was when he was snoring during a radio interview——

**Acting Chairman:** Now, Deputy, please.

**Deputy Bernard J. Durkan:** He is a constituency colleague of the Acting Chairman, as well, and I realise special allowances have to be made in those circumstances, but he should not be ——

**Deputy Conor Lenihan:** I am delighted——

**Deputy Bernard J. Durkan:** ——allowed too much latitude, or else——

**Deputy Conor Lenihan:** The Deputy is lucky I am not snoring through his contribution.

**Deputy Bernard J. Durkan:** ——I could imitate him and start interrupting him, too.

**Acting Chairman:** The Chair will be very impartial and I shall treat the Minister of State, Deputy Conor Lenihan, in the same fair manner as anyone else. Please proceed.

**Deputy Bernard J. Durkan:** The Acting Chairman will be very impartial. I am quite sure that is the case.

We have a multiplicity of tribunals of inquiry that have cost multifarious millions of euro. While they had to be set up in the first place by the Houses of the Oireachtas, and they have done a good job, however ponderously, if it had been possible to ventilate these issues in the Parliament, there would have been no necessity for them in the first place.



I am not going to criticise members of the legal profession for becoming involved in something for which they were extraordinarily well paid. There will be another Bill before the House to deal with that matter in the not too distant future. However, I want to express the opinion brought to my attention by the general public, to the effect that in some cases it would appear the procedures are long drawn out, self-serving, ponderous and as a result extraordinarily expensive. In those circumstances a reluctance develops towards setting up tribunals and that is where this legislation has come from — because Ministers have expressed concern as regards why tribunals of inquiry should happen. The reason is that something is wrong that the public is concerned about which has to be addressed. As a result, this is what we have.

Incidentally, there was a parliamentary inquiry, which was overturned by the courts, to which I have not referred.

**Deputy Conor Lenihan:** No.

**Deputy Bernard J. Durkan:** However, as a Member of this Parliament, I found that a very strange situation. I know that people's reputations have to be protected, and what proceeds——

**Deputy Conor Lenihan:** Of course.

**Deputy Bernard J. Durkan:** That is quite true and do not forget that this happens in the courts as well. One can be libelled in the courts, but nobody cares a peg and it makes no difference. I can go into court and in the course of giving evidence make all types of allegations, for which I will not be held responsible or made accountable. I am afraid extraordinary regulations, curtailments and restrictions are placed on Members of Parliament when they set out to go about doing something for which there is provision under the law as well. A very experienced deviation took place whereby a tribunal in course in the Oireachtas was set aside by the courts. The jury should still be out on that decision. It was a dangerous thing to do. The whole question of any interference in the process and procedures of the Oireachtas is not a matter for the courts. The courts have no function in the matter and the sooner they recognise that, the better. It may suit Government for the reverse to be the case and it may suit it to go to the courts and argue these cases, but it is not in the interest of democracy.

**Deputy Conor Lenihan:** It was the Garda, not the Government, that challenged that particular committee's work, but it was the courts that set it aside.

**Deputy Bernard J. Durkan:** It was the courts that made the decision although the Oireachtas set up the inquiry within the Houses of the Oireachtas. I was involved in the DIRT inquiry and at that time there was significant debate as to whether the Houses of the Oireachtas had the right or ability to carry out an inquiry. They had, and they did it. There were legal questions raised at the time, but some of us were of the view that we had the legal authority to conduct an inquiry within the Houses of the Oireachtas.

It would save taxpayers significant amounts of money if parliamentary inquiries, for which there is already provision, could be undertaken within the House. It is not true to say that they would be biased, because both Government and Opposition would be equally represented on such inquiries. That would be a requirement. In such cases, no accusations of political bias, good, bad or indifferent, could be made because of the make-up of the inquiry. Taxpayers could be saved significant expense if many of the issues that have arisen and been dealt with by tribunals of inquiry were referred instead to the Houses of the Oireachtas to be examined under the terms of previous sworn inquiries and using the compellability of witnesses legislation — which is already approved by the Houses — to ensure that people who do not wish to come before an inquiry are compelled to do so. This is something we should consider.

12 o'clock

[Deputy Bernard J. Durkan.]

The cost of the DIRT inquiry was in the region of €900,000 and the net benefit to the Exchequer was approximately €1.4 billion. The inquiry took approximately three to four months to complete its work. Most of the inquiries we are talking about now have taken years. Members have come and gone in the House in the length of time these inquiries have taken.

**Deputy Conor Lenihan:** Thankfully, not Deputy Durkan.

**Deputy Bernard J. Durkan:** Nor the Minister of State, Deputy Lenihan, who is still here and as vibrant as ever.

**Deputy Conor Lenihan:** We were spared. The almighty looks kindly on us.

**Deputy Bernard J. Durkan:** There are questions to be answered about inquiries. The terms of reference and how the inquiry will take place must be set out clearly. The length of time for an inquiry and the expected cost must also be borne in mind. There is a need for a report to be provided within a reasonable time; I am aware this is provided for in the legislation. We must also recognise the need for a separation between the functions of the courts and of Parliament. We should also place greater reliance on parliamentary inquiry, which is already available within the ambit of the Oireachtas and which would cost far less than the big boys we have had previously.

Some people have raised a question as to what a bunch of red or brown necks elected to the Oireachtas would know about inquiries and how they could be expected to conduct them. There is only one way for people to find out.

**Deputy Conor Lenihan:** There are thick necks in here, but I am not sure about red or brown necks.

**Deputy Bernard J. Durkan:** They found out by what happened in the past. In my view, this is the one thing we should have learned from the past ten or 12 years. We should learn well from those years.

**Deputy Thomas Byrne:** I must comment on the remarks made about new Deputies speaking in the Dáil. There was criticism of my colleague for coming into the House and welcoming and quoting from a report of a tribunal. If a colleague came in and criticised the tribunal's report or said it was wrong, that would be a matter of concern or disrespect. Young Deputies like myself are entitled to come in and speak. We are elected, like all other Deputies.

**Deputy Bernard J. Durkan:** Young Deputies should not disrespect older Deputies either.

**Deputy Thomas Byrne:** I suffered a similar fate last week when a member of the Fine Gael Party asked what I would know because I was only a wet week in the House. It is disgraceful that this is the attitude among senior Fine Gael Deputies. It is important to make the point that all Members are elected for the term of the Dáil and, please God, if they run again they will be re-elected. They are all entitled to speak and make their views known.

**Deputy Bernard J. Durkan:** We never said they were not entitled to speak.

**Deputy Thomas Byrne:** Perhaps we will get Deputy Durkan a slot on Ireland AM at some stage.

**Deputy Bernard J. Durkan:** That is something to which I do not aspire at all.

**Deputy Thomas Byrne:** I started my apprenticeship as a solicitor in January 1999, which coincided, almost to the day, with the setting up of what was then called the Flood tribunal. The first matter I had to deal with in the office was to photocopy discovery for the Flood tribunal for a number of clients — clients who were cleared and who made a positive contribution to the tribunal. That was my first experience of tribunals and I felt they were a waste of money in terms of the thousands of documents that had to be photocopied in discovery not just by us, but also by the tribunals, to be handed out to everybody. We saw in the latter stages of the tribunal documents relating to certain witnesses appearing in some newspapers at the weekend, in advance of them coming before the tribunal, which was damaging to the system.

I am glad this Bill is before the House. It is late in that many of the tribunals are coming to an end or have closed. However, every time the Government tried to introduce the Bill previously, it was accused of trying to shut down or stop the tribunals. There was major debate in the House on that and on the effect we would have on the tribunals by introducing the legislation, completely ignoring the fact that the legislation derives from the Law Reform Commission and the need for reform. I am unsure whether the current legislation was the last Act of the British Parliament here or the first Act of the Dáil after Independence. Regardless, it is that old and is no longer suitable.

We must change the process and ensure inquiries are more cost effective. I agree with Deputy Durkan on the issue of costs and tribunals. Some unqualified legal personnel were paid at half the rate of junior counsel in some of the tribunals, a massive fee to pay someone with no particular qualifications. That is outrageous. Barristers working on the tribunals made an absolute fortune just examining discovery. They are known in the trade as “discovery donkeys”.

**Deputy Aengus Ó Snodaigh:** Professionals always make money out of it.

**Deputy Thomas Byrne:** Discovery is what they were doing and they were paid a fortune for it. It is time that stopped. This legislation will go part of the way to stop it. The legal profession, barristers in particular, have a sin to answer for with regard to the expenses charged. It is very well to criticise it now, but while the tribunal was ongoing the Opposition had a full-time spokesman who digested tribunal transcripts each day and was ready to comment on them in detail each night on radio. The Opposition took great advantage and was delighted with the unspecified allegations being thrown around in the tribunal, allegations that had not been decided on.

**Deputy Bernard J. Durkan:** Of course, the Government would never indulge in that.

**Deputy Thomas Byrne:** Deputy Durkan complains about the ability of people to go into court, throw around allegations and libel people without consequence. They can do so, but they can also do it at tribunals. People comment on tribunals. Members of the Fine Gael Parliamentary Party have commented on such allegations before any decision was taken.

**Deputy Bernard J. Durkan:** That is correct. Members of Fianna Fáil did so too.

**An Leas-Cheann Comhairle:** Deputy Durkan should allow the Member to speak.

**Deputy Thomas Byrne:** We adopted the correct decision, to wait until the tribunal reported, as indeed did some of Deputy Durkan’s colleagues. One is criticised for standing up for what is described as the wrong thing, but it was the correct thing to do.

**Deputy Bernard J. Durkan:** There was a good chance it might never have been reported if people did not comment.

**Deputy Thomas Byrne:** We must respect the work of tribunals. We might have difficulties with them, but the Oireachtas sets them up. We must accept what they say, regardless of whether we like it. Sometimes we do not like what they say. Perhaps we will not like the conclusions of the Mahon or Flood tribunals, or perhaps the Opposition will not like them. However, we must accept what the judges say. Members on this side of the House have consistently said that we will accept the findings of the Mahon tribunal and we look forward to the publication of its report. All sides of the House will welcome that an end has come to the ridiculous costs associated with the tribunal, although the bills will probably have to be paid over the next two years. These costs will have a significant impact on the public funds. Some of the barristers employed at the tribunal have worked diligently.

**Deputy Bernard J. Durkan:** The poor old barristers also have to make a living.

**Deputy Conor Lenihan:** It appears that they live well.

**Deputy Thomas Byrne:** However, we have never heard about many others who were also paid significant legal fees. Some conducted background investigations but others merely reviewed discovery, which is time consuming work that could have been done at a much lower cost.

This Bill is being brought before the House on foot of recommendations by the Law Reform Commission, which produced a detailed report on the current operation and proposed a number of reforms. Tribunals have been a regular feature of Irish political life since the foundation of the State and have caused several Governments to fall.

**Deputy Bernard J. Durkan:** Locke's Distillery.

**Deputy Thomas Byrne:** They investigate policy issues, accidents and major disasters, allegations of corruption and the deaths of individuals where the organs of the State were involved, all of which are matters of significant public concern.

In contrast to the lengthy proceedings of, for example, the Flood tribunal, the inquiries conducted in America in 2001 on the dotcom bubble and the collapse of Arthur Anderson and other companies were completed within months. Clearly a superior system is in place in the United States. The huge level of corruption that took place within these companies was dealt with and forgotten about long ago and the individuals and firms concerned have moved on. Irish-based employees of the companies were not implicated in these wrongdoings. Unlike the dotcom inquiry, we are still awaiting a report on issues that have taken place many years ago.

Tribunals have not thus far been able to determine civil or criminal liability. They make findings of fact and if the DPP and the Garda want to pursue the matter further, they have to start their investigations from scratch. This is not adequate.

Tribunals of inquiry owe their immediate origins to the Tribunals of Inquiry (Evidence) Act 1921 but the Law Reform Commission traces the concept to a committee of the House of Commons which sat in 1667, or 23 years before the chaos caused to County Meath by the Battle of the Boyne.

**Deputy Bernard J. Durkan:** It still causes chaos.

**Deputy Thomas Byrne:** The committee was established to inquire into how King Charles II and his Ministers spent the taxes voted to them by the Parliament. That system, which we still utilise, is out of date and no longer works.

Irish tribunals of inquiry were established to investigate the deaths of individuals in Garda custody, the accident off Whiddy Island, the Stardust tragedy and the Kerry babies case. I spent my teenage years watching news reports on the beef tribunal.

**Deputy Bernard J. Durkan:** We also remember it in this House.

**Deputy Thomas Byrne:** While I was trying to study for the junior certificate, significant confusion arose in that regard.

**Deputy Bernard J. Durkan:** It even brought down a Government.

**Deputy Thomas Byrne:** I recently read Seán Duignan's book, *One Spin on the Merry-Go-Round*. Recent media reports on the relations among coalition parties are mild compared the statements made to the press in those days. The parties now in coalition generally avoid making statements about each other.

**Deputy Bernard J. Durkan:** I would not pursue that line of argument. One never knows what is coming down the road.

**Deputy Aengus Ó Snodaigh:** The Green Party was making statements last week.

**Deputy Conor Lenihan:** Deputy Ó Snodaigh is very peaceful these days. He is not interrogating people any longer.

**An Leas-Cheann Comhairle:** Deputy Thomas Byrne is entitled to make his contribution but he should not invite interruptions.

**Deputy Thomas Byrne:** I spent my very enjoyable college years in Trinity College, Dublin, where one of my predecessors in the law faculty and the Fianna Fáil cumann was the Minister of State's brother. We spent much of our time studying High Court and Supreme Court cases which were brought as a result of issues arising in tribunals, such as Cabinet confidentiality. Not only do these tribunals have an impact on the witnesses they call, but they also influence the wider society. They have a particular effect on law students who have to study their judgments. As a young solicitor, I spent many days observing the Flood tribunal on behalf of clients but those days are over. I have now given up my career, and hopefully not temporarily or until the next election.

The functions of tribunals of inquiry include investigating events and learning from what happened. The Law Reform Commission suggests they also provide a catharsis or therapeutic exposure. That may be the case in respect of tragedies but I am not sure that the Mahon tribunal will be described as cathartic when it eventually reports.

Tribunals are established to provide reassurance. I hope the report of the Mahon tribunal will reassure people that we are trying to play our roles honestly and without fear or favour. The politicians who came before the tribunal also worked hard for their constituents and people should have confidence that their elected representatives will do the right thing without being beholden to special interests. Tribunals can also establish accountability, blame and retribution.

The Law Reform Commission suggests that political considerations form part of the functions of a tribunal and that Governments establish them for political reasons, although I am not sure I agree. The commission argues that by establishing a tribunal, Governments can be seen to be doing something.

**Deputy Aengus Ó Snodaigh:** The Deputy would know about that.



**Deputy Bernard J. Durkan:** It is an expensive pastime.

**Deputy Thomas Byrne:** Opposition Deputies may blame us now for causing the expense of the tribunals but if we did not establish them, we would be accused of hiding evidence.

**Deputy Bernard J. Durkan:** The cost must be addressed.

**Deputy Conor Lenihan:** The former Taoiseach, John Bruton, started them.

**Deputy Thomas Byrne:** My party has established tribunals and co-operated with them. Those who were unfortunate enough to appear as witnesses, which thank God I never had to do, played their parts properly, as I sure the tribunal will find.

Tribunals were established under the 1921 Act to investigate matters of urgent public importance. There is no doubt that the issues referred to the Mahon tribunal were important but people began to wonder about it when its inquiries veered away from its terms of reference. However, we cannot criticise the tribunal for doing its job.

The failure until now to deal with the Tribunals of Inquiry Bill 2005 is largely due to Opposition attacks. When we first introduced the Bill, newspaper headlines accused us of attempting to shut down the tribunals. This was a misleading accusation which is no longer being made. The legislation is now welcomed as an attempt to reform the procedures of tribunals. The Bill provides a modern framework which will govern all aspects of a tribunal from its establishment by the Oireachtas to the publication of its report. It will require the chairman of a tribunal to conduct the inquiry in a cost-effective and efficient manner.

Researchers for tribunals do not need to be paid hundreds of euro per day to read documents. The tribunals should employ college interns who would do this work for free. The United States Supreme Court employs interns who are certainly not paid several hundred dollars per day. The researchers are in effect photocopying documents or checking them for legal privilege. Given that only a tiny percentage of these documents will in fact be legally privileged, it is outrageous that people are paid several hundred euro per day to check them. When I worked, I did this. I was a discovery donkey when I was a solicitor's apprentice.

**Deputy Aengus Ó Snodaigh:** Deputy Byrne was paid well for it.

**Deputy Thomas Byrne:** I was not paid well for it but the firm had to charge the client a certain amount of money, which may revert to the Exchequer if the tribunal decides to award costs. I do not know in that case because I had left the firm by then. If a good senior counsel charges a lot, that is one thing but anyone would do basic meagre work that anyone with a few brain cells could do. There would be thousands of applications for that job if it was advertised because it is money for jam. If researchers are needed, there should be public advertisement for people who have some qualification that allows them to study documents for legal privilege. One does not need a first class degree in law or significant legal qualifications to do that job. This has disturbed me in terms of how these things have operated over the years.

What sort of person do we need to read and photocopy documents for legal privilege? It is not necessarily a lawyer. Junior and senior counsel can advise if there are any problems and I assume they play a role in any case. They could work with clerks or administrative staff, who could be paid a good wage. I am not suggesting people should work for nothing unless they are college students who seek experience. I suggested this to the Law Reform Commission when it came before the Joint Committee on Justice, Equality, Defence and Women's Rights. I suggested starting a system of internship where the commission would look for the best and the brightest from our law schools to use the resources they have for free doing summer work.

Although it has some informal arrangement, I was surprised the Law Reform Commission did not have such a system set up. The tribunals could do this too, especially for the voluminous discovery work.

The main features of the Bill provide for the process of establishing, suspending and dissolving a tribunal, which sometimes must be done. It is not always the case that we are trying to shut down a tribunal. Sometimes one does not want it to continue because of the concern at the direction it is taking. Many of us were concerned at the direction of the Mahon tribunal. We let it go on but some expressed the view that it should be stopped. That did not happen and we await the report.

There is clarification with regard to granting legal representation, which always causes problems. Anyone called as a witness, some of whom would never have dreamt they would have any role in a discussion of planning in Dublin, must appear and be questioned. They are worried and need legal counsel and assistance. It is important that this is clarified at the start and that they know the financial position. In the US, people associated with the Clintons in the 1990s were almost bankrupt due to the legal costs of various investigations. I would not like to see that happening here. The Bill will hopefully make changes.

Much depends on the judge in charge of tribunals. I am not sure if there is a requirement that the chairman of a tribunal be a judge. It should not have to be a High Court or Circuit Court judge who runs a tribunal. There are plenty of people who may not be legally qualified but who could be advised by senior counsel and junior counsel for the tribunal on how to operate. Maybe we should look for people with an arbitration or mediation background who could see how these matters can be resolved without the inquisitorial manner used up to now.

I welcome this Bill. Let us get it passed and let us hope that it is a long time before we establish any more tribunals.

**Deputy Aengus Ó Snodaigh:** Is iad na príomh pointí a cuireadh trasna an fáth go bhfuil mé ag cur i gcoinne An Bille um Binsí Fiosrúcháin. It is interesting to listen to Deputy Byrne discussing whether he was a donkey. I will leave that to someone else to discuss. He referred to costs. Is he suggesting legal secretaries should be on the minimum wage, carrying out work that is important? Given the advent of scanners and the like, which should be used more, material can be put on a disk and people can peruse it on a computer.

This legislation is welcome because we need new legislation to govern the work of tribunals. Existing legislation dates to 1921 and it is clear that spiralling legal costs and the refusal of witnesses to co-operate with tribunals must be addressed. There is much in this Bill that I would love to welcome but, as currently drafted, we will oppose this Bill.

We were not the ones who delayed this Bill, as suggested by Deputy Byrne. The reason this Bill has sat in the background since 2002 is to save the former Taoiseach's blushes while he was before the tribunal and so that he would not be seen to introduce a Bill that would ensure the process of tribunal investigations would be stifled. That is the reason for the delay. I would prefer this Bill to be withdrawn and the points I make addressed before a Bill is put to the House.

We are concerned that the proposed legislation could be used by future Governments to stop inquiries from delivering the truth to the public and the families of victims of collusion. The Bill, as currently drafted, is very similar to the Britain's Inquiries Act, which is widely viewed as having been constructed to act as a barrier to a full public inquiry into the murder of Mr. Pat Finucane. The president-elect of the US, Barack Obama, has supported this. Passing this Bill would jeopardise the ability of any future tribunal to uncover the truths surrounding the Dublin and Monaghan bombings and the murders of Seamus Ludlow, Councillor Eddie



[Deputy Aengus Ó Snodaigh.]

Fullerton, Martin Doherty and many others that must be addressed in full public view. It would undermine the cases of those in the Six Counties seeking inquiries into State collusion.

The British Government could point to this legislation in this jurisdiction to justify its own legislation. This Government signed an all-party demand for a full inquiry by the British authorities into the murder of Pat Finucane not so long ago. This Bill would greatly undermine that demand. The British could point to the restrictions under this new legislation to justify the Bill introduced to prevent a full inquiry into the Pat Finucane murder. British Irish Rights Watch says that its fear is that if the Tribunals of Inquiry Bill is passed, it would seriously undermine the Irish Government's support for the Finucane family and other families who deserve a proper public inquiry. Governments here and in Britain, past and present, have colluded in deep cover-ups, masking the truth and compounding the suffering of victims and their relatives. Recovering the truth is essential if the suffering is to be lessened.

Not so long ago, we organised a conference in Dublin on collusion in this State. Representatives of the families spoke at that event, which was well-attended. Speakers included those from Justice for the Forgotten and the Pat Finucane Centre, the Relatives for Justice and the families of Seamus Ludlow, Councillor Eddie Fullerton, Martin Doherty and Pat Finucane. I pay tribute to them for their courageous and enduring efforts to uncover the truth and achieve some justice for their loved ones. The Bill before us would effectively give the Government power over whether to establish of inquiry at all, its members and, crucially, its terms of reference. It would also give the Government the power to suspend or dissolve a tribunal for unlimited reasons and to prevent the publication of a tribunal's report. This is unacceptable and will not instil any confidence among the public or, more crucially, among those who have been specifically affected and who are seeking the full truth of the events the tribunal was set up to address.

I want to put on record some of our specific concerns. Section 34(7) allows the Government, acting on the opinion of a responsible, or perhaps irresponsible, Minister to direct that the report of a specified part of it not be published for a specified period or until the Government otherwise directs where such publication would not be in the interest of State security or in the interest of the State's relations with other states or international organisations.

Debate adjourned.

### **Cancer Vaccine: Statements.**

**An Leas-Cheann Comhairle:** In accordance with an order of the House today, we will deal with statements on the cancer vaccine. I will shortly call the Minister for Health and Children, Deputy Mary Harney, to make her statement under Standing Order 43 and, in accordance with an order of the House, I will call on the main spokespersons of Fine Gael, the Labour Party and Sinn Féin to make their statements for which the time allowed may not exceed 15 minutes and Members may share time. There will be a question and answer session at 1.30 p.m. for 30 minutes.

**Minister for Health and Children (Deputy Mary Harney):** I am happy to have an opportunity to speak about this issue. In the context of the cancer programme on which the Government has embarked, there are a number of priorities from a clinical point of view. Clearly, the first priority is to ensure that we organise our cancer services to deliver better outcomes for patients. The manner in which our cancer services have been organised do not deliver good outcomes for patients, as we know, and do not compare very favourably to many other European countries in most cancers with the exception of children's cancer. It is centrally organised in Crumlin hospital and, therefore, we do extremely well compared to the experience in other countries

not only in Europe, but elsewhere throughout the world. We do not do so well with other cancers. Our priority during the past 18 months has been to invest in putting in place eight designated centres with a multidisciplinary team of experts to be able to care for patients who are diagnosed with cancer.

A second priority is screening programmes. Many other European countries and countries beyond Europe have been involved in screening programmes for some considerable time. We are currently rolling out a breast screening programme, which will be completed during next year for those five counties to which it has not yet been rolled out.

We are also rolling out a cervical screening programme that began in September. Cervical screening has the capacity to prevent 80% to 90% of cervical cancers. Some 70 to 100 women present with cervical cancer each year. A national screening programme for women aged between 25 and 60 years of age has the capacity to eliminate the incidence of cervical cancer by 80% to 90%. Therefore, there was a choice presented with the roll-out of the cervical screening programme, which next year, in a full year, will cost €35 million. An extra €25 million will be allocated to that programme next year and an extra €15 million will be allocated to the cancer control programme to allow Professor Keane to continue to recruit the expertise we require in these eight centres to provide, in particular, multidisciplinary care. That €50 million funding has been identified for those two programmes.

In the summer of this year following a health technology assessment, I announced, based on the advice I received, that we wanted to introduce the vaccine from the school year beginning September 2009. The HSE believed at that time that this would be a challenge and in that context sought to defer it, as health services often do with computer systems and so on, but we believed it should be rolled out at the earliest opportunity. In a statement I made on 5 August, I said that it should be rolled out subject to two criteria, one being that it be cost-effective. Two companies supply the vaccine. One of the vaccines deals with four strains of HPV, of which there are 200 strains in all, while the other vaccine can eliminate two strains. I sought the introduction of the vaccine, subject to its cost-effective procurement and securing an 80% take-up of it. All the advice is that if we do not get an 80% take-up of it, we will not get the benefit of introducing it. Therefore, the permission of parents of 12 year old girls will be sought. It was subject to those two criteria that I sought Government funding in the context of the Estimates for 2009 to begin the roll-out of the vaccine next September.

Since then, as we know, there has been a considerable decline in our economic circumstances. Next year, for the first year in almost 11 years, health spending will not increase by 8%, 9% or 10% — the average annual increase has been 9% since 1997. Next year the increase will be just over 3%, which will present a challenge. As I said in the House during the debate on the medical card issue, when one has to find €700 million of planned expenditure for 2009 from the health Vote, it is a considerable challenge. There is no low-lying fruit in health — no easy pickings. Therefore, it was obvious that something that had not yet begun should not begin next year when we did not have the resources to do it. We must also consider this decision in the context of the pneumococcal vaccine, which has been rolled out to infants in respect of which there is a catch-up period of up to two years. That will cost €30 million next year to prevent certain meningitis strains. It is not a question that the decision on the vaccine was made in isolation, rather it was made in the context of many other big decisions that have been made.

I was asked parliamentary questions by Deputy Reilly and one of his colleagues on Tuesday and queries were also raised by a journalist. I gave the truthful answer that we would not be in a position to provide money for this during 2009. As the American presidential election took place the same day, I was accused of trying to go undercover and making the announcement

[Deputy Mary Harney.]

on the day of that election. When parliamentary questions are asked, I believe they should be answered truthfully and people should not be misled into having a false view that sometime next year this vaccine would be introduced when I knew in my heart of hearts that I did not have money to do it.

When the HSE sent me its plan a few weeks ago and we discussed it with Department officials during the past two weeks, it was clear to me that we could not provide the additional resources without taking them either from Professor Keane's cancer control programme or scaling down the screening programme that has begun. I believe that when we begin something, we should do it well. Therefore, when it came to clinical choices, we had to continue with the decision that gives the best clinical return. The best clinical return is in regard to screening. That prevents 80% to 90% of cervical cancers, as we heard from Dr. Flannelly on the radio this morning. This vaccine has the potential to prevent 70% of cervical cancers, but the women to whom the vaccine would be administered would also have to be screened — it is not a question of either-or in this case.

Many other countries have introduced such a screening programme for cervical cancer. The UK introduced such a programme 20 years ago. We are only doing this now because, unfortunately, we had different priorities and did not have the resources of other countries to be able to introduce a cervical screening programmes 20 years ago. Our screening programme, as everybody here knows, only began this year in September. The announcement on Tuesday was not that we were scrapping the vaccine. What we said was that it is not being introduced from September next year.

There will be a challenge for the HSE in terms of when the programme can begin. One would hope it could begin as quickly as possible, but I cannot say that it will be introduced in 2010. I hope it can begin then, but I cannot give that guarantee now, unless the resources can be made available to do it. I hope we will be able to introduce it as early as possible. Other European countries have not been in a position to introduce it either.

On the issue of the cost of the vaccine, it has been suggested that three doses of the vaccine would cost approximately €600 or €200 each. I do not know if that is the case. The HSE has estimated to me that for a full year it would cost approximately €16 million. The administrative cost of the vaccine is in the region of €6 million. As procurement of it has not taken place, I cannot say, with certainty, what the cost of vaccine would be, except I understand it has been suggested that if people can procure it privately, it would cost approximately €600.

When the HTA was done for me by HIQA, it said it would cost €390 for the vaccine. There are approximately 27,000 girls aged 12 in Ireland. We want to get an 80% take-up of the vaccine. On the assumption that we would, which was the only basis on which we were going to proceed with its introduction, it would cost in the region of €11 million for the vaccine alone and €6 million for the staff to administer it and for other non-pay and IT systems because we have to be able to track the people who are given the vaccine over a considerable period of time.

I am happy to explain the circumstances in which this decision was made. We wish we could make all the decisions that would benefit the health of our citizens all at once, but when it comes to priorities, clinical issues must come first. The clinical priority based on all the advice available to me as far as cancer is concerned is to continue with the reorganisation of services, which next year will require an additional €15 million for Professor Keane and to continue with the roll-out of the cervical screening programme to 1.1 million women, which next year will cost an additional €25 million over the €10 million that was provided for this year. That amounts to €50 million for those new cancer initiatives.

Regarding other issues, like the pneumococcal vaccine, etc., it was not possible to make resources available to the HSE from the autumn of next year to begin a programme in either national or secondary schools. It costs approximately €500,000 less to provide it to secondary schools because there are fewer of them. However, in terms of getting the consent of parents, we know who the national school students are and my view was that it might have been easier to reach those parents and get their consent in advance, which is required to administer this vaccine because we are concerned here with minors. Regardless of whether it was available in national or secondary schools, we cannot begin the programme in September 2009 as envisaged. It needs to be postponed for that reason.

**Deputy James Reilly:** I wish to share time with Deputies Enright and Clune.

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

**Deputy James Reilly:** On 5 August the Minister, Deputy Harney, announced that she had asked the HSE to prepare and submit a plan for the introduction of the HPV vaccination programme for 12 year old girls to commence in September 2009. She stated that she had considered all the advice available to her of the potential public health benefits of the HPV vaccination in the prevention of cervical cancer and the wider policy implications of its possible introduction into the national immunisation programme. She said:

I accept the expert advice that the introduction of a universal, high uptake, vaccination programme for young girls, in conjunction with population based cervical screening, could significantly reduce overall cervical cancer rates. I intend to seek Government approval for the programme and for the required funding in the autumn based on the implementation of a plan that can be shown to be cost-effective, in terms of delivery costs and uptake rates.

She went on to say “It is clear the main priority now is to move to the introduction of the vaccination programme for 12 year old girls to commence in Sept 2009”. It is worth noting that this was only a month after the Taoiseach and the Minister for Finance had met in July and examined the financial situation in which the country had found itself.

Furthermore, the Minister has told the country that she circulated this news on the day that the country was consumed with events in America. I had tabled parliamentary question to her and I wish that all parliamentary questions I table were answered with such efficiency and speed.

**Deputy Mary Harney:** They are.

**Deputy James Reilly:** However, given that the report on the deaths in the north east, which we had been promised would be published in July and was then held over until September, was released on the same day, no such excuse can be used. I am given to understand that report was available more than a month ago and was in the hands of several people but held back. I believe this represents cynical manipulation of the news.

The Minister mentioned the Health Information and Quality Authority. Its board considered the cost benefit analysis of the programme and recommended that the Minister institute it. The National Immunisation Advisory Committee also recommended the introduction of this vaccine programme. These are two organisations that are concerned with the public good and public health. I cannot understand why she has now chosen to ignore their advice.

I wish to put on the Dáil record the figures quoted by HIQA. It believes it would be possible to avert 2,244 cases of CIN1 based on the figures for cases that occurred in 2004. In the case of CIN2 and CIN3 — these are all pre-cancerous lesions — it would be possible to avert 1,435

[Deputy James Reilly.]

of those. Of the 200 cases of cervical cancer in 2004, it estimates that 111 of these cases could be prevented. Of the 93 deaths that occurred in 2004 from this disease it would be possible to avert 52. These are stark figures. For the sake of €10 million are we going to expose our children of today and our women and mothers of tomorrow to the dangers of death, pain and suffering as well as the heartache to their families?

The Minister has talked about putting the patient first and not affecting front-line services. This is a crossroads for us. In response to parliamentary questions, Deputy Ring was able to ascertain that the Government is spending €10 million on press secretaries, press officers and constituency staff.

**Deputy Pádraic McCormack:** Some €1.4 million in bonuses to HSE senior staff.

**Deputy James Reilly:** Precisely. Why have we not touched the bonuses in the HSE? Why have we not addressed the issue the Minister, herself, has raised and I have raised numerous times with her, of redundancies in the HSE? Why has the issue of outside consultancies not been looked at?

**Deputy Mary Harney:** It has.

**Deputy James Reilly:** I have only been in this House for a year and a half. Every time we have a problem the answer is to establish another committee, investigation, task force or commission, with money flying out the door. I remind Members of the Government's approach to money in the not so distant past when one Minister said of the €50 million spent on electronic voting machines: "What about €50 million in the overall scheme of things?" What about €10 million for the lives of children who may not get the opportunity to live to old age because of not having this vaccination programme? It has been recommended by two Government bodies. The Minister was congratulated when she announced it. I wanted to see it extended to 18 year olds as is done in the UK and in the North. Australia has had it since 2007 for women up to 26 years of age, but we cannot do it here. It is about priorities. The Minister is telling us that out of a €16 billion budget she cannot find €10 million to protect the future of children.

HIQA has stated this programme would cost €9.7 million. The Minister has given other figures here as to the cost of the vaccine. I would know from hearing on the grapevine that a hard deal done by the Government could result in no moneys being paid for the vaccine next year or the year after and that the suppliers might be prepared to wait until 2010 to receive their moneys given the economic climate in which we are all operating. While I agree the Minister is making hard decisions, it is with alarming frequency that those decisions are always hard on the patients and on front-line services and not hard where they need to be, on bureaucracy, waste and negotiations.

The Minister has her advisers with her today. We know that for every €1 spent on prevention it is possible to save €20 on treatment. I put it to her that this is penny wise and pound foolish. We are at a crossroads. This is a moral decision for the Minister. She should seek the money elsewhere from her €16 billion budget and protect those who need protection or else when she relinquishes responsibility in the area, she will leave behind her a heinous legacy.

**Deputy Olwyn Enright:** The Minister opened her contribution by saying that her first priority was to have services that would result in better outcomes for patients. Nobody in the House could disagree. She said her second priority was the roll-out of the cancer-screening programme, which is a reasonable priority. I do not understand how she comes up with her priorities and how they can be so changeable or interchangeable depending on the situation. Deputy Reilly already quoted from the Minister's statement on 5 August, which is only three months



ago. She stated: “It is clear the main priority now is to move to the introduction of the vaccination programme for 12 year old girls to commence in September 2009”. I do not know whether her first or her main priority is more important, nor do I know what has changed since.

The Minister also stated that she was “having regard for the need to prioritise in relation to budget and competing demands of other service programmes”. For this reason, she decided not to put in place the catch-up programme. It was because cost was a consideration that 13 to 15 year old girls were excluded.

The Minister did not raise this issue for the first time on 5 August. Although I was unable to find the date, I raised this issue in the Dáil before the summer recess. When I stated that the vaccination programme’s introduction seemed positive, the Minister sat there and smiled. Obviously, some degree of forethought was given to the 5 August statement.

The outcomes cited by Deputy Reilly make understanding the Minister’s decision more difficult. Most victims of cervical cancer tend to be young mothers. In addition to not vaccinating 12 year old girls, the Government is denying another group of children the opportunity to grow up with their mothers, given the chances of survival without vaccination.

For as long as I have been a Deputy, the Minister has been stating that she is rolling out breast cancer and cervical cancer screening, but they are still being rolled out. She is asking people to accept that the vaccination programme will not be available and to hope on the never-never that they will be able to avail of the screening programme. Given the circumstances, this is a sizable request. How do we know that, in a few months time, the Minister will not inform the House of delays in the programme or that it is no longer her main priority?

The Minister used the phrase “when choices came”. There are always competing choices, but the Minister knew last August that the economy was in a difficult situation. Given the mini-budget in July, she knew the situation we were facing when she made her announcement. As the Government got its figures appallingly wrong, we must allow for the Minister not fully understanding the situation and relying on inaccurate figures while waiting for something more precise from the Minister for Finance. However, she was aware of the difficulties when she made her decision.

Will the Minister reconsider her decision and allow 12 year olds to avail of vaccinations? She should not blame the requirement for an IT system. We were vaccinated in school before there was an IT system. It would be a poor excuse to use in 2009.

**Deputy Deirdre Clune:** I was struck by the Minister’s opening statement to the effect that her objective is to deliver better outcomes for patients. The Health Information and Quality Authority, HIQA, has produced stark figures on how many deaths this vaccination would prevent, as well as on how many people and their families need not experience trauma, pain and anguish. The Minister’s decision, which is based on minor economic reasons given her Department’s overall budget, flies in the face of her opening statement in respect of the patients and young women whose long-term health would benefit measurably from the vaccination. It does not make sense.

When the Minister made her announcement three months ago, she knew the budgetary situation. From feasibility studies and investigations, she would have been aware of the programme’s cost, but now the HSE’s figures have put the programme out of reach. It cites a cost of €16 million, but HIQA cites €9.72 million. The latter also documents the savings achievable in terms of treatment costs per year, €2.7 million, and annual incremental costs, some €6.9 million. In overall terms, the total amount is small and would have a considerable effect on young people’s long-term health.



[Deputy Deirdre Clune.]

The Dublin Well Woman Centre has condemned the move to scrap the vaccination programme, stating: “While short-term budget savings may be made by not proceeding with the vaccination programme, the reality is that unnecessary deaths will arise among the cohort of girls who were to be targeted”. While there will be a gain in the short term, we will pay a long-term price in terms of health and economics. It is well known that €1 spent on disease prevention saves €20 on treatment. It always pays to invest in preventative programmes. I appeal to the Minister to find the money elsewhere in the overall budget.

**Deputy Jan O’Sullivan:** With the permission of the House, I would like to share time with Deputies Kathleen Lynch, McManus and Burton.

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

**Deputy Jan O’Sullivan:** I thank the Minister and the Whips for the opportunity to discuss this matter. I call on the Minister, Deputy Harney, to reverse her decision immediately. It would not be described as a U-turn and there would be no criticism. Rather, it would be described as a humane, caring and life-saving measure.

Only three short months have passed since the August announcement, which was made despite what we already knew of difficulties in the public finances. Presumably, the manner of funding was discussed with the HSE. This morning, it was suggested on radio that the HSE does not have money to fund the programme. I urge the Minister to reconsider, as the programme would save 50 lives. We are a developed country and can surely introduce long-term preventative measures such as this to save lives.

Within the overall budget, the amount of money in question is small. I dispute the Minister’s figure, but I will revert to this matter shortly. It is closer to €10 million. Deputies have suggested other ways to find the money. For example, we do not need so many Ministers of State. This immediate saving would be a considerable contribution. Regarding the variety of consultancies used by the HSE, it has farmed out a number of jobs that it could do, including the writing of letters to all of the unfortunate patients in the north east who needed X-ray reviews. Using a private company to administer the nursing home repayment scheme costs €15 million. There are many ways to find the money.

How does the Minister prioritise if this life-saving preventative measure, which would lead to greater health outcomes for women, is not a priority? Not for a minute would I suggest that the money be taken from the cancer control programme or the roll-out of cervical screening or BreastCheck, the latter of which has not been completed. These are not the type of programmes from which money should be taken. Rather, it should be taken from areas such as consultancies, bonuses, extra Ministers or farming out to the private sector work that could be done by the large number of people employed by the Health Service Executive and the Department of Health and Children, which has lost only a handful of employees since the HSE was established. With a little will and imagination, it will be possible to find the money needed to re-introduce this programme.

I want now to speak briefly about the cost of this programme. The Minister suggested this morning it will cost €14 million to implement it. She arrived at this figure by multiplying 24,000 by 600. The Health Information and Quality Authority document published in February this year, suggests it would cost €100 per dose of vaccine and that if a school-based programme were introduced, which is what the Minister is suggesting, the administrative fee would be €30. This amounts to closer to €10 million than €14 million. I ask that the Minister revisit this issue

in that context. Also, given there is competition between the companies that produce the vaccine, it should be possible to negotiate a price that is lower than the €100 quoted.

I am afraid that what is lacking is the political will to address this issue. With political will, savings could be made in a variety of areas to enable this vaccination programme to be implemented at reasonable cost. Following announcement of the vaccination programme, I spoke to a mother of a young girl who is approaching 12 years. She had already explained to her daughter that she was going to get this vaccine. She, and other mothers, now have to explain to their daughters that while they had told them they were going to get a vaccine which would prevent them getting cervical cancer in the future — a difficult enough issue to explain to a 12 year old — they may well be 12, 13 or 15 years old before the programme is introduced and as such they may not get the vaccination.

I urge the Minister, given the relatively small cost involved and the value of this programme, to reconsider her decision. Despite the fact that we are in recessionary times, we are a relatively rich and developed country and we should be able to find the wherewithal to introduce programmes that will have positive results for future generations.

**Deputy Kathleen Lynch:** Information about this programme is in the public domain. While children may not know about it, their mothers do. Mothers are the greatest pursuers of all that is good for their children and they will pursue this issue and will want to know why their children cannot get this vaccination. There is not one person in this House, or outside it, that has not been affected by cancer diagnoses or by the death of someone from cancer. We all know, including those who have been caught in time or cured, the stress of living in a house with a person who receives a cancer diagnosis. We know the outcomes could be so much better.

Mothers know this vaccine is available and that it could prevent their children going through the trauma of a cervical cancer diagnosis, treatment and, hopefully, cure. It will, in the event of a cure not being possible, prevent their children dying from cervical cancer. We are all aware there are other cancers, the outcomes of which are not great and the treatment for which is harrowing, but there is no vaccine to prevent them. There is available, however, a vaccine which will prevent cervical cancer and provide our children with hope of a better future.

I plead with the Minister to reverse this decision. The cost of implementing this programme will not be €14 million. My information is that doctors who administer the vaccine in a private capacity will do so for €115 per dose. The Minister and I know that families who have the wherewithal and the resources will ensure their children get this vaccination. This will create a two-tier system. We will have a cohort of young women who will be vaccinated because their parents can afford it and another cohort of young women whose parents cannot afford it. We should not allow this to happen. These children may encounter similar problems later in life when it comes to housing, third level education and employment. We should not allow this to happen when we can prevent it. It is our job to ensure all children are treated equally.

I believe this particular scheme could be introduced at a far lower cost than that stated by the Health Service Executive. I do not blame the HSE for saying it will cost more than we can afford. At the end of the day, the €16 million saved as a result of not implementing this programme can be spent by it somewhere else and we will have no control over this. It is what the HSE did in the disability and mental health areas. It will spend that money wherever it sees fit and neither the Minister nor I will have control over it.

What we do have control over is whether this programme is introduced. It is a programme that will benefit all of us. This is not only about death but about harrowing experiences.

**Deputy Liz McManus:** While this issue is about protecting women's health it is also a class issue in that women living in areas of disadvantage will now be three times more likely to get

[Deputy Liz McManus.]

cervical cancer than the average person. These are the young women who will lose out because of this decision. People who can afford to pay will be able to access the vaccination and people who cannot pay will suffer, which is unacceptable. I do not think even the Minister believes this is acceptable. It is disappointing the Minister has not prioritised this issue.

The Government's record in regard to early detection and diagnosis of cancer is abysmal. BreastCheck has not as yet been fully rolled out. Our extraordinary limited roll-out in terms of cervical cancer screening dates back to the Rainbow Coalition and the cancer strategy. There has not been, up to now, a commitment in regard to the roll-out of the screening programme. In this instance, however, we have a vaccination programme that will prevent rather than detect cervical cancer. Our record, even in tough times, has been good in terms of vaccination programmes for children. One need only recall in this regard Dr. Kathleen Lynn of St. Ultan's Hospital. During the 1930s and 1940s, a time when there was no money in this country, children were given the BCG vaccination. We are now saying, in 2008, that young women cannot be vaccinated because the Government has too many Ministers of State. We have 21 Ministers of State costing, salaries aside, €500,000. Yet, we cannot find the €10 million required to implement this programme which will prevent young women from getting cervical cancer. This is not acceptable.

I urge the Minister to reconsider her announcement in this regard. I do not believe anyone would blame her if she were to say she was sorry and admit that she got it wrong; they would applaud her for it. We all appreciate the difficult economic times in which we now live but to deny young women and children this opportunity to protect themselves is wrong. We often speak of death by a thousand cuts, this is death by one cut, one cutback that will affect the lives of many women. These women's lives could be saved if the Minister reverses this appalling decision.

**Deputy Joan Burton:** The €600 cost per child of the vaccination referred to by the Minister this morning on "Morning Ireland" is dishonest. That the Minister and the Health Service Executive are seriously considering a cost of €600 per girl for the three-stage vaccine is not only dishonest, it is incompetent. The Minister's figure is approximately €115 and 21% VAT per vaccine shot, with three shots of the vaccine, amounting to approximately €400. There are then costs of administration by doctors and HSE overheads of another €200 approximately per girl.

The Minister must know that for these sorts of costs, she could offer every girl a medical card for the year. This is meant to be a national vaccination programme and is actually only deliverable as such. The only way to implement a national vaccination programme is through a school or health clinic structure on a mass basis.

If the Minister was to roll out a national scheme, the two vaccine suppliers could be negotiated with and the costs would be significantly less. I understand that in other countries it is about a third of the Minister's indicative costs. The programme and vaccine doses would be supervised by doctors but more likely administered by nursing practitioners. Is the Minister seriously suggesting GPs should be paid for three visits at approximately €50 per time? That is crazy. No wonder the HSE is in a financial black hole if this is the kind of health economics which the Minister has come up with.

Given her long experience as a Minister, I am surprised Deputy Harney has so comprehensively had the wool pulled over her eyes. The Minister delayed this programme for a year to allow a cost-benefit analysis to be done by HIQA. If these are the figures produced by the authority, somebody there should stand down. If the Minister is attempting to stand over these

figures, she should consider standing down herself. I know at the weekend the Progressive Democrats are likely to be stood down and her mandate in this Government will be at an end.

Some 70 women a year die, usually in great pain, from different types of cervical cancer. Many of us know friends or family who have died from this disease. The young girls relevant to this scheme would get the disease years to come; I hope it will be long after our time. There is a thought that 70, 80 or 100 of today's girls, along with their future families and children, will go through suffering for absolutely rubbish economics. If the Minister has come up with these economics, perhaps the whole Government should resign.

**Deputy Arthur Morgan:** I welcome the opportunity to address the cancer issue today. The decision by the Minister for Health and Children to cancel the cervical cancer vaccination programme is an absolute disgrace. The Minister announced the programme only three months ago but it has now been axed. The manner of the announcement was also a disgrace as the news was sneaked out under the door on the day of the US presidential election. The press release was apparently timed to go out after the Order of Business concluded in the Dáil, and as usual, it was late in the day, which made it difficult for Opposition spokespersons to respond.

The programme was designed to prevent the development of cancer in women and the Minister's hatchet job is another attack on public health by a Minister and Government whose stewardship of our health system has been disastrous. This public health programme is among the first to go on grounds of cost yet the budget left intact the tax breaks for developers of private hospitals. Estimates for the cost of the vaccination programme vary between €10 million and €14 million, yet in 2006 — the latest year for which figures are available — this Government gave tax breaks worth €10.6 million to the developers of private and for-profit hospitals.

In a budget that has slashed public services, those tax breaks were untouched, although they could have paid for this vaccination programme. Also untouched in this budget was the Minister's and Government's totally discredited private hospital co-location scheme. The Progressive Democrats may be about to disappear, as the previous speaker said, but its Thatcherite policies are alive and well in this Government.

Savings could and should have been made on the tax breaks for the private health industry and not on programmes which will enhance the health of women and prevent much greater cost in future, both in terms of the well-being of individuals and the cost to the health service of treatment.

Irish Cancer Society chief executive John McCormack said the Minister's decision to cancel the vaccination programme is "very disappointing". He stated: "If this is going to be the beginning of a pattern around hard-fought decisions being reversed, the Irish Cancer Society would be awfully concerned about it". This is a cancer prevention measure and €1 towards prevention is as good as €2 towards a cure. The Dublin Well Woman Centre has indicated the Minister's decision is both shortsighted and dangerous. The CEO of the centre, Alison Begas, said it was an illogical move that will cost even more in the long term. These are the voices the Minister should be listening to. We should not forget that we are talking about preventing cancer and saving the lives of women.

Cervical cancer is the second most common cancer in women under 45 and the third most common cancer in Ireland's women. Almost 200 women in the State, on average, develop the disease every year. In contrast to most other cancers, this type affects mainly younger women, with 60% of cases occurring in women aged 50 or younger. Approximately 70 women in the Twenty-six Counties die from cervical cancer each year.

A survey last year showed that only 29% of Irish women are aware that a vaccine for cervical cancer exists. Despite cervical cancer being the second most common cancer for women under

[Deputy Arthur Morgan.]

45, three out of four women did not know what caused the disease. It must be known as widely as possible that this cancer can be prevented by means of a simple test — the cervical smear test. It is a scandal and disgrace that successive Governments failed to roll out a national testing programme and that only this year is progress being made in this regard.

On 24 February 2005 there was a unanimous call from the Irish Cancer Society and 24 other organisations, including trade unions, professional bodies and women's networks, for a State-wide pre-cancer screening programme. Comprehensive screening, leading to early detection and treatment, can and will dramatically reduce the incidence and development of cervical cancer and the resulting all too terrible death toll.

There is still far too little information to show women that screening can save lives. Information and screening must be as widely available as possible and there must be quick progress in moving the screening programme forward. We have heard much from this Government recently about the excellent cancer service being developed across this State. We have heard about centres of excellence and I have seen a move in my own constituency, for example, where much of the Dóchas breast unit is being moved to Dublin.

I will relate an incident which happened recently. One of my constituents went to her GP four weeks ago with a concern about a breast issue. The GP shared her concern and referred her to the Dóchas centre as normal, and the doctor had not been advised of anything different. Over three weeks passed and she heard no word about an appointment so she phoned the centre in Drogheda to find out the date of her appointment. She was told that the Government had told the HSE to close the service, which is to be transferred to Beaumont in Dublin, and she had to contact that hospital because appointments were no longer being made in the Dóchas centre.

When she contacted the Beaumont breast clinic for the date of her appointment, she was told it was not making appointments. The clerk told her a pile of referrals was sitting on a desk but nobody had been put in place to arrange the appointments. In other words, this Government has begun closing services again on the pretext it is introducing better services, although this is not the case. No preparation has been made in that respect.

Is the Government not giving any consideration in such decisions to the stress and trauma suffered by the women involved and their families? Is there any appreciation in the health service or at Government level of the sheer worry, sleeplessness and torment brought about by these cases? This is what is happening.

The HSE wrote to GPs in the Dóchas catchment area on 23 October advising them they should make their referrals directly to Beaumont Hospital. However, that was a little late. It suggests the HSE was transferring patients to Beaumont at least two weeks before it informed the GPs what was going on, thus causing referrals to be processed by the Dóchas centre and sent on to Beaumont, which constituted a significant waste of time.

The Minister should comment on this development and whether she considers such treatment to be appropriate. Moreover, my constituent involved in this case received a letter from the HSE advising her that she had an appointment with Beaumont. It states, "we are writing to inform you that an alternative appointment has been made for you at the breast unit at Beaumont Hospital in Dublin". This was sent to her in writing but when she telephoned the hospital to ask when was her appointment, she was told that no appointments can be made because no one has been assigned there to arrange such additional appointments. She was also informed that because arrangements had not yet been concluded for the transfer of the consultants from the Dóchas centre to Beaumont, no one would be available to deal with her appointment in



any event. The Minister should comment on this because some accountability in this regard would be timely.

The letter to my constituent also stated, “Many of the staff who have worked at the Dóchas centre will be moving to Beaumont Hospital to provide the new improved centralised service and we will continue to put you, the patient, first and ensure your health and safety are our primary concern”. Nothing in this story demonstrates the Minister has patients at the centre or that they are her primary concern. Everything pertaining to this matter suggests this is another hatchet job designed to slash a service available to women in the north east and to centralise it into a service that is not ready to receive them and which will cause additional travel, pain and suffering to the patients involved. The Minister should comment on this scandal.

This week the HSE produced another review about the north east, the so-called look-back review of cancer patients. It demonstrated that of those concerned, at least one woman had a 60% chance of survival. Unfortunately she did not get that chance and has died. This is merely one of a litany of events in the north east. I will share some of them with the Minister, who may be divorced from some of it. The most recent event is the review of the X-ray scandal that was published on the day of the US presidential election. Second, I raised today the scandal in respect of the Dóchas breast unit. Third, there are issues regarding the report of Ms Justice Maureen Harding Clark into the Michael Neary episode — I refuse to call him “Doctor” — as well as the lack of an appointment of a clinical auditor. This still has not happened and therefore the possibility that abuses of that nature will recur is wide open.

Fourth, grave concern has been expressed pertaining to issues regarding the Rape Crisis Centre and the services provided to women in the north east. A significant number of representations have been made to me in that regard. Fifth, the ongoing scandal of the symphysiotomies never has been dealt with or cleared up. Although an external review was promised, nothing ever has happened in this regard. More than 400 such symphysiotomies were performed in Our Lady of Lourdes Hospital, Drogheda. In conclusion——

**An Leas-Cheann Comhairle:** The Deputy should focus on the issue. The motion pertains to cancer vaccination.

**Deputy Arthur Morgan:** While I am dealing with cancer, I am setting out the context in the north east.

**An Leas-Cheann Comhairle:** I am anxious to give plenty of scope to the Deputy.

**Deputy Arthur Morgan:** Very well. I will continue to raise the important issues associated with the deaths of Tania McCabe and her son Zach, again at Our Lady of Lourdes Hospital, Drogheda.

The Minister should address some of the issues I have raised because the crisis appears to be worsening. Statistics show the incidence of cancer is increasing throughout the State. Unfortunately, it continues to increase in my constituency and adjoining areas and many believe this is due to the toxic fall-out from the nuclear reprocessing plant at Sellafield. No inquiry, study, or survey has been carried out or set up in the area to try to establish the reason the incidence of cancer in the north-east region, and in County Louth in particular, is constantly between 12% and 13% above the national average. Why has the Minister for Health and Children not sought to deal with the high incidence of cancer in the area? Why, in common with her predecessors, is the Minister not concerned about this matter, despite calls from me and others to deal with it once and for all? No benchmarking has been put in place in respect of the incidence of cancer and it appears an approach akin to sleepwalking has been taken without any consideration for the seriousness of the issues involved.



[Deputy Arthur Morgan.]

I will revert to the central point regarding cervical cancer. As I pointed out in the earlier part of my contribution, great savings could have been made in other areas. While €10.6 million in tax breaks has been provided for the developers of private hospitals and private health care, the Minister is slashing this scheme for women that will cost between €10 million and €14 million. Surely an accounting exercise on the costing of such services would indicate clearly that, as one of the people to whom I referred observed, €1 spent on prevention is worth at least €2 spent on cure. Does the Minister accept the logic of this argument? The Minister should comment on this because it would be worth hearing her response.

Whatever the outcome of next Saturday's events outside this House will be, I hope the consequences will be that a different Minister for Health and Children will be in place thereafter. In particular, whatever about the Minister, a different policy should be in place in order that the people in this State will begin to get the public health service they deserve. Such a service has not been evident today.

**An Leas-Cheann Comhairle:** We now will move on to questions. I call Deputy Reilly.

**Deputy James Reilly:** As I asked some questions during my original contribution, I will be brief. This is a political decision that only the Minister can reverse. A good manager or leader decides where savings can be made. This is a direct judgment on where the Minister's values lie. Does she make savings in administration, bonuses for the bosses, bureaucracy and through redundancies or does she do so at the expense of the future prospects and lives of young women?

I have never tabled a motion regarding the Minister's resignation before the House. However, unless she reverses this immoral decision, she should consider her position because if she does not, I will.

**Deputy Mary Harney:** I will not respond to the political charges that Deputy Reilly continually makes. I do not need a lecture from him about moral responsibilities and will not take one. However, one must make choices based on clinical advice. Ireland only began a cervical screening programme last September, which will save 80% to 90% of cervical deaths. Were we in a position also to introduce the vaccine, up to 70% would be saved ten years on. This would be a belt and braces approach.

As I explained earlier, the cost of the screening programme next year will be an additional €25 million. The cost of Professor Keane's cancer control programme is an additional €15 million. In other words, an additional €50 million is going into cancer prevention and cancer control next year to achieve better results. Ireland still does not have a colorectal screening programme and there are many areas in which our programmes fall short. Ireland is not unique as many other European countries have not yet decided to introduce this vaccine. I understand that seven or eight other European countries have not done so and we are not alone. I would love to have been able to do it because it would be a belt and braces approach.

**Deputy Enda Kenny:** The Minister can do it.

**Deputy Mary Harney:** However, Deputy Kenny should be aware the screening programme must take priority. It will cost an additional €25 million next year. It will detect women that have cancerous cells at present. That must be the priority, together with cancer treatments.

**Deputy James Reilly:** With respect, there is no other cancer——

**An Leas-Cheann Comhairle:** I call Deputy O'Sullivan.

**Deputy James Reilly:** May I raise a point of information?

**An Leas-Cheann Comhairle:** There is no such thing as a point of information.

**Deputy James Reilly:** There is no other cancer that we know of——

**An Leas-Cheann Comhairle:** However, I will call——

**Deputy James Reilly:** ——for which there is a vaccine and that can be prevented. That is the scandal of the decision made by the Minister.

**Deputy Mary Harney:** Deputy Reilly is aware that screening will prevent 80% to 90% of cancers.

**An Leas-Cheann Comhairle:** I am anxious to try to facilitate questions and replies as best I can. I call Deputy O'Sullivan to ask a question.

**Deputy Jan O'Sullivan:** What exactly changed the Minister's mind between August and now? Did she seek to make the saving anywhere else before she changed her mind, or did she take comfort in the fact that — as she rightly said — she is spending money on the cervical screening programme and on the cancer control programme? Did the Minister try to find the money somewhere else?

What would the Minister say to a parent who cannot afford the fee but who feels his or her child should have the vaccination? Would she suggest that he or she would borrow the money to have it done?

Does the Minister question the figures shown on page 38 of the HIQA report of 25 February 2008? A table shows the cost estimate for the school-based universal HPV vaccination programme. A three dose course is estimated at €300 for the vaccine and €90 for the administration fee, which comes to a total of €390. This morning on the radio the Minister referred to a cost of €600 per girl. How can she stand over the figures to which she referred this morning? Does she accept the figures on page 38 of the HIQA report?

**Deputy Mary Harney:** I did not say the cost would be €600 this morning. I was responding to what Dr. Flannelly had said in an earlier part of the interview with Cathal MacCoille in which he expressed outrage that the cost of the vaccination to parents would be €600. Of course I accept the HIQA costs. The Health Service Executive recently made a submission to me that the cost would be of the order of €16 million. I never accepted that a computer system was needed. That is why I wanted the Health Service Executive to start the programme next year and not to wait for a further year for a computer system——

**Deputy Jan O'Sullivan:** Why did the Minister insist it would start next year?

**Deputy Mary Harney:** ——that would cost a further €500,000. In response to Deputy Burton's question, the cost of vaccines here is approximately three times higher than in other countries in terms of GP charges. This vaccine would be administered by nurses and the Health Service Executive's estimate of that cost is approximately €5 million.

I accept the figures for costs outlined in the HIQA report. Deputy O'Sullivan asked me what changed my mind. When I made the announcement in August after the health technology assessment I said the programme would be introduced subject to two things. The first was that we could get the vaccine on a cost-effective basis and the second was that we could get an 80% take-up from parents. The advice is that if one does not get a penetration level of approximately 80%, then it would not be effective to introduce the programme. Subject to those two caveats

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we were going to introduce the programme from 2009 if we could get the money in the context of the Estimates.

What has changed dramatically since August is that in the context of next year the Minister for Health and Children was required to take €700 million off planned expenditure for 2009. That is not easy to do. There is no low-lying fruit here; it is not easy pickings. The decision was to continue with the screening programme because that would save women who have cancerous cells and pick up women currently at risk. That must be the priority. That programme will cost an extra €25 million next year. We have to organise our services to get better outcomes and that requires €15 million to be given to Professor Keane to recruit the expertise to allow us to establish the eight designated centres. Treatment for people with cancer and picking up people who have cancer have to be the priority.

Of course I want to see the vaccine introduced as quickly as possible. In August, I accepted that we could not do the catch-up for cost reasons. We would love to do that too. Unfortunately, we cannot do everything unless we have the resources. Therefore, I had to make choices based on the clinical advice, which said that screening prevents 80% to 90% of cancers and picks up the women now who are at risk of cancer while treatment deals with people who have cancer.

**Deputy Jan O'Sullivan:** It should not have been a choice between those two things. The Minister should have chosen to make cuts in other spending areas.

**Deputy Mary Harney:** Dramatic cuts have been made to consultancies and other such areas of expenditure for next year. I would like to see the Health Service Executive service plan for 2009 debated in the House. It is clear that the public health service will be challenged financially next year to provide services in a range of areas because of the financial situation in which we find ourselves.

**Deputy Enda Kenny:** This is a morally reprehensible action by the Government and the Minister for Health and Children. She should not tell me she cannot find €10 million out of €16 billion expenditure. She proclaimed — as did the Government — that there would be no cutbacks in health in 2009. It was said there would be no cutbacks in health and education, but now we are talking about a cutback of €700 million.

In response to Deputy O'Sullivan, the Minister stated that of 60,000 births, 50% are female, which is in or about correct, giving a total of 30,000 girls. If we take 80% of the total that gives 24,000, which is probably high compared to most vaccination programmes. I understand the current cost of administering the vaccine to 12 year old girls is €115 per shot plus VAT. When that is multiplied by three, the total is €345. When that is multiplied by 24,000, one gets a total of €8 million — if one wishes to add VAT the total is approximately €10 million, not €14 million as the Minister indicated.

**Deputy Mary Harney:** Deputy Kenny should not forget the cost of staff.

**Deputy Enda Kenny:** If the Minister is going to force parents to pay for this themselves, the very least the Government can do is not charge VAT on the product, which is a medicinal one. Is that the Government's intention?

A procurement agency operates within the Health Service Executive. How successful is it at getting value for money for this kind of product? Surely it should be able to secure savings of approximately 10%? That would be significant and might reduce the overall cost from €10 million to between €5.5 million and €7 million. Has the procurement agency provided value in this regard?

The situation may well arise where the Minister is challenged legally by virtue of the fact that she said she would introduce a programme but she did not do it. She backed off in a morally reprehensible way.

I noticed last week that the Taoiseach was in Carlow turning the sod at the Merck Sharp & Dohme plant, which will mean a major investment in the future. That is to be commended. I understand also that this plant was to manufacture the product and supply one product on a worldwide basis. That was like an invitation to the world to come to our country, invest in our infrastructure and give us jobs, yet a couple of days later the Minister for Health and Children announced she was getting rid of the programme announced in August for the product that is made by that company, which has such a bearing on the quality of life for young girls as they grow into adulthood.

**Deputy Mary Harney:** To clarify, we are not cutting €700 million. I referred to planned expenditure. If we are to do all the things we would like to do next year, we require an extra €700 million. In fact, health spending is increasing by 3.1%.

**Deputy Enda Kenny:** The Minister could drop the bonuses.

**Deputy Mary Harney:** In that context, many tough decisions have to be made. The priority in cancer, which is very important, has to be that we improve the quality of treatments by investing in the expertise we need in the eight designated centres. That was €15 million. That money had to be found. It is not easy to find such sums of money. If staff costs account for up to 80% of one's costs, one has to find savings from the remaining 20%. We also want to continue with cancer screening because it picks up women who currently have cancer and treats them. That saves 80% to 90% of women, which is a very high success rate. Many other countries have had screening programmes for 20 years. We have only been running one since September.

We are getting very good value since the central procurement agency was established across a host of areas in the Health Service Executive. On capital plans, for example, I am advised that it is getting reductions of 20% and 25% on what was envisaged. The HSE cannot go to procurement unless we give it the money to procure. As Deputy Kenny well knows, one cannot go into a tendering situation to procure unless one will be in a position to honour that procurement.

**Deputy Enda Kenny:** The agency could tell the Minister the figure if it could procure.

**Deputy Mary Harney:** I have no doubt we can get good value. My statement in August included a reference to "subject to getting good value" because even if there are only two companies——

**Deputy Enda Kenny:** If the Minister examines the savings on 24,000 cases——

**Deputy Mary Harney:** If one signs a blank cheque, one will not get good value. Subject to good value and subject to the agreement of 80% of parents——

**Deputy Enda Kenny:** ——what they would get for 24,000 shots?

**Deputy Mary Harney:** It will be a challenge to get 80% of parents to agree because other issues arise.

**Deputy Enda Kenny:** They will respond. What about the saving on the 24,000?

**Deputy Mary Harney:** If I can answer the question, we would then seek the money in the context of next year. In the context of next year, it became a question of trying to continue with the programmes we put in place. I am sure Deputy Kenny would agree that there is no point starting something new if we cannot sustain it. The best thing to do——

**Deputy Enda Kenny:** There is no point in announcing it either.

**Deputy Mary Harney:** It was announced in good faith subject to those two caveats. The best approach is to ensure the screening programme will be fully operational next year, which we will be achieved through an extra €25 million and the treatment plans. Many other European countries have not introduced the vaccination programme, for very similar reasons. It is a question of making clinical choices based on the best outcome.

Deputy Kenny should note it is not that we have scrapped the programme or that it will never be put in place, but that we are saying we cannot start it next September. It was appropriate to make that clear.

**Deputy Enda Kenny:** The Minister is admitting defeat in respect of finding €10 million out of €16 billion.

**Deputy Mary Harney:** The labour cost is €5 million. One must also consider the procurement stage for the vaccine. It costs a lot more in Ireland to have vaccines, as Deputy Reilly will be aware. Smear taking costs substantially more here than in the United Kingdom.

**Deputy Jan O'Sullivan:** Why?

**Deputy Mary Harney:** It is because of the cost of staff and the manner in which people are remunerated.

**Deputy James Reilly:** The Minister is the final arbiter now. According to the Competition Authority, she is the final arbiter on all prices.

**An Leas-Cheann Comhairle:** A number of Deputies indicated they want to contribute and Deputy Reilly has already asked his question.

**Deputy Mary Harney:** As Deputy Reilly knows, smear taking was put to tender among his colleagues and the prices submitted were substantially higher than those elsewhere — that is a fact.

**Deputy James Reilly:** The Minister is the final arbiter.

**Deputy Joan Burton:** I want to Minister to explain the breakdown that results in the figure of 12,000 girls per year at a cost of €600 each. I understand from a radio broadcast this morning that this is where the figure of €15 million is derived. The figure simply does not stand up to analysis. Although we have the tables from the Health Information and Quality Authority, HIQA, I rang a family planning clinic before I entered the House and was told it is €115 per dose plus 21% VAT and that three doses are required. This amounts to approximately €400. If doctors are being paid a full fee, depending on the location, the cost of each visit amounts to between €50 and €60. Are my statistics correct or not?

The HIQA tables indicate a cost of €390 for three shots of vaccine under a school-administered programme. I presume there is no VAT because the service is State provided. The doctor service costs €475. The Minister delayed the programme to have a cost-benefit analysis carried out. Why does she accept that the vaccine cost in Ireland should be exorbitant? This is Bush

economics and a case of the private corporations commanding premium prices for public products because of the Minister's policy of privatising the health services. I am thankful the sun is setting on Bush economics in the United States and hope it is doing so here. How can Deputy Harney, who has been Minister for a significant period, stand over the economics of these costs? If she is seriously contemplating that family doctors or individual health clinics should charge the fees I mentioned, it is a resigning issue. The programme can be administered by nurse practitioners.

Does the Minister recall that one of her predecessors, Dr. Noel Browne, was able to eliminate TB at a time when the country did not have tuppence? Although our circumstances are not as favourable as they were, we are still very rich and cannot offer the comfort of positive programmes. In Africa, countries with very few resources have universal immunisation programmes for children in respect of a range of conditions. Children in Cork and other areas are not able to receive ordinary immunisation after birth because the system the Minister oversees is fundamentally broken. She should provide a breakdown of the figures. If she cannot do so now, will she do so later in tabular form?

**Deputy Mary Harney:** The cost to which I refer concerns public sector workers. I am not talking about the cost in respect of drug companies but of the cost of the labour of public sector workers.

**Deputy Joan Burton:** Is the cost of each shot of vaccine not €115 plus VAT at a rate of 21%? The vaccines are provided by private companies.

**An Leas-Cheann Comhairle:** Allow the Minister to continue, without interruption.

**Deputy Mary Harney:** Irrespective of whether the figure for next year is €10 million, as Deputy Burton states, or €16 million, as the HSE states, I will not have it to introduce the programme next year.

**Deputy John Perry:** It is outrageous.

**Deputy Mary Harney:** In respect of the following year, we cannot start a programme we cannot continue. We cannot give one shot of vaccine in 2009 and not give the two remaining shots in 2010. Everybody will agree that, if we start a programme, we should start it well and continue it. That is what we are doing with the screening programme and the cancer control programme. Deputy Perry should note the same issue will arise when we begin colorectal screening——

**Deputy John Perry:** Where is all the money gone?

**Deputy Mary Harney:** ——which will be of equal merit in identifying those with cancers.

**Deputy James Reilly:** However, there is no vaccine.

**Deputy Enda Kenny:** The Government has ended programmes it started in education and agriculture.

**Deputy Mary Harney:** We introduced the pneumococcal vaccine, which is to cost €30 million next year.

**Deputy James Reilly:** But not for cancer.



**Deputy Mary Harney:** I know that. I wish we could do everything but we do not have the resources to do so.

**An Leas-Cheann Comhairle:** A number of Deputies wish to contribute.

**Deputy John Perry:** It is a bit late closing the stable door when the horse has bolted

**Deputy Martin Ferris:** The figures for 2006 alone are the latest figures available. The Government gave away €10.6 million in tax breaks for developers of for-profit hospitals. How can the Minister justify giving this away when a smaller sum would have provided a vaccination programme to prevent cancer in women? The Minister should go back to the drawing board, scrap the tax breaks and put the money where it should be, that is, into delivery. It should not be spent on private for-profit hospitals that enrich people when there are women crying out for the vaccine. What is being done is totally immoral and I ask the Minister to reconsider it.

**Deputy Mary Harney:** We need infrastructure in the health service and capital allowances have proven to be a very cost-effective way of delivering infrastructure, particularly in the nursing home sector. Very many patients are in private nursing homes that probably would not have been built if it were not for encouragement through the tax system. It is not a question of “either-or”.

We cannot introduce the vaccine in the school year beginning in September 2009. It is hoped and intended that, pending financial circumstances, we will be in a position to introduce it very quickly thereafter. It is a belt-and-braces operation to have a vaccine and screening programme. They complement each other. The vaccine prevents certain strains but not all types of cervical cancer. Therefore, we must have the two approaches. It is not the case that one can stop the screening if one has the vaccine, as Deputy Enright said.

**Deputy James Reilly:** I do not believe she said that.

**Deputy Mary Harney:** We must do both. Screening must be the priority.

**Deputy Martin Ferris:** How can the Minister justify tax breaks when we cannot provide vaccine?

**Deputy John Perry:** The Minister stated screening should be the priority. Will she explain why only €750,000 has been allocated for centres of excellence. She has found ten reasons not to implement the vaccination programme and this is an appalling indictment of the Government. She cannot find €10 million out of €16 billion. As Deputy Reilly stated, 50 lives could be saved with this money. I am tired talking about value for money, audits and the assessment of costs; what is occurring is appalling when one considers the amount of money that has been wasted.

Will the Minister confirm that Professor Keane has made no contact whatsoever with the oncology team in Sligo? This is an appalling indictment of the Government. Although there is talk of transferring the screening service out of Sligo General Hospital, no contact whatsoever has been made with the hospital by Professor Keane. There is no BreastCheck service and this affects 4,000 women. The Minister is all over the shop on this. Although lives are at stake and the Minister stated screening is important, screening is not taking place. Two beds were to be allocated to Galway University Hospital for the whole north west and we are now told there is to be only one.

Deputy Reilly stated correctly that lives are at stake. The Minister is sacrificing the lives of 50 people to save €10 million — that is the kernel of the problem that arises today. If the

Minister cannot find €10 million out of €16 billion, something has gone frightfully wrong. It is an appalling indictment of the system and points to ineptitude and bad management. It is a disgrace. I call on the Minister to reverse her decision.

**Deputy Mary Harney:** The Deputy raised many issues. I am satisfied that Galway University Hospital will have the capacity to deal with the patients from the north west.

**Deputy John Perry:** It has not to date.

**Deputy Mary Harney:** It will when the transfer takes place.

**Deputy John Perry:** I doubt it.

**Deputy Mary Harney:** The roll-out of BreastCheck will happen in the north west as quickly as possible——

**Deputy John Perry:** It will be 2011.

**An Leas-Cheann Comhairle:** The Deputy posed a question that is not germane to the statements.

**Deputy John Perry:** It is germane——

**An Leas-Cheann Comhairle:** I allowed it and I now ask the Deputy to allow the Minister to respond.

**Deputy John Perry:** The Minister referred to centres of excellence and cancer care in my constituency. Nothing is happening.

**An Leas-Cheann Comhairle:** If the Minister will allow me——

**Deputy John Perry:** In my constituency——

**An Leas-Cheann Comhairle:** Deputy, this is a question and answer session. One poses questions and one allows the Minister to respond.

**Deputy John Perry:** Why will the Minister not answer the question?

**An Leas-Cheann Comhairle:** Will the Deputy take his seat and allow the Minister to answer?

**Deputy John Perry:** Professor Keane has had no contact with Sligo.

**An Leas-Cheann Comhairle:** The Deputy will resume his seat.

**Deputy Mary Harney:** Regarding Professor Keane, his deputy, Dr. Hynes, has been to Sligo on many occasions and Professor Keane is more than happy to meet the clinicians, as the Deputy knows well.

**Deputy John Perry:** I do not quite know it. The Minister will please tell me.

**Deputy Mary Harney:** Deputy Perry knows this. I have told him so before in this Chamber. With regard to the saving of lives, ten or 20 years from now 50 lives will have been saved but 81 lives can be saved through the screening programme. I say to Deputy Perry that this must be the immediate priority, to pick up the women today——

**Deputy John Perry:** Where is all the money?

**Deputy Mary Harney:** The Deputy wants to have an answer to his question or he does not. The priority is to pick up today, through screening, those women who are prone to cervical cancer and then to provide quality assured treatment. That is what we are doing and that is why an extra €50 million is going into cancer next year, notwithstanding the economic circumstances. That is a fact. We cannot do everything at the same time. I wish we could.

**Deputy Paul Kehoe:** When the Minister announced this plan earlier this year, she said that this service would save lives. Is that true or false?

**An Leas-Cheann Comhairle:** The Deputy must put his question.

**Deputy Paul Kehoe:** She said it would save lives. This morning, or during the week, the Minister announced that she was cutting this service. Therefore, she is saying that she does not mind if people die of cancer. That is exactly what she is saying.

I had great admiration for the Minister——

**Deputy Barry Andrews:** The Deputy should——

**Deputy Paul Kehoe:** Am I speaking to the Minister of State, Deputy Andrews? I am not.

**Deputy Barry Andrews:** He should really think about what he is saying.

**Deputy Paul Kehoe:** I am not speaking to the Minister of State. The Minister is a person——

**Deputy Barry Andrews:** This is absolutely outrageous.

**Deputy Paul Kehoe:** The Minister is a person for whom I had great admiration. Whenever I was asked, locally and nationally, who was the person outside my own party I most admired, I said the Minister was that person because of what she has done over the years, as a Minister and as a Member of this House. However, my respect for her as a Minister has definitely diminished this week.

This morning, I had a call from a constituent who told me she had e-mailed to the Minister for Health and Children a photograph of her 12-month-old baby daughter. In her e-mail she asked the Minister to choose whether she wanted the person in the photograph to be alive or dead in years to come.

That is the question I pose to the Minister and it is the one that people outside this House pose to us as public representatives. We are asked, as messengers of the people, to pose that question to the Minister. This is to save a measly €10 million. When one sees the wastage in the health service over the past number of years under the Minister's stewardship, it is shameful that the Minister comes into the House and gets rid of this service.

I return to my original point. The Minister said in her statement that this action would save lives. I ask her, as a public representative, to change her mind on this and to reverse what she has already done.

**Deputy Mary Harney:** I have a number of comments to make. I will not respond to the question about whether I care that people die. If I did not care, I would not bother to organise these services. It would be much easier not to face as I do, in this House and around the country, any opposition to the re-organisation of services. This is being done for only one reason, namely, to deliver better treatments for cancer patients——

**Deputy Paul Kehoe:** That is not happening.

**Deputy Mary Harney:** —with better results. The second point concerns the screening programme. We know this programme will pick up women who have cancer and afford them the opportunity to be treated. If it is to be a choice between picking up those who actually have the cancer today and offering them treatment, or putting in place something that will prevent the cancer developing in ten or so years, I must make——

**Deputy James Reilly:** That is not the choice.

**Deputy Mary Harney:** I am sorry but that is the choice. It is a choice that I face along with many of my ministerial colleagues throughout the rest of the world, including those in the European Union. Does Deputy Reilly believe that these Ministers spoke lightly when they said they would not introduce the vaccine this year? Of course they did not.

Third, I will address the question of the 12-month-old daughter of Deputy Kehoe's constituent. We have introduced a pneumococcal vaccine to prevent that child getting particular strains of meningitis, at a cost of €30 million next year. We do these things and we do them as fast as we can, within the resources we can make available, and we do them to a very high quality standard. The screening programme we have introduced is of a high standard and that is what is important. We are doing all these things.

We do not say that we will not introduce the vaccine. We are simply saying that we cannot do so in September 2009. We are not saying that we will abandon this programme or that we will scrap it. I accepted the advice that the vaccine is a good product that should be introduced and I want to see it introduced as quickly as possible.

**Deputy Paul Kehoe:** The Minister should look somewhere else to save money.

**An Leas-Cheann Comhairle:** I wish to take brief supplementary questions from Deputies Reilly and O'Sullivan.

**Deputy James Reilly:** The Minister has €16 billion in her budget. She can find €10 million. She can give us 20 reasons not to do something rather than find one way to make it happen. I already covered that with her.

The Minister made the argument that she has choices to make. The choices are not between cervical screening and cervical vaccination but between front line services and bureaucracy, taxis, meetings and bonuses for the bosses. Those are the choices. What about the 5,000 redundancies that we were supposed to see? We have not seen them.

The Minister says she cannot do this. I quote the President-elect of the United States: "Yes, we can." I say to the Minister that if she does not reverse this decision, and if the Minister of State beside her, Deputy Andrews, does not do so, she will be forced to vote on this matter, and on her future as Minister for Health and Children, on the floor of this House. This is a step too far. We are at a crossroads in this country where the choice is between Boston or Berlin. We know the Minister has gone to Boston in respect of health care but the country is not going with her. The people aged over 70 will not go with her because of the medical card issue; disabled children will not go there with her, children with special educational needs will not go with her and the children affected by today's decision will not go with her either.

**An Leas-Cheann Comhairle:** I wish to take a brief supplementary question from Deputy O'Sullivan.

**Deputy James Reilly:** I apologise. I have a question. If the Minister——

**Deputy Barry Andrews:** Did the Deputy take a 5% pay cut?

**Deputy James Reilly:** VAT is to be applied to this vaccine programme. Will that be removed?

**Deputy Barry Andrews:** Hypocrite.

**Deputy Jan O'Sullivan:** For the sake of the young women of Ireland, I wish to end this debate on a positive note. In August the Minister said, and has repeated as much today, that she would roll out this programme in September next year subject to cost and to a take-up of 80%. We already brought the cost down today. It appears from the debate today that the Minister accepts that the cost will be in the region of €10 million. I ask the Minister to do two things. Perhaps she cannot officially do them but unofficially somebody might talk to the pharmaceutical companies who supply the vaccine in order to investigate whether we might get it at a cheaper rate than the estimated €100 per vaccine. I believe we can.

Could we also check whether the schools are happy to administer the programme? The Minister's other proviso was for an 80% take-up. If the vaccination can be done through the schools, I am confident that she will get that percentage take-up. Might we then see if we can find the remainder of the money somewhere within the Health Service Executive budget or within some other aspect of Government? It is not a great sum of money. Might we leave this Chamber with some type of positive hope that we can actually bring in this programme next year? That is what the people want to hear. They know we have arguments in this House and that we shout at each other across the floor. What they want is a positive result.

If the Minister can turn around her decision she will be seen as humane, caring and life-saving. I put it to her that if she does these things, if she reduces the cost, gets the agreement of the schools and finds the money, that we will all have done a good day's work.

**Deputy Mary Harney:** With regard to Deputy Reilly's point about Boston or Berlin, the Swedish Government has not introduced this vaccine and I do not believe it could be put into the Boston schools of economics or politics. Several other Ministries have not done so either, for the many reasons we face here. Clinical choices must be made based on the best clinical advice when there is public money to spend.

Concerning Deputy O'Sullivan's point about cost and take-up, I said earlier that I accepted the health technology assessment which advised that the introduction of this vaccine in Ireland would be a good thing. We want to have it as quickly as possible and I had hoped to introduce it for the school year beginning in September 2009, subject to 80% of parents agreeing that their daughters should receive the vaccine, and that it be cost-effective. That cannot happen next September but I hope it can happen soon thereafter.

**Deputy Jan O'Sullivan:** Why can it not happen then?

**Deputy Mary Harney:** The resources have not been provided for it for 2009, in respect of what was allocated in the recent budget and confirmed to the HSE. We have not provided new money for this programme because we do not have it.

**Deputy Jan O'Sullivan:** It has been suggested that the Minister could find the funds elsewhere.

**Deputy Mary Harney:** I could make choices and decide not to proceed with the €10 million for speech therapists for children who have terrible language problems.

**Deputy Jan O'Sullivan:** I am not suggesting the Minister do so.

**Deputy James Reilly:** What about the €10 million for Government advisers?

**An Leas-Cheann Comhairle:** The time for the debate has expired. I ask the Minister to conclude.

**Deputy Mary Harney:** These are the type of choices one would have to make in health. While the cervical cancer vaccination programme cannot proceed in 2009, I hope it will proceed as soon as possible thereafter.

**Deputy James Reilly:** The Minister takes the soft option every time. She does not have to go to Sweden to find a comparison as she could find a better one 40 miles up the road in the neighbouring jurisdiction.

**Deputy Mary Harney:** The Deputy's GP colleagues up there are paid much less than down here.

**Deputy James Reilly:** The Minister is the final arbiter.

### **Tribunals of Inquiry Bill 2005: Second Stage (Resumed).**

Debate resumed on amendment No. 1:

To delete all words after "That" and substitute the following:

Dáil Éireann, having regard to the fact that existing Tribunals of Inquiry established by the Oireachtas have not completed the entirety of their work, declines the second reading of the Tribunals of Inquiry Bill 2005.

—(Deputy Charles Flanagan).

**Deputy Martin Ferris:** As my colleague, Deputy Ó Snodaigh, indicated, Sinn Féin must oppose the Bill as currently drafted. My party is concerned that the proposed legislation could be used by Governments to prevent public inquiries delivering the truth to members of the public and the families of victims of collusion. Arguably, certain collusion findings which should be made public in the interests of truth and justice may damage the State's relationship with Britain and the European Union, of which both states are members. The Government should not have the broad discretion to suppress findings on these grounds.

Further, it is likely with regard to inquiries into collusion that the Minister for Justice, Equality and Law Reform would be the responsible Minister. Since the establishment of the Free State, some Ministers for Justice acquired a track record in misusing and abusing their powers on purported grounds of State security. This has resulted in harassment of individuals and the destruction of their characters and livelihoods, with consequences for their respective families. In a recent case, a former Minister for Justice, Equality and Law Reform leaked to the press details about a named journalist on the basis that he considered it was in the State's interest to do so. However, in so doing, he effectively destroyed the livelihood of the individual in question.

We have had cases of people being taken before special courts and sentenced to terms of imprisonment on the word of one person, despite denying the allegation being made against them. Power has also been abused, particularly by a previous Minister for Justice, Mr. Paddy Cooney, who stood over the heavy gang without any accountability. We saw the consequences of this and the then Minister's failure to uphold his obligation of office to protect civilians when innocent people were locked up in prison.

**Deputy Charles Flanagan:** The Deputy should be careful about rewriting history, especially given the quarter from which he comes.



**Deputy Martin Ferris:** I am not the only person who would say this about the Minister for Justice in question.

**Deputy Charles Flanagan:** The Deputy is saying it here.

**Deputy Martin Ferris:** The events of the time are well documented. The heavy gang operated under the then Minister for Justice, Mr. Paddy Cooney, and we had brutality, seven days' detention and the denial of basic human rights. These are known facts.

Part 4 includes provisions for appointments to tribunals. The absence of a requirement to secure Oireachtas approval gives the Minister too much discretion in the making of appointments. The Bill lacks and would benefit from the inclusion of explicit progressive criteria for suitable appointees and a transparent, merit-based mechanism for identifying and approving the appointment of members of a tribunal.

The Government may dissolve a tribunal with the approval of the Oireachtas. While it must state its reasons for so doing, the Bill, as drafted, does not limit what these reasons may be. The Bill should explicitly provide that a tribunal of inquiry may only be dissolved prior to the submission of its final report for extraordinary and compelling reasons which clearly outweigh the public interest in the tribunal completing its work. On the requirement to secure the approval of the Oireachtas for dissolving a tribunal, we have had many cases of Government Deputies and Ministers rowing in behind a Minister, irrespective of their personal position on an issue. Effectively, therefore, a Government can do as it wishes provided it has a majority in the House.

The Bill would also benefit greatly from the inclusion of provisions allowing for an international dimension to inquiries, in particular where there is a possibility of State collusion in serious human rights abuses.

When the Bill was first published, Deputy Ó Snodaigh wrote to the then Minister for Justice, Equality and Law Reform, Mr. Michael McDowell, outlining Sinn Féin's concerns. The Government has discussed these matters with my party's leadership team. Despite our best efforts to have the Bill withdrawn, the Government seems determined to press ahead. It is an astonishing affront to democracy that the Fianna Fáil Party, with the support of the Green Party and remaining Independent Deputies, is pressing ahead with this legislation. It will not be lost on members of the public that a Government led by Fianna Fáil, the political party most associated with being on the wrong side of tribunal investigations, is seeking power to stifle such processes. Former Ministers who came before tribunals in the recent past were responsible for decisions which were not in the national interest. I refer specifically to the decision to give away our natural resources which should be exploited for the benefit of the people.

Many people inside and outside the House have serious concerns about this legislation. A much better mechanism could be established. Insufficient consideration has been given to the provisions of the Bill and in the interests of justice and truth, I call on the Taoiseach to withdraw it for the reasons outlined.

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I thank Deputies for their contributions to the debate. This is a comprehensive reform and modernisation Bill dealing with an important issue.

I make it clear that there is no question that the Government will withdraw the Bill, as requested by Deputies Ó Snodaigh and Ferris. The Bill cannot and should not be construed in any way as compromising the position on calls by the Finucane family and others for an inquiry by the UK Government. The Government has taken a clear stance in support of such an

inquiry, as expressed by the then Taoiseach on 8 March 2006. I have been present at many meetings since that date at which the former Taoiseach, Deputy Bertie Ahern, and the current Taoiseach, Deputy Brian Cowen, called on the British authorities to hold an inquiry into the Finucane case in accordance with a previous understanding on which the Governments agreed.

It is inevitable that there will be some similarity between the Bill and the United Kingdom Inquiries Act 2005. This is primarily engendered by the common roots of both the Bill and the Act in the Tribunals of Inquiry (Evidence) Act 1921, which is a UK statute. However, there are significantly different experiences in the usage of the Act in the two jurisdictions. This is especially the case when one has regard to the relevant Irish jurisprudence.

Deputy Ó Snodaigh's concerns regarding section 34 are misplaced. The section imposes a clear statutory obligation on a responsible Minister to publish the tribunal's final report except where, in the Minister's opinion, to do so would prejudice any civil or criminal proceedings that are in progress or pending or would not be in the interests of State security or in the interest of the State's relations with other states or international organisations. In the former instance, where the Minister is of such an opinion, he or she must apply to the High Court for directions concerning the publication of the report. The court may direct that the whole or a part of the report be not published for a specified period or until the court otherwise decides. This provision is in aid of parties to any such proceedings and obliging the Minister to apply to the court is considered to be a necessary and sensible safeguard. In the latter instance, the responsible Minister must give notice of his or her opinion and reasons for that opinion to the Government.

In the latter instance, the responsible Minister must give notice of his or her opinion, and reasons for that opinion, to the Government. Where, having considered the opinion, the Government is satisfied that publication of all or part of a report would not be in the interests of State security or the State's relations with other states or international organisations, it must determine whether the delay in publication of all or part of the report should be for a specified period or until it directs otherwise. The House will appreciate that failure on the part of the Government to take steps to protect State security or international relations would undoubtedly lead to accusations that the Government was in dereliction of its duties.

It is ridiculous to suggest that somehow section 34 is a "charter for cover-ups", as was referred to earlier. This ignores the fact that a tribunal is a public inquiry, except where the chairman determines that a particular session or module should be held in private. Therefore, most if not all sessions of an inquiry will take place in public. In practice, the Government would have to notify the Houses of the Oireachtas of any decision to withhold from publication the whole or part of a report of an inquiry.

The Bill provides for the reform and consolidation of the current legislation relating to tribunals of inquiry, dating from 1921. It will put in place a modern statutory framework governing all aspects of the operation of a tribunal, from the time of its establishment to the publication of its final report. It will, we believe, provide a more efficient and cost-effective method of investigating matters of public concern. The Government, at the time of the passage of the Tribunals of Inquiry (Evidence) (Amendment) Act 2004, committed itself to look at the legislation concerning tribunals in a comprehensive way and to develop proposals to amend and consolidate it. We indicated then that the anticipated final Report of the Law Reform Commission on Public Inquiries would likely have a major influence on our legislative intentions. We have followed through on that indication. The Law Reform Commission report was published in May 2005 and contained over 50 recommendations that would lead to more efficient and effective management of tribunals. The Bill before the House relies heavily on the commission's report.

[Deputy Dermot Ahern.]

It is disappointing that, notwithstanding the heavy reliance on the Law Reform Commission report, the Second Stage debate took place against the background of unsubstantiated Opposition claims that the bringing forward of the Bill was a political attempt on the part of the Government to somehow intimidate the Mahon tribunal in advance of the anticipated appearance of the then Taoiseach before that tribunal.

I stress a point made by my predecessor in that debate, that the Government believes it is important that future tribunals should be more efficient and cost-effective. That view is shared by the vast majority of taxpayers, including the vast majority of Members of this House, who have expressed frustration at the mounting cost of tribunals time and again. Now that the Mahon tribunal has completed its public hearings, I hope this Bill can be given the objective consideration it deserves.

I remind the House that tribunals of inquiry are the only statutory form of public inquiry available to the Oireachtas to inquire into any matter of urgent and significant public importance. The main legislative vehicle for the public investigation of such matters is the Tribunals of Inquiry (Evidence) Act 1921, as amended by a sequence of legislative measures enacted between 1979 and 2004.

It may be useful to recall the amendments to the original Act that were found necessary over that period. The need for the amendment usually became apparent in the course of the work of the relevant tribunal so the development of the law in relation to tribunals has been piecemeal to say the least. It really is time for a comprehensive overhaul of this legislation. In this regard the House should consider the following examples.

The Tribunals of Inquiry (Evidence) (Amendment) Act 1979 remedied certain defects that had emerged in the course of establishing the inquiry into the Whiddy Island disaster. That Act created a number of offences for non-co-operation with a tribunal. It provided a statutory basis for the establishment of multi-member tribunals. It also provided for the summoning of witnesses, compelling the production of documents, the issuing of a commission to examine witnesses abroad and, importantly, allowed a tribunal, where there were sufficient reasons rendering it equitable to do so, to make orders for the payment of the costs of a person represented before it.

The Tribunals of Inquiry (Evidence) (Amendment) Act 1997 was a direct response to the McCracken tribunal and included a power for the tribunal to direct that its costs could be paid by a person who had caused them to be incurred through his or her non-co-operation.

The Tribunals of Inquiry (Evidence) (Amendment) Acts, Nos. (1) and (2), 1998 allowed for the changing of a tribunal's terms of reference at the request of the tribunal or following consultation between the tribunal and the Attorney General on behalf of the Minister. The Tribunals of Inquiry (Evidence) (Amendment) Act 2002 included provision to enable additional members to be appointed to a tribunal, as was necessary in the case of the Flood tribunal.

The Tribunals of Inquiry (Evidence) (Amendment) Act 2004 was necessary to ensure that Judge Mahon, as the new chairman of the Tribunal to Inquire into Certain Planning Matters and Payments, previously chaired by Mr. Justice Flood, could make orders regarding applications for costs incurred during the tenure of the preceding chairman. One can therefore see that much of the legislation we have in this area was, as I said earlier, piecemeal. It is fitting we should bring it all together in one consolidated item of legislation, which this is.

Deputy Flanagan, in his Second Stage contribution, referred to the Commissions of Investigation Act 2004 and considered that this Act:

addresses issues that have been highlighted by those who wish to see an end to tribunals in Ireland, namely costs, duration and tight terms of reference. This legislation provides that when issues of significant public concern emerge which heretofore would have necessitated the establishment of a tribunal of inquiry, they can instead be dealt with by a commission of investigation. That more straightforward and efficient approach was deemed appropriate by Members of this House several years ago. Therefore, we are unlikely to see many, or any, new tribunals being established in the future.

A commission of investigation differs from a tribunal of inquiry in one very important respect — it is an investigation in private as opposed to the public nature of a tribunal. The Commissions of Investigation Act 2004 provides the Oireachtas with the possibility to set up a private investigation into any matter considered by the Government of the day to be of significant public concern. It was never the intention that the passing of that Act would obviate the need for any future tribunal of inquiry if the Oireachtas considered such to be merited.

Indeed, in this regard I need only refer to the establishment by the Oireachtas, subsequent to the passing of the Commissions of Investigation Act 2004, of the public inquiry into the fatal killing in 1989 of RUC Chief Superintendent Harry Breen and RUC Superintendent Robert Buchanan under the chairmanship of Judge Smithwick.

The extensive powers of tribunals set up under the tribunals of inquiry legislation have facilitated them in establishing the facts in respect of certain matters of serious public concern. A tribunal of inquiry has a wide range of powers which, as I have said, have been strengthened in successive items of legislation to secure the co-operation of persons with their inquiries and there are significant sanctions for persons who fail or refuse to comply with a direction of a tribunal.

The commitment to bring forward comprehensive legislative reform given at the time of the passage of the Tribunals of Inquiry (Evidence) (Amendment) Act in 2004 has now been fulfilled. We have built on the excellent work of the Law Reform Commission Report of May 2005 and the Bill implements, in large part, the recommendations contained in that report. The Tribunals of Inquiry Bill 2005 marks, I believe, an important milestone in the development of our legislation in relation to tribunals.

The costs regime in the new legislation will provide for greater controls and transparency in relation to costs incurred on foot of tribunals of inquiry. The House may wish to note that the cumulative cost of all tribunals of inquiry and commissions of investigations at 31 August 2008 was almost €355 million. This sum relates to completed and ongoing inquiries. Of this, €96 million related to administration costs, €134 million to tribunal legal costs and almost €125 million to third party legal costs claimed to that date. The latter figure is expected to increase substantially with the completion of almost all of the existing tribunals.

My predecessor, when introducing the Bill, indicated that a number of likely Committee Stage amendments had been agreed with the Office of the Attorney General. I look forward to the Committee Stage debate on the Bill and bringing forward these amendments.

I believe the provisions of the Bill will put in place an efficient and cost-effective inquiry mechanism in regard to public inquiries the main features of which include the process for establishment, suspension and dissolution of a tribunal as set out — a resolution of both Houses of the Oireachtas is required in each instance; the situation with regard to the granting of legal representation before a tribunal is clarified; the chairman is required to conduct the inquiry in a cost-effective and efficient manner; the situation with regard to award of costs by a tribunal is clarified — co-operation with the tribunal remains the key determinant for an award of costs;

[Deputy Dermot Ahern.]

and regulations, to be made by the Minister with the consent of the Minister for Finance, will set out maximum amounts of legal costs recoverable.

This Bill will provide for a more efficient and cost-effective operation of any future public inquiries which the Oireachtas ordains to be established. I believe it will be in the best interests of justice and public accountability that we move forward with these Bills.

I wish to comment on some of the remarks made by Deputy Durkan. With regard to people criticising me for raising the issue of the Morris tribunal, the more I listen to the comments of others, the more I am reminded of a statement we hear often, that people tend to “shoot the messenger”. We cannot come in here and set up a tribunal, ask it to investigate  
3 o'clock allegations of all sorts and then dump on the chairperson and his recommendations. Deputy Durkan said Mr. Justice Morris had no right to inquire into the *modus operandi* of Deputies. He most certainly did, as is clear under the terms of reference we gave him. Therefore, while we may not agree with all the recommendations of these tribunals, it is incumbent on us to accept them, given we set them up in the first place.

**Deputy Charles Flanagan:** On the basis that it is some time since we had debate on this issue, I wish to explain the reason I intend to withdraw the amendment. As the Minister quite rightly pointed out, since we debated this previously, the Mahon tribunal has completed its programme of public hearings. As a result of that, I wish to withdraw the amendment as tabled. Also, the Minister mentioned the Government would bring forward Committee Stage amendments. I urge him to ensure they are circulated well in advance of Committee Stage.

Amendment, by leave, withdrawn.

Question put and agreed to.

### **Tribunals of Inquiry Bill 2005: Referral to Select Committee.**

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I move:

That the Bill be referred to the Select Committee on Justice, Equality, Defence and Women's Rights, in accordance with Standing Order 122(1) and paragraph 1(a)(i) of the Orders of Reference of that committee.

Question put and agreed to.

*Sitting suspended at 2.30 p.m. and resumed at 3.30 p.m.*

### **Ceisteanna — Questions.**

#### **Priority Questions.**

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#### **Banking Sector Regulation.**

1. **Deputy Richard Bruton** asked the Minister for Finance his views on whether experience shows that putting off decisions on restructuring financial institutions only serves to deepen and prolong a crisis; and the strategy necessary to ensure there is a continuing flow of credit for enterprises and families. [39081/08]



**Minister for Finance (Deputy Brian Lenihan):** When I introduced the Credit Institutions (Financial Support) Act to this House, I made it clear the disruption in international financial markets required a strong and decisive response by the Government to underpin the commitment of the authorities to Ireland's financial stability. This Government moved swiftly to put in place a guarantee to ensure Irish financial institutions' access to the normal liquidity and funding for their day to day business, and to give confidence to depositors and wholesale lenders. The Government quickly demonstrated its resolve to support the financial system in order to support in turn the economy and society, enterprises and families.

In tandem with the guarantee, the intensified scrutiny and oversight of financial institutions put in place since the onset of the turmoil in financial markets has been maintained and further strengthened to ensure that high standards of regulation are achieved in Ireland and that the quality of corporate governance applying in all institutions, including lending practices, safeguards the interests of taxpayers. The goal at the end of this process is a banking system that is fit for purpose for the transformed financial environment in which it will find itself operating in the coming decades.

The Government continues to work closely with the Financial Regulator and the Central Bank to monitor, assess and ensure the stability of the system and flow of credit. The functions set out in the legislation, following consultation with the Central Bank and the Financial Regulator, are specifically provided to protect the stability of credit institutions and maintain the financial stability of the State. The legislation provides a detailed framework for the authorities to oversee and guide the assessment of strategic options by the banks themselves. The Irish scheme is firmly aligned with the main themes of the euro group plan, which contains an option to provide additional capital resources where appropriate to the banks. The position is being assessed and monitored on an ongoing basis.

Each institution must take appropriate steps to ensure their levels of capital are aligned with their needs. The State has a keen interest in the health and security of the banking institutions because of their role in the economy. My Department, the Central Bank and the Financial Regulator will be in continuing contact with the institutions on their business plans, capital position and liquidity. If it is the case that an assessment is made by a particular institution, or by the regulator, that higher capitalisation would be appropriate, the first step is for the institution itself to consider all possible options to meet this requirement.

**Deputy Richard Bruton:** Does the Minister agree there is now mounting evidence credit to strong and viable enterprises is drying up, and there are more and more examples where people have had their overdraft facility cut back and are having to lay off staff in the face of credit problems? Against that problem does he agree the issue of the adequacy of the capitalisation of our banks is now a major source of focus and one of the reasons they are finding it hard to raise term deposits externally? Others have moved to higher capital ratios being required. The banks may meet the minimum criteria set by the regulator but no longer look to be strongly capitalised by comparison with other countries.

Does the Minister believe it is within the banks' own capacity to resolve their capital problems? If, as the Minister says, he believes private sources of funds would be the best first option, does he agree there must be clarity on the Government's approach before people will risk private equity in any recapitalisation? Government policy — with the new powers — could have a very big impact on private investors' views of putting capital into a bank.

**Deputy Brian Lenihan:** With regard to the shortage of credit for particular businesses and especially small and medium sized Irish firms, I have asked my Department to liaise with the



[Deputy Brian Lenihan.]

Central Bank, the Financial Regulator and the financial institutions to assess the reality of the many claims put forward in that regard.

On capitalisation, which was the main burden of the question put by Deputy Bruton, the Deputy opened the issue by saying the banks were experiencing difficulty in obtaining deposits. Statistics show the degree of funds attracted to the Irish banks as a result of the liquidity——

**Deputy Richard Bruton:** I spoke about long-term deposits.

**Deputy Brian Lenihan:** The Deputy did not qualify it. He would appreciate I was going to make the point that the degree of liquidity attracted by the banks through the guarantee was actually greater than the amount of liquidity available to the banks as of 1 September. On that date, as Deputy Bruton is aware, the difficulties had not yet emerged that led to the giving of the guarantee in late September.

On the question of capitalisation, as part of the review of the banking system now taking place, the question of the adequacy of capital ratios must be examined because of the position that now obtains in other European countries. I have made it clear at all stages that my view and that of the Government is that capitalisation by the State must only be an ultimate and last resort.

**An Leas-Cheann Comhairle:** I want to allow a brief supplementary question.

**Deputy Brian Lenihan:** I accept the point made by Deputy Bruton that as a result of the degree of supervision by the State of credit institutions entailed by the guarantee, there is an onus on the State to assist institutions if they come up with appropriate proposals.

**Deputy Richard Bruton:** The central question is if the approach of the Government, in saying banks must exhaust all other options before there is a question of the State becoming involved in recapitalisation, risks this problem festering? In the process, genuine businesses could be starved of credit, which will in turn prolong the difficulties in the economy. There is a worry the Government is sitting back on its oars when other governments have moved ahead with other actions. I say this without seeking to prejudice what they may be. We are stuck at base camp one while others have moved on.

**Deputy Brian Lenihan:** I assure Deputy Bruton we do not rest on our oars. We did not rest on our oars in giving the guarantee in the first place. Our political difficulty in Europe was that we were ahead in giving the guarantee.

**Deputy Richard Bruton:** The Government is behind now.

**Deputy Brian Lenihan:** We did not rest on our oars in bringing forward the budget either and we will not do so with this issue.

2. **Deputy Joan Burton** asked the Minister for Finance his views of the level of asset impairment of the institutions covered by the credit institutions financial support scheme; the progress of the review by PriceWaterhouseCoopers; his views of expected write-downs or required capital replacement of those institutions; the estimated exposure or contingent liability of the taxpayer for the guarantee; his assessment of the impact of the guarantee on the availability of credit to business and personal borrowers; and if he will make a statement on the matter.

[38949/08]

**Deputy Brian Lenihan:** The credit institutions financial support scheme provides a guarantee for covered institutions until 29 September 2010. I have been advised by the Financial Regulator that it recently commissioned PriceWaterhouseCoopers to conduct a review of loan portfolios of the covered credit institutions. PriceWaterhouseCoopers is currently progressing with this work and the Financial Regulator will keep me advised of progress as appropriate. Deputy Burton will appreciate this review is highly commercially sensitive.

Given the general deterioration in the economic conditions, both national and international, the Financial Regulator has advised that he would expect the current levels of impairment in covered institutions to increase over the next few years. The expected levels of impairment charges for particular institutions will be dependent on borrowers' financial position and the level of collateral provided. The regulator's review of the loan books of the covered banks has shown that the covered institutions did not hold any exposures to the US sub-prime mortgages and also they have limited exposures to banks which have recently been liquidated or encountered difficulties, including Lehman's and the Icelandic banks. It is also important to note that the covered banks continue to be profitable.

With regard to the availability of credit, the extended international credit crunch we have experienced has brought home to all of us the pivotal role of the financial system in the economy and in the day to day lives of ordinary people. One of the stated objectives of the scheme is to maintain financial stability, not for its own sake but in the best interests of the public and the economy of the State. The scheme helps the banks access additional liquidity which will allow the banks to continue to lend in a sustainable manner, supporting the appropriate availability of credit and favouring business activity in the wider economy of the State, especially trading activities. The scheme therefore includes the application of strict terms and conditions on covered institutions to ensure the public interest, which includes the general consumer and small business sector, is paramount.

It is the responsibility of the covered institutions to ensure they meet capital requirements and I expect covered institutions to take appropriate steps to ensure their levels of capital are aligned to their needs. My Department, the Central Bank and the Financial Regulator will be in continuing contact with the covered institutions on their business plans, liquidity and capital position.

The Deputy inquired about the estimated contingent liability of the scheme. As previously stated by me it is estimated the scheme will cover liabilities of approximately €440 billion.

**Deputy Joan Burton:** First, that answer is inadequate given the difficulties faced by the Irish banking sector and because, at present, banks in effect are cutting off the pipelines of credit to many small, medium and large businesses, as well as to many individual borrowers, including those who seek to purchase homes. This is about Main Street and not our equivalent of Wall Street. The Minister only appears concerned about the Irish equivalent of Wall Street. He is not concerned about what is happening to local businesses. Will the Minister publish the details of the terms of reference of the PriceWaterhouseCoopers review, in which the Financial Regulator stated he intended to drill down deep into the balance sheets of Irish banks? The Minister should provide some evidence of what such drilling comprises and what it covers. The reason I stated the Minister's answer is dishonest is that I wish to address the gaps in his answer.

**Deputy Brian Lenihan:** The Deputy did not say that.

**Deputy Joan Burton:** I stated his answer was less than adequate. Allow me to rephrase what I stated. The Minister stated the regulator knows the Irish banks in the scheme are not necessarily exposed to sub-prime mortgages. Everyone knows that already because the sub-prime business was only beginning to get off the ground in Ireland. The Minister also stated we are

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not exposed to, for example, fall-out from the US banks or Lehman Brothers. However, he avoided what I wish to know, namely, the exposure of every bank in the scheme to bad-risk construction lending and lending for land speculation. That is where the risks are, particularly in respect of two of the institutions covered by the guarantee. The Minister should answer that question. As for the contingent liability of €440 million, did the Minister not acknowledge to me last Thursday that there is no cross-indemnity between the banks in the scheme, contrary to what the Minister and the Taoiseach had implied? Is it true that the first port of call on the €440 million now is Joe and Josephine Taxpayer?

**Deputy Brian Lenihan:** I never have visited Wall Street and my fundamental concern in this matter——

**Deputy Joan Burton:** The Minister ought to.

**Deputy Brian Lenihan:** ——is to ensure the Irish banks have the capacity to ensure the economy remains viable, businesses continue to thrive and consumers can borrow. As for the Deputy's reference to the inability to acquire housing finance, the Government introduced an initiative in the budget to address that specific issue in cases in which the banks failed to advance credit. While I would welcome the opportunity to visit Wall Street, there has been too much to do in the Department of Finance since my appointment to take time out and visit such an institution.

As far as the terms of reference and the requests made of PriceWaterhouseCoopers are concerned, I will examine the request made by the Deputy and will forward such information as I can within my possession. As for the exposures of the banks, the purpose of the exercise commissioned by the regulator with PriceWaterhouseCoopers is to assess that degree of exposure and bad risk on the asset side in the loan book. That element of risk may not necessarily be connected exclusively with construction or investment in land. It may relate to other loans and advances that financial institutions have made. However, the purpose of the PriceWaterhouseCoopers inquiry is to establish the extent and depth of such exposure.

As for the issue of the cross-indemnity and the guarantee, the Taoiseach and I have always made clear that were any deficiency to arise, the financial sector would be levied for it. That was made clear at all stages and is reflected in the language of the scheme. However, the particular reference to the scheme to which Deputy Burton refers is the specific legal obligation here and now on the institutions. Deputy Burton is aware that no institution would have signed the guarantees under those conditions.

**An Leas-Cheann Comhairle:** The Deputy may ask a brief supplementary question as we are well over time.

**Deputy Joan Burton:** I have two supplementary questions. The Minister finally has confirmed there is no cross-indemnity and, therefore, at a minimum, the Minister and the Taoiseach misled the House.

**Deputy Brian Lenihan:** No.

**An Leas-Cheann Comhairle:** Is there a question?

**Deputy Joan Burton:** I ask the Minister to answer my question again. The Financial Regulator and PriceWaterhouseCoopers for several weeks have been engaged in this review to drill deep into the balance sheets.

**An Leas-Cheann Comhairle:** We are well over time.

**Deputy Joan Burton:** Can the Minister indicate what such drilling has revealed thus far in respect of risky construction and land speculation loans? That is where the risks are, particularly in respect of two of the institutions concerned. Is the Minister more concerned to save the developers than to save the capacity of ordinary businesses to borrow for legitimate business requirements?

**An Leas-Cheann Comhairle:** An tAire, a brief reply.

**Deputy Brian Lenihan:** The fundamental issue for me is to safeguard all businesses, irrespective of their activities, which are in good standing, need credit and are capable of contributing to this economy.

**Deputy Joan Burton:** They are not getting it.

**Deputy Brian Lenihan:** That is a fundamental objective behind the installation of the guarantee and is the reason the Government will continue to reform the banking sector, now that the guarantee agreements have been concluded with the individual institutions. As for the cross-indemnity issue, I repeat it was never the case under the scheme that there was a cross-indemnity. Deputy Burton is aware I never suggested there was such an indemnity. However, a general undertaking has been given by the Government that any deficiency would be levied on the financial sector.

### **Budgetary Forecasts.**

3. **Deputy Kieran O'Donnell** asked the Minister for Finance if he is satisfied that the forecasts in the Budget Statement 2009 on which he has based his projections of taxation and borrowing are robust; and if he will make a statement on the matter. [39082/08]

**Deputy Brian Lenihan:** Since budget day my Department has received the October data as regards tax revenue and expenditure, which are broadly in line with what was expected. The October Exchequer returns showed an Exchequer deficit at the end of October of just over €11 billion.

The Exchequer returns also showed that in the first ten months of the year, tax receipts fell approximately €4.3 billion short of expectations with all tax headings being behind profile. In the month of October, there was a tax shortfall on profile of €693 million. While tax receipts in October have continued the poor performance of recent months, they nonetheless are broadly in line with what was anticipated in formulating the recent budget forecast for the year as a whole. In this regard, my Department anticipates a further slippage in revenues of approximately €2.25 billion in November and December, reflecting the fact that November is a key month for tax collection. This will result in an annual shortfall of the order of €6.5 billion.

As for the forecasts for 2009, the budget was framed against the most challenging fiscal and economic position for some time. In 2008, my Department expects approximately €42.4 billion in tax revenue, followed by €42.8 billion in tax receipts in 2009. This equates to a forecast of just 1% growth in taxes after the introduction of approximately €2 billion worth of additional revenue raising measures in the Budget. My Department does not believe that these forecasts are overly optimistic. In its view, they reflect the underlying poor economic conditions that obtain at present.

All forecasts, irrespective of the budgetary context, are subject to risks and are affected by developments in both the international and domestic economy. This is especially so in the

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current circumstances, where it is unclear to what extent the upheaval in global financial markets will have a further impact on economic activity in the world's advanced economies. In this context, macro-economic forecasts for a small globally integrated economy such as Ireland, which also is experiencing a significant housing market correction, are even more uncertain than normal. However, taking these risks on board, I believe the budget is based on a balanced set of forecasts from my Department.

**Deputy Kieran O'Donnell:** The assumptions on which the Minister has based the budget do not correspond with the observations of several economic commentators, including some Government bodies such as FÁS and the ESRI. The Department is projecting a 1% increase in tax receipts. However, although it projected an increase of 3% last year, a decrease of approximately 10% was experienced. Several economic commentators have predicted there will be a decrease in tax receipts of the order of 9%.

**An Leas-Cheann Comhairle:** Is there a question?

**Deputy Kieran O'Donnell:** This does not appear to be robust.

Second, the Minister should comment on the unemployment rate. Although the Government is predicting a rate of 7.3%, other economic commentators are predicting a rate of 8%. As the Government may have overestimated tax receipts by €5 billion, will the Minister introduce a supplementary budget as a matter of urgency, rather than introducing stealth taxes through the Departments that will provide no confidence to the market and will be highly unfair to the public? Will the Minister introduce a supplementary budget?

**Deputy Brian Lenihan:** There is no question of the introduction of a supplementary budget because the tax burden has been increased in the budget that was announced this October for next year. An additional €2 billion in tax will be levied next year. Members will have an ample opportunity to examine the detailed financial provisions during the passage of the Finance Bill. Accordingly, an additional supplementary budget next year levying further taxation would in all probability inflict further damage on the economy. In the current position, as Deputy O'Donnell is well aware, the great majority of our tax items that rest on discretionary purchases, be they houses, goods, alcohol or cigarettes, are seriously down and increases in those taxes would not lead to any increased income for the State. The only option for the State in terms of further increases in taxation is increased taxation on income. Increases on income, above and beyond the levy proposed in the Finance Bill, would amount to a substantial disincentive to labour in the year ahead.

I have never suggested there should be a mini budget next year. There has been considerable speculation about it and there was an inaccurate report in *The Irish Times* on Tuesday, which I am pleased to note it corrected today. There is no question of a mini budget. Of course if there is a deterioration in the public finances I will bring appropriate proposals to Government to address that.

**Deputy Kieran O'Donnell:** The Minister's figures do not add up. He believes he will have a fall in growth of 1% but various economic commentators indicate it will be 3%. How will the Minister meet the requirements of the European Commission in terms of general Government balance as a percentage of GDP? Economic commentators say that will be of the order of 8% or 9% and the Minister's figure is 5.5%. Does he not take seriously the warning from the European Commission? How can he not introduce a supplementary budget?



**Deputy Brian Lenihan:** The Deputy would want to get his figures right first. The figure stated in the budget is 6.5%. In its economic assessment the Commission estimated it would be 6.7% for next year, which is not broadly out of line with those of the Government. There is a divergence of opinion between the Commission and the Government in regard to 2010 but I am satisfied that will be resolved in time as the Commission realises what measures we have adopted and their implications for 2010.

**Deputy Kieran O'Donnell:** How can the Minister justify a 1% increase in tax receipts?

**Deputy Brian Lenihan:** As I said on a number of occasions, forecasting is not an exact science. A range of organisations both in the public and private sectors produces forecasts at different frequencies during the year. When preparing an economic forecast a wide range of different variables has to be considered. All forecasts are subject to risks and are affected by developments in both the international and domestic economy. I am pleased the Commission is broadly in line with the Government's forecasts for next year and I am working very closely with it on the operation of the Stability and Growth Pact.

**Deputy Kieran O'Donnell:** Does the Minister expect to have a 1% increase in taxes?

**Deputy Brian Lenihan:** I have had a number of constructive meetings with Commissioner Almunia, who has indicated also on the public record in this State that he is optimistic about the eventual outcome for the Irish economy.

### **Public Sector Pay.**

4. **Deputy Richard Bruton** asked the Minister for Finance if he plans to contain the growth of the public service pay bill; and if he will make a statement on the matter. [39083/08]

**Deputy Brian Lenihan:** I am keeping the public service pay bill under continuous review and I have already taken steps to contain its growth. The draft pay agreement, Review and Transitional Agreement 2008-2009, provides for a pay pause of 11 months in the public service. The private sector pay pause is to last for three months. Furthermore, public service employers are required to achieve a 3% cut in payroll costs in 2009 and no specific additional provision has been made for the cost in 2009 of the increase provided for in the new draft pay agreement. The cost of this increase must be met from within the approved allocations.

Payroll costs are a function of staff numbers. As I indicated in the Budget Statement, we must do more with less in regard to public service pay and numbers. Where there are clear staff surpluses in certain areas, or where policy priorities change, staff numbers must be correspondingly reduced or re-assigned.

The Government has already decided that a targeted voluntary early retirement scheme will be introduced for the HSE. Discussions are under way on the development of such a scheme. It is essential to extend such schemes, in a targeted manner, to other areas of the public service where surplus staff are identified. In this context, the Government has decided to conduct a focused review of public sector numbers in all branches of Government to assess whether the resources are being fully deployed in an efficient and effective manner and what economies can be made. This decision will be implemented when the report of the task force on the public service is received later this month.

Public service pay levels can only increase at a rate that is consistent with budgetary discipline and national competitiveness. I am satisfied the measures put in place support this stance. As I have mentioned, we are keeping public service pay, along with other major expenditure categories, under ongoing review. Should further corrective action be necessary, it will be taken.



**Deputy Richard Bruton:** I am seriously alarmed at the approach being taken by the Government on public sector pay. In the past three months the Minister has committed to €2 billion extra pay, to be paid by taxpayers, between the September payment just ten weeks ago and the commitments to be made in the next two years. Can the Minister afford to make that payment? Does he believe the public finances can afford that payment? Surely if we learned anything from benchmarking it was that one has to put a reform agenda on the table before one makes pay commitments rather than afterwards. Why has the Minister made those commitments and is only now talking about a review within the public service and of the proposed reform and new policy agendas to get better efficiency? Surely he should have taken the reverse approach and brought forward before the budget a radical reform agenda, which would see the restructuring of very expensive administrative overheads in many State agencies.

Does the Minister not think it is lunacy to preside over a situation whereby when the HSE is short of money it closes beds and leaves staff to whom we are paying top dollar sitting around doing very little when patients are turned away? What sort of public pay policy is it that results in that situation?

**Deputy Brian Lenihan:** Based on current staffing and numbers it is estimated that the cumulative costs of implementing the pay increases provided for in the draft agreement, Review and Transitional Agreement 2008-2009, will be approximately €260 million in 2009. Those figures are subject——

**Deputy Richard Bruton:** What will be the cost in 2010?

**Deputy Brian Lenihan:** In 2010 the figure will be €990 million.

**Deputy Richard Bruton:** What will be the cost of the agreement reached eight weeks ago on 1 September?

**Deputy Brian Lenihan:** These are the figures on foot of the agreement.

**Deputy Richard Bruton:** Can the Minister add the three elements together?

**Deputy Brian Lenihan:** The agreement was the result of negotiations with the social partners, which did have regard to the difficult economic environment. It is accepted by all the parties involved that the talks were among the most challenging and complex yet faced. No specific additional provision has been made for the costs in 2009 of the increase provided for in the new draft pay agreement and those costs must be made from within the approved allocations.

Early last July when I announced a round of savings throughout Departments, payroll and administrative expenses, as referred to by Deputy Bruton, were addressed. The savings then targeted were achieved. Likewise, in this budget right across the range of Departments, further payroll savings are required and will be achieved. Public service reform is easy to discuss in the abstract but it requires hard, difficult decisions to be made on the ground.

**Deputy Richard Bruton:** Does the Minister not agree that it is a parlous situation when 40% of our borrowing this year is going on day-to-day public spending? If the European Union's projection is correct, and the Minister does not make €5 billion in savings next year, which he has not specified, we will be spending 60% of our borrowing just to keep day-to-day services going. Are we not on a highly dangerous trajectory, and do we not need to address as a matter of urgency how we run the shop more effectively to ensure we do not waste money in administration and we protect front line services? Where is the thrust for that in the budget? What decisions were made in the budget that will deliver that? I do not see them.

4 o'clock

**Deputy Brian Lenihan:** Deputy Bruton's summary of the borrowing position for current purposes is not correct. The bulk of the borrowing this year is to fund investment in the public capital programme. That is where the bulk of the borrowing is concerned.

**Deputy Richard Bruton:** I said 40%. The Minister should look at his own figures.

**Deputy Brian Lenihan:** That is a deliberate statistical mistake.

**Deputy Richard Bruton:** That is not a deliberate statistical mistake. The Minister should look at his own figures.

**Deputy Brian Lenihan:** Deputy Bruton is only arriving at that conclusion on the basis that the public capital programme is being funded by the taxpayer and not by borrowing. I agree with much of what Deputy Bruton said about the gravity of our position but the realistic way to look at the matter is to accept we are borrowing this year to fund approximately 10% of all our current expenditure. I agree that is unacceptable. It amounts in total to a borrowing of €4.7 billion, which will have to be paid for in future.

**Deputy Richard Bruton:** Which is 40%.

**Deputy Kieran O'Donnell:** That is 40% of the Exchequer balance.

**Deputy Brian Lenihan:** The Deputies will have to check their figures again.

**Deputy Richard Bruton:** They are the Minister's own figures.

**Deputy Brian Lenihan:** The figures in respect of the capital programme are in excess of €8 billion so the Deputies' percentages do not add up.

**Deputy Kieran O'Donnell:** Does the Minister want a calculator?

**Deputy Brian Lenihan:** It is essential that we eliminate the current budget deficit in the years ahead. It is unacceptable but, given the rapid deterioration that has occurred this year, it is unavoidable. We must take firm steps to eliminate it that will involve public sector reform in addition to taxation.

### **Government Borrowing.**

5. **Deputy Kieran O'Donnell** asked the Minister for Finance if he has received an analysis of the reason Irish debt costs are rising relative to those of other states. [39084/08]

**Deputy Brian Lenihan:** As the Deputy is aware, the day-to-day management of the debt is handled by the National Treasury Management Agency, NTMA, and, as such, it is on its advice that the Government relies regarding the operation of our debt funding.

The cost of raising long-term debt in the capital markets can be measured in relative terms compared to other countries. This is known as the "spread". In the case of Ireland, its cost of borrowing can be measured against the relative borrowing costs of other states, for example, Germany, The Netherlands, Portugal or Greece. The spread to Germany is the benchmark measure and it is observed by comparing the yields on bonds of similar maturity.

The recent turbulence in financial markets has been severe and this has been reflected in bond spreads. Only time and an historical perspective will allow a true analysis of the causes and, more important, the relative weight that should be ascribed to the different factors. As international difficulties have evolved over the past few months, all small and non-core sover-

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eign issuers, such as Ireland, have experienced widening spreads. Liquidity has been a major factor. Most investors have focused on German Government debt as it is considered the most liquid investment. This means German bonds can be readily accessed and traded, and also that there is a liquid futures market in German Government bonds to manage the associated market risks. However, while spreads have widened against Germany, absolute yields have remained low or even decreased, depending on the timeframe, because of the extent to which German yields have fallen.

Ireland's economic success has resulted in a relatively low ratio of debt to GDP and also a low absolute level of debt. We have not been a frequent issuer of bonds which reflects both the relative size of the economy and the healthy state of the public finances for the past decade. These positive factors have had the effect of contributing to liquidity difficulties for Ireland in the current market.

There are a number of other factors in addition to liquidity that influence borrowing costs. These include the state of the public finances, the borrowing required and competition for funding in the sovereign debt markets. It is not possible to state the extent to which each of these factors will affect the spread in the future.

The strategy underpinning budget 2009 is designed with the clear intention of restoring balance to the public finances over the medium-term cycle while having reference to the overall economic climate. In doing so, the Government seeks to restore the current budget to surplus and to limit the level of borrowing required as order and stability return to the Exchequer finances.

**Deputy Kieran O'Donnell:** Does the Minister agree he must borrow €18.4 billion to balance the public finances in the coming year? Since the Government's guarantee scheme for the banks was introduced in September, the cost of Government borrowing increased by 0.6%. The borrowing of €18.4 billion will therefore give rise to an additional cost of €91 million in interest payments. The Minister has devalued the international credit worthiness of the Irish economy. The reasons, as already stated by the Minister, include the state of the public finances. The Government has not made the critical hard decisions. In light of the bank guarantee scheme and the worry in the financial markets over the need for capitalisation of the banks by the Government, it is critical that the Minister introduce proper reform measures. He will be borrowing in the order of over 35% to ensure a current budget balance. I suggest he look at this figures again.

With a view to lowering the cost of State borrowing, what does the Minister propose to do to inspire confidence in the international market in terms of the state of the public finances, the bank guarantee scheme and the capitalisation of the banks?

**Deputy Brian Lenihan:** Deputy O'Donnell is now referring correctly to the percentage of the borrowing total and not to borrowing as a percentage of the expenditure total. This has been the source of the disagreement between us on the statistics.

**Deputy Kieran O'Donnell:** No.

**Deputy Richard Bruton:** I referred to 40% of the Minister's borrowing.

**Deputy Brian Lenihan:** I am trying to be of assistance to the Deputy because it is very easy to throw out a catchphrase during Question Time. Deputy O'Donnell was referring the percentage of borrowing on the current account as a percentage of total borrowing, not to the percentage of borrowing on the current account as a total of current expenditure.

**Deputy Kieran O'Donnell:** Tax was never deemed to be an expenditure item. The Minister should get his facts correct.

**Deputy Brian Lenihan:** He referred to the giving of the guarantee to the banks and seemed to be unaware of the fact that far more extensive guarantees and direct capital investments have been made in banking systems by Governments throughout Europe. Our guarantee has been the cheapest of any given in Europe.

**Deputy Joan Burton:** Wait and see.

**Deputy Brian Lenihan:** It involves a payment for the guarantee by the relevant institutions to the Exchequer. It is worth noting that because it is clear that the widening spreads in bond markets reflect massive investment in the banking sector right across Europe.

**Deputy Kieran O'Donnell:** Our credit worthiness is on a scale with that of Italy, which has consistently experienced difficulties with general Government bonds over many years. On the spread the Minister referred to, the figure is 1.2% higher in Germany than in Ireland. How does the Minister explain the 0.6% increase in the cost of borrowing to the Irish Government since the introduction of the bank guarantee scheme? What will he do to lower the cost?

**Deputy Brian Lenihan:** Despite the difficult and volatile market conditions since September, the NTMA has continued to be successful in raising finance for the Exchequer.

**Deputy Kieran O'Donnell:** At a cost.

**Deputy Brian Lenihan:** Over €2.5 billion in short-term funding was raised in October and, this week, the NTMA issued a new €4 billion three-year benchmark bond.

**Deputy Kieran O'Donnell:** It will cost €49 million extra.

**Deputy Brian Lenihan:** The bond was oversubscribed within 36 hours and close to 100 applicants participated in the transaction. The successful launch of the bond in these conditions confirms the confidence of investors in the Irish Government bond market.

**Deputy Kieran O'Donnell:** Will the Minister explain the reason for the increase?

**Deputy Brian Lenihan:** There is a wide variety of factors.

### **Other Questions.**

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### **Departmental Expenditure.**

6. **Deputy David Stanton** asked the Minister for Finance the 2009 funding allocation for disability services under the multi-annual investment programme 2006 to 2009; the expenditure under this programme each year, respectively, since it began; and if he will make a statement on the matter. [38689/08]

**Deputy Brian Lenihan:** I am replying on behalf of the Minister of State at the Department of Finance with responsibility for the Office of Public Works, Deputy Martin Mansergh. Deputy Stanton should note that my reply is in respect of the Vote held by the Office of Public Works only and that funding allocations for disability services pertaining to the Minister for Health and Children, the Minister for Education and Science, the Minister for the Environment, Heri-

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tage and Local Government and the Minister for Justice, Equality and Law Reform will be dealt with separately by those Ministers, who will reply to the Deputy.

Some €10 million was estimated in 2009 for the universal access programme, which provides for access to public buildings within the remit of the Office of Public Works. Given the adjustments to capital allocations in the current economic climate, the funds allocated for this programme will be reviewed in 2009 in light of competing demands.

In addition to the specific allocation and associated programme of works, it should be noted that all new buildings being designed by the Office of Public Works, including in respect of the decentralisation programme and all major refurbishments to existing buildings, will provide for full universal access.

The 2006-09 capital funding allocation for disability services is €25 million in subhead E of the Office of Public Works Vote. From 2006 to date, the office has expended €11,716,373 of this allocation.

**Deputy David Stanton:** I am not surprised that the Minister has decided not to answer the question asked and that he has passed responsibility to other Departments. Is he aware that the 2007 report of the Comptroller and Auditor General states the HSE has diverted funding in the order of €31 million from disability services? This is causing considerable hardship. What is the Department of Finance doing to ensure that spending by the HSE can be tracked to maintain the integrity of the Government's commitments regarding disability and mental health, both under multi-annual funding and other service plan elements? Is he aware that the 2007 national service plan, as finalised, outlined an agreed level of health and personal social services to be provided by the HSE from 2007? What role has the Department of Finance in signing off on this commitment?

**Deputy Brian Lenihan:** Deputy Stanton will appreciate the question was tabled to the Minister of State responsible for the Office of Public Works and not to me, the Minister for Finance. If he wishes to raise questions of other Ministers in regard to their responsibilities, that course of action is open to him. However, I will certainly examine the report of the Comptroller and Auditor General.

**Deputy Joan Burton:** I sympathise with Deputy Stanton because it is very difficult to make head or tail of the Minister's reply.

Concerning the revised programme in July, the Minister said that although the HSE had expected to spend €50 million it had been slow in spending and had cut that figure back to €30 million. He said that he had put in a saving of €17 million into his July savings Estimate in respect of disability. In the budget he stated that he would expand it by €10 million. How are we expected to follow these figures? It appears to me that €7 million is missing.

The Minister also stated that he asked everyone to cut back by 3%. Surely there are people in the Department of Finance, not in the OPW, who look at the detailed budgets of each Department. That is what they used to do. The Minister does not appear to have an answer, however, as to how the detailed budget review is operating. Can he explain that?

**Deputy Brian Lenihan:** I will have the answers when I am asked the question. The question I was asked related to the responsibilities for disability services of the Minister of State with responsibility for the Office of Public Works, Deputy Mansergh.

**Deputy David Stanton:** The Minister never mentioned the question.

**Deputy Brian Lenihan:** I am subject to the Leas-Cheann Comhairle but the question was put and answered in that form. Perhaps the Deputies may wish to put a question in respect of the health Vote. I can assure Deputy Burton that officers of my Department maintain careful and constant scrutiny.

**Deputy Joan Burton:** If that is the case why does the Minister not answer the question?

**An Leas-Cheann Comhairle:** The Chair has no function in determining——

**Deputy Brian Lenihan:** In determining the relevance of questions——

**An Leas-Cheann Comhairle:** ——who should answer or the nature of the question. Replies are prepared by Departments. I call Deputy McGrath——

**Deputy Brian Lenihan:** The reply is prepared on the basis of a question on disability services within the Office of Public Works. Concerning the wider questions raised by Deputies about financial matters relating to the Department of Health and Children, I can say that the officers in my Department maintain a very careful and close scrutiny of the Vote of the Health Service Executive, for which Professor Drumm bears ultimate responsibility.

**An Leas-Cheann Comhairle:** I call Deputy Finian McGrath. For the sake of clarity, all parliamentary questions are addressed to a Member of Cabinet. They cannot be addressed to a Minister of State.

**Deputy Joan Burton:** We cannot get answers concerning the HSE. They go to Professor Drumm who does not answer them.

**Deputy Finian McGrath:** I have two short questions. With regard to disability services and funding for 2009, will the Minister hold the line in respect of spending on those services? He did so in this budget with regard to speech therapy and cystic fibrosis services and I have commended him publicly for so doing. It is important.

I just had a telephone call from a 70 year old pensioner——

**An Leas-Cheann Comhairle:** The Deputy must ask a question.

**Deputy Finian McGrath:** ——who has a son with Down's syndrome. He is 40 years of age and she is very worried about a long-term care plan for her son——

**An Leas-Cheann Comhairle:** A question, please.

**Deputy Finian McGrath:** Will the Minister ensure the Government does not turn its back on these people over the next few months?

**Deputy Brian Lenihan:** I will certainly take into account the matters referred to by Deputy McGrath.

**Deputy Richard Bruton:** Does the Minister recall that in budget 2005, his predecessor as Minister for Finance, Deputy Cowen, specifically announced, in a major cost cutting programme, that he would have a disability plan? Is the Minister aware that since that plan came in the number of residential places in St Michael's House has fallen from 70 to 26 and continues to fall? I am sure he is aware of this because St. Michael's House operates in his area.

**An Leas-Cheann Comhairle:** The Deputy is now giving information rather than asking for it.



**Deputy Richard Bruton:** I am putting context on the question. The Minister who presented this as a major budget initiative cannot just walk away and say: “That is not my job any more”.

**Deputy David Stanton:** Did the Minister actually read the question I tabled before he attempted to answer it? It is addressed to the Minister for Finance rather than to the Minister of State with responsibility for the Office of Public Works. Can he tell me what measures are in place in his Department to ensure that moneys voted by this House, specifically for disability services, end up in that area rather than anywhere else? This has been happening. Does the Minister agree that this is the case? What are his responsibilities in this matter?

**Deputy Brian Lenihan:** I am quite happy to assure the House that I will do all in my power to ensure that moneys voted for disability services are allocated to them. I must say that the reply and the material associated with this question were prepared on the basis that it was a question to the Minister with responsibility——

**Deputy David Stanton:** No. The Minister is dodging the question.

**Deputy Brian Lenihan:** I am explaining to the Deputy the basis on which the reply was formulated. I am entitled to do this. The reply was prepared for the Minister of State, Deputy Mansergh, and I was requested to stand in for him. If the Deputy is happy to put down the question again I will give him a comprehensive answer.

**Deputy David Stanton:** I will do so.

#### **Financial Institutions Support Scheme.**

7. **Deputy John Perry** asked the Minister for Finance if he is satisfied with the progress being made to find a satisfactory system for deposit protection in credit unions. [38802/08]

**Deputy Brian Lenihan:** The extension of the deposit guarantee scheme to credit union savers on 20 September 2008 is an important development in safeguarding the interests of credit union savers because the €100,000 limit per depositor will cover the vast majority of accounts in credit unions. It therefore represents very significant progress in savings protection for credit unions. In this respect, the strengthening of deposit guarantee arrangements is a clear demonstration of the Government’s obligation to protect the whole financial system, to secure its stability and to ensure that all deposits in all Irish financial institutions are safe.

In announcing the decision to increase the deposit guarantee level and to include credit union savers in the scheme, I stressed that the Government is committed to the stability of all of the Irish financial system, so that money placed with an Irish credit institution would not be at risk.

I believe that the measure provides additional reassurance to all retail depositors in Ireland particularly as the new guarantee level is now among the highest in the European Union. It was a particular priority for Government to look after the interests of credit union savers and to safeguard their competitive position in regard to the mainstream financial institutions, given the very important role played by credit unions in encouraging savings by all in our community.

The action taken by the Government is complementary to the continuing discussions between the Registrar of Credit Unions and the representative bodies for credit unions regarding broader savings protection arrangements. As Deputies will be aware, the existing Irish League of Credit Unions savings protection scheme, SPS, has played an important role over an extended period of time in helping to support credit unions that have experienced financial difficulties.

Stabilisation mechanisms, if properly designed and effectively implemented, can play a very important role in maintaining as a going concern a credit union that is experiencing temporary liquidity difficulties. It pre-empts the risk of failure and the need to activate the deposit guarantee scheme.

There is, however, a shared recognition between all stakeholders that these types of arrangements must be modernised to take account of the evolution of the overall regulatory and financial environment. It must be an objective for all relevant parties to work together on an intensive basis to come to a common position to the appropriate approach to credit union stabilisation for the future. My Department will, of course, continue to work with the registrar and the representative bodies to support the achievement of this objective.

**Deputy Richard Bruton:** I have specific questions. The Minister will know that should the credit guarantee scheme be called upon the money is recouped subsequently from all those who participate, including credit unions. Is it preferable that the credit unions should be in a ring-fenced guarantee scheme? They are entirely different in their risk profile from any of the other institutions covered. They have, for example, twice as much in deposits as on loan, the opposite to the other institutions. If they were ring-fenced they would not have a contingent liability.

Second, there is a view from the League of Credit Unions that the savings protection scheme it now has should pay the premium into the fund for this protection and that it should continue to interface with the members. Does the Minister support this view? This would leave the savings protection stabilisation element as a core element and members would not say that because they had the Government's deposit they therefore do not need to be part of this. What is the Minister's view?

**Deputy Brian Lenihan:** Deputy Bruton asked questions about legislation that is under preparation in my Department. One of the great difficulties is that there is not a unanimous view among the different credit unions in Ireland concerning how this matter should be approached. As Deputy Bruton correctly indicated, the League of Credit Unions has a particular view but there are other substantial credit unions outside the league that take a different view. The approach of the league has been to have a stabilisation fund which operates as a guarantee to the credit unions affiliated to it. The approach of certain other credit institutions has been that they want direct participation via the Central Bank or another appropriate institution with regard to the stabilisation moneys they save for deposit protection purposes.

There is no consensus within the credit unions about how to go forward in this area. I am anxious to devise a legislative solution that will accommodate the different concerns involved and that will ensure adequate protection exists for the depositor and adequate recourse will also exist for the taxpayer in respect of the funds that may be required.

**Deputy Joan Burton:** I understand the current level of total deposits in credit unions is between €13 billion and €15 billion. While the Minister may have a more accurate figure, the sum of money involved is certainly substantial. Given that most of this money is lent out conservatively because credit unions, unlike banks, have limited powers to lend and must operate differently from the banks, is it appropriate that banks and credit unions should be in a common guarantee scheme? Given that the savings protection scheme operated by the Irish League of Credit Unions has functioned well thus far, is the Minister implying that he proposes to abandon the scheme or will he produce legislation to maintain or modify it? Should the credit unions and banks be lumped together permanently in a one-size-fits-all scheme?

**Deputy Brian Lenihan:** The position was that no guarantee was in place and the reason the credit unions were included in the guarantee is that I did not want them to be put at a competitive disadvantage to other financial institutions at the time the €100,000 limit was announced. I consulted the League of Credit Unions before making that decision.

Legislation being drawn up will have to embody the principle that the €100,000 guarantee given by the State can look to a designated fund. The issue is one of developing a consensus within the credit unions about the appropriate way in which the State can look to any particular fund.

**Deputy Joan Burton:** What is the Minister's estimate of the amount held in credit unions?

**Deputy Brian Lenihan:** I do not have a figure to hand but I will arrange for the details to be furnished to the Deputy. I believe it is of the order of €12 billion.

### **Pension Provisions.**

8. **Deputy Andrew Doyle** asked the Minister for Finance if he has received estimates of the deficits in the pension fund in universities and certain State bodies in meeting EU funding standards, which he has offered to take over; and if he will make a statement on the matter. [38759/08]

**Deputy Brian Lenihan:** Discussions are under way with the trustees and administrators of the funded pension schemes of the five older universities and a number of non-commercial semi-State bodies with the aim of adopting a new approach to dealing with the liabilities of these schemes. The semi-State bodies involved are the IDA, SFADCo, FÁS, Bord Bia, the Irish Goods Council, the Arts Council, CERT and a number of regional tourism organisations. These university schemes have been closed to new members since 2005 and schemes for post-2005 members operate on a pay-as-one-goes basis. The discussions follow a recommendation by a working group established by the Higher Education Authority which considered the position of the universities' pension schemes.

As the Deputy is aware, all funded schemes must now meet minimum funding standards under EU law unless an appropriate guarantee is provided by the State. This has presented problems for the universities and non-commercial semi-State bodies with funded pension schemes where the Government is, in effect, responsible for the cost of pensions but where this is not clear enough to warrant exemption under EU law. It should be noted, however, that the Government is acting in compliance with EU law.

The schemes in question have been included, pending the conclusion of the discussions with the trustees or administrators of the schemes in SI 295 of 2008, Occupational Pensions Schemes (Funding Standard) (Amendment) Regulations 2008, and are therefore exempt from the funding standard in the Act. It is proposed, if the trustees and administrators of the schemes agree, that the assets of the schemes be transferred to the State with the liabilities, which would then be met, effectively, by the State on a pay-as-one-goes basis in future. The pension terms and conditions of the various schemes would remain the same. If agreement is reached, legislation to give effect to all this would be required.

On the basis of the information available at present, it is estimated that the value of the assets of all of the funds in question at the end of 2007 was approximately €2.3 billion and that, in 2005, the liabilities of the schemes in question were also approximately €2.3 billion. Clearly, these estimates must be updated.

The extent of the liabilities is one of the issues which will be clarified in discussions with the schemes. The liabilities in relation to these schemes are the defined benefits to which the

members are entitled and for which the Government is already in effect responsible. Under the proposal, these liabilities will be met by the Government on a pay-as-one-goes basis, in line with the approach taken on public service pensions generally.

**Deputy Richard Bruton:** Why does the Minister have a 2007 valuation on the assets side and a 2005 valuation on the liabilities side? If the Minister has made a formal proposal to take on these funded schemes without knowing what are their net liabilities, it indicates the Department does not assume liabilities with a great deal of foresight.

Is it not bizarre that when the State takes on liabilities of this nature, recognition is not given to the budgeting position? The €2.3 billion in assets the Government will take in will appear as a reduction in its borrowing requirement, whereas the liabilities it proposes to assume, the value of which will clearly exceed €2.3 billion, will not be accounted for anywhere in the Government's budgeting statements. Is this not a wake up call to factor pension liabilities into our annual Budget Statement in order that we know what they are and what new liabilities we assume when we employ people or make a decision such as that proposed in this case? Surely the current position must change.

**Deputy Brian Lenihan:** I assure Deputy Bruton and the House that no agreement has been reached to take over the assets and liabilities in the question. The provisional character of the figures I provided is provisional and I clearly indicated that the figures will have to be revised. An agreement has not been finalised and we will have to be in possession of all the facts before any discussions about an agreement can take place.

**Deputy Richard Bruton:** The letter issued by the Department is not as qualified as the Minister is trying to make out.

**Deputy Brian Lenihan:** It is important to note, however, that the public bodies in question have, by and large, no substantial revenue raising capacity. Therefore, an issue would arise in any event as to whether the State bore ultimate responsibility for their pension liabilities.

On the question of the taking in of assets and payment of liabilities, a decision that will have to be taken by the Government in the context of the discussions and provided an agreement is concluded is the appropriate destination for any such assets. An issue will arise as to whether the assets should be vested in the pension fund or whether, as Deputy Bruton suggests, they should be taken into the maw of the general Exchequer balance.

On the balance of the liabilities which may accrue on foot of future pension entitlements, I concur that it would be a worthwhile exercise to have a more detailed publication of these in the budgetary exercise.

**Deputy Joan Burton:** Does the practice described not sound a little like Enron accounting? One takes in the assets on one's vehicle, namely, the national accounts, while the liabilities are left hanging out in a little note. Enron used to do this and it was one of the factors that brought down the company. Funny accounting, like funny financial products, has had its day.

The Minister and his colleague, the Minister for Social and Family Affairs, announced this measure as a great coup in a note published around the time the Dáil went into recess in July. We now learn the Minister is having some thoughts — correctly — about what the exercise entails. Has he established whether any of the pension schemes involved are in deficit? Is the Department in negotiations, formal or otherwise, with the trade unions, including the trade unions represented among the pension trustees of the funds in question? If the Minister decides to proceed with this proposal, will legislation be required and, if so, when will it come before the House?

**Deputy Brian Lenihan:** Yes, we will require legislation but we are not yet at that stage because we would first need an agreement with the relevant bodies and we have not yet reached that stage either. Furthermore, we need to be in possession of the full facts before we proceed to negotiate any such agreements.

**Deputy Kieran O'Donnell:** May we assume from the Minister's comments that the funds from these pension schemes will be placed in the National Pension Reserve Fund? If that is the case, will they be used on budget day as an adjusting item for the general Government balance?

**Deputy Brian Lenihan:** No, the Deputy may not make that assumption from my reply. I stated that the ultimate destination of the funds had to be examined with care. The pension fund is one option, while the general Government balance is another.

**Deputy Kieran O'Donnell:** Will they be dealt with as a non-adjusting item?

**An Leas-Cheann Comhairle:** We must move on to the next question.

### **Financial Institutions Support Scheme.**

9. **Deputy Ciarán Lynch** asked the Minister for Finance the details of the formula used to derive the aggregate amount of the charge to banks and credit institutions covered by the credit institutions financial support scheme; and if he will make a statement on the matter.  
[38814/08]

**Deputy Brian Lenihan:** The charge for the provision of the guarantee is based on an assessment of the additional funding costs arising for Government from the guarantee scheme.

It is estimated that the total aggregate charge paid by the covered institutions over the next two years will amount to approximately €1 billion. The thinking behind the charging model is set out in some detail in the annexe to the scheme.

The charge will be calculated separately each quarter for each covered institution having regard, *inter alia*, to the amount of its covered liabilities, a realistic assessment of the risks, the steps taken by the institution to reduce that risk, consistent with the objectives of the scheme, the long-term credit rating of the institution and also any material changes to its risk profile, subject to the estimated cost to the Exchequer being fully recouped.

Our intention in framing the charge to be made for the guarantees under the scheme was to protect the taxpayers interest, while not imposing such charges as would add to the problems we are seeking to solve. At the same time, it was our intention that financial markets would continue to function normally and that no unfair competitive advantage would be given to the covered institutions.

**Deputy Joan Burton:** Did the Minister have an opportunity to read an article in yesterday's *Financial Times*, which said that Ireland needs high coupon rates to attract investors? It said Ireland "had to offer 25 basis points, or one-quarter of 1 per cent, over average European government bond yields, which was at the high end of expectations". Does the Minister agree Irish bonds are now priced in the same way and only slightly below the highest cost in Europe, which is Greece, and that effectively our bond rates are almost 1% over what they were a year ago when Ireland was one of the best risks? Ireland has gone from being one of the best risks on bonds to being the second highest, after Greece, within one year.

The Minister's scheme valued the cost to the taxpayer of the rise in borrowing costs as being €1 billion over ten years, based on an increased spread of 15 to 30 basis points. Already, as this week's bond issue shows — he was boasting about it in a reply to an earlier question — it



is already 0.25% extra. It has gone up 54 basis points on the *Financial Times* bond index, as listed in yesterday's paper. The Minister keeps boasting about the scheme. It has addressed the liquidity, but done nothing to repair the holes in the banks' capital position or address the impairment of asset values. When we repay our national loan, it will now cost the Irish taxpayer an enormous extra percentage.

**Deputy Brian Lenihan:** Deputies on all sides of the House will have to be aware that the conditions in the international bond market are not unique to Ireland. We are not in a unique position in international markets — far from it. We are operating in a climate where several sovereign states have been unable to access international liquidity in any form whatsoever. We are also dealing in international markets in which several European states have refrained from seeking to raise funds. It is in that context that I have pointed out that Ireland had successfully floated a loan.

As regards the position of the liquidity guarantee to the banks, which was given in late September, I agree with Deputy Burton that it has served the purpose of providing liquidity to the banks, but it does not address the longer term question of how they are to be restored as viable institutions, extending credit on proper terms to Irish consumers and businesses.

**Deputy Arthur Morgan:** Will the Minister review the charge scheme, and if so, when?

**Deputy Brian Lenihan:** The charge scheme is set out and is now being implemented in the contractual arrangements arrived at with the different institutions. Provision is contained within the scheme for the review of the charging mechanism, when appropriate.

**Deputy Joan Burton:** Does the Minister agree that the €4 billion bond issue he referred to is equivalent to 10% of the national debt, borrowed just last week at much higher costs because of the banks scheme? He borrowed, in effect, one third of the Government's borrowing requirement for that scheme. He is basically giving the banks a free lunch because he is not charging them a price that reflects the extra cost taxpayers will have to pay for the borrowing. Did the Minister and the Taoiseach not keep saying that this was a type of cost-free scheme? What plans does the Minister have to recover the extra costs that the poor Irish taxpayer will have to pay? Is he not concerned, given the trend, that Ireland is now down with Greece as being the second worst country in Europe in terms of risk, having been the best? Does he believe Ireland will lose its AAA rating in 2009?

**Deputy Brian Lenihan:** I do not accept the international comparisons made by Deputy Burton. The reasons for the increase in the basis points referred to by the Deputy are not related to the guarantee given to the banking system by the Government, but to the general international difficulties, which I have already put on the record of this House——

**Deputy Joan Burton:** That is absolute rubbish.

**Deputy Brian Lenihan:** ——and which are clearly visible to any person who examines the financial literature for any extended period. As regards the question about the protection of the taxpayer, the whole basis of the charging mechanism is to ensure the taxpayer is protected against any increase in the basis points, which are attributable to the giving of the guarantee.

**Deputy Kieran O'Donnell:** The ECB is dropping its interest rate. The Government, on behalf of the taxpayers, has given a gilt-edged scheme to the banks. Can the Minister ensure, through the scheme, that banks pass on the reduction in the interest rate to hard-pressed consumers?



**Deputy Brian Lenihan:** I made it clear in replying to Deputy Kenny this morning that I anticipated that the Irish financial institutions would pass on the benefit of the interest rate decrease

**Deputy Kieran O'Donnell:** Can the Minister ensure this through the charge scheme?

**Deputy Brian Lenihan:** Again, in relation to that, it is not a scheme in which taxpayers' money was invested in or spent on the banking sector. It is a scheme in which the State gave a secondary guarantee and——

**Deputy Kieran O'Donnell:** The cost of money has gone up to the State.

**Deputy Brian Lenihan:** ——under the legislation governing the scheme, a right of commercial interference in the banks is not given to the State. However, it is in the banks' commercial interests to pass on the benefit of the interest rate.

**Deputy Kieran O'Donnell:** With due respect, that is not happening.

### **Decentralisation Programme.**

10. **Deputy Paul Connaughton** asked the Minister for Finance his estimate of the current and capital expenditure that has been incurred to date in respect of the 50 decentralisation projects that have not been advanced. [38741/08]

**Deputy Brian Lenihan:** A total of €18.8 million has been spent on acquiring sites in respect of those projects which are being deferred pending a review in 2011. The locations in question are Birr, Cavan, Dungarvan, Edenderry, Thomastown, Thurles and Waterford. In addition, a site has been purchased at Knock, at a cost of €390,000.

Approximately €4 million has been spent to date by the OPW on the costs of renting and fitting out of mainly Civil Service properties in advance party locations where permanent accommodation has been deferred pending a review in 2011. A further €1.194 million has been expended by FÁS in respect of the advance office at Birr, €856,000 was expended by the Health and Safety Authority in respect of its Kilkenny advance office and approximately €305,000 has been expended by Pobal in respect of its premises at Clifden. Staff in such locations will remain in place.

In addition, I am informed by my colleague, the Tánaiste and Minister for Enterprise Trade and Employment, that in parallel with the decentralisation process, Enterprise Ireland strengthened its regional focus in recent years and now has a major presence in the Shannon region in addition to its nine other regional offices. Certain functions previously carried out by Shannon Development under delegated authority from Enterprise Ireland reverted to that agency on 1 January 2007 and, as part of this process, a number of posts from Shannon Development transferred to Enterprise Ireland. The agency strengthened its regional presence by establishing its new regional development headquarters in Shannon and also houses its county enterprise co-ordination unit there. Six posts were assigned to the new office in Shannon from Dublin to manage this new regional headquarters. At present, there are 66 staff working in the Enterprise Ireland's Shannon office. The annual rent on the regional development headquarters in Shannon is €336,600. The tendered contract sum for the fit out was €1.43 million, including VAT.

The Deputy may wish to know that total income from property disposed of in Dublin between January 2004 and December 2007 was €355.9 million. In addition, property valued at €75 million was transferred to the affordable homes partnership. The OPW has also agreed

joint venture redevelopment schemes with a minimum value of approximately €125 million up to the end of 2007.

Further details of non-property costs expended by location have been sought from relevant Departments. I will write to the Deputy separately in this regard shortly.

**Deputy Richard Bruton:** Will the Minister agree this is a disgrace and effectively means that €27.5 million of taxpayers' money has gone down the drain on decentralisation projects that have been abandoned or mothballed indefinitely? Will he agree the public in the regions were sold a pup by Government in respect of decentralisation and that the reason it has not happened two years after the deadline for its completion is that there was no proper planning of the process from the outset? Does he not feel some shame in turning up in Cavan where there were to be 244 jobs, or Donegal where there were to be 283, or Waterford where there were to be 431, or Cork where there were to be 840, and explaining that the Government has spent the €27 million, but cannot deliver on those projects because it has been, to put it bluntly, incompetent?

**Deputy Brian Lenihan:** My response made it clear that staff in such locations will remain in place. Therefore, in so far as expenditure has been incurred, the staff placed in those locations will remain in place. However, it is correct to say the full extent of the decentralisation has been paused. That is the decision of the Government, because in prioritising capital expenditure —

**Deputy Richard Bruton:** They are empty buildings with someone rattling around as caretaker.

**Deputy Brian Lenihan:** In prioritising capital expenditure this year, the Government faced a choice. It had to make a decision to pause decentralisation now or incur far greater expenditure.

**Deputy Richard Bruton:** Why are we in a situation that two years after the deadline for the completion of it, the process had not even started in 50 locations? The Minister at the time rightly said that Ministers would be judged, and should be judged on this and that if they did not deliver on it in three years, they did not deserve to hold office. I rest my case.

**Deputy Brian Lenihan:** The decentralisation programme has made substantial progress. As the Deputy is well aware and as I announced in the budget, the programme is not dead, but in light of our changed economic circumstances, certain matters had to be prioritised. The Government's latest decision means that 6,000 posts were decentralised outside Dublin. That is an impressive figure in terms of the decentralisation programme.

**Deputy Joan Burton:** I would like to challenge the Minister on the figure of 6,000. The bulk of those were people who were already outside of Dublin who wanted to relocate from one place outside of Dublin to another, for example, someone in Sligo hoping to go to Carrick-on-Shannon to be closer to home. Will the Minister agree that is where the majority of the decentralisation moves occurred?

Has the Minister a figure for the total number of civil servants in outposts, who will not be joined by others for decades? They will rattle around in large Government buildings and offices with only the ghost of Charlie McCreevy to comfort them. What does the Minister expect the six civil servants here or the seven civil servants there to do? They could go mad, left alone in a large building in Carrick-on-Shannon, or someplace like that, with nothing to do.

Will the Minister please apologise to taxpayers for the waste by the Government of at least €30 million of taxpayers' hard-earned money? That money could have been used in those towns for hospitals, teachers and all sorts of facilities. Instead, it has gone to developers and

[Deputy Joan Burton.]

landlords to rent offices that a few ghost figures in the Civil Service can rattle around in. Does the Minister intend to visit those people and comfort them occasionally and let them know they are not forgotten and that although they are on their own, somebody somewhere in the bowels of the Department of Finance knows they are still there? After the war, the Japanese soldiers who wandered in the jungles in Sumatra did not know the war was over. We have poor civil servants rattling around buildings on their own, not knowing that decentralisation is over.

**Deputy Brian Lenihan:** That sounds like some members of the Labour parliamentary party who have been out of office for so many years. There are 6,000 posts being decentralised. Some 2,500 posts have already moved and an additional 3,500 are in train.

**Deputy Joan Burton:** Where were they from? They were not from Dublin.

**Deputy Brian Lenihan:** This has been a successful decentralisation programme, which has brought great benefits to towns and cities outside Dublin. The programme should be lauded for that. However, it has been necessary, because of the state of the public finances, to pause the decentralisation programme. That has been done.

**Deputy Kieran O'Donnell:** When does the Minister expect to have the 3,474 posts decentralised? They were supposed to be fully decentralised by December 2006. The term used with regard to several locations is that "an advance party is in place". What is an advance party?

**Deputy Richard Bruton:** Are they sent a survival pack or tents?

**Deputy Brian Lenihan:** I will give the Deputy the precise figures for the outstanding time-scale. On the issue of value for money, overall the Office of Public Works has spent approximately €250 million, to end-September 2008, on the property aspects of the programme. The total income from property disposed of in Dublin, to end-December 2007, was €355 million.

**Deputy Richard Bruton:** We heard all that already.

**Deputy Kieran O'Donnell:** The Minister has not answered the question. When will the posts be decentralised?

**Deputy Brian Lenihan:** The Deputies do not want to hear the facts when they do not suit them. On the capital side, the State has been a very successful developer in this context.

*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 Terence Flanagan — the need for local authorities to undertake effective fire safety checks on all apartment complexes on a quarterly basis; (2) Deputy Joe Costello — the need for the Minister for Health and Children to reverse her decision to suspend the cervical cancer vaccine programme for 12 year old girls; (3) Deputy Joanna Tuffy — the provision of permanent accommodation in respect of Gaelscoil Eiscir Riada, Lucan, County Dublin; (4) Deputy James Reilly — the implications for health insurance in respect of older persons of the Supreme Court ruling on risk equalisation; and (5) Deputy David Stanton — the provision of additional accommodation at Bishop Ahern ational school, Leamlara, County Cork.

The matters raised by Deputies James Reilly, Terence Flanagan, David Stanton and Joanna Tuffy have been selected for discussion.

### **Adjournment Debate.**

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#### **Voluntary Health Insurance.**

**Deputy James Reilly:** This issue relates to health insurance, the VHI in particular, but not solely. At the beginning of the week one of the national newspapers reported there was a plan to increase fees and private health insurance by 62% for the elderly population. This comes hot on the Government decision to remove medical cards from the over 70s. I would like some clarity on the situation.

The country is well aware that a High Court challenge was made against the Minister's interpretation of risk equalisation. The Minister lost that challenge and risk equalisation is now out of the equation. However, the principle of community rating is still with us. I want to ascertain today what plans or legislation are proposed to allow for community rating to continue. Failing that, what plans are in train to deal with the situation if private health insurers increase their insurance premia?

People are already suffering the shock of the loss of their medical cards. Over 280,000 people over the age of 60 are insured with the VHI alone. The proposed increases have huge ramifications for them. The figure of 62% of an increase is in the media, but from where did this figure come? Many older people have had their premia paid by their children, as an adjunct to their medical card. Any increase will hurt them hugely. With regard to those who left the VHI and who now want to rejoin it, what criteria will be put in place for them? Will they have to pay the premia for the years they lost? That would amount to a sum most people could not afford.

On top of all this, there has been a rumour circulating that the Government will reduce the tax rebate from the higher rate to the lower rate for medical expenses and that instead of being able to claim back 41% of the VHI insurance premium, people will only be able to claim 20%. Many of the people concerned are just over 60 and many are still working, like many 60 to 69 year olds. Many of these people also tend to use the public transport system. These people will also be hit by the €200 per person per car, a sum that before tax is the equivalent of €800 a year. People are being hit on every side. They want certainty with regard to their health insurance.

I wish to ascertain if the Minister for Health and Children will make a statement on the Supreme Court ruling with regard to the risk equalisation and its implications for health insurers.

I want to know the Government's view on reports that health insurance companies are preparing to increase the premium for the older population by up to 60% and its plans to relieve this burden.

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael P. Kitt):** I am taking this adjournment matter on behalf of my colleague, the Minister for Health and Children, Deputy Harney. I thank the Deputy for raising the matter.

Community rating is a fundamental principle of the health insurance market in Ireland. Following the liberalisation of the market in 1994, political parties and successive Governments have supported the maintenance of community rating. It is an inescapable fact supported by international evidence that community rating cannot be sustained without schemes to support

[Deputy Michael P. Kitt.]

the higher costs of claims of older or sicker people, in other words, a risk equalisation mechanism. There may be differences of opinion on how such a mechanism will work but few dispute its need.

A primary objective of Government policy on health insurance is that it should be affordable to the broadest possible cross section of the community, including older people and those who suffer ill-health. This policy objective has been implemented through a substantial body of primary and secondary legislation providing for open enrolment, community rating and life-time cover.

Although the Supreme Court found our risk equalisation scheme to be *ultra vires*, it did not strike down the principle of risk equalisation and other important elements of the regulatory framework for private health insurance. However, the decision gives rise to complex issues which need to be addressed. The Minister is at present assessing all available options. Since the judgment was delivered, she has engaged in consultations with officials, the Attorney General and the Health Insurance Authority. She has also received submissions from insurers. Complex financial, legal and policy matters are involved, however.

It is the Minister's intention to bring forward measures at the earliest opportunity to ensure health insurance remains affordable for older and sicker people. Deputy Reilly will appreciate that it would not be appropriate for me to discuss the details of such proposals at this time.

**Acting Chairman (Deputy Charlie O'Connor):** I would love to let Deputy Reilly speak again but Standing Orders do not provide for it.

**Deputy James Reilly:** I just want to make a quick comment.

**Acting Chairman:** I ask him to be quick because he is out of order.

**Deputy James Reilly:** I am sure the Acting Chairman will forgive me on this occasion, given the understanding nature of people who come from Tallaght.

**Acting Chairman:** The Deputy should not worry about me.

**Deputy James Reilly:** The Finance Bill 2008 is being brought before us on 28 November, which gives us a short window of opportunity. The work would need to be completed by 25 November.

**Deputy Michael P. Kitt:** I will bring the Deputy's comments to the attention of the Minister.

### **Fire Safety Standards.**

**Deputy Terence Flanagan:** I thank the Ceann Comhairle for allowing me the opportunity to raise this serious issue. Inspections of apartment complexes should be made on a regular basis to ensure they meet fire safety standards.

At 4.30 a.m. last Saturday, a fire broke out in an apartment block on Main Street, Clongriffin, Dublin 13, in my constituency. The fire is believed to have been started by mindless thugs who threw bangers into an industrial bin in the apartment's car park. It is shocking that no fire alarm went off in the apartment complex. If it was not for the fact that several residents returning home at the time noticed smoke and alerted the other occupants of the complex, the outcome could have been far worse. The fire brigade encountered difficulties in entering the complex because a code was required to unlock the gate. It is unacceptable that the fire brigade is not given codes to enter apartment complexes.



I have been informed that the complex contains no fire extinguishers or fire fighting equipment and that the fire alarms were not working properly at the time of the fire. Having visited the location to see the damage first-hand, I can confirm the incident was a near miss. The outcome could have been tragic and I would be failing in my responsibilities as a Deputy if I did not raise this serious issue. In the aftermath of the fire, I wrote to the manager of Dublin City Council to inquire into the circumstances surrounding the fire.

I call on the Minister of State at the Department of the Environment, Heritage and Local Government to instruct local authorities to send fire inspectors to apartment complexes on a quarterly basis, at the minimum, to ensure the law is not being breached. Heavy fines should be imposed on rogue management companies and agents which neglect their duties regarding fire safety. Inspectors must ensure that all apartment complexes have adequate fire safety procedures in place and that fire drills take place on a regular basis. Residents of the Clongriffin complex report that they never went through a fire drill in the two years they have lived there.

I ask that legislation be drafted to set out the responsibilities of management companies in respect of fire safety. It should be a legal requirement that apartments cannot be occupied until a fire officer has inspected the premises. Exactly one year ago, Dublin City Council produced a report entitled Successful Apartment Living. One of the most damning findings of this report was that 75% of private apartment complexes did not have proper fire safety provisions. This is a frightening revelation given the number of people who live in apartment complexes. What action has been taken by the Department of the Environment, Heritage and Local Government on the findings of this report? Have other local authorities carried out inspections to reassure public representatives that fire safety standards are not being breached?

The fire that occurred in Clongriffin is a wake up call to the Government. Approximately 500,000 people reside in apartments managed by approximately 4,600 management companies in Ireland, yet there is no legislation governing them. We want the Government to make these companies responsible for fire safety. The legislation is too loose at present and nobody is taking responsibility for this issue. I want an assurance that local authorities will take the issue more seriously by assigning sufficient staff so that regular inspections can be conducted.

**Deputy Michael P. Kitt:** I thank Deputy Terence Flanagan for raising this matter. He gave us a timely reminder, as winter approaches, of the need to increase vigilance of fire safety and prevention.

The provision of a fire service, including giving advice regarding fire safety, is a matter in the first instance for fire authorities under the Fire Services Act 1981. My Department's role is one of supporting and assisting fire authorities in delivering fire services through the provision of funding under the fire service capital programme and by setting general policy. My Department has issued guidance to fire authorities and property owners and occupiers with a view to reducing fire risks in apartments and hostels. The relevant publications are A Guide to Fire Safety in Flats, Bedsitters and Apartments and Fire Safety in Hostels — A Guide to Fire Safety in Existing Hostels. In this regard, the 1981 Act provides that it is the duty of every person on a premises to conduct him or herself in such a way as to ensure that, as far as is reasonably practical, no person on the premises is exposed to danger from fire as a consequence of his or her actions.

Under the Fire Services Acts, fire authorities can pursue enforcement of fire safety matters, including the management of fire safety. Fire authorities can serve fire safety notices requiring certain works to be carried out and they also have the ultimate sanction of closing premises. They are conscious of their functions under the Fire Services Acts. While they do not require a specific instruction from the Minister in this matter, I agree it is necessary to maintain a constant focus on fire prevention. Deputies may be aware of the annual fire safety week which



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was organised by my Department last month. Television and other media campaigns will continue until the end of the year. I am sure they also noticed in the media a highly visible campaign entitled “Smoke Kills”. It is critical to get the fire safety message across to the most vulnerable groups. Unfortunately, on average 46 people die in Ireland each year from fire. House fires account for the vast majority of fire fatalities. In most of these incidents, a basic level of fire safety education and awareness may have prevented the fire or limited the consequences.

I suggest that the community might assist elderly relatives or neighbours by visiting them regularly to help them carry out a very simple fire safety check on their homes. Overloaded sockets, candles burning unattended, smoking in bed or smoking while taking medication are potential hazards to watch out for. Other potential hazards include faulty electric blankets, frayed electrical leads and clothes or combustible materials kept too close to a fire or heater. If carried out on a regular basis, such checks will help prevent the devastation caused to people and property by fire.

It is important to get the correct balance between enforcement, engineering and education in tackling the danger posed by fire and I thank the Deputy for raising this issue. I know the House will join me in recognising the commitment of members of the fire service throughout the country. I commend the service, in particular, on its professional approach in dealing with the challenges posed by increased activity over the recent Hallowe'en period.

### **School Accommodation.**

**Acting Chairman:** The next item is the provision of additional accommodation at Bishop Ahern national school, Leamlara, County Cork. I hope my Cork pronunciation is okay.

**Deputy David Stanton:** The Acting Chairman's pronunciation is excellent as always. I thank the Ceann Comhairle for allowing me to raise this matter. While I have great respect for the Minister of State, Deputy Kitt, I am disappointed that one of the many Ministers of State at the Department of Education and Science could not be present. I am sure Deputy Kitt will do an adequate job of reading out a reply.

I speak on behalf of the people in the community around Leamlara national school. It is a small community in east Cork that had a public meeting this week. Oireachtas Members were invited to attend and I gave a commitment to bring this matter to the attention of the Minister. The school has an urgent accommodation need. It is a close-knit, model community but there is a problem with the school. There are six permanent teachers, four mainstream and two full-time, but there are only three mainstream classrooms. They must use a general purpose room, which was used for physical education but that can no longer be taught in the entire school. This is contrary to the Department of Education and Science curriculum guidelines. There are no toilets in that room and children must go unsupervised down a corridor to go to the toilet. This is contrary to the board of management safety policy. There is no water in the general purpose room.

The frightening aspect is the amount of building in the area in the past few years. Just behind the school, a new housing estate was built. The number of children appearing in the estate has increased by quite an amount. The current enrolment in junior infants is 11 this year but in a few years' time it will be 25 and is due to grow further. Already the school is under ferocious pressure. The school has said that its accommodation needs are current, urgent and merit a significantly higher band rating than 2.4. I cannot understand why it is rated as 2.4 but the Minister of State might tell me. Significant goodwill exists locally and the community is willing to provide voluntary skilled labour to build the school if the Department will supply the

material. The school wants a meeting with the Department officials to see what can be worked out.

The school representatives are willing to meet the Department more than halfway in order to provide accommodation for the children. One parent told me that her child looks out the window every day to see if it is fine. This is the only way they can go out to play or have physical education because the physical education room is gone. This situation is replicated all over the country but I am here on behalf of these children, parents and this community. I am anxious that the Minister of State relays this request to the Department of Education and Science and arrange a meeting between officials and the local community and the board of management to see what can be done urgently.

**Deputy Michael P. Kitt:** I thank the Deputy for raising this matter as it provides me with the opportunity to outline to the House the current position regarding the proposed building project for Bishop Ahern national school, Leamlara, County Cork. All applications for capital funding are assessed in the modernisation and policy unit of the Department of Education and Science. The assessment process determines the extent and type of need presenting based on the demographics of an area, proposed housing developments, condition of buildings and site capacity etc. leading ultimately to an appropriate accommodation solution. As part of this process, a project is assigned a band rating under published prioritisation criteria for large-scale building projects. These criteria were devised following consultation with the education partners.

Projects are selected for inclusion in the school building and modernisation programme on the basis of priority of need. This is reflected in the band rating assigned to a project. In other words, a proposed building project moves through the system commensurate with the band rating assigned to it. There are four band ratings overall, of which band 1 is the highest and band 4 the lowest. Band 1 projects, for example, include the provision of buildings where none currently exist but there is a high demand for school places, while a band 4 project makes provision for desirable but not necessarily urgent or essential facilities. Each band rating has a number of sub-categories which more specifically describes the type of works needed and the urgency attaching to them.

Bishop Ahern national school is a fully vertical co-educational primary school with a current enrolment of 84 pupils. The staffing level is a principal, three mainstream assistants and two learning support teachers. The school authority has applied to the Department of Education and Science for large-scale capital funding for an extension project.

Consistent with the approach outlined by the Minister for Education and Science, Deputy Batt O’Keeffe, the application was assessed in accordance with the published prioritisation criteria for large-scale building projects and it has been assigned a band 2.4 rating. This reflects the fact that, while there is a deficit of accommodation, this does not represent a substantial or significant proportion of the school’s overall accommodation needs. It also reflects the fact that moderate refurbishment is needed. The next step for the project is the appointment of a design team.

Due to the scale of the demand on the Department of Education and Science’s capital budget, it is not possible to provide an indicative timeframe for the progression of the project at this time. Earlier this year, the school applied for the provision of temporary accommodation for a mainstream teacher and a resource teacher. Due to the level of demand on the budget for temporary accommodation, it is not possible to approve all applications received and only those with no scope whatsoever to accommodate extra teaching resources can be approved.

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In the case of Bishop Ahern national school, it has 92 sq. m general purpose room. With a teaching staff of four teachers and an enrolment of 85 pupils, a pupil teacher ratio of 21:1 will apply. A smaller classroom room than that normally provided by the Department of Education and Science would suffice. The Department holds the view that part of the general purpose room can be cordoned off for use by the extra mainstream teacher on an interim basis until the Department is in a position to make funding available for an extra classroom. The school already has a 37 sq. m prefab for its two resource teachers, which is almost the size of what is usually provided and this should be sufficient. The school has, however, appealed the Department's decision in this matter and this is currently under review.

While the Minister for Education and Science, Deputy Batt O'Keeffe, accepts that it is far from ideal for any children to be taught in non-customised accommodation, he hopes the school authority will realise that the Department does not refuse demonstrably necessary funding applications unless it is not in a position to do otherwise and that, unfortunately, the situation with regard to its temporary accommodation application is unlikely to change this year, particularly given the availability of a short-term solution to the issue within the school itself.

The allocation for school buildings in 2009 is €581 million. This represents a significant investment in the school building and modernisation programme. This level of funding for the building programme at a time of great pressure on the public finances is a sign of the very real commitment of the Government to investing in school infrastructure. This is already firmly evidenced, however, by our achievements under the last national development plan when an aggregate total of well over €2.6 billion was invested in upgrading the existing school infrastructure and providing new school accommodation at both first level and second level.

This programme delivered over 7,800 building projects in addition to investment in site purchases, the annual minor works grant to all primary schools, the asbestos and radon remediation programmes, science and technology initiatives, emergency works and grants for the purchase of furniture and equipment. An unprecedented €4.5 billion has been allocated for educational infrastructure under the current national development plan. This will permit the continuation of the enormous progress we have made in the overall provision and improvement of school accommodation.

### **Schools Building Projects.**

**Deputy Joanna Tuffy:** I want to raise the need for permanent accommodation for Gaelscoil Eiscir Riada in Leamhcán or Lucan in the Dublin Mid-West constituency. As the Minister of State and, I hope, the Minister for Education and Science, should be aware, the school opened and received formal recognition from the Department of Education and Science in 2005. It is currently located on a site owned by County Dublin Vocational Education Committee. It is operating in prefabs on that site that are rented from the VEC. That site has been identified as a suitable one for the permanent school building and was surveyed for its suitability to provide a two-stream primary school. The survey report is with the Department of Education and Science since August 2007.

The parents, teachers, pupils and board of management of the school are concerned about the lack of progress since that survey was forwarded to the Department. From inquiries they have made there have not been any discussions between the Department and the VEC on progressing the development of the site.

I reiterate that a site is available for the school, which is located in a rapidly developing area. Four new primary schools were opened subsequent to the opening of Gaelscoil Eiscir Riada in 2006-07. Two of those were opened as emergency measures to cope with the demand, three

of them have permanent accommodation and one of them operates from temporary accommodation.

There is a waiting list for enrolment in Gaelscoil Eiscir Riada up to 2013. The space available in the school is all nearly used. The school anticipates that they will not be able to enroll a new intake of pupils in 2010 unless permanent accommodation is provided. There is not space in the school to accommodate more pupils. I visited the school and had a look around the building recently and I can confirm that. If young people who had hoped to go to that Gaelscoil from 2010 onwards still cannot secure a place there, that will be even more pressure on the Department to open further schools as an emergency measure to cope with increased demand. If the Department provided permanent accommodation for Gaelscoil Eiscir Riada, that would help meet the demand for future school places in Lucan.

The conditions in the Gaelscoil are not satisfactory for the pupils and teachers. By September 2009 the school accommodation will be utilised to the maximum. All the rooms will be used as classrooms and there will no additional rooms available such as an assembly hall or other such rooms. As the Minister of State will be aware, it is difficult to educate children in prefabs and they are costly to run. They are inefficient in terms of energy costs. That is important, given the Government's commitment to provide energy efficient school buildings and the issue of reducing costs through such energy efficiency.

There is a lack of support for Gaelscoileanna in the country despite the Government's commitment to support the Irish language. The patron body of Gaelscoileanna, An Foras Patrúnachta, which was established 15 years ago, only got funding of €50,000 from the Department this year while Educate Together, which is the patron body of fewer schools, got funding of €140,000 and the CPSMA also got considerably more funding. More than half of Gaelscoileanna operate in temporary accommodation. That has been the case for Gaelscoil na Comóige in Clondalkin for some 14 years or so.

The Labour Party has made the case that given our economic circumstances, now is the time to invest in permanent school buildings and build the badly needed primary school buildings such as the one needed for Gaelscoil Eiscir Riada. That would provide jobs for people who would otherwise be on the dole, which incurs a cost for the State. Investment in permanent school accommodation is an investment for the future and they are more energy efficient than temporary accommodation. It is wrong for primary school children to be educated in the conditions to be found in this Gaelscoil. The primary sector is falling behind in terms of the quality of school accommodation. I accept the Department has overseen the building of some new primary schools at a much faster pace in recent years. However, the pupils in many primary school have been left behind in the Dark Ages in terms of accommodation in a way that second level students have not been. In a country that supposedly prides itself on how it treats its children, the temporary accommodation provided for them is unacceptable. Money spent on rented prefabs is money wasted while money invested in permanent is an investment in the future. The Gaelscoil would like to know the up to date position.

**Deputy Michael P. Kitt:** I thank the Deputy for raising this matter as it provides me with the opportunity to outline the Government's strategy for capital investment in education projects and also to outline the current position in relation to the need for permanent accommodation for Gaelscoil Eiscir Riada, Lucan, County Dublin.

The Minister, Deputy O'Keeffe, would like to clarify that modernising facilities in the existing building stock as well as the need to respond to emerging needs in areas of rapid population growth is a significant challenge and one which Minister, Deputy O'Keeffe, intends to be one of his priorities as Minister for Education and Science.

[Deputy Michael P. Kitt.]

This Government has dramatically increased investment in the school building programme to almost €600 million this year. Within the lifetime of the national development plan almost €4.5 billion will be invested in schools. This is an unprecedented level of capital investment which reflects the commitment of the Government to continue its programme of sustained investment in primary and post-primary schools. It will underpin a particular emphasis on the delivery of additional school places in rapidly developing areas while continuing to develop on the Government's commitment to delivering improvements in the quality of existing primary and post-primary accommodation throughout the country. It will also enable the purchase of sites to facilitate the smooth delivery of the school building programme, again with the focus being on site requirements in rapidly developing areas.

In regard to Gaelscoil Eiscir Riada, the school is currently operating in temporary accommodation on a site that is in the ownership of County Dublin VEC. The Department is in consultation with County Dublin VEC on the possibility of using this site, together with an additional portion of VEC lands to cater for the school's long-term accommodation needs. Once the site has been acquired, the building project required to address the school's accommodation needs will be considered in the context of the multi-annual school building and modernisation programme.

A study has been conducted to determine the feasibility of this proposal. It is currently under consideration within the Department and the acquisition of the site will be considered in the context of the capital budget available to the Department for school buildings generally. In light of many competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the acquisition of the school site at this time.

Projects are selected for inclusion in the school building and modernisation programme on the basis of priority of need. This is reflected in the band rating assigned to a project which indicates the urgency, type and extent of work required at a school. The band rating system involves all applications for capital funding being assessed in the planning and building unit of the Department. The assessment process determines the extent and type of need presenting, based on the demographics of an area, proposed housing developments, condition of buildings, site capacity, etc., leading ultimately to an appropriate accommodation solution. As part of this process, a project is assigned a band rating under published prioritisation criteria for large-scale building projects. These criteria were devised following consultation with the education partners. This project has a band rating of 1.1.

I again thank the Deputy for affording me the opportunity to outline the current position in regard to the provision of permanent accommodation for Gaelscoil Eiscir Riada, Lucan, County Dublin.

The Dáil adjourned at 5.20 p.m. until 2.30 p.m. on Tuesday, 11 November 2008.

## Written Answers.

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

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*Questions Nos. 1 to 10, inclusive, answered orally.*

### **Financial Institutions Support Scheme.**

11. **Deputy Seán Barrett** asked the Minister for Finance if new inter-agency management structures have been put in place to handle the banking crisis; and if clear lines of accountability have been put in place in respect of the responsibilities of respective agencies. [38728/08]

**Minister for Finance (Deputy Brian Lenihan):** The Credit Institutions (Financial Support) Scheme 2008 applies comprehensive control, monitoring and information provisions to the credit institutions covered by the scheme which will ensure enhanced coordination and close working between the Central Bank, the Regulatory Authority and my Department so as to ensure the realisation of the Scheme's objectives. This enhanced cooperation facilitates appropriate detailed information exchange, liaison with the Governor and Chief Executive of the Regulatory Authority as well as consultation on specific prudential aspects of the terms and conditions to ensure a consistent approach across all the relevant public bodies by reference to the objectives of the Scheme.

The implementation of the Scheme is subject to formal monitoring by the Governor and Chief Executive of the Regulatory Authority and its terms are subject to review from time to time, at no later than six month intervals. The Regulatory Authority has already advised me that, in light of the severe difficulties faced by credit institutions arising from the crisis of confidence in the global credit market, it will continue to intensify its on-site and off-site supervision of credit institutions. The scheme also provides that I will report to the Oireachtas Committee on Finance and the Public Service at six month intervals on the level of the charges received from covered institutions and in relation to compliance with the terms and conditions of the Scheme and progress in relation to the purposes of the Act of 2008.

The enhanced cooperation I have outlined is supported by clear obligations on covered institutions to submit reports to the Regulatory Authority in relation to a range of matters including liquidity requirements, capital ratios, asset quality, risk exposures and funding costs, and to provide such other reports as the Regulatory Authority may request at my initiative. There is also significant provision for the regulation by the Regulatory Authority, in consul-



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tation with the Minister, of the commercial conduct of the institutions participating in the Scheme.

The Government is satisfied that, alongside the powers provided directly under the scheme, the relevant public bodies and in particular the Regulatory Authority have the authority and legal power to take whatever steps are necessary to continue to look after the interests of all depositors and customers of the covered institutions as well as that of the State and the taxpayer.

I am satisfied that the close coordination and liaison arrangements put in place between the Central Bank, the Financial Regulator and my Department will ensure effective management of the Scheme in an integrated fashion by all of the bodies concerned as well as clear lines of accountability with regard to their respective responsibilities.

12. **Deputy Thomas P. Broughan** asked the Minister for Finance if he remains satisfied with the level of capitalisation of each of the Irish banks and credit institutions covered by the credit institution guarantee scheme; if his Department has drawn up a contingency plan in the event that a State injection of capital into the banks is required; and if he will make a statement on the matter. [38809/08]

**Minister for Finance (Deputy Brian Lenihan):** As the Deputy will be aware, we have put in place a wide guarantee for the banking system in Ireland. The legislative scheme setting out the terms and conditions for the guarantee to support the long-term viability of the banking system in Ireland and safeguard the interest of taxpayers has been approved by both Houses of the Oireachtas. It has also been approved as being in compliance with the European Commission's requirements and is now in place.

To date, the guarantee has been successful in stabilising the position of the banking system in Ireland during an unprecedented period in international financial markets. The overarching objective of the scheme is to remedy the serious disturbance that might otherwise have unfolded for the economy. It is about taking whatever steps are necessary to ensure that we have a banking system that as a whole works effectively, efficiently and competitively in facilitating all the day to day ordinary economic transactions of commercial, business family and social life.

The Scheme provides a detailed framework for the authorities to oversee and guide the assessment of strategic options by the banks. If it is the case that an assessment is made by a particular institution that higher capitalisation would be appropriate, it must consider all possible strategic options to meet this requirement. Each institution must take appropriate steps to ensure that their levels of capital are aligned with their needs. The State has a keen interest in the health and security of the banking institutions, because of their role in the economy. Clearly, my Department, the Central Bank and the Financial Regulator will be in continuing contact with the institutions on their business plans, their capital position and their liquidity.

As indicated the issue of their capitalisation is a matter for individual banks in the first instance, and I don't think it wise to get into theoretical discussions that might be market sensitive.

13. **Deputy Martin Ferris** asked the Minister for Finance if, in view the recent losses announced by a company (details supplied) he has made contact with other major credit institutions to discuss their financial positions going forward; and if he will make a statement on the matter. [38665/08]

**Minister for Finance (Deputy Brian Lenihan):** As Minister for Finance it would not be appropriate for me to comment on the performance or financial position of an individual credit institution.

The Financial Regulator is responsible for the prudential supervision of credit institutions and is therefore best placed to access and analyse information regarding an institution's financial position. The Financial Regulator has advised the Minister that in light of the severe difficulties faced by credit institutions arising from the crisis of confidence in the global credit market, it will continue to intensify its on-site and off-site supervision of credit institutions. This will build on revised capital and liquidity measures introduced by the Regulatory Authority during 2006 and 2007. The Financial Regulator will focus on liquidity requirements, capital adequacy, risk management, balance sheet structure and corporate governance. This may involve setting additional regulatory ratios as appropriate in order to reduce the risk in the balance sheet, reflecting the current domestic and global conditions. To augment its own resources the Financial Regulator has engaged an accountancy firm to work intensively to examine the loan books of the six banks that are currently covered by the Credit Institutions (Financial Support) Scheme 2008 and report to the Financial Regulator as a matter of urgency. This examination will result in a detailed comprehensive analysis of the individual loans in the covered institutions.

I would also point out that the Scheme provides that covered institutions are required to submit reports to the Financial Regulator in relation to liquidity requirements, capital ratios, asset quality, risk exposure and funding costs. The Financial Regulator can request covered institutions to submit such reports as are considered necessary to monitor their compliance with the Scheme. The implementation of the Scheme is subject to close ongoing monitoring by the Governor of the Central Bank and the Chief Executive of the Financial Regulator.

There are also significant powers under the Scheme for the Financial Regulator, in consultation with me, to require action in relation to a covered institution's commercial conduct including setting targets on assets and liabilities and liquidity, solvency and capital ratios, and covered institutions must comply with such targets. A covered institution can be required to limit its exposure to any sector, customer or connected customer in the interests of financial stability or to take specific actions to restructure its activities in compliance with the Scheme.

I am satisfied that there is a comprehensive framework in place to ensure each of the covered institutions actively manages its financial position in accordance with the objectives of the Scheme.

#### **Public Service Pay.**

14. **Deputy Tom Hayes** asked the Minister for Finance his plans to contain the growth in the public service pay bill; and if he will make a statement on the matter. [38773/08]

**Minister for Finance (Deputy Brian Lenihan):** I am keeping the public service paybill under continuous review and I have already taken steps to contain its growth.

The draft pay agreement "Review and Transitional Agreement 2008-2009" provides for a pay pause of 11 months in the public service. The private sector pay pause provided for is to last for three months. Furthermore, public service employers are required to achieve a 3% cut in payroll costs in 2009 and no specific additional provision has been made for the cost in 2009 of the increase provided for in the new draft pay agreement. The cost of this increase must be met from within the approved allocations.

Payroll costs are a function of staff numbers. As I stated in the budget speech, we must do more with less in regard to public service pay and numbers. Where there are clear staff sur-

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pluses in certain areas, or where policy priorities change, staff numbers must be correspondingly reduced or re-assigned.

The Government has already decided that a targeted voluntary early retirement scheme will be introduced for the HSE. Discussions are underway on the development of such a scheme.

I believe it is essential to extend such schemes, in a targeted manner, to other areas of the public service where surplus staff are identified. In this context, the Government has decided to conduct a focused review of public sector numbers in all branches of Government to assess whether the resources are being fully deployed in an efficient and effective manner and what economies can be made.

This decision will be implemented when the report of the Task Force on the Public Service is received later this month.

Public service pay levels can only increase at a rate that is consistent with budgetary discipline and national competitiveness. I am satisfied that the measures put in place support this stance. As I have mentioned, we are keeping public service pay, along with other major expenditure categories, under ongoing review. Should further corrective action be necessary, this will be taken.

#### **Financial Institutions Support Scheme.**

15. **Deputy Michael D. Higgins** asked the Minister for Finance the details of the proposed committee which will address issues relating to remuneration structures in the financial sector here including its membership, terms of reference and implementation timescale; and if he will make a statement on the matter. [38841/08]

**Minister for Finance (Deputy Brian Lenihan):** The Scheme prepared under the Credit Institutions (Financial Support) Act 2008 requires each covered institution to prepare a plan to structure the remuneration packages of directors and executives, including total salary, bonuses, pension payments and any other benefits, so as to take account of the objectives of the Act.

I will shortly establish the independent, three-member, committee, to be called the Covered Institution Remuneration Oversight Committee (“CIROC”) provided for under the Scheme. Each covered institution is to submit a report to CIROC no later than six weeks after joining the Scheme, and CIROC will then report to me within three months. An institution which has not complied with the requirements can be directed to amend its remuneration plan accordingly.

It is important to emphasise that one of the key features of this part of the Scheme is the requirement to orient the system of bonuses to create the appropriate incentives — incentives that point toward reduction in excessive risk-taking and that promote long-term sustainability. I believe that this, together with other controls and requirements incorporated in the Scheme, will make a real difference and greatly strengthen our financial system for the future.

#### **Economic Competitiveness.**

16. **Deputy Bernard J. Durkan** asked the Minister for Finance if, in the context of budget 2009, he has identified and addressed any or all of the issues that heretofore have created a lack of competitiveness in the economy here; and if he will make a statement on the matter. [38697/08]

**Minister for Finance (Deputy Brian Lenihan):** The deterioration in the economy’s competitiveness relative to that of our main trading partners has been driven by a combination of

factors. These include a strong euro, the global rise in commodity prices and wage increases in excess of productivity. The relatively high rate of inflation that we have experienced over the last number of years has also played a role. At this stage, price levels here are more than 20% above the euro area average.

Improving our competitive position is essential to facilitate a re-balancing of the economy towards more sustainable, export-led growth and to maintain Ireland's attractiveness as a location for inward investment.

In recognition of this, and notwithstanding the need to underpin the sustainability of the public finances, the Government took a number of steps in Budget 2009 aimed at supporting the economy's competitiveness. These included re-affirming our commitment to the 12.5% rate of corporation tax and maintaining and enhancing pro-employment business tax reliefs. We are also continuing to prioritise productivity enhancing investment under the National Development Plan. These measures will ensure that the Irish economy is well placed to take advantage of the global pick-up when it emerges.

While my Department, along with the Tánaiste's Department and the National Competitiveness Council all take an active role in monitoring competitiveness developments on an ongoing basis, I would point out that national competitiveness is not, however, solely a matter of Government policy. Rather it is a shared responsibility of all the Social Partners — Government, employers and unions. Regaining our competitive position, which as a small open economy is critical to our economic success, will require each of us to play our part and work together to this end.

This means ensuring that externally-driven price increases do not become embedded in our system as that only creates a vicious cycle from which no one wins. In this respect, the willingness of the various parties to compromise and adopt a realistic approach to wage developments in the recent pay talks is commendable. In addition, it will be important to ensure that improvements in external factors that impact on domestic costs, such as falling oil prices, are passed on.

#### **Financial Institutions Support Scheme.**

17. **Deputy Emmet Stagg** asked the Minister for Finance the amount of dated subordinated debt covered by the credit institutions financial support scheme; if he has a list of the holders of such debt; if they include directors of the banks covered by the scheme or persons holding substantial shareholdings in those banks; and if he will make a statement on the matter. [38833/08]

**Minister for Finance (Deputy Brian Lenihan):** The consolidated dated subordinated debt figure in respect of the first group of banks and building societies to participate in the Credit Institutions (Financial Support) Scheme amounts to €12.4 billion. Details for each individual institution are available in their published financial statements.

I do not have a list of the holders of such debt, which means that I cannot comment as to whether they include directors or substantial shareholders in the institutions covered by the scheme.

#### **Budgetary Projections.**

18. **Deputy Martin Ferris** asked the Minister for Finance if his Department is revising Irish GDP and GNP forecasts in view of the GDP figures in the USA and Britain; and if he will make a statement on the matter. [38667/08]

**Minister for Finance (Deputy Brian Lenihan):** The Budget day forecasts are for GDP to decline by  $1\frac{1}{4}$  per cent this year, with GNP forecast to contract by  $1\frac{1}{2}$  per cent. In terms of next

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year, GDP is forecast to decline by  $\frac{3}{4}$  per cent, while GNP is projected to decline by 1 per cent. The Budget day forecasts have not changed.

In preparing these forecasts my Department considered the growth prospects in several of our major trading partners, including the United States and the United Kingdom. Growth in these countries is slowing and is projected to slow further in 2009.

A greater-than-normal level of uncertainty is attached to the economic outlook given the highly unusual prevailing environment. A number of downside risks to the economic outlook were identified on Budget day including the possibility that the global financial market problems would persist, a more prolonged downturn in our major trading partners, the possibility of further exchange rate appreciation and a sharper than assumed decline in the residential sector. My Department continues to monitor developments and advises accordingly.

### **Pension Provisions.**

19. **Deputy Seymour Crawford** asked the Minister for Finance his views on the adequacy of provision for pension liabilities in the public sector; and the policy options open to him. [38747/08]

**Minister for Finance (Deputy Brian Lenihan):** Total expenditure on public service pensions in 2007 was of the order of €2.3bn and the most recent projections carried out by the Department of Finance are for expenditure on public service pensions to increase from around 1.3% of GDP in 2007 to 2.1% in 2025 and to 2.6% by 2050. The projected increase arises from the growth in public service employment in recent years and from increasing longevity. Measures to contain the cost of this increase in public service pensions have been put in place in recent years and policy options for further reform are outlined in the Green Paper on Pensions. These policy options are now being examined in the context of preparing a framework for comprehensively addressing the pensions agenda over the long term.

### **Financial Institutions Support Scheme.**

20. **Deputy Mary Upton** asked the Minister for Finance if the letters given by him to certain credit institutions on 30 September 2008, referred to by him in Dáil Éireann on 17 September 2008, were in identical terms as regards each such institution; if those letters remain in effect or have been withdrawn; if he will publish those letters; and if he will make a statement on the matter. [38836/08]

**Minister for Finance (Deputy Brian Lenihan):** The written notification to six named financial institutions of the provision by the Government of a guarantee to their deposits and funding, which I referred to as a letter in the course of the debate on the Credit Institutions (Financial Support) Scheme 2008, was published by me on the morning of 30 September and is publicly available on my Department's website. On the 9th of October, I announced the Government was prepared to extend eligibility for participation in the guarantee Scheme to banking subsidiaries in Ireland with a significant and broadbased footprint in our economy.

The terms of the guarantee are set out in the Credit Institutions (Financial Support) Scheme 2008 and individual institutions join the Scheme by executing a guarantee acceptance deed in the form specified by me. The terms of the guarantee Scheme apply to all covered institutions and the form of the guarantee acceptance deed is common to the covered institutions except to the extent that a covered institution has or is a subsidiary and that each pays an individually determined charge factor based on the factors set out at paragraph 16 of the Scheme.



### Financial Services Regulation.

21. **Deputy Róisín Shortall** asked the Minister for Finance his views on the Financial Regulator's recent decision to fine a company and an individual (details supplied) €3.2 million and €0.2 million respectively in relation to breaches of regulatory requirements with respect to the failure to notify the Financial Regulator prior to providing substantial loans to related companies for the purpose of purchasing equity stakes in a bank; when he was advised that this investigation was in progress; if his attention was drawn to that fact that this investigation was underway on 30 September 2008; if this investigation materially affected his decision to launch the credit institutions financial support scheme; and if he will make a statement on the matter. [38831/08]

**Minister for Finance (Deputy Brian Lenihan):** The Central Bank Act, 1942 as amended provides the Financial Regulator with the power to administer sanctions in respect of prescribed contraventions by regulated financial service providers and persons concerned in the management of regulated financial service providers.

The Financial Regulator is the competent independent statutory authority in the State for the supervision of compliance and has the statutory power to impose sanctions on regulated firms where they contravene these requirements, as well as on persons concerned in the management of those firms who participated in such contraventions. The legislation expressly provides to the Financial Regulator the power to enter into a settlement agreement with the parties to resolve such a matter.

### Tax Code.

22. **Deputy Paul Kehoe** asked the Minister for Finance the meetings that he has had to ensure that the needs of US companies based here are not adversely affected by moves to change the tax rules in the United states. [38778/08]

38. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Finance if his Department discussed the impact of changes in US tax legislation in view of the likelihood of a change in the US tax codes dealing with multinationals based here; and if he will make a statement on the matter. [38669/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 22 and 38 together.

My Department and I are of course always mindful of any international developments that could potentially impact on foreign direct investment here. In that respect there is continuous liaison with the business community through domestic and overseas channels to monitor any potential changes.

In terms of the United States of America, I am not aware of any concrete proposals to make changes to their tax legislation. While there has been some speculation in the context of the Presidential election that any new Administration could seek to make changes to the tax code, it is merely speculation.

I do not need to remind the House of the importance of US investment to the Irish economy which has been valued by successive Irish Governments over the last forty years. Irish investment in the US is also of significance. In that context it would be remiss of me not to be mindful of the sensitivity of investment decisions to the overall economic environment that would prevail including the tax environment that could undermine such decisions.



### Public Service Modernisation.

23. **Deputy Fergus O'Dowd** asked the Minister for Finance the changes in work practices which he sought to negotiate as part of the national social partnership talks. [38795/08]

**Minister for Finance (Deputy Brian Lenihan):** Towards 2016 is a ten year framework agreement which sets out an agenda for the further modernisation of the Public Service. It commits the parties to the Agreement to continued co-operation with change and modernisation initiatives, as well as improved productivity across the Public Service.

In approaching the recent Partnership talks the Government recognised that while significant progress has been made in advancing the modernisation agenda, many more changes are needed. There must be a more customer-focused approach to the delivery of public services and a greater emphasis on efficiency and value for money. Accordingly, the Agreement recognises that the Public Service must review continuously its systems, processes and procedures to ensure that it is responsive and efficient and that it provides high quality, value for money services. Specifically, the parties acknowledge the requirement for developing the range of service delivery options, for utilising shared services in areas such as HR, ICT and financial management and for developing cross-organisational solutions as a way of addressing problems of service delivery on a 'whole of Government' basis.

The Government was also mindful of the recommendations of the OECD Review of the Public Service, Towards an Integrated Public Service, which concluded that we are on a sound trajectory of modernisation but could further improve the yield from reforms. The parties to the Agreement commit themselves to implementation of the basic principles emerging from the OECD report. The Government has established a Task Force to develop an Action Plan for the Public Service taking account of the recommendations of the OECD Review. The report of the Task Force will be considered by the Government shortly.

### Budgetary Projections.

24. **Deputy Bernard J. Durkan** asked the Minister for Finance if he is satisfied that his budgetary projections for 2009 are likely to be accurate in view of the obvious miscalculations for 2008; and if he will make a statement on the matter. [38698/08]

105. **Deputy Bernard J. Durkan** asked the Minister for Finance the extent to which he can rely on his budgetary projections for accuracy over the next 12 months in view of his experience for 2008; and if he will make a statement on the matter. [39148/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 24 and 105 together.

The budgetary forecasts by my Department in Budget 2009 were based on the best information available at the time. For 2009 the Budget forecast a General Government Balance of  $-6\frac{1}{2}\%$  of GDP based on tax revenue growth of 1% and gross voted expenditure growth of 1.8%.

Since Budget Day my Department has published the October Exchequer Returns which showed an Exchequer deficit of just over €11 billion for the first ten months of the year, including a tax shortfall of almost €4.3 billion.

As I have indicated previously, November is a key month for tax collection. While in the ten months to end-October, the tax shortfall is almost €4.3 billion, my Department expects that a further shortfall of the order of €2 $\frac{1}{4}$  billion will materialise in the final two months of the year.

While tax receipts in October have continued the poor performance of recent months, they are nonetheless broadly in line with what was anticipated when formulating the end year esti-

mated outturn that underpinned the Budget. In overall terms, the assumed shortfall for the year is approximately €6½ billion and this has not been revised in light of the October tax data.

Budget 2009 forecast tax receipts of almost €42.8 billion in 2009, which represents revenue growth of approximately 1% as a result of significant revenue raising measures introduced in the Budget.

### **House Repossessions.**

25. **Deputy Brian O'Shea** asked the Minister for Finance his views on the rising level of home repossessions; if he proposes to introduce measures to help those at risk of losing their homes as a result of rising unemployment and more frequent instances of negative equity; if he will resource appropriate advisory services, particularly the Money Advice and Budgetary Service; and if he will make a statement on the matter. [38821/08]

**Minister for Finance (Deputy Brian Lenihan):** The Deputy will appreciate that recent media attention to court proceedings for repossessions needs to be interpreted with caution, given the variety of circumstances that give rise to such cases. Although the number of cases involving applications for possession orders are up in each of the last two years it should be noted that orders are not always granted and do not always represent residential mortgages. Even when orders are granted they are not always followed through and levels remain low compared to historical averages and in comparison to similar jurisdictions such as the UK. In 2007, the number of orders granted by the High Court was a very small proportion — representing less than 0.2% — of the number of new mortgages issued in the same year. Furthermore, cases currently being heard are not confined to one particular year or time period.

Unfortunately, a small minority of borrowers develop debt problems. Anyone experiencing difficulty in repaying a mortgage or other loan should discuss the matter with the loan provider and seek appropriate advice without delay. The Money Advice and Budgeting Service (MABS), which falls under the remit of my colleague, the Minister for Social and Family Affairs, is a national, free, confidential and independent service for people in debt, or in danger of getting into debt. MABS offices, throughout the country, work with people in order to assist them with their financial planning and budgeting for the future. Funding for MABS in 2009 is €17.9 million. The Department of Social and Family Affairs also funds the demand-lead Mortgage Interest Supplement scheme which provides short-term income support to those eligible who are unable to meet their mortgage interest repayments in respect of a house which is their sole place of residence. Support for this scheme was increased in the recent budget.

Non-financial supports in place include the Financial Regulator's Consumer Protection Code (the CPC), which applies to all home loan providers operating in the State, requires mortgage lenders to undertake suitability assessments before offering a product or service to consumers and requires that a regulated entity must contact the consumer as soon as it becomes aware that a mortgage account is in arrears irrespective of the amount of the arrears. It also specifies that the regulated entity must have in place a procedure for handling accounts in arrears and the Financial Regulator's CEO has pointed out that the Financial Regulator considers this to include a requirement that lenders agree a remedial action plan with a borrower as soon as it detects arrears starting to emerge and to try to assist the borrower to manage his or her financial commitments and not allow the situation to worsen. (For details see [www.financialregulator.ie](http://www.financialregulator.ie)).

The Deputy may wish to note that the provisions of the Scheme made under the Credit Institutions (Financial Support) Act, 2008, requires institutions covered by the guarantee in Ireland to confirm their compliance not only with the CPC but also with the Irish Banking Federation's (IBF) Code of Practice on Mortgage Arrears (the IBF's Code).

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In accordance with the IBF's Code borrowers are advised to contact their lender about any problems they may be experiencing regarding meeting their repayments schedule. It recommends that the borrower contact the lender after one missed scheduled payment (again irrespective of the amount) in order to prevent a situation of mounting arrears arising with negative consequences for both the borrower and lender.

Once the borrower has contacted the lender, the latter will consider all viable options and develop a plan for clearing the mortgage arrears. Home repossession should be the last resort for the lender and the preferred method of dealing with arrears cases should be early intervention. In the light of all of the above I am satisfied that adequate safeguards are in place to address the issues raised by the Deputy.

### **Debt Levels.**

26. **Deputy Joanna Tuffy** asked the Minister for Finance if his attention has been drawn to the fact that the private sector debt here is proportionately higher than any other country in the EU and that at the end of August 2008 Ireland collectively owed the banks €392,885,000,000, which breaks down to €95,000 for every person here; if his attention has further been drawn to the fact that 63.4% of this private debt is owed by the construction, real estate and mortgage sectors and that another 16.4% has been borrowed by financial intermediaries such as pension funds that deal in property assets; his views on whether repayments on this high level of private debt will be unsupportable in view of the speed of decline in the money supply; the interventions he proposes to make to prevent bad debts spiralling out of control; and if he will make a statement on the matter. [38834/08]

**Minister for Finance (Deputy Brian Lenihan):** Within the implementation of the overall legislative framework, private sector credit growth and debt levels are, in the first instance, a matter for the Central Bank and Financial Services Authority of Ireland. This follows from its role as part of the European System of Central Banks and its functions, as the Financial Regulator, in relation to the prudential supervision of financial institutions and the protection of the consumers of those firms.

The Central Bank publishes a quarterly note on the sectoral developments in credit. In June 2008, outstanding private-sector credit stood at €392.9 billion. While property-related lending accounted for 62 per cent of this, this measure includes residential mortgages, and securitised residential mortgages. During 2006 when all credit was increasing at a rapid pace, lending to households was also increasing rapidly. This has moderated slowly since then and increased annually by 9 per cent in June 2008. I am informed by the Central Bank that lending to insurance corporations and pension funds only account for a small proportion of private sector credit, around 1 per cent.

It is worth noting that lending to households for house purchase is continuing despite tighter lending standards, albeit at a slower, steadier pace than before. I also note from the latest EBS/DKM Affordability Index published on 4th November that affordability for first time buyers continues to improve and that this trend is set to continue over the coming months.

Unfortunately, a small minority of borrowers develop debt problems. Anyone experiencing difficulty in repaying a mortgage or other loan should discuss the matter with the loan provider and seek appropriate advice without delay. The Money Advice and Budgeting Service (MABS), which falls under the remit of my colleague, the Minister for Social and Family Affairs, works with people in order to assist them with their financial planning and budgeting for the future. The Department of Social and Family Affairs also funds the demand-led Mortgage Interest Supplement scheme which provides short-term income support to those eligible

who are unable to meet their mortgage interest repayments in respect of a house which is their sole place of residence.

Non-financial supports in place include the Financial Regulator's Consumer Protection Code (the CPC) and the Irish Banking Federation's (IBF) Code of Practice on Mortgage Arrears. The Deputy may wish to note that the provisions of the Scheme made under the Credit Institutions (Financial Support) Act, 2008, requires institutions covered by the guarantee in Ireland to confirm their compliance not only with the CPC but also with the IBF's Code of Practice.

### **Public Service Pay.**

27. **Deputy Dinny McGinley** asked the Minister for Finance if he is satisfied with the operation of performance related pay mechanisms in the public service. [38783/08]

**Minister for Finance (Deputy Brian Lenihan):** Following a decision by the Government on the implementation of recommendations in Report No. 38 of the Review Body on Higher Remuneration in the Public Sector, schemes of performance-related awards were introduced for the levels of Deputy Secretary and Assistant Secretary in the civil service, the Deputy Commissioner and Assistant Commissioner ranks in the Garda Síochána and the ranks of Brigadier General and Major General in the Defence Forces.

The schemes of awards are based on performance by reference to demanding targets. The pool for performance awards is 10% of the pay bill for the group concerned. Within that overall limit individuals can receive payments of up to 20% of pay (although payments at that level would be very rare).

I have no role in the decisions on awards. Recommendations for awards under the scheme are made, in the first instance, by the relevant Secretary General or other designated post as appropriate. These recommendations are then submitted to an independent body, the Committee for Performance Awards (CPA), which includes a majority of private sector members. The main roles of the Committee are to monitor the application of the scheme of performance-related awards and to bring independent judgement to bear in approving objectives for the persons covered by the scheme and in approving recommendations for awards.

Details of the procedures, the numbers covered by the schemes, the range of awards and the total amounts paid in Departments are outlined in the annual reports of the Committee (available on the website [www.finance.gov.ie](http://www.finance.gov.ie).) The annual reports provide a commentary on how the schemes have operated each year and the CPA make suggestions about how aspects of the scheme can be improved.

I am satisfied that the CPA is fulfilling its remit in relation to the schemes. There are separate schemes of performance-related awards for senior staff of local authorities and the health service. The Committee for Performance Awards in the Local Authority sector deals with the assessment of performance for senior managers in local authorities. For senior managers in the health service, the board of the HSE/relevant agency makes awards based on the agreed criteria. The scheme is quality assured by an Oversight Committee which is chaired by the Secretary General of the Department of Health and Children.

Schemes of performance-related pay may also apply to the Chief Executive Officers of non-commercial State sponsored bodies (and in some cases, to the second tier of management). The Review Body considered that certain conditions should be in place in non-commercial State-sponsored bodies before schemes of performance-related awards were introduced. Where a Board considers that these conditions can be met, the Board of the body concerned may submit a draft scheme to the relevant parent Department. If the parent Department is also of the view that the necessary conditions can be met, it submits the draft scheme to my Depart-

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ment for approval. Once schemes have been approved, the Department of Finance does not have any role in the awards made by the Boards of the bodies concerned. These schemes are also based on the achievement of stretched targets and provide for a maximum bonus of 20% of pay. The guidelines provide that awards of between 15% and 20% should arise only in the most exceptional situations where performance has surpassed all reasonable expectations and has resulted in the achievement of a major goal of the body. Decisions on the level of payment to be awarded are the responsibility of the Board of the body concerned.

I have no plans at present to introduce schemes of performance-related awards for other public service staff.

### **Proposed Legislation.**

28. **Deputy Alan Shatter** asked the Minister for Finance if he plans amendments to the legislation established to provide for an annual investment in the National Pensions Reserve Fund. [38805/08]

48. **Deputy Willie Penrose** asked the Minister for Finance his views on the impact that falls in global equity markets have had on the National Pension Reserve Fund; his views on whether liquidating any of the NPRF's equity holdings while global equity markets were at rock-bottom prices would be unwise; if he will propose modifications to the NPRF's investment guidelines or portfolio make-up; if he will propose legislation in the coming months with respect to a modification of the operation of the NPRF. [38813/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 28 and 48 together.

As the Deputies will be aware, I announced in my Budget speech that I was conducting a review of the National Pensions Reserve Fund in the context of recent economic and fiscal developments. I have asked Mr Maurice O'Connell, former Governor of the Central Bank, to conduct the review and I await his report with interest. As I stated in my Budget speech, any changes requiring legislation will be brought forward in due course.

### **Decentralisation Programme.**

29. **Deputy Lucinda Creighton** asked the Minister for Finance if the contracts for the €387.5 million worth of property sold in Dublin under the decentralisation scheme contain clauses that will allow the State to buy back the property in the case of reversal of decentralisation; and if he will make a statement on the matter. [38846/08]

**Minister for Finance (Deputy Brian Lenihan):** There is no clause to allow the State to buy back properties in any of the contracts for disposal of the properties outlined in my reply to Ceisteanna 227 and 222 of 21 October 2008.

### **Debt Levels.**

30. **Deputy Emmet Stagg** asked the Minister for Finance if his attention has been drawn to the fact that outstanding Irish bank loans to property developers within Ireland only were estimated to be €86.7 billion in June 2008 and that expert commentators estimated that the banks are expected to be forced to write off up to €45 billion of these loans over the next two years; his proposals to inject capital into the system if required in order that the guarantee on credit institutions is not called in; if he has set a limit on the amount of capital that the State would be prepared to inject into the banking system in such a scenario; and if he will make a statement on the matter. [38832/08]



**Minister for Finance (Deputy Brian Lenihan):** I do not wish to comment on speculative comments by various commentators but as it happens most serious commentators — and the institutions themselves — expect provisions required to be a much smaller figure than that suggested by the Deputy.

It is a matter for each institution and its auditors to publish results at the appropriate periods. The banks will be releasing accounts and information over the coming months. The Financial Regulator clearly takes a direct interest in this issue, with a view to ensuring financial stability. I understand that the Regulator is engaged in an exercise at present to review the loan books and business plans of the guaranteed institutions.

As regards the capital position of the banks, each institution must take appropriate steps to ensure that their levels of capital are aligned with their needs. The State has a keen interest in the stability of the banking institutions, because of their role in the economy. Clearly, my Department, the Central Bank and the Financial Regulator will be in continuing contact with the institutions on their business plans, their capital position and their liquidity. Under the guarantee scheme, institutions can be required to adjust their capital ratios if that is required for the maintenance of financial stability.

#### **Financial Institutions Support Scheme.**

31. **Deputy Terence Flanagan** asked the Minister for Finance if he has assessed the steps necessary to ensure that there is a continuing flow of credit for enterprises and families; and if he will make a statement on the matter. [38770/08]

**Minister for Finance (Deputy Brian Lenihan):** The extended international credit crunch which we have experienced has brought home to all of us the pivotal role of the financial system in the economy and in the day-to-day lives of ordinary people. An important aim of the Scheme of Guarantees we have introduced is to ensure that we have a banking system that as a whole works effectively, efficiently and competitively in facilitating all the day-to-day ordinary economic transactions of commercial, business, family and social life. The scheme therefore includes the application of strict terms and conditions on covered institutions to ensure that the public interest, which includes the general consumer and small business sector, is paramount.

By putting guarantees in place we have removed a major obstacle to financial institutions continuing to play their proper role in facilitating enterprises and individuals with credit.

#### **Budgetary Projections.**

32. **Deputy Charles Flanagan** asked the Minister for Finance if he is satisfied that the tax forecasts on which he has based financial projections are robust in the budget 2009 statement. [38767/08]

72. **Deputy Eamon Gilmore** asked the Minister for Finance his views on the October 2008 Exchequer returns; the updated tax revenue profiles for November and December 2008 and for 2009; and if he will make a statement on the matter. [38819/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 32 and 72 together.

The October 2008 Exchequer Returns showed an Exchequer deficit of just over €11 billion for the first ten months of the year, including a tax shortfall of almost €4.3 billion.



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As I have indicated previously, November is a key month for tax collection. While in the ten months to end-October, the tax shortfall is almost €4.3 billion, my Department expects that a further shortfall of the order of €2 $\frac{1}{4}$  billion will materialise in the final two months of the year.

While tax receipts in October have continued the poor performance of recent months, they are nonetheless broadly in line with what was anticipated by my Department, when formulating the end year estimated outturn that underpinned the Budget. In overall terms, the assumed shortfall for the year is approximately €6 $\frac{1}{2}$  billion and this has not been revised in light of the October tax data.

Budget 2009 forecast tax receipts of almost €42.8 billion in 2009, which represents revenue growth of approximately 1% as a result of significant revenue raising measures introduced in the Budget.

### **Capital Projects.**

33. **Deputy Jimmy Deenihan** asked the Minister for Finance if the central evaluation unit has identified any cases of non-compliance in its spot checks of capital projects; and the consequences for the projects involved; and if he will make a statement on the matter. [38757/08]

**Minister for Finance (Deputy Brian Lenihan):** Under the conditions of sanction for capital expenditure issued by my Department, Departments are required to put in place a system of annual spot-checks of capital projects to ensure that they are complying with these VFM requirements and to report the findings of these spot-checks annually to my Department. The Evaluation Unit in my Department reviews these spot-check reports and may also directly undertake its own spot checks of individual capital projects either as part of this review process or on its own initiative.

In this context, The Evaluation Unit has also undertaken a substantial programme of direct spot checks of individual capital projects encompassing over 20 projects across six different Departments — Transport; Environment, Heritage and Local Government; Education and Science; Health and Children; Enterprise, Trade and Employment; and Arts, Sport and Tourism.

On completion a final report on each spot-check is submitted to the relevant Department. As may be expected, these reports can raise issues from time to time and as a result do provide advice to Departments on aspects such as the planning, appraisal and execution of specific projects by reference to the VFM framework in place, which Departments are expected to consider and action as appropriate.

### **Financial Institutions Support Scheme.**

34. **Deputy Pat Rabbitte** asked the Minister for Finance the reason dated subordinated debt is included in the credit institutions financial support scheme; the representations received by him or his officials in respect of the inclusion of dated subordinated debt in the scheme; and if he will make a statement on the matter. [38838/08]

**Minister for Finance (Deputy Brian Lenihan):** Dated subordinated debt is part of the deposit base of a financial institution. The Government took the decision to safeguard all deposits of those credit institutions wishing to participate in the scheme following advice received from the Governor of the Central Bank and the Financial Regulator as to the impact of the turmoil in the international financial markets on the Irish banking system.

I should say that the objective of the guarantee is to provide confidence amongst senior investors in the wholesale capital markets. In recent years, as a result of tightening credit spreads, traditional investors in senior unsecured debt have increased their exposure to non-deferrable dated subordinated debt (“Lower Tier 2”) in search of additional yield. Today, the overlap in the investor base for both senior and Lower Tier 2 is extremely high. Therefore, we feel it is important to the success of the guarantee to include dated subordinated liabilities in order to preserve capital market access for the Irish institutions going forward.

35. **Deputy Pat Rabbitte** asked the Minister for Finance the position regarding the Pricewaterhouse Cooper investigation into the balance sheets of the Irish banks covered by the credit institutions financial support scheme; the extent to which he has liaised with the Financial Regulator on the matter; the terms of reference for this investigation; if, having regard to the public interest in the reliability of the banks’ balance sheets, this report will be made public; and if he will make a statement on the matter. [38839/08]

**Minister for Finance (Deputy Brian Lenihan):** The Credit Institutions (Financial Support) Scheme provides a guarantee for covered institutions until 29 September 2010.

I have been advised by the Financial Regulator that it recently commissioned Price Waterhouse Coopers to conduct a review of loan portfolios of the covered credit institutions. PwC is currently progressing with this work and the Financial Regulator will keep me advised of progress as appropriate. The Deputy will appreciate that this review is highly commercially sensitive and accordingly the Financial Regulator will not be publishing the results of the PwC work.

#### **Freedom of Information.**

36. **Deputy Lucinda Creighton** asked the Minister for Finance his plans to amend the freedom of information scheme to include costings of Government projects in view of the importance of public spending in the current economic climate; and if he will make a statement on the matter. [33304/08]

**Minister for Finance (Deputy Brian Lenihan):** I have no plans to amend the Freedom of Information Act. The FOI Act enables members of the public to obtain access to information held by public bodies, to the greatest extent possible consistent with the public interest and the right to privacy. Currently a member of the public can seek access to any record held by a public body covered by the Act, including information held by Government Departments relating to the Public Capital Programme. However, there are exemptions set out in the Act that protect certain types of records that would contain, for example, commercially sensitive information and where the public interest would not be served by the release of such information.

In relation to projects in the Public Capital Programme, Cost-Benefit appraisals of these projects are prepared by the individual Departments and Agencies undertaking the projects. Such appraisals are prepared to facilitate and inform the internal decision making process. It has not been the practice to publish these appraisals as they generally contain commercially sensitive information, the publication of which could be prejudicial to the State’s capacity to get best value for money in procurement of capital projects. In these circumstances, I would not consider it appropriate to require that details of such appraisals be published or made available under the FOI Act.

#### **Financial Institutions Support Scheme.**

37. **Deputy Ruairí Quinn** asked the Minister for Finance if he will confirm the net Exchequer income expected to arise from the credit institutions financial support scheme for each of the years 2008, 2009 and 2010; if he will confirm that this money will be available for use during

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the year in which it is received; if he will use this income to establish a contingency fund or to ringfence the funds in some other fashion; and if he will make a statement on the matter. [38824/08]

**Minister for Finance (Deputy Brian Lenihan):** The Credit Institutions (Financial Support) Scheme provides a guarantee for covered institutions until 29 September 2010.

The scheme provides that the income accruing from the charge will be credited to a designated account to be maintained at the Central Bank. This account will act as a reserve for any payment that may be made under the scheme. The scheme further provides that any amount standing to the credit of such an account at the expiration of the scheme will be paid to the Exchequer.

The current estimate of the income from the scheme over the two years is €1 billion. However, the level of income that will actually arise will depend on factors such as the institutions covered by the scheme, the level of covered liabilities and the charge applied to individual institutions. The scheme provides for the payment of the charge on a quarterly basis by each covered institution.

*Question No. 38 answered with Question No. 22.*

39. **Deputy Liz McManus** asked the Minister for Finance the amount of liquidity that flowed into the banking system here in the days after the granting of the guarantee to credit institutions; if this level of liquidity has been maintained in the intervening weeks; the extent to which these inflows affected the extent of the liabilities under guarantee by the Irish taxpayer; the position in relation to the level of liabilities under guarantee through the bank guarantee; if he is satisfied at the level of liquidity in the banking system here; and if he will make a statement on the matter. [38817/08]

**Minister for Finance (Deputy Brian Lenihan):** The Credit Institutions (Financial Support) Scheme provides a guarantee for covered institutions until 29 September 2010.

Since it was introduced, the guarantee scheme has been successful in stabilising the banking situation. In the immediate wake of its introduction, I have been informed that the level of deposits received by the covered institutions have largely reversed the liquidity losses in previous weeks with total net inflows of around €25 billion to date. Subject to the rules of the scheme, any net increase in the level of deposits by the covered institutions will also increase the level of liabilities under the scheme. The scheme requires that balance sheet growth of the covered institution is not excessive. The Deputy can be assured that my Department, the Central Bank and the Financial Regulator will be in continuing contact with the covered institutions in relation to their levels of liabilities and liquidity.

#### **Financial Services Regulation.**

40. **Deputy Joan Burton** asked the Minister for Finance his views on the solvency ratios of firms operating in the insurance market here; if he instructed the Financial Regulator to seek monthly solvency data from such firms; if contingency plans have been drawn up by his Department in the event that an insurance firm had to be underwritten by the Government in order to ensure it could fill its financial obligations; and if he will make a statement on the matter. [38844/08]

**Minister for Finance (Deputy Brian Lenihan):** In my role as the Minister for Finance I have responsibility for the development of the legal framework governing financial regulation. The

day-to-day responsibility for the supervision of financial institutions is a matter for the Financial Regulator, which is statutorily independent in the exercise of its regulatory functions. The Financial Regulator is also obliged to treat as confidential the information it holds on regulated entities. However, he has advised me that on the basis of the latest figures available, all insurers meet the statutory solvency margin requirements. He has also advised me that monthly monitoring of solvency positions will take place where necessary.

It should be noted that the Financial Regulator approaches prudential regulation from a risk perspective and tries to target its supervisory resources on those businesses with a higher risk profile and with the propensity to have the greatest impact in the event of a failure. This approach dovetails with the broader financial stability agenda in which my Department, the Central Bank and the Financial Regulator work closely. This agenda takes account, on an ongoing basis, of the general financial well being of the insurance industry and provides the basis for an appropriate response to changing circumstances and developments.

### **Capital Projects.**

41. **Deputy Michael Creed** asked the Minister for Finance if he is satisfied that the public capital programme is delivering in priority areas on time and on budget; and if he will make a statement on the matter. [38749/08]

**Minister for Finance (Deputy Brian Lenihan):** The exchequer capital allocations for 2009 for all Departments were outlined in my recent budget. It is a matter for each Department to manage its capital allocation to maximise impact and value for money. The Value for Money Framework put in place by Government over recent years will help ensure that value for money is attained and that public capital investment is delivered on time and within budget.

In the current economic climate, capital expenditure will be prioritised towards critical infrastructure projects. As you are aware, resources are allocated, inter alia, towards major inter-urban motorways, public transport, water services infrastructure, education, social housing and health infrastructure.

### **Financial Institutions Support Scheme.**

42. **Deputy Eamon Gilmore** asked the Minister for Finance if he will publish the advice of the Central Bank and Financial Services Authority of Ireland on the appropriate scope of the credit institutions financial support scheme; and if he will make a statement on the matter. [38840/08]

**Minister for Finance (Deputy Brian Lenihan):** The Government's decision on the banking guarantee was indeed informed by the advice and guidance of the Governor of the Central Bank and the chief executive officer of the Financial Regulator. I wish to refer the Deputy to the statement by the Governor of the Central Bank, Mr. John Hurley, issued on 3rd October 2008, which makes it clear that the Government's decision to guarantee depositors in and lenders to Irish financial institutions was taken after close consultation with the Central Bank and Financial Regulator, and sets out the context. The Statement is available on the Central Bank Website at the following address [www.centralbank.ie](http://www.centralbank.ie).

### **Government Bonds.**

43. **Deputy Ciarán Lynch** asked the Minister for Finance the cost of Exchequer debt financing since 30 September 2008; the changes to the cost of insuring Irish Government bonds against default since 30 September 2008; if his attention has been drawn to the difficulties the NTMA

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has had in raising debt financing since 30 September 2008; and if he will make a statement on the matter. [38815/08]

44. **Deputy Bernard Allen** asked the Minister for Finance if he has received an analysis of the reason Irish debt costs are rising relative to other states. [38724/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 43 and 44 together.

As the Deputy is aware, the day-to-day management of the debt is handled by the National Treasury Management Agency and as such it is on their advice that Government relies in relation to the operation of our debt funding.

The cost of raising long-term debt in the capital markets can be measured in relative terms to other countries. This is known as the 'spread'. In the case of Ireland, its cost of borrowing can be measured against the relative borrowing costs of, for example, Germany, the Netherlands, Portugal or Greece. The spread to Germany is the benchmark measure and it is observed by comparing the yields on bonds of similar maturity.

Since September 2008 the turbulence in financial markets has been severe and this has been reflected in bond spreads. Only time and a historical perspective will allow a true analysis of the causes and, more importantly, the relative weight that should be ascribed to the different factors. As international difficulties have evolved over the past few months, all small and non-core sovereign issuers, such as Ireland, have experienced widening spreads. Liquidity has been a major factor. Most investors have focused on German Government debt as it is considered the most liquid investment — this means German bonds can be readily accessed and traded, and also that there is a liquid futures market in German government bonds to manage the associated market risks. However, while spreads have widened against Germany, absolute yields have remained low or even decreased, depending on the timeframe, because of the extent to which German yields have fallen.

Ireland's economic success in the past has resulted in a relatively low debt to GDP ratio and also a low absolute level of debt. We have not been a frequent issuer of bonds which reflects both the relative size of the Irish economy and the healthy state of the public finances for the last decade. These positive factors have in fact had the effect of contributing to liquidity difficulties for Ireland in the current market.

There are a number of other factors in addition to liquidity which influence borrowing costs. These include the state of the public finances, the level of borrowing requirement, and competition for funding in the sovereign debt markets. It is not possible to say to what extent each of these factors will affect the spread in the future.

The following per cent yields on Ireland's 10 year bonds were observed in the secondary market since September 2008:

	1-Sep	29-Sep	1-Oct	3 -Nov
Ireland	4.493	4.492	4.581	4.771

All of the factors detailed above have been absorbed into the pricing of insuring Irish Government bonds against default. At time of writing this works out at €11,370 for 10 years per million insured. This was approximately €6,650 at the beginning of October and €3,710 at the beginning of September 2008. However, the credit default swaps (CDS) market is neither liquid nor



transparent and, as a result, prices quoted are volatile. CDS spreads are a cost to the investor — they do not directly affect the cost of debt to the Exchequer.

Despite the difficult and volatile market conditions since September, the NTMA has continued to be successful in raising finance for the Exchequer. Over €2.5 billion in short term funding was raised in October and this week the NTMA issued a new €4 billion three-year benchmark bond. The bond was oversubscribed within 36 hours and close to 100 applicants participated in the transaction. The successful launch of the bond in these conditions confirms the confidence of investors in the Irish Government bond market.

Finally, the strategy underpinning Budget 2009 is designed with the clear intention of restoring balance to the public finances over the medium term cycle while having reference to the overall economic climate. In doing so the Government seeks to restore the current Budget to surplus and to limit the level of borrowing required as order and stability return to the Exchequer finances.

### **EU Directives.**

45. **Deputy Joan Burton** asked the Minister for Finance his position on draft EU proposals that originating banks be required to retain a portion of assets which they securitise on their books; and if he will make a statement on the matter. [38845/08]

**Minister for Finance (Deputy Brian Lenihan):** The Deputy is referring to the proposal by the Commission in the draft Capital Requirements Directive amending Directive, which is currently going through the co-decision legislative process, for improving the risk management for securitised products and addressing significant weaknesses in the so-called “originate-to-distribute” model which has played a central role in propagating the sub-prime crisis in the USA to the financial sector internationally.

Basically, it is proposed that firms that repackage loans will be required to retain some risk exposure to these securities, while firms that invest in such securities will be allowed to make their decisions only after conducting comprehensive due diligence.

For instance, banks issuing securitisations would be required to retain not less than 5% of the net economic interest in an issue. Similarly, banks would be prohibited from investing in securitisations unless the originator retained at least 5% of the risk.

Securitisation has been a useful means of meeting the funding needs of the banking sector. Accordingly, my Department is in consultation with industry representatives regarding the possible implications of the Commission’s proposal for securitisation activities in Ireland and these contacts are ongoing. Moreover, compromise proposals on the draft Directive, including in relation to the securitisation elements, are currently under consideration in the Council Working Group. In the circumstances, my Department has not yet taken a definitive stance in regard to the so-called 5% retention proposal but it will be a priority to ensure that the agreed approach supports the maintenance of financial stability and the appropriate pricing of risk.

### **State Agencies.**

46. **Deputy Ulick Burke** asked the Minister for Finance the implications in terms of a reduction in staff numbers and savings in annual costs of the programme of rationalisation of State agencies outlined in budget 2009. [38734/08]

**Minister for Finance (Deputy Brian Lenihan):** In my Budget for 2009, I announced that the Government has decided to proceed with proposals from 11 Departments that will reduce the



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number of State agencies by 41. Implementation of each proposal is primarily a matter for the responsible Department.

The rationalisation of State agencies, which involves amalgamating bodies, reassigning legislative and administrative functions, and discontinuing bodies in some cases, is a complex and sensitive exercise. Furthermore, rationalisation will give rise to a range of human resource issues, which will be the subject of consultation and discussion with the relevant staff interests as appropriate.

Consequently, in view of the complexities outlined above and timing issues, it is not yet possible to give an exact overview of the rationalisation process but there will be savings which will be passed on to the taxpayer.

### Legal Costs.

47. **Deputy Olivia Mitchell** asked the Minister for Finance if he will provide an estimate of the cost of legal services which the State paid for in 2007 and to date in 2008; and if he is satisfied that effective measures are in place to minimise this cost. [38789/08]

**Minister for Finance (Deputy Brian Lenihan):** The following table sets out expenditure in 2007 and to date in 2008 on contracts for legal services by my department and the related offices.

Name of Office/Agency	2007	2008 (YTD)
	€,000	€,000
The Department of Finance	394	230
Valuation Office	20	54
Comptroller & Auditor General	43	13
Commission for Public Service Appointments	130	65
State Laboratory	—	103
Public Appointments Service	—	17
Office of the Revenue Commissioners	5,688	4,994
Office of the Ombudsman	444	336
Office of the Appeals Commissioner	—	—

In general, my department uses the services of the Office of the Attorney General and the Office of the Chief State Solicitor, and seeks outside legal advisors in circumstances requiring legal services of a specific and/or specialist nature. The guidelines on the engagement of external support apply in such circumstances and require that such external support is procured only where essential. My Department requires that each office and department confirms regularly that these guidelines are applied.

In the time available, the Office of Public Works was unable to collate the information sought. I have asked that office to communicate the relevant information direct to the Deputy.

*Question No. 48 answered with Question No. 28.*

### Tax Code.

49. **Deputy Denis Naughten** asked the Minister for Finance if he will review the VAT rate on defibrillators; and if he will make a statement on the matter. [38572/08]

**Minister for Finance (Deputy Brian Lenihan):** The Deputy will be aware that in matters relating to the VAT rating of goods and services, I am constrained by the requirements of EU VAT law with which Irish VAT law must comply.

In relation to the VAT rate that applies to defibrillators, the position is that under the VAT Directive, Member States may retain the zero rates on goods and services which were in place on 1 January 1991, but cannot extend the zero rate to new goods and services. The zero VAT rate cannot therefore be applied to defibrillators which are subject to the standard rate.

In addition, Member States may only apply the reduced VAT rate to those goods and services which are listed under Annex III of the VAT Directive. While Annex III does include the supply of medical equipment for the exclusive personal use of a disabled person, it does not include defibrillators for general use. The reduced rate cannot be applied to the supply of defibrillators. Therefore the only rate of VAT that can apply to the supply of defibrillators is the standard VAT rate.

50. **Deputy Seán Sherlock** asked the Minister for Finance the estimate of the impact he expects the reduction in stamp duty on commercial property to have on the commercial property market in terms of transaction volume, prices and Exchequer income; and if he will make a statement on the matter. [38829/08]

**Minister for Finance (Deputy Brian Lenihan):** As I stated in my Budget speech, there is a need for commercial development and investment if we are to create jobs and stimulate economic activity. I also said that this change was being introduced as the Government's contribution towards providing an impetus to the commercial property market. The impact of the change cannot be specifically quantified at this point, as it depends on overall improvements in this sector over the coming year.

#### **Financial Institutions Support Scheme.**

51. **Deputy Brian O'Shea** asked the Minister for Finance if the credit institutions financial support scheme stipulates that the State will underwrite losses incurred as a result of default as opposed to these losses being recouped from the financial sector itself or if such an informal agreement exists with any of the banks or credit institutions covered by the scheme; and if he will make a statement on the matter. [38818/08]

**Minister for Finance (Deputy Brian Lenihan):** The Credit Institutions (Financial Support) Scheme provides a guarantee for covered institutions until 29 September 2010.

The scheme places a strict obligation on every covered institution to reimburse the Minister immediately for any payment made under the Guarantee in respect of that particular covered institution's liabilities. The scheme also includes the principle that any payment not recovered from the institution concerned will be recouped from the sector as a whole over time in a manner consistent with the institutions long term viability and sustainability. If such a situation were to arise that there was a need to recoup from the sector as a whole, it would be a matter for Government to decide how best to proceed.

#### **Tax Code.**

52. **Deputy Kathleen Lynch** asked the Minister for Finance his plans to adjust the tax treatment of pension contributions in respect of company directors; and if he will make a statement on the matter. [38811/08]

**Minister for Finance (Deputy Brian Lenihan):** In Budget 2009, I announced a significant reduction in the annual earnings limit for tax relieved pension contributions from just over €275,000 to €150,000. This reduced limit will apply for 2009 to all individuals contributing to private pension arrangements. The annual earnings cap acts, in conjunction with age-related percentage limits, to determine the value of pension contributions on which an individual taxpayer will get tax relief at his/her marginal income tax rate in any year.

The reduction in the annual earnings cap to €150,000 next year will result in a significant fall in the maximum value of tax relief that high earners can obtain on contributions to private pension provision. This change was made to promote greater equity in this area.

Apart from the annual limits on the amount of tax relieved contributions that can be made to pension funds, the maximum allowable pension fund that an individual can draw upon in their lifetime from tax relieved pension arrangements, known as the standard fund threshold, also acts to restrict the build-up of tax relieved pension benefits. In that regard, in a further policy change introduced in Budget 2009, the indexation of the standard fund threshold in line with an earnings index will not be undertaken in 2009. This will reduce the ability of higher earners to grow their pension funds through tax-relieved pension contributions.

### Debt Levels.

53. **Deputy Willie Penrose** asked the Minister for Finance the forecast total national debt for the year ends 2008, 2009 and 2010; and if he will make a statement on the matter. [38812/08]

**Minister for Finance (Deputy Brian Lenihan):** My Department has been informed by the NTMA that the national debt is forecast as follows:

Year end	2008	2009	2010
National Debt (€m)	49,260	62,872	74,309
National Debt as % GNP	31.2%	39.7%	45.2%

### Financial Institutions Support Scheme.

54. **Deputy Kieran O'Donnell** asked the Minister for Finance if he is satisfied that under the credit institutions financial support scheme he can insure that increased liquidity will be provided by the banks to consumers and the small business sector and that the scheme charge will not be passed on to bank customers; and if he will make a statement on the matter. [38848/08]

**Minister for Finance (Deputy Brian Lenihan):** The main purpose of the scheme is the provision of a guarantee to certain liabilities of covered institutions for a two year period in the interests of financial stability. The health of our financial institutions is linked to our economy as a whole. The scheme therefore includes the application of strict terms and conditions on covered institutions to ensure that the public interest, which includes the general consumer and small business sector, is paramount.

The Scheme provides that “A covered institution shall not pass on the costs of the guarantee to its customers in an unwarranted manner”.

55. **Deputy Joe Costello** asked the Minister for Finance his views on reports that the European Central Bank had threatened to withdraw funds from Irish banks if the Government did not extend the guarantee scheme to cover ECB deposits; and if he will make a statement on the matter. [38842/08]

**Minister for Finance (Deputy Brian Lenihan):** I assume the Deputy is referring to a recent media report on the Opinion of the European Central Bank of 15 October 2008 on a draft Credit Institutions (Financial Support) Scheme.

I would like to point out that the opinion of the ECB, which is published on the ECB website, was given in response to a request received from me on 10 October 2008. It would be utterly wrong to interpret the points set out in that opinion as a threat to withdraw funds from Irish banks. No such threat was ever received.

The simple reality is that the tone of our engagements with the European authorities — both the Commission and the ECB — has been very positive and constructive throughout this process. The Deputy will be aware that the Scheme has been approved by the European authorities.

### **Tax Code.**

56. **Deputy Joanna Tuffy** asked the Minister for Finance the full details of the proposed €200 levy when an employer provides a car parking space for an employee; the urban areas to which the levy will be applied; the estimated number of parking spaces to which it will apply; if the levy will be payable by the employee or the employer; if the levy will apply in situations in which a person is employed with a parking space by somebody other than the employer; and if he will make a statement on the matter. [36583/08]

**Minister for Finance (Deputy Brian Lenihan):** The detailed provisions of the car parking levy are currently being finalised and will be included in the Finance (No. 2) Bill 2008, which will be published on 20th November next.

### **Customs Service.**

57. **Deputy Charles Flanagan** asked the Minister for Finance the action he has taken to ensure that appropriate steps to deliver a comprehensive Customs and Excise Service with a view to preventing the importation of illegal drugs; and if he will make a statement on the matter. [32794/08]

**Minister for Finance (Deputy Brian Lenihan):** Revenue's Customs Service has primary responsibility for the prevention, detection, interception and seizure of controlled drugs at importation. This Service has particular responsibility for implementing import and export controls at all points of entry/exit to/from Ireland, including ports, airports and the land frontier with Northern Ireland.

I am advised by the Revenue Commissioners that, in line with best practice in customs administration worldwide, the development of information and intelligence is critical to the successful detection of drug smuggling. This is very important in the case of Ireland and other EU Member States where the operating environment for Customs has been shaped to a significant degree by the introduction of the Internal Market and the related principles of freedom of movement within the EU. Of specific relevance are the abolition of routine and systematic Customs checks on goods and passengers moving within any part of the EU and the elimination of Customs controls on the baggage of intra-Community passengers other than anti smuggling checks. The approach has, of necessity, been to balance the freedom of movement principle in regard to people and goods with the need to control smuggling, especially drug smuggling.

I am satisfied that Revenue attaches significant importance to its role in drug enforcement and that Customs staff are keenly aware of their drug prevention role. At corporate level, Revenue's Statement of Strategy 2008-2010, which was launched in February 2008, contains a

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clear commitment on Revenue's role in the war against drugs. In addition, Revenue is contributing at Interdepartmental Group level to the formulation of the Government's new National Drug Strategy 2009-2016.

A further indication of Revenue's commitment in this area has been the development of specific Revenue Strategic and Operational Plans for Drug Interdiction for the period from 2008-2010. The development of these two plans, together with the recent decision by Revenue to invest further significant resources in this area (such as the purchase of a second Customs Cutter and the expansion of the detector dog programme) is testimony to the fact that this is an area of long-term strategic interest to Revenue and confirms its commitment to delivery in tackling the drugs problem.

At operational level, Revenue is fully committed to providing an effective level of protection against drug smuggling at frontiers by systematically applying controls commensurate with the levels of risk identified. All operations are risk focussed and resources are deployed to combat areas of greatest risk. In this regard, Revenue is continuously engaged in analysis and evaluation of seizure trends, routes and smuggling risks and in consequential resource deployment.

In developing information and intelligence, Revenue works very closely with the Garda Síochána, the Naval Service, the Air Corps and the Coast Guard Service. In addition, especially in view of the international dimension to drug trafficking, Revenue also attaches importance to optimising cooperation, collaboration and intelligence sharing with authorities in other countries. An example of its commitment in this area has been the recent assignment of Revenue officials as liaison officers at Europol headquarters in The Hague and at the Maritime Analysis and Operations Centre — Narcotics in Lisbon, jointly established by Ireland and six other EU partner states. The Centre is already playing an important role in collating intelligence and co-ordinating a better international law enforcement response to the trafficking of cocaine into Europe.

In addition to co-operation with other enforcement agencies, Revenue also recognises the importance of co-operation with business interests and the community generally in the fight against drug smuggling. In this regard, every effort is made to maintain good relationships with trade and the community in order to optimise cooperation, collaboration and intelligence sharing. Revenue already has a Memorandum of Understanding programme in place with businesses to encourage them to join the fight against drug smuggling. Revenue also has a Customs Drugs Watch programme in place that facilitates confidential reporting by the members of the community (particularly those living along the coast and those that are living close to airports and sea ports) of any suspicious activity.

One measure of Revenue's success in the war against drug smuggling has been the value of drugs seized in the five years, 2003 to 2007, during which a total of 7,770 drug seizures were made with an estimated street value of €219m. In the period January 2008 to date, a further 5,200 drug seizures have been made with an estimated street value of €39m. (The figures from 2003 to date include some seizures made during joint operations with the Gardaí. The significant increase in the numbers of drug seizures in 2008 to date is due to an increase in the detection of medicines and also an increase in the number of drug seizures in the post).

Revenue's Customs Service also has responsibility for policing the controls regulating the importation and exportation of cash and they have had some notable successes. While these controls are aimed at criminality generally, there is little doubt that much of the cash seized originates from the drugs trade so it is clear that these activities by Customs are also contributing to the war against drugs.



Finally, I have been assured by the Revenue Commissioners that they are satisfied that the current risk based approach, which is in line with international best practice in this area, is the correct approach to follow.

### **Financial Institutions Support Scheme.**

58. **Deputy Kieran O'Donnell** asked the Minister for Finance if he will report on the measures being taken under the credit institutions financial support scheme to ensure the capital adequacy and solvency of the banks involved; and if he will make a statement on the matter. [38849/08]

**Minister for Finance (Deputy Brian Lenihan):** When I introduced the Credit Institutions (Financial Support) Legislation to this house, I made it clear that the disruption in international financial markets required a strong and decisive response by the Government to underpin the commitment of the authorities to Ireland's financial stability. This Government moved swiftly to put in place a guarantee to ensure Irish financial institutions' access to the normal liquidity and funding for their day to day business, and to give confidence to depositors and wholesale lenders. The Government quickly demonstrated its resolve to support the financial system, in order to support the economy and society, enterprises and families.

In tandem with the guarantee, the intensified scrutiny and oversight of financial institutions which was put in place since the onset of the turmoil in financial markets has been maintained and further strengthened to ensure that high standards of regulation are achieved in Ireland and that the quality of corporate Governance applying in all institutions, including lending practices, the safeguard of the interests of taxpayers. The goal at the end of this process is a banking system that is "fit for purpose" for the transformed financial environment in which it will find itself operating in the coming decades.

An integral part of ongoing regulation is a detailed and ongoing assessment and analysis of the capital adequacy and solvency of all credit institutions within the state to ensure the stability of the system and flow of credit. Further, the Credit Institutions (Financial Support) Legislation, provides a detailed framework for the authorities to oversee and guide the assessment of strategic options by the banks themselves. The Irish scheme is firmly aligned with the main themes of the euro group plan, which contains an option to provide additional capital resources where appropriate to the banks. Each institution must take appropriate steps to ensure that their levels of capital are aligned with their needs. The State has a keen interest in the health and security of the banking institutions, because of their role in the economy. Clearly, my Department, the Central Bank and the Financial Regulator will be in continuing contact with the institutions on their business plans, capital position and their liquidity.

59. **Deputy Aengus Ó Snodaigh** asked the Minister for Finance the meetings or correspondence there was between his office and a company (details supplied) in view of the decision by the company not to join the credit institutions guarantee scheme; and if he will make a statement on the matter. [38666/08]

**Minister for Finance (Deputy Brian Lenihan):** The Credit Institutions (Financial Support) Scheme provides a guarantee for covered institutions until 29 September 2010.

Participation in the scheme is open to all eligible credit institutions and it is a matter for each institution to make its own decision on whether or not it wishes to join the scheme. In the process of establishing the scheme, there has been regular contact between my officials and a wide range of financial institutions, including the company referred to by the Deputy.

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The company referred to has chosen, for its own reasons, not to join the scheme and my Department was informed of this decision by letter dated 28 October 2008. The company has publically stated that this decision was influenced by the fact that its parent company has joined the UK Government Capital Guarantee Scheme and it did not see a need to participate in two schemes.

### Tax Code.

60. **Deputy Seán Sherlock** asked the Minister for Finance his views on introducing a higher rate of income levy than 2% for persons earning significantly more than €100,000; the number of taxpayers who have a taxable income of €100,000 to €200,000 and €200,000 and above; the number of these taxpayers who are married couples; the number of these who are individual taxpayers; the number of these who are PAYE taxpayers; the number of these who are self-employed, carrying on a trade or business; and if he will make a statement on the matter. [38828/08]

**Minister for Finance (Deputy Brian Lenihan):** The position is that the income levy will be applied to gross income except social welfare payments and contributory and non-contributory social welfare pensions. It is also proposed to exempt those on low incomes from the income levy. Full details on the levy will be set out in the forthcoming Finance Bill.

In relation to information requested by the Deputy, I am informed by the Revenue Commissioners that the numbers of income earners in the ranges of income specified are as provided in the following table. The numbers of earners are based on the adjusted data for 2005 projected forward to 2009 terms in accordance with macroeconomic data relating to actual and expected growth in wages and employment.

Range of Gross income		PAYE	Self-Employed	Total
100,001- 200,000	Single	14,200	4,800	19,000
	Married two earning	78,200	14,900	93,200
	Married one earning	18,000	4,400	22,400
	Widowed	700	600	1,400
	Range Total	111,100	24,700	135,900
over 200,000	Single	2,000	2,700	4,800
	Married two earning	10,200	9,000	19,200
	Married one earning	4,500	3,800	8,300
	Widowed	200	300	500
	Range Total	16,900	15,800	32,800

Any apparent discrepancies in totals are due to rounding.

It should be noted that the income ranges shown in the above table relate to gross income as defined in Revenue Statistical Report, 2006. They do not include incomes such as income from patent royalties, profits from commercial forestry, income before pension contributions and income from earnings of writers, composers and artists that will be subject to the income levy but are not currently available in the range basis breakdown as requested by the Deputy.

It should also be noted that gross income is different to taxable income, also defined in the Revenue Statistics Report 2006, which relates to income after personal reliefs and deductions

(including deductions for capital allowances) but prior to the application of tax credits and reliefs at the standard rate.

A married couple who has elected or has deemed to have elected for joint assessment is counted as one tax unit.

The figures are projected estimates rounded to the nearest hundred and may be subject to further revision.

### **Financial Institutions Support Scheme.**

61. **Deputy Kathleen Lynch** asked the Minister for Finance if an actuarial or similar analysis was carried out with respect to the aggregate level of liability taken on by the Exchequer through the credit institutions guarantee scheme and the annual cost of such a guarantee on the open market; if he will provide details of and publish the results of such analysis when they do not impinge on the commercial sensitivities of any particular bank or credit institution; and if he will make a statement on the matter. [38810/08]

**Minister for Finance (Deputy Brian Lenihan):** The guarantee has been introduced to remedy a very serious situation in relation to the financial institutions, for the benefit of the economy as a whole. The charge for the provision of the guarantee is derived from the Government funding cost.

While it would be possible in theory to estimate a market value for the guarantee, such an estimate would be based on a number of important assumptions. In practice, there is no market providing the type of guarantee scheme which we have introduced and it is doubtful if any market price estimate could be made reliably or accurately.

62. **Deputy Arthur Morgan** asked the Minister for Finance the meetings or correspondence he has had with the chief executive of the Irish Financial Services Regulatory Authority since the announcement of the credit institutions guarantee scheme; and if he will make a statement on the matter. [38662/08]

**Minister for Finance (Deputy Brian Lenihan):** I have regular contact with the Financial Regulator as circumstances require. In addition I am kept closely in touch with developments through ongoing dialogue at official level.

### **Financial Services Regulation.**

63. **Deputy Liz McManus** asked the Minister for Finance the position regarding the recruitment of experts by the Financial Regulator to police the banking sector; and if he will make a statement on the matter. [38816/08]

**Minister for Finance (Deputy Brian Lenihan):** The Financial Regulator has informed me that there was a large response to its recent advertisement for additional staff. It is currently reviewing the applications submitted and expects to be holding interviews in the next few weeks with initial placements occurring shortly after that depending on any notice period staff may have to provide to their current employer.

In the meantime, staff from the Financial Regulator are currently on-site in the covered institutions on an on-going basis and the additional staff will complement the current number of staff based in the covered institutions.

### **Flood Relief.**

64. **Deputy Denis Naughten** asked the Minister for Finance the steps which he is taking to

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address the summer flooding in the Shannon Callows; and if he will make a statement on the matter. [38571/08]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** I am very aware of the problems caused to farmers by the summer flooding in the Shannon Callows this year. I visited the area in September and met with the President of the Irish Farmers' Association and a number of farmers, and saw conditions at first hand. The Deputy will be aware that the rainfall this summer was exceptional, and exacerbated what is an already difficult situation in the Callows, due to the extremely flat gradient of the river, which makes it very difficult to devise a cost-effective solution.

The Office of Public Works has carried out some clearance of vegetation in the area, and the farmers acknowledge that, while that was not sufficient to prevent the flooding this year, it has improved the situation.

There is a proposal to remove silt from the Shannon Cut to try further to improve the situation. While OPW has some reservations as to how effective this will be, it is prepared to undertake a pilot project to test the efficacy of the measure, provided it is possible to do so in a cost-effective manner. Some discussions have taken place with the National Parks and Wildlife Service regarding the granting of a licence for this work. A number of issues have arisen, and OPW is in the process of arranging a meeting with NPWS, the IFA and other stakeholders to discuss the matter. The meeting will be held as soon as possible, and further progress will depend on the outcome.

### Exchequer Borrowing.

65. **Deputy Thomas P. Broughan** asked the Minister for Finance the forecast Exchequer borrowing requirement for the years 2008, 2009 and 2010; the discussions he or his Department officials have had with the EU institutions with regard to the possible launch of an excessive deficit procedure; and if he will make a statement on the matter. [38808/08]

**Minister for Finance (Deputy Brian Lenihan):** The projections for the years 2008, 2009 and 2010 for the Exchequer Balance and the General Government Balance, the latter being the relevant measure in the context of the Stability and Growth Pact, are detailed in Table 1 "Summary of Current and Capital Budgets 2008 to 2011" in the Budget 2009 publication and are as follows:

	2008 Post-Budget	2009 Projection Forecast	2010 Projection
	€m	€m	€m
Exchequer Balance	-11,510	-13,412	-11,237
General Government Balance	-10,375	-12,162	-9,311
GGB as % of GDP	-5.5%	-6.5%	-4.7%

*Note:* The General Government Balance (GGB) measures the fiscal performance of all arms of Government, e.g. Central Government, Local Authorities, Vocational Education Committees and non-commercial State sponsored bodies, as well as funds such as the Social Insurance Fund and the National Pensions Reserve Fund. It thus provides an accurate assessment of the fiscal performance of a more complete "government" sector. The GGB does not reflect the position of commercial State sponsored bodies as these agencies are classified as being outside the General Government Sector.

We have been keeping the European Commission informed about economic and fiscal developments in Ireland and I briefed Commissioner Almunia on the emerging situation in September. I have also provided my colleagues at Eurogroup and ECOFIN with an outline

of the evolving budgetary position. The European Commission's autumn Economic Forecast published on 3 November indicates that a number of countries are expected to breach the 3% reference value over the next three years. The Commission has indicated that it now proposes to initiate an Excessive Deficit Procedure for Ireland in the light of the projected general government deficit of 5.5% of GDP for 2008. This is the norm for countries exceeding the 3% reference value and it begins a process that will lead to consideration by the Commission and the Ecofin Council of the position in the coming months. As part of that process there have also been exchanges with the Commission at official level in relation to the factors which might be considered relevant in their consideration of the Irish situation.

### **Supplementary Budget.**

66. **Deputy Jan O'Sullivan** asked the Minister for Finance if he will introduce a supplementary budget during the first half of 2009; if there are circumstances in which he would consider doing so; and if he will make a statement on the matter. [38823/08]

108. **Deputy Bernard J. Durkan** asked the Minister for Finance the impact on his budgetary projections of the variations on the original estimates entered into since budget day 2009; and if he will make a statement on the matter. [39151/08]

111. **Deputy Bernard J. Durkan** asked the Minister for Finance if he will modify further any of the proposals announced in budget 2009; and if he will make a statement on the matter. [39154/08]

114. **Deputy Bernard J. Durkan** asked the Minister for Finance the action he will take to make good, financial shortfalls in Budget 2009, arising from adjustments arrived at since Budget day; and if he will make a statement on the matter. [39157/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 66, 108, 111 and 114 together.

Budget 2009 was presented to the Dáil on 14 October last. The Budget sets out a medium-term strategy with the clear intention of stabilising and restoring balance to the public finances as soon as possible by, amongst other things, reducing and prioritising public expenditure and adjusting taxation levels to reflect the changed realities.

There have been no changes to the aggregate Budget forecasts. In relation to spending gross voted expenditure is set at just over €64 billion for 2009. Taxation measures in 2009 are expected to raise almost €42.8 billion. With regard to adjustments to taxation and expenditure measures, I have stated my commitment to remaining within the budget parameters. Government Departments are required to manage within their agreed spending allocations as set out in the Budget.

### **Financial Institutions Support Scheme.**

67. **Deputy Arthur Morgan** asked the Minister for Finance the meetings or correspondence he has had with directors or boards of any Irish credit institution since the announcement of the credit institutions guarantee scheme; and if he will make a statement on the matter. [38664/08]

**Minister for Finance (Deputy Brian Lenihan):** I have regular contact with the representatives of the financial sector — both domestic and international banks. In addition, I am kept closely in touch with developments through ongoing dialogue at official level.

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I do not believe it would be helpful to discuss individual meetings or correspondence. I am sure that the Deputy will recognise the strong potential for misinterpretation and misinformation in the market if I were to publicly discuss each individual meeting that I have held.

### **Tax Code.**

68. **Deputy Mary Upton** asked the Minister for Finance if he will explain the rationale for changing payment dates with respect to corporation tax and capital gains tax; the expected impact of these measures on Government cashflow in 2009; and if he will make a statement on the matter. [38837/08]

101. **Deputy Leo Varadkar** asked the Minister for Finance if an assessment has been carried out on the administration cost that will be imposed on businesses by bringing forward the due dates for corporation profit tax and capital gains tax; and if he will make a statement on the matter. [39091/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 68 and 101 together.

In my Budget speech, I announced that the current single payment date for preliminary corporation tax for large companies (those whose corporation tax liability in their previous accounting period is more than €200,000) will be split into two instalments. This will apply to accounting periods commencing on or after Budget Day, 14 October 2008. The details of how the new arrangements will work are set out in the Summary of Budget Measures which forms part of the published Budget 2009 documentation.

The change to the preliminary tax payment dates will give rise to an estimated once-off cash flow gain to the Exchequer of €350 million in 2009. The change involving the bringing forward of the payment date in 2009 for individuals paying capital gains tax will generate a further €200 million in 2009 on a once-off basis. The rationale for these changes is the need to stabilise the public finances and all sections of the economy and community have to play their part in addressing the fiscal challenges we are facing.

As regards additional administration burdens on business, it should be noted that well over 90% of companies, that is small companies with a corporation tax liability of €200,000 or less in their previous accounting period will not be affected by the changes to the payment dates for preliminary corporation tax. Moreover, despite the need to secure substantial increases in tax revenue, the Budget was carefully structured so as not to worsen the competitive position of Irish business and to include measures to support jobs, encourage enterprise and enhance our productive capacity. These additional measures include: an increase in the rate of R&D tax credit from 20% to 25%, a remission of corporation tax and capital gains tax for new start up companies in their first three years of trading where their tax liability in any year does not exceed €40,000, and an extension of the deadlines for the online submission by businesses of tax returns and payments.

I should also make the point that the Revenue Commissioners have in recent years introduced many simplification measures designed to ease the compliance burden for business. The measures have involved legislative, administrative, operational and e-business aspects. A comprehensive programme to systematically consolidate and streamline the body of older legislation governing the various taxes and duties has made significant progress in streamlining and simplifying the regulatory environment for business. Less frequent filing obligations and increased registration thresholds introduced in recent years have reduced the administrative



burden for thousands of small businesses. The development of the Revenue On-Line System (ROS) has also been acknowledged as a major contributor to the reduction of the administrative burden on business.

Reducing the administrative burden on business has been and continues to be a key priority for Revenue and their efforts in this area have been acknowledged by business representatives.

69. **Deputy Jack Wall** asked the Minister for Finance if he intends for prospective carbon tax to be revenue neutral as set out in the programme for Government; and if he will make a statement on the matter. [38826/08]

**Minister for Finance (Deputy Brian Lenihan):** The Programme for Government includes a commitment to introduce a carbon tax/levy on a revenue neutral basis over the lifetime of the Government. This will, of course, form an important part of the normal deliberative process of the Government in setting fiscal and environmental policy.

The Deputy will be aware the matter of a carbon tax is being considered by the Commission on Taxation and the Commission is due to report by September 2009 at the latest.

#### **Financial Institutions Support Scheme.**

70. **Deputy Róisín Shortall** asked the Minister for Finance if financial support, within the meaning of the Credit Institutions (Financial Support) Act 2008, has been sought by or provided to a credit institution or subsidiary by individual agreement under Section 6(4) of that Act rather than under the general terms of the Credit Institutions (Financial Support) Scheme 2008 (SI 411 of 2008); if so, the nature of such support; and if he will make a statement on the matter. [38835/08]

**Minister for Finance (Deputy Brian Lenihan):** Under section 6 of the Credit Institutions (Financial Support) Act 2008, the Minister for Finance can provide financial support to such credit institutions and subsidiaries as the Minister specifies by order. Section 6(4) provides that the provision of financial support may be effected by individual agreement, a scheme made by the Minister or otherwise. To date the only financial support that has been provided under the Act had been provided under the Credit Institutions (Financial Support) Scheme 2008 (SI no 411 of 2008). No financial support has been provided under an individual agreement.

#### **Tax Collection.**

71. **Deputy Aengus Ó Snodaigh** asked the Minister for Finance the steps he has taken to ensure better reporting going forward in view of the previous failings of his Department to accurately predict tax revenue; and if he will make a statement on the matter. [38668/08]

**Minister for Finance (Deputy Brian Lenihan):** Last year, my Department's Budget 2008 forecast assumed tax revenue growth of  $3\frac{1}{2}\%$  for 2008. This was viewed as a conservative forecast by many commentators and in fact others, such as the ESRI, forecast stronger revenue growth at the time. However, tax revenue weakened considerably as the year progressed, reflecting the challenging domestic and international economic environment. Consequently, the Department of Finance expects an end-year tax shortfall of the order of €6 $\frac{1}{2}$  billion. As part of Budget 2009, my Department forecast tax revenue growth of approximately 1% in 2009 as a result of significant revenue raising measures introduced in the Budget.

Earlier this year, the Department of Finance published a report produced by a group specifically established to examine the tax forecasting methodologies used by the Department. The Tax Forecasting Methodology Review Group comprised of experts from the Department of

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Finance, the ESRI, the Revenue Commissioners, the Central Bank and had input from the EU Commission.

In terms of the findings, while the Group suggested that the Department of Finance displays a prudent bias in tax forecasting, it did not suggest any major structural recommendations to the way the Department forecasts tax revenue. However, it did suggest a number of adjustments which the Department is currently implementing. Furthermore, the Group's report also indicated that the Department's methods were not out of line internationally. A copy of the Group's report is available on the Department of Finance website at [www.finance.gov.ie](http://www.finance.gov.ie).

*Question No. 72 answered with Question No. 32.*

### **Tax Code.**

73. **Deputy Michael D. Higgins** asked the Minister for Finance if, in view of recent financial developments, he is in favour of European and international support for the Tobin tax. [38396/08]

**Minister for Finance (Deputy Brian Lenihan):** The Deputy may be aware that the issue of a currency transactions tax (Tobin tax) has been considered in a number of fora, including the informal Ecofin meeting at Liège on 22 September 2001. At that stage, the Belgian Presidency indicated that it wished to pursue the matter in the context of a general study to be carried out by the Commission on the issue of globalisation. However, it would be fair to say that most EU Finance Ministers at that time had reservations about the Tobin tax proposal. In particular, it was believed that it was not clear whether a further examination of the issue by the Commission would ensure satisfactory answers to issues relating to the tax, including: difficulties relating to practical implementation of the tax; its doubtful effect on short-term speculative capital movements; its conflict with the basic tenet of free capital movement in the EU; its disproportionate effect on small business and consumers; the probability that the tax would simply drive participants into other (non-taxable) alternatives; and the negative impact on liquidity in the foreign exchange market.

Nevertheless, at a formal Ecofin meeting on 16 October 2001, it was agreed that the Commission would carry out a study on globalisation and that this study would examine the arguments for, and against, a Tobin tax. This study, "Responses to the Challenges of Globalisation", was published on 14 February 2002. On the matter of the Tobin tax, the study concluded that "while as a source of additional revenue a currency transaction tax may look appealing, its feasibility is, however, not demonstrated".

This issue was also raised at EU level in 2005 in the context of the financing of development aid but was dismissed by the EU Commission for reasons such as those already outlined.

I do not propose to introduce such a tax as I am unconvinced of its feasibility given the many practical difficulties and potentially negative implications arising from its introduction.

### **Departmental Staff.**

74. **Deputy Michael Creed** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of staff employed in her Department whose function it is to deal with representations from her constituency; the number of these staff that are located in the constituency and in her Department; the grade and remuneration at which these staff are employed; and if she will make a statement on the matter. [38956/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The table following outlines the number of staff employed in my Department whose function it is to deal with representations from my constituents. The table also sets out the grade and salary pay scale for each staff member:

Constituency Office	Grade	Salary (Pay Scale) per annum
Department	1 Executive Officer	€31,394 – €49,809
	1 Clerical Officer	€24,397 – €39,558
	1 Clerical Officer (on a 0.8% worksharing basis)	€24,397 – €39,558
Constituency Office Donegal	1 Personal Assistant	€46,558 – €59,097
	1 Personal Secretary	€23,101 – €44,572
	1 Temporary Clerical Officer	€24,397 – €39,558
	1 Clerical Officer	€24,397 – €39,558

75. **Deputy Michael Creed** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38970/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The following table outlines the number of staff employed by Ministers of State in my Department whose function it is to deal with representations from the Ministers of States constituency. The table also sets out the grade and salary pay scale for each staff member.

Minister of State for Labour Affairs, Mr. Billy Kelleher T.D.

Constituency Office	Grade	Salary (Pay Scale) per annum
Department	1 Clerical Officer	€24,397 – €39,558
Constituency Office Cork	1 Personal Assistant	€41,092 – €52,200
	1 Personal Secretary	€23,101 – €44,572

Minister of State for Trade & Commerce, Mr. John McGuinness T.D.

Constituency Office	Grade	Salary (Pay Scale) per annum
Department	None	
Constituency Office Kilkenny	1 Personal Assistant	€46,558 – €59,097
	1 Personal Secretary	€30,566 – €48,504
	2 Secretarial Assistants	€23,101 – €44,572
	1 Clerical Officer	€24,397 – €39,558

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Minister of State for Science, Technology and Innovation, Dr. Jimmy Devins T.D.

Constituency Office	Grade	Salary (Pay Scale) per annum
Department	1 Clerical Officer	€24,397 – €39,558
Constituency Office Sligo	1 Personal Assistant	€46,558 – €59,097
	2 Personal Secretaries (each on a 0.5% worksharing basis)	€24,397 – €39,558

**Departmental Agencies.**

76. **Deputy Ciarán Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment if, with reference to Parliamentary Question No. 194 of 8 October 2008 in regard to each centre, the centre is owned or leased; the total floor area of each centre; and if she will make a statement on the matter. [39005/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The information requested by the Deputy is set out in the following table.

	FÁS Owned/Leased	Approx Floor area sq feet	Approx Floor area sq metres
<i>Dublin</i>			
Baldoye	FÁS owned	78,513	7,294
Cabra	FÁS owned	50,548	4,696
Jervis Street	Leased	31,976	2,971
Finglas	FÁS owned	80,294	7,518
Ballyfermot	FÁS owned	131,245	12,193
Tallaght	FÁS owned	109,814	10,202
Loughlinstown	FÁS owned	83,303	7,739
<i>South East</i>			
Waterford	FÁS owned	101,824	9,460
Wexford	FÁS owned	6,100	567
<i>South West</i>			
Cork	FÁS owned	123,786	11,500
Tralee	FÁS owned	49,220	4,573
<i>Mid-West</i>			
Limerick	FÁS owned	84,131	7,816
Shannon	Leased	56,250	5,226
<i>West</i>			
Galway	FÁS owned	61,500	5,713
Ballina	Leased	7,719	717
<i>North West</i>			
Sligo	FÁS owned	45,742	4,250
Gweedore	Leased	27,771	2,580
Letterkenny	FÁS owned	53,529	4,973
<i>North East</i>			
Dundalk	FÁS owned	50,482	4,690
<i>Midlands</i>			
Athlone	FÁS owned	45,855	4,260

### EU Regulations.

77. **Deputy Pádraic McCormack** asked the Tánaiste and Minister for Enterprise, Trade and Employment if, under European Communities (Hallmarking of articles imported from other Members States) Regulations, 2001 S.I. No. 579/2001, there are items covered by this regulation imported from Thailand for sale outside of Ireland; if it is necessary to have these items hallmarked if they are for resale in countries outside the European Union; and if she will make a statement on the matter. [39020/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** Section 1 of the Hallmarking Act, 1981 defines articles of precious metals as articles consisting of or containing gold, silver or platinum. Irish hallmarking legislation requires all articles of precious metals to be assayed (that is to say tested for fineness) and hallmarked in Ireland. Statutory Instrument No. 579 of 2001 which was made under the European Communities Act, 1972 provides for the recognition of other Member States hallmarking regimes as set out in the Regulations. These Regulations only apply to EU Member States.

### State Agencies.

78. **Deputy Joe McHugh** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of County Donegal electricians on the FÁS list of recommended electricians. [39066/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** I understand that FÁS does not maintain a list of contractors for engagement in any region. The selection of candidates is based on pre-set criteria and rules for selection, which are made available in advance to interested parties.

### Work Permits.

79. **Deputy Michael D. Higgins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the full amounts of moneys collected over each of the past three years through applications made to her Department and its offices under the work permit scheme. [39074/08]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** The amount collected in employment permit fees over the past three years is as follows: 2006 — €10.8m; 2007 — €16.7m; 2008 — €4.5m (to end August 2008).

These are net receipts as fees are refunded to the applicant if the permit is refused or withdrawn prior to the issuing of the permit.

### Departmental Staff.

80. **Deputy Richard Bruton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the systems her Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if she will present data for the most recent years on this matter. [39175/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** Staff of my Department are entitled to be absent, subject to prior approval, for a number of reasons (e.g. Maternity Leave, Paternity Leave, Adoptive Leave, Carer's Leave etc.). Clear procedures are in place in my Department for the approval and recording of such absences.

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Staff of my Department are also entitled to be absent from work when they are ill, in accordance with the terms of the Civil Service sick leave regulations. Clear notification procedures are in place and all sick leave is monitored for compliance with sick leave regulations. For this purpose, sick leave is measured in “duration days” (span of sickness absence from date of first absence to date of return to work) rather than actual working days lost. Separately, my Department has begun detailed examination of sickness absence, applying international best practice principles. Our first such examination was done in respect of the calendar year 2007. According to this analysis, the percentage of working days lost due to sickness absence was 3.90% in 2007 and 4.02% in 2006. Currently, my Department does not cost the impact of absences.

### **National Disability Strategy.**

81. **Deputy David Stanton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the budget 2009 allocation for the advancement of the national disability strategy; and if she will make a statement on the matter. [39280/08]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The total allocation in 2009 for the advancement of the National Disability Strategy by the Department of Enterprise, Trade and Employment and its agencies is €78.642million of which €77.7million is ring-fenced within the FÁS allocation for specific employment and training programmes for people with disabilities.

### **Motor Vehicle Registration.**

82. **Deputy Jack Wall** asked the Minister for Finance the reason a person (details supplied) in County Kildare cannot obtain registrations for antique vehicles; and if he will make a statement on the matter. [38989/08]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that a letter detailing how registration for antique vehicles may be obtained has issued to the person in question.

### **Departmental Staff.**

83. **Deputy Michael Creed** asked the Minister for Finance the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38958/08]

84. **Deputy Michael Creed** asked the Minister for Finance the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38972/08]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 83 and 84 together.

The following are the staff employed in my Department whose function is to deal with representations from my constituency:



Grade	Number	Annual salary range
Executive Officer on Higher Executive Officer duties	1	€46,558 – €59,097 plus allowance retained from former duties
Clerical Officer	2	€23,174 – €40,417
Personal Secretary	1	€23,181 – €44,726
Personal Assistant	1	€46,558 – €55,030

One Clerical Officer and my Personal Secretary are based in my constituency office in Castleknock. The remainder of the staff are all based in my Department's offices in Merrion Street.

I am advised by the Office of Public Works that the following staff are employed there to deal with representations from Minister of State Mansergh's constituency:

Grade	Number	Annual salary range
Personal Secretary	1	€30,566 – €50,410
Personal Assistant	1	€46,558 – €55,030

The Minister of State's Personal Secretary is located in his constituency office in Tipperary Town, and his Personal Assistant is based in the Dublin office of the Office of Public Works.

#### **Tax Code.**

85. **Deputy Enda Kenny** asked the Minister for Finance the schedule of VAT rates for the professional photography industry; if he is satisfied that all Departments and State agencies are aware of the range of the schedule and that this schedule is implemented in accordance with appropriate rates set out by the Revenue Commissioners; and if he will make a statement on the matter. [38979/08]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that commissioned photographic images, when supplied in the form of prints, slides and negatives, qualify for the 13.5% VAT rate, whereas the same images supplied on disc or via email are subject to the standard rate of 21%.

Responsibility for ensuring that the correct rate of VAT is charged on the provision of any goods or services lies with the supplier. Suppliers of photographic goods or services, or indeed any other goods or services, to a Government Department or State agency are obliged to charge the proper VAT rate.

Where a Government Department or State agency is supplied with photographic images from a supplier in another EU Member State at the zero-rate the Government Department or State agency must self-account for VAT at the correct rate. I have no reason to believe that Government Departments and State agencies are not aware of their obligations in this regard in circumstances when they are required to self-account.

#### **Financial Services Regulation.**

86. **Deputy Joan Burton** asked the Minister for Finance if credit default swaps and certain related derivative contracts are regarded by the regulatory authorities here as valid financial instruments creating enforceable rights or as void and unenforceable as wagering contracts; the manner in which dealing in such contracts is regulated; and if he will make a statement on the matter. [39000/08]

**Minister for Finance (Deputy Brian Lenihan):** The provision in the State of certain investment services, such as professional dealing services or investment advice, in respect of a credit default swap would fall to be regulated by the Financial Regulator under the European Communities (Markets in Financial Instruments) Regulations 2007 (S.I. No. 60 of 2007), which transpose the EU Markets in Financial Instruments Directive (2004/39/EC) into national law. This would be on the basis that what is concerned in the Deputy's question is a 'derivative instrument for the transfer of credit risk' within the meaning of that legislation. In such a case, subject to certain exceptions provided for in the Regulations, an Irish firm providing those services would require to be authorised by the Financial Regulator and its compliance with the Regulations and related capital requirements would be supervised by the Financial Regulator. The position is the same for other derivative instruments covered by those Regulations.

Equivalent requirements apply in other European Member States (pursuant to the above Directive) and are supervised by the corresponding regulatory authorities in those Member States. Where those firms have a branch in Ireland, the Financial Regulator supervises their compliance with rules applicable to that branch.

In terms of any question as to the validity of such contractual obligations, this is a matter for the Courts. Where the contract is governed by Irish law, the relevant Courts would be those of Ireland. Where it is governed by laws other than those of the State, it will be the Courts of the relevant foreign jurisdiction. For example, there is an international practice for many such contracts to be governed by either English or New York law. Generally speaking, there is not a question over the legal validity of derivative contracts such as credit default swaps and they are of common use in the financial markets and wider domestic and international trade. In the specific case of Ireland, the Netting of Financial Contracts Act 1995 bolsters the effectiveness of such contracts by providing that the set-off mechanisms (referred to as 'netting') inherent in such contracts are valid, including on an insolvency of one of the parties.

87. **Deputy Joan Burton** asked the Minister for Finance his views on the nature and extent of dealing in contracts for difference in Irish publicly quoted companies; if he proposes to take steps to restrict or otherwise reform the regulation of these instruments; and if he will make a statement on the matter. [39001/08]

**Minister for Finance (Deputy Brian Lenihan):** The main Irish shares traded which use Contracts For Difference (CFDs) are dual-listed shares and the vast majority of Irish CFD trading is completed on a cross-border basis, with counterparties outside the State. There are no published figures available in relation to the volumes of these transactions.

CFDs represent a way of taking a position on a listed company without actually buying or selling its shares. It is clearly desirable that there should be greater market transparency in relation to such activity. The market should know when a person has a significant holding of CFDs. In fact the Regulations which transposed the EU's Transparency Directive (Directive 2004/109/EC) into Irish law require announcements to be made in relation to financial instruments that provide an option to purchase. However, this is an international issue, given that shares can have multiple listings in different jurisdictions.

The Financial Regulator has been in consultation with the UK's Financial Services Authority with a view to arriving at a similar approach in both jurisdictions so as to avoid the scope for regulatory arbitrage. The FSA is pursuing some initiatives in this area and when these are confirmed, I will, following consultation with the Financial Regulator, consider the need for legislation in this country.

**Financial Institutions Support Scheme.**

88. **Deputy Joan Burton** asked the Minister for Finance if he will explain what a market notice is; the persons to whom it is addressed and under what authority; the circumstances in which his Department issues such a notice; the number of such notices issued in the past; and if he will make a statement on the matter. [39002/08]

**Minister for Finance (Deputy Brian Lenihan):** A market notice is a document designed to provide information to participants in the financial markets. The Market Notice issued by my Department on 22 October was not prepared as a requirement under any legislative imperative. It was issued under my general authority to issue a public statement on matters within the remit of my Department. Its purpose was to provide a simple and clear statement to market participants of certain key elements of the Credit Institutions (Financial Support) Scheme 2008. The Market Notice does not and could not alter the Scheme as approved by the Oireachtas and the European Commission.

My Department has not had reason to issue a comparable market notice in the past.

**Tax Code.**

89. **Deputy John Perry** asked the Minister for Finance if he will ensure that a person (details supplied) in County Leitrim, who upon purchase of farmland completed the green certificate course and submitted an application for refund of stamp duty in March 2008; if they will receive this refund as a matter of urgency; the position regarding this application as no information has been forthcoming from the Revenue Commissioners since the application was made; and if he will make a statement on the matter. [39007/08]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that a claim for a refund of Stamp Duty, by way of Young Trained Farmer Relief, was made to the Dublin Stamping Office, by the individual's Solicitor by letter dated 31 July 2008.

Further certification in relation to the claim was sought by the Revenue Commissioners in relation to the educational requirements together with a request for the return of the original Deed, to determine whether relief was due and to process the claim.

I am informed that all information has now been received and that the refund was processed on 4 November 2008.

90. **Deputy Ciarán Lynch** asked the Minister for Finance if, in the context of the provision of tax relief for the relocation of SEVESO sites, it is intended to allow tax relief for the execution of remediation works on vacated sites; and if he will make a statement on the matter. [39014/08]

**Minister for Finance (Deputy Brian Lenihan):** In my Budget speech on 14th October, I announced the introduction of a new tax incentive scheme to facilitate the relocation of Seveso-listed industrial facilities which hinder the residential and commercial regeneration of Docklands in urban areas. The EU Seveso Directive seeks to protect public safety by placing land-use restrictions on new residential and commercial development near locations where potentially dangerous activities are undertaken.

The Deputy will also be aware that I indicated in my speech that this scheme will be subject to clearance by the European Commission from a State Aids perspective.

In discussions which have been held between officials and the EU Commission about the regeneration of urban docklands, the Commission has indicated that the use of tax incentives

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to facilitate the remediation of sites vacated by Seveso-type industrial facilities for any future residential and commercial use will not pass the EU State Aid rules because of the ‘polluter pays principle’. This ensures that an industry that creates a pollution incident (or in this case, which undertakes the land-use that has damaged a particular location) must bear the cost of remediating the property back to a pre-pollution/pre-damaging land-use basis.

### **Financial Services Regulation.**

91. **Deputy Jimmy Deenihan** asked the Minister for Finance if he has received a request to instruct the Financial Regulator to investigate alleged overcharging by a company (details supplied); and if he will make a statement on the matter. [39022/08]

**Minister for Finance (Deputy Brian Lenihan):** I might first explain that the function of the Minister for Finance is to provide an appropriate and robust legislative framework for regulation of the financial services sector with a particular focus on the consumer. The establishment of the Financial Regulator and the Financial Services Ombudsman in 2003 and 2005 respectively means that such a framework is now in place. It provides, with effect from their establishment, for both strengthened supervision of financial service providers and a forum to which complaints about the actions of financial service providers may be addressed.

In dealing with the Deputy’s specific question, I am aware that allegations of overcharging have been made against certain financial institutions. Indeed the issue was fully aired at the Joint Oireachtas Committee on Economic and Regulatory Affairs in May 2008. I am aware that certain allegations of overcharging have been resolved through the intervention of the Financial Regulator and other cases have been investigated by the Financial Services Ombudsman.

As the Deputy will be aware, I do not comment on individual cases. Furthermore, as Minister for Finance, I have no role in relation to the investigation of alleged overcharging by any financial services body. However, I continue to oversee the effectiveness of the financial regulations already in place to deal with allegations of irregularity and intervene, if necessary, to improve the effectiveness of these regulations.

### **Banking Sector Regulation.**

92. **Deputy Jimmy Deenihan** asked the Minister for Finance if the Central Bank has advised him of the number of cases prosecuted against Irish banks in courts here; and if so, if he will provide a breakdown for each bank licensed here; and if he will make a statement on the matter. [39023/08]

**Minister for Finance (Deputy Brian Lenihan):** The Central Bank and Financial Services Authority of Ireland (CBFSAI) does not advise the Minister for Finance in relation to the number of cases prosecuted against any financial institution, including banks, in courts of this State.

By way of background, I might explain that the role of the Minister for Finance as regards financial regulation is to develop policy and bring forward proposals to the Oireachtas for the regulation of the financial services sector. Once that legislation has been enacted, the task of implementing and applying it on a day-to-day basis rests with the Financial Regulator, which is independent of the Minister in the exercise of its statutory functions.

Part IIIc of the Central Bank Act, 1942, as inserted by the Central Bank and Financial Services Authority of Ireland Act 2004, provides the Financial Regulator with a range of options to deal with contraventions of regulatory requirements, including the power to adminis-

ter sanctions in respect of prescribed contraventions by regulated financial service providers and persons concerned in the management of regulated financial service providers. It may also refer certain suspected contraventions to other enforcement bodies or agencies, such as An Garda Síochána or the Director of Public Prosecutions for further investigation.

Any sanctions administered by the Financial Regulator are published on its website. In addition, the Financial Regulator records, in its Annual Reports, the number and types of regulatory actions, including administrative sanctions, in any given year. As far as the question of the number of cases prosecuted against credit institutions in the courts in this context is concerned, I have forwarded this to the CBFSAI, which will reply directly to the Deputy.

### **Financial Services Regulation.**

93. **Deputy Joan Burton** asked the Minister for Finance if contracts for difference are a declarable interest under the Standards in Public Office Act 2001; and if he will make a statement on the matter. [39025/08]

**Minister for Finance (Deputy Brian Lenihan):** The Second Schedule to the Ethics in Public Office Act 1995 defines a registerable interest for the purposes of that Act.

The application of these or of other provisions of the Ethics Acts in particular cases, or to particular instruments or investments, is a matter for the Standards in Public Office Commission in the first instance or, as the case may be, the relevant Select Committee on Members' Interests. The Ethics in Public Office Act 1995 provides that a person to whom the provisions of the Ethics legislation applies can request the Commission (or, for a non-office holding Oireachtas member, the relevant Select Committee on Members' Interests) to give advice to the person in relation to any provision of the legislation or to the application, in any particular case, of any such provision.

94. **Deputy Joan Burton** asked the Minister for Finance if there are ethical, legal or conflict of interest issues relating to the use of spread betting by public representatives, public sector officials, officials of entities regulated by the Financial Regulator or others to profit from changes in the share prices of Irish publicly quoted companies in which they may have had access to information which is commercially sensitive with respect to the relevant companies; the steps taken to ensure that such ethical, legal or conflict of interest issues do not arise; if he will propose legislation or impose regulations in this regard; and if he will make a statement on the matter. [39026/08]

**Minister for Finance (Deputy Brian Lenihan):** The matters raised by the Deputy are dealt with at a number of levels. In the first instance, the Ethics in Public Office Acts provide a framework for dealing with conflicts of interest which can arise in the course of employment, including in relation to the declaration of interests, and the furnishing of a statement of the facts where a conflict of material interests exists, by Oireachtas members, by special advisers and by those directors and employees to whom the legislation applies in the civil and public sectors. The Ethics Acts also provide procedures under which complaints on suspected contraventions of the legislation can be dealt with, and provides for codes of conduct, such as the Civil Service Code of Standards & Behaviour, breaches of which are dealt with under the internal procedures of the bodies concerned.

Criminal law may also apply as the improper use of inside information is a very serious matter, but legislative protections already exist to cater for the type of situation outlined in the Deputy's question. The 2005 Market Abuse Regulations, made by the Minister for Enterprise, Trade and Employment, transposed the EU Market Abuse Directive (Directive 2003/6/EC)



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into national law and set down the parameters for tackling insider dealing and market manipulation, collectively referred to as “market abuse”. Regulation 4(1) of these Regulations highlights that they apply to any financial instrument admitted, or pending admission, to trading on a regulated market “whether or not any transaction in or relating to the financial instrument takes place on that market”. The Regulations apply to everyone, with certain specific exceptions which are set down in Regulation 4(3). Therefore spread-betting on the price movement of any shares admitted to trading on any regulated market, is covered by the Market Abuse Regulations.

The Financial Regulator is the competent authority for the purposes of the Directive and the Regulations provide it with all the necessary monitoring and enforcement powers.

Convictions for market abuse carry penalties of a fine of up to €10m or 10 years imprisonment or both, as provided for in Section 32 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005.

### **Revenue Staff.**

95. **Deputy Olwyn Enright** asked the Minister for Finance the number of vacancies at executive officer level within the Revenue Commissioners in Athlone as on the 15 October 2008; when these vacancies will be filled from the existing panels in the Public Service Appointments Office; and if he will make a statement on the matter. [39038/08]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that the allocation of their staff resources is kept under constant review and is subject to adjustment in the context of changing business needs and available resources. The filling of posts in any part of the organisation is approached from this perspective. Revenue had 108 staff serving in Athlone on 15 October, including 34 at Executive Officer level. In the year to date, four Executive Officers have been appointed to Athlone from the Public Appointments Service Panel and there are no immediate plans to make any further such appointments.

### **National Lottery Funding.**

96. **Deputy Joan Burton** asked the Minister for Finance the level of national lottery funding administered by his Department in 2007 and 2008 and anticipated lottery revenue in 2009; the amount distributed and expected to be distributed to each Department in each of these years; the level of matching and expected matching provided by each Department in each relevant year; the ratio and expected ratio of matching funds provided by the Exchequer in each of these years; the ratios and expected ratios under each relevant subhead in the relevant estimates of each relevant Department in each of the years; and if he will make a statement on the matter. [39047/08]

**Minister for Finance (Deputy Brian Lenihan):** The National Lottery Company generated a surplus of €245.480m in 2007. It is expected to generate a broadly similar or slightly higher surplus in 2008 and in 2009. The amount of lottery funding transferred to the Exchequer in 2007 to part-fund the various programmes in various Government Departments was €230m while the corresponding amount which will be transferred in 2008 is €260m. The amount which will be transferred in 2009 is expected to be in line with the 2008 figure.

Total expenditure on programmes part-funded by receipts from the National Lottery amounted to €444m in 2007 and is estimated to be €466m in 2008. Total expenditure on such programmes in 2009 is estimated at €448m. A table showing allocations by Department for subheads part-funded by the National Lottery in 2007 and 2008 is included in Appendix I of



the Revised Estimates for Public Services 2008. A similar table will be published in the Revised Estimates for Public Services 2009. The ratio of aggregate National Lottery funding to aggregate Exchequer funding in 2007 was 52: 48 while the corresponding ratio in 2008 is expected to be 56:44. The ratio of National Lottery to Exchequer funding in 2009 is expected to be broadly in line with the 2008 ratio.

### **Financial Institutions Support Scheme.**

97. **Deputy Joan Burton** asked the Minister for Finance if his attention has been drawn to the fact that there was a fall of 10% in the amount that Irish residents held in their current accounts between August 2007 and August 2008 from €32,857 million to €29,601 million, that there was a 12.6% fall in their demand deposits over the same period from €29,601 million to €25,733 million, that overdrafts increased by €1.1 billion over this period while overnight deposits declined by almost €1 billion and that these figures indicate a picture of a rapidly shrinking money supply in the Irish economy and indicate that borrowers in the Irish economy will soon be unable to service their loans while small businesses will face serious cash flow problems; the action he will take to address this crisis of liquidity in the Irish economy; and if he will make a statement on the matter. [39048/08]

**Minister for Finance (Deputy Brian Lenihan):** The figures quoted by the Deputy mainly relate to retail clearing credit institutions, which is a group of four banks. Looking at the situation for all Irish credit institutions, which mirrors developments in the sub-set mentioned above, the amount of deposits held by Irish residents in overnight deposit accounts between September 2007 and September 2008 declined by 12.9 per cent. However, this was more than counterbalanced by the increase in term accounts of 22 per cent, or €18 billion. This would suggest that Irish people may be moving their deposits from overnight deposits, which generally offer low interest rates, into accounts with much higher interest rates, such as those with an agreed maturity.

The Central Bank informs me that the amount of credit accounted for by overdrafts can be quite volatile. Their statistics show that over the year to August 2008, overdrafts for households increased by €512 million, but decreased by €63 million for non-financial corporates.

There is no doubt that banks faced a harder task of raising funds over the past twelve months, due to the difficulties in interbank money markets. However, analysis of credit institutions' balance sheets show how banks have adapted to this by accessing different sources of funding. For example, borrowing from the European Central Bank has increased, which shows that Irish credit institutions have adequate collateral to draw down this form of lending. Decisive action to protect the stability of the economy and its financial system was taken by the Government with the introduction of the Scheme made under the Credit Institutions (Financial Support) Act 2008. The extended international credit crunch which we have experienced has brought home to all of us the pivotal role of the financial system in the economy and in the day-to-day lives of ordinary people. An important aim of the Guarantee Scheme the Government have introduced is to ensure that we have a banking system that as a whole works effectively, efficiently and competitively in facilitating all the day-to-day ordinary economic transactions of commercial, business, family and social life. The scheme therefore includes the application of strict terms and conditions on covered institutions to ensure that the public interest, which includes the general consumer and small business sector, is paramount.

By putting the Guarantee Scheme in place the Government is helping to ensure that financial institutions continue to play their proper role in facilitating economic activity and enterprise and important financial transactions of households.

**Financial Institutions Support Scheme.**

98. **Deputy Joan Burton** asked the Minister for Finance if his attention has been drawn to the fact that outstanding Irish bank loans to property developers within Ireland only, were estimated to be €86.7 billion in June 2008 and that expert commentators estimate that the banks are expected to be forced to write off up to €45 billion of these loans over the next two years; if there is a proposal within his Department to inject capital into the system if required in order to ensure that the bank guarantee is not called in; if he has set a limit on the amount of capital that the State would be prepared to inject into the banking system in such a scenario; and if he will make a statement on the matter. [39049/08]

**Minister for Finance (Deputy Brian Lenihan):** I do not wish to comment on speculative comments by various commentators but as it happens most serious commentators — and the institutions themselves — expect provisions required to be a much smaller figure than that suggested by the Deputy.

It is a matter for each institution and its auditors to publish results at the appropriate periods. The banks will be releasing accounts and information over the coming months. The Financial Regulator clearly takes a direct interest in this issue, with a view to ensuring financial stability. I understand that the Regulator is engaged in an exercise at present to review the loan books and business plans of the guaranteed institutions.

As regards the capital position of the banks, each institution must take appropriate steps to ensure that their levels of capital are aligned with their needs. The State has a keen interest in the stability of the banking institutions, because of their role in the economy. Clearly, my Department, the Central Bank and the Financial Regulator will be in continuing contact with the institutions on their business plans, their capital position and their liquidity. Under the guarantee scheme, institutions can be required to adjust their capital ratios if that is required for the maintenance of financial stability.

**Tax Code.**

99. **Deputy Jan O'Sullivan** asked the Minister for Finance if it is intended that the income levy announced in budget 2009 will apply to occupational pensions; and if he will make a statement on the matter. [39055/08]

**Minister for Finance (Deputy Brian Lenihan):** The position is that the income levy will be applied to gross income except social welfare payments, including contributory and non-contributory social welfare pensions. It is also proposed to exempt those on low incomes from the income levy.

More detailed provisions, in relation to the collection, recovery, inspection of records, and other provisions required will be set out in the Finance Bill.

**Departmental Properties.**

100. **Deputy Joe McHugh** asked the Minister for Finance the public buildings that are vacant or not in use in County Donegal; the amount the heating, maintenance, and security of these buildings cost in 2007; and if he will provide the information in tabular form. [39062/08]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** The Commissioners of Public Works have advised that there are three vacant buildings in County Donegal and the details are set out hereunder. They do not make public details of security particulars.

Name of Property	Location	Maintenance Expenditure	Heating Expenditure
Former Garda Station	The Mall, Ballyshannon	Nil	Nil
Former Customs and Excise	Lower Main St., Letterkenny	€150.00	Nil
Former Garda Station	Buncrana	Nil	Nil

*Question No. 101 answered with Question No. 68.*

### **Car Park Levy.**

102. **Deputy Leo Varadkar** asked the Minister for Finance if an assessment has been carried out of the administrative cost that will be imposed on businesses in operating the new car parking space tax; and if he will make a statement on the matter. [39095/08]

**Minister for Finance (Deputy Brian Lenihan):** Details of the car parking levy will be contained in the Finance (No. 2) Bill which will be published on the 20 November. I can assure the Deputy that every effort will be made to ensure that the arrangements for the administration and collection of the levy will be such as to minimise any additional administrative costs on businesses.

### **Tax Code.**

103. **Deputy Leo Varadkar** asked the Minister for Finance if an assessment has been carried out on the administrative cost that will be imposed on businesses by changing the VAT rate in the middle of the two month VAT period; and if he will make a statement on the matter. [39097/08]

**Minister for Finance (Deputy Brian Lenihan):** The change in the standard VAT rate is taking effect from 1 December 2008. The change could have been made effective from 1 November 2008, the start of the preceding VAT taxable period, however, the later date of 1 December 2008 was chosen in order to give industry more time to adjust their systems to the Budget change. This provided a lead-in time of almost seven weeks during which traders can adjust to the new rate.

While the change in the VAT rate is effective from 1 December 2008, it is important to note that this does not impose any additional obligations on business in terms of their VAT returns. Businesses will file returns as normal on 19 January 2008.

In order to clarify the effect of the change in the standard VAT rate and its implications in different business circumstances, the Revenue Commissioners website contains detailed information in this regard.

104. **Deputy Leo Varadkar** asked the Minister for Finance if efforts have been made to lobby members of Congress and the administration in opposition to possible changes to US corporate tax law that might adversely affect Ireland; and if he will make a statement on the matter. [39098/08]

**Minister for Finance (Deputy Brian Lenihan):** As I have said previously my Department and I are always mindful of potential international developments that could adversely effect foreign direct investment here. However, I am not aware of any concrete proposals to make changes to US tax legislation. While there has been some speculation in the context of the Presidential

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election that any new Administration could seek to make changes to the tax code, it is merely speculation and I am not prepared to comment on it.

I do not need to remind the House of the importance of US investment to the Irish economy which has been valued by successive Irish Governments over the last forty years. Irish investment in the US is also of significance. In that context it would be remiss of me not to be mindful of the sensitivity of investment decisions to the overall economic environment that would prevail including the tax environment that could undermine such decisions.

*Question No. 105 answered with Question No. 24.*

### **Financial Institutions Support Scheme.**

106. **Deputy Bernard J. Durkan** asked the Minister for Finance if he has satisfied himself that he has received full information from all of the banks operating here and the required information relating to solvency and liquidity of their institutions in the context of recent legislation and with particular reference to protecting the taxpayer; and if he will make a statement on the matter. [39149/08]

**Minister for Finance (Deputy Brian Lenihan):** In accordance with the terms of the Credit Institutions (Financial Support) Scheme all covered institutions are required to provide such information or reports as I, or the Financial Regulator on my behalf, may require. Under the Scheme covered institutions are also required to submit reports required by the Financial Regulator to monitor compliance with the terms and conditions of the Scheme. These reports will deal with, inter alia, liquidity requirements, capital ratios, asset quality, risk exposures and funding costs, and be submitted with such frequency and in such form as the Financial Regulator requires. Covered institutions will also be required to report on their compliance with the scheme itself on a quarterly basis and with the Irish Banking Federation Code of Practice on Mortgage Arrears and the Financial Regulator's Consumer Protection Code, at such frequency as I may require.

The reporting requirements under the scheme are additional to the regulatory framework already in place whereby all Irish licensed credit institutions report their solvency and liquidity positions to the Financial Regulator on an ongoing basis and the Financial Regulator has full legal powers to seek relevant information from the credit institutions in order to fulfil its statutory mandate.

The Deputy will appreciate that I will be working closely with the Financial Regulator regarding the reporting requirements under the Scheme.

### **Economic Competitiveness.**

107. **Deputy Bernard J. Durkan** asked the Minister for Finance the steps he has taken or proposes to take to augment the competitiveness of the economy; and if he will make a statement on the matter. [39150/08]

**Minister for Finance (Deputy Brian Lenihan):** Improving our competitive position is essential to facilitate a re-balancing of the economy towards more sustainable, export-led growth and to maintain Ireland's attractiveness as a location for inward investment.

In recognition of this, and notwithstanding the need to underpin the sustainability of the public finances, the Government took a number of steps in Budget 2009 aimed at supporting the economy's competitiveness. These included re-affirming our commitment to the 12.5% rate of corporation tax and maintaining and enhancing pro-employment business tax reliefs. We are

also continuing to prioritise productivity enhancing investment under the National Development Plan. These measures will ensure that the Irish economy is well placed to take advantage of the global pick-up when it emerges.

National competitiveness is not, however, solely a matter of Government policy. Rather it is a shared responsibility of all the Social Partners — Government, employers and unions. Regaining our competitive position, which as a small open economy is critical to our economic success, will require each of us to play our part and work together to this end.

This means ensuring that externally-driven price increases do not become embedded in our system as that only creates a vicious cycle from which no one wins. In this respect, the willingness of the various parties to compromise and adopt a realistic approach to wage developments in the recent pay talks is commendable. In addition, it will be important to ensure that improvements in external factors that impact on domestic costs, such as falling oil prices, are passed on.

*Question No. 108 answered with Question No. 66.*

### **Departmental Expenditure.**

109. **Deputy Bernard J. Durkan** asked the Minister for Finance if he has issued instructions directly or through his Department to other Departments relating to making good, budgetary shortfalls arising now or expected to arise in the next 12 months; and if he will make a statement on the matter. [39152/08]

**Minister for Finance (Deputy Brian Lenihan):** Budget 2009, published on 14 October 2008, sets out the forecast outturn for Departments' expenditure in 2008 and the Budget Estimates allocations for 2009. Departments are required to manage within their agreed spending allocations and the question of issuing instructions to this effect does not arise.

### **Financial Institutions Support Scheme.**

110. **Deputy Bernard J. Durkan** asked the Minister for Finance if he has had contact with the banks or the Central Bank with a view to reaching agreement on strategy for the future; and if he will make a statement on the matter. [39153/08]

**Minister for Finance (Deputy Brian Lenihan):** I have met with the relevant institutions and there is ongoing contact between the Financial Services Regulator, the Central Bank, the credit institutions and officials of my Department.

The Deputy will appreciate that when I introduced the Credit Institutions (Financial Support) Legislation to this house, I made it clear that the disruption in international financial markets required a strong and decisive response by the Government to underpin the commitment of the authorities to Ireland's financial stability. This Government moved swiftly to put in place a guarantee to ensure Irish financial institutions' access to the normal liquidity and funding for their day to day business, and to give confidence to depositors and wholesale lenders. The Government quickly demonstrated its resolve to support the financial system, in order to support the economy and society, enterprises and families.

In tandem with the guarantee, the intensified scrutiny and oversight of financial institutions which was put in place since the onset of the turmoil in financial markets has been maintained and further strengthened to ensure that high standards of regulation are achieved in Ireland and that the quality of corporate Governance applying in all institutions, including lending practices, safeguard the interests of taxpayers. The goal at the end of this process is a banking system that is "fit for purpose" for the transformed financial environment in which it will find itself operating in the coming decades.



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The legislation provides a detailed framework for the authorities to oversee and guide the assessment of strategic options by the banks themselves. The Irish scheme is firmly aligned with the main themes of the euro group plan, which contains an option to provide additional capital resources where appropriate to the banks.

*Question No. 111 answered with Question No. 66.*

### **Banking Sector Regulation.**

112. **Deputy Bernard J. Durkan** asked the Minister for Finance the extent to which he has taken initiatives through the EU Commission or the European Central Bank prior to action to protect the financial institutions throughout Europe; and if he will make a statement on the matter. [39155/08]

**Minister for Finance (Deputy Brian Lenihan):** From the outset of the financial market difficulties in August 2007 EU Finance Ministers have taken a number of steps to address the difficulties in financial markets and Ireland has of course been a full participant in that work.

In October 2007 Finance Ministers agreed on a set of common principles and a roadmap of further actions to enhance financial stability arrangements and the ability of authorities to respond to serious disturbances in financial markets. This programme involves reviewing along with the EU's international partners how to further improve transparency of complex financial instruments, valuation standards, the prudential framework, risk management and supervision and market functioning including the role of rating agencies. Arising from this work, EU Finance Ministers and Central Bank Governors agreed an extended Memorandum of Understanding on financial stability contingency planning between financial supervisors, central banks and finance ministries that incorporates common principles and practical guidelines for cross-border cooperation. This came into effect in June 2008.

At their meeting on 7th October 2008 EU Finance Ministers agreed common principles to guide the actions of Member States aimed at preserving confidence and stability in financial markets. The Finance Ministers welcomed the EU Commission's continued commitment to act quickly and apply flexibility in state aid decisions within the framework of the single market and state aid regime. The Commission has issued guidance for Member States on how decisions within this framework can be rapidly assessed.

The prompt actions by international central banks, including the European Central Bank, to provide major injections of liquidity have contributed to greater stability in financial markets internationally, though markets continue to remain subject to significant uncertainties. The ability of Irish banks to access liquidity from the European Central Bank has been a major benefit and provided a significant strength in assisting the Irish financial system to withstand difficult financial conditions over the last year.

### **Programme for Government.**

113. **Deputy Bernard J. Durkan** asked the Minister for Finance if budget 2009 is in accord with the programme for Government; and if he will make a statement on the matter. [39156/08]

**Minister for Finance (Deputy Brian Lenihan):** The Programme for Government is a five year programme which must be judged over the full five years of the Government. However, it is now clear that we have entered a period of lower economic growth than was envisaged when the Programme for Government was drawn up. This has consequences for the public finances



and the Government is committed to carefully managing the economic and budgetary situation now so as not to jeopardise our long-term future. The ability of Government to deliver on all aspects of the programme must be seen in the context of this overriding priority.

*Question No. 114 answered with Question No. 66.*

#### **Tax Code.**

115. **Deputy Bernard J. Durkan** asked the Minister for Finance when a refund of income tax paid will be made in the case of a person (details supplied) in County Meath; and if he will make a statement on the matter. [39158/08]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that the taxpayer was informed on the 2nd October 2008 that no refund of income tax is due in this case.

116. **Deputy Bernard J. Durkan** asked the Minister for Finance when a refund of tax paid will issue to a person (details supplied) in County Kildare; and if he will make a statement on the matter. [39159/08]

**Minister for Finance (Deputy Brian Lenihan):** I have been advised by the Revenue Commissioners that they have no record of receiving a request from the individual for a tax refund. A Tax Return, Form 12 2007, issued to the individual on 4 November 2008 to enable them to carry out a review.

#### **Flood Relief.**

117. **Deputy Jimmy Deenihan** asked the Minister for Finance if he will arrange to have work carried out on the Gleann Sharron River Castleisland, County Kerry to prevent the flooding of 17 houses at Tullig, Castleisland, County Kerry; and if he will make a statement on the matter. [39163/08]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** The Office of Public Works has been in contact with Kerry County Council regarding the flooding problem in Castleisland, and is at present examining potential alleviation options for the area, which is of considerable hydro-geological complexity.

#### **Departmental Staff.**

118. **Deputy Richard Bruton** asked the Minister for Finance the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39177/08]

**Minister for Finance (Deputy Brian Lenihan):** My Department uses the PeopleSoft Human Resource Management System (HRMS) to facilitate the collation of information relating to a wide range of absences from duty e.g. sick leave, annual leave, special leave, maternity leave and other statutory and non-statutory leave provisions. That information is used for internal staff management purposes. The identification of suitable groups against which it can be meaningfully benchmarked is currently being explored.

As in the case of all organisations, allowance is made for leave entitlements in determining overall staffing complements. There is no specific system in place in my Department to estimate the costs of lost input or cover which is only provided in exceptional cases. Accordingly,

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absences rarely give rise to direct additional costs. I would also like to refer the Deputy to my response to Questions 237 and 238 raised by Deputy Leo Varadkar on 21 October 2008 which addressed the matter of sick leave absence levels in my Department and offices under its aegis.

119. **Deputy Michael Creed** asked the Minister for Health and Children the number of staff employed in her Department whose function it is to deal with representations from her constituency; the number of these staff that are located in the constituency and in her Department; the grade and remuneration at which these staff are employed; and if she will make a statement on the matter. [38960/08]

120. **Deputy Michael Creed** asked the Minister for Health and Children the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38974/08]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 119 and 120 together.

The following table details the number of staff employed in my constituency office and those of the Ministers of State in my Department. The table gives a breakdown of the number of staff located in Hawkins House and each of the individual constituency offices.

Minister/Minister of State	No. of staff located in Hawkins House Constituency Office (WTE)	Staff in Private Office (Hawkins House) dealing with Constituency Reps. (WTE)	No. of staff located in regional Constituency Offices (WTE)	Total Number of Staff dealing with Constituency Representations (WTE)	Total Annual Gross Salaries in respect of Staff dealing with Constituency Representations €
Health & Children (Minister Harney)	2 Clerical Officers 1 Personal Assistant	0	0	3	127,377.00
Children & Youth Affairs (Minister of State Andrews)	1.6 Clerical Officers 1 Personal Secretary	0	1 Personal Assistant	3.6	142,736.38
Older People (Minister of State Hootor)	2 Clerical Officers 1 Personal Assistant	0	1 Personal Secretary	4	170,853.20
Disability & Mental Health (Minister of State Moloney)	2 Clerical Officers	0	1 Personal Assistant 1 Personal Secretary	4	167,202.66
Health Promotion & Food (Minister of State Wallace)	0	0	3 Clerical Officers 1 Personal Assistant 1 Personal Secretary	5	184,112.79

[Deputy Mary Harney.]

All of the staff employed in Constituency Offices, both in Hawkins House and in regional offices are responsible for dealing with representations submitted by constituents. However, the Deputy should note that staff employed in the Ministers' Private Offices deal with all health related representations, including those that originate in their constituencies.

### **Health Service Allowances.**

121. **Deputy Michael Creed** asked the Minister for Health and Children when a decision will be made on an application by a person (details supplied) in County Cork in respect of domiciliary care allowance; and if she will make a statement on the matter. [38978/08]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** The Deputy's question relates to the management and delivery of health and personal services, which are the responsibility of the Health Service Executive under the Health Act 2004. Accordingly, 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.

### **Hospital Waiting Lists.**

122. **Deputy Seán Sherlock** asked the Minister for Health and Children the number of people who have been added to the orthopaedic procedures waiting list since February 2008; the total as it stands at present as opposed to that which was outlined in the response to Parliamentary Question No. 444 of 2 April 2008; and if she will make a statement on the matter. [38986/08]

**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 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.

### **Foster Care.**

123. **Deputy Charles Flanagan** asked the Minister for Health and Children the number of potential foster carers or parents who have applied to the Health Service Executive midlands each year for the past three years; the number who have been subjected to assessment; the number of those who have been assessed as suitable or appropriate; and if she will make a statement on the matter. [38987/08]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** The Deputy's question relates to the management and delivery of health and social services, which are the responsibility of the Health Service Executive under the Health Act 2004. Accordingly, 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.**

124. **Deputy Tom Hayes** asked the Minister for Health and Children if posts of an adult respiratory consultant with special interest in cystic fibrosis and a second paediatric CF consultant for Limerick Hospital have been approved for funding; if these posts have been advertised; if job offers have been made; and when they will start work. [38990/08]

**Minister for Health and Children (Deputy Mary Harney):** I have identified the need to improve services for persons with cystic fibrosis as a priority in the Estimates process over recent years. Since 2006, additional revenue funding of €6.78m has been allocated to the Health Service Executive (HSE) to develop services for patients with cystic fibrosis.

The HSE has advised that 44 additional staff dealing with cystic fibrosis have been appointed to date across a number of hospitals, including St Vincent's, Beaumont, Temple Street, Crumlin, Tallaght, Cork University Hospital, Galway, Limerick and Waterford. The necessary funding is available to facilitate the recruitment of a further 37 staff nationally. My Department has requested the Parliamentary Affairs Division of the HSE to reply directly to the Deputy regarding the development of the service at the Mid West Regional Hospital, Limerick.

125. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support a matter (details supplied). [39003/08]

**Minister of State at the Department of Health and Children (Deputy Máire Hackett):** 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. 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.

#### **Special Educational Needs.**

126. **Deputy Charles Flanagan** asked the Minister for Health and Children the action she proposes to take in respect of the special language unit at a school (details supplied) in County Laois; and if she will make a statement on the services as required. [39027/08]

**Minister for Health and Children (Deputy Mary Harney):** Almost 130,000 people work full-time or part-time in our public health services. In recent years, the Government's ongoing high level of investment in health has achieved and maintained significant increases in the numbers of doctors, nurses and other health care professionals employed in the public health services. The Government has also invested heavily in the education and training of such personnel in order to secure a good supply of graduates to provide for the health care needs of the population into the future.

Subject to overall parameters set by Government, the Health Service Executive has the responsibility for determining the composition of its staffing complement. In that regard, it is a matter for the Executive to manage and deploy its human resources to best meet the requirements of its Annual Service Plan for the delivery of health and personal social services to the public. The Executive is the appropriate body to consider the matters 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.

#### **Services for People with Disabilities.**

127. **Deputy Michael McGrath** asked the Minister for Health and Children when a child (details supplied) in County Cork will be assessed for developmental co-ordination disorder; and when appropriate services will be provided for them. [39028/08]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** The Deputy's question relates to the management and delivery of health and personal services, which are the responsibility of the Health Service Executive under the Health Act 2004.

[Deputy John Moloney.]

Accordingly, 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.

### **Pharmacy Services.**

128. **Deputy Denis Naughten** asked the Minister for Health and Children the steps which are being taken to refund the balance of payments due under the GMS to pharmacists for the period March to September 2008; and if she will make a statement on the matter. [39030/08]

**Minister for Health and Children (Deputy Mary Harney):** The Health Service Executive (HSE) have reinstated the previous level of payment to pharmacists from October 2008 forward. The question of outstanding payments for the period March to September 2008 is under consideration by the HSE.

### **Medical Cards.**

129. **Deputy Michael Ring** asked the Minister for Health and Children the funding available for services (details supplied) to people who urgently need them and who have always received them in the past because they have held a medical card; the changes in respect of same; and the situation regarding people who will not be in a position to pay for these services. [39034/08]

**Minister for Health and Children (Deputy Mary Harney):** Following the recent Government decision to withdraw automatic entitlement to a medical card for persons aged 70 and over and to raise the means assessment threshold for persons in that age cohort, it is estimated that approximately 5% (20,000) of persons aged 70 and over will no longer qualify for a medical card.

Persons whose income is above the threshold and whose circumstances are such that it would cause them undue hardship to provide medical and surgical services and appliances for themselves may be eligible for a medical card at the discretion of the Health Service Executive.

### **National Treatment Purchase Fund.**

130. **Deputy Joe Costello** asked the Minister for Health and Children if she will arrange for a person (details supplied) in County Cork to receive appropriate non-surgical treatment for their medical condition under the treatment abroad scheme owing to the special circumstances in their case; and if she will make a statement on the matter. [39050/08]

**Minister for Health and Children (Deputy Mary Harney):** Regulation (EC) 1408/71 provides, inter alia, that people who are insured with or covered by the health care system of one member state may access health care in the public system of another member state in certain circumstances. Article 22 (1) (c) of the Regulation governs the referral of patients for public health services to another member state. In accordance with this article, a person eligible for health services in Ireland must be authorised by the HSE to go to another member state for treatment in the public health system there, where certain criteria are met. When authorisation is granted, Form E112 is issued by the HSE and is confirmation that the HSE will bear the cost of the treatment.

It is a matter for the HSE to determine whether authorisation for treatment abroad should be granted. Therefore, any individual who is eligible for health care in Ireland and who wishes to obtain treatment in another EU member state in accordance with these entitlements should apply to the HSE for authorisation.



### Medical Cards.

131. **Deputy Jan O’Sullivan** asked the Minister for Health and Children the income that is considered in calculating the thresholds for qualification for a medical card for people over 70 years; if, in the case of public service pensioners it excludes the PAYE income tax which is automatically deducted from the amount paid to the pensioner; and if she will make a statement on the matter. [39056/08]

**Minister for Health and Children (Deputy Mary Harney):** With effect from the 1st January, 2009 the new income thresholds for entitlement to a medical card for persons aged 70 or over are €700 (gross) per week for a single person and €1,400 (gross) per week for a couple. Gross income refers to income before tax and PRSI deductions.

### Hospital Hygiene Standards.

132. **Deputy Joe McHugh** asked the Minister for Health and Children when she envisages the preparation and completion of a report into the contraction of MRSA by two babies at Letterkenny General Hospital, County Donegal in 2008. [39067/08]

**Minister for Health and Children (Deputy Mary Harney):** Achieving and maintaining the highest possible standards of hygiene in our hospitals and health care facilities generally is a priority for this Government and for the Health Service Executive (HSE). Hygiene and infection control measures are key to the prevention of the spread of Healthcare Associated Infections in our hospital system.

I am informed that as part of the standard infection control policies within the hospital, Letterkenny General Hospital will be carrying out an internal review of the circumstances leading to and consequent management of the recent cluster of MRSA cases in its maternity unit. This is normal infection control practice.

It should be noted that it is not unique for babies to test positive for MRSA, whether in a hospital setting or at home in the community. On this occasion what was different, was that 3 babies tested positive for MRSA within a very short timeframe. Again, although unusual, this is not unique. The infection control protocols and the pro-active actions of the hospital resulted in all the babies being identified and treated in a very short period of time. There was also clear and open communication with all the families involved. The source of the colonisation was also identified and measures were taken to ensure that no further babies could be colonised from this source. It must be stressed that although the babies were colonised, at no time were they ill or have a blood stream infection.

Despite some attempts and speculation aiming to link these cases to any previous cases of MRSA within the hospital, this cluster of MRSA was a discrete event. The hospital kept the HSE and my Department advised of the measures it was undertaking throughout its management of this issue. The Hospital has clear clinical governance processes which allow for the review of incidents such as this and enable the hospital to learn from the process.

### General Practitioner Co-operatives.

133. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children the amount of funding given to SouthDoc, the out of hours service co-op in Counties Cork and Kerry since 2001 to date in 2008; the primary use of this funding; the controls in place to ensure appropriate use of the funding; and the status of the funding programme and the Health Service Executive’s plans to support this service with funding or otherwise in the future. [39069/08]

**Minister for Health and Children (Deputy Mary Harney):** Out of hours co-operatives 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 co-operatives 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 co-operatives are now in place in all Health Service Executive (HSE) areas, providing coverage in all or in part of all counties. In 2007, the HSE Vote included almost €37 million in baseline funding for these services and the Executive has advised that this figure is available again in 2008. 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.

### **Hospital Services.**

134. **Deputy Fergus O'Dowd** asked the Minister for Health and Children the position regarding breast cancer treatment services at Our Lady of Lourdes Hospital, Drogheda, County Louth; and if she will make a statement on the matter. [39088/08]

**Minister for Health and Children (Deputy Mary Harney):** The specific question raised by the Deputy relates to the management and delivery of health and personal social services, which are the responsibility of the HSE under the Health Act 2004. Accordingly, my Department has requested the Parliamentary Affairs Division of the Executive to respond directly to the Deputy in this regard.

### **Health Services.**

135. **Deputy Bernard J. Durkan** asked the Minister for Health and Children when an angiogram will be provided in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [39160/08]

**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.

### **Medical Cards.**

136. **Deputy Bernard J. Durkan** asked the Minister for Health and Children if a person (details supplied) in County Meath continues to qualify for a medical card; and if she will make a statement on the matter. [39161/08]

**Minister for Health and Children (Deputy Mary Harney):** As the Health Service Executive has the operational and funding responsibility for the medical card benefit, it is the appropriate body to consider the particular case raised 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.

**Departmental Staff.**

137. **Deputy Richard Bruton** asked the Minister for Health and Children the systems her Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if she will present data for the most recent years on this matter. [39179/08]

**Minister for Health and Children (Deputy Mary Harney):** Officers can be absent from work for various reasons including sick leave, annual leave, parental leave, worksharing, term time, special leave with out pay etc. The rules applicable to such absences are determined centrally by the Department of Finance circulars. All such absences are managed by the Department's computerised personnel administration system i.e. the PeopleSoft Human Resources Management System (HRMS). The HRMS is in operation in most Government Departments and assists with administering the workforce, managing positions, recruiting the workforce and administering training. HRMS is designed to work by streamlining and maintaining information for all the Department's human resource needs.

**Services for People with Disabilities.**

138. **Deputy David Stanton** asked the Minister for Health and Children the 2009 funding allocation for disability services under the multi-annual investment programme 2006 to 2009; the expenditure under this programme each year respectively since it began; and if she will make a statement on the matter. [39241/08]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** The National Disability Strategy specifically provides for a targeted Investment Programme, which was announced in the 2005 Budget, of some €900m capital and revenue funding for the period 2006 to 2009, to build capacity in priority areas of support services for people with disabilities. Under the Multi-Annual Investment Programme additional funding of €75m was allocated in both 2006 and 2007 and €50m in 2008. In the 2008 Budget, €50m was provided to the Health Service Executive (HSE) to fund a range of additional services under the Multi Annual Investment Programme for Disability. Although the commencement of the planned developments in disability services this year had been delayed due to a financial review, I am pleased to inform you that the Executive has informed the Department of Health and Children that it is now in the process of rolling out the planned developments. The HSE has indicated that due to the delayed start to some of these developments, it expects to spend €33m of the €50m by the end of 2008. The resulting €17m time related savings were included in this Department's budgetary consolidation measures announced to the House in July 2008.

In Budget 2009, an additional €10m was allocated to the HSE. The funding for 2009 will provide for 90 additional therapy posts in the disability services area, targeted at children of school going age.

With regard to the yearly expenditure incurred to date on the Programme, this is a matter for the Health Service Executive. Accordingly, 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.

139. **Deputy David Stanton** asked the Minister for Health and Children the budget 2009 allocation for the advancement of the national disability strategy; and if she will make a statement on the matter. [39277/08]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** In Budget 2009, an additional €20m was allocated for health and education services for children with special educational needs. €10 million of this allocation will be provided to the Health Service Executive (HSE), and €10million to the Department of Education and Science. It is intended that this additional funding will enable the services provided to children with special educational needs to be enhanced and strengthened. The additional €10m allocated to the HSE will provide for 125 additional therapy posts in the disability and mental health services, targeted at children of school-going age. This will provide an additional 90 posts in the disability services area, to include speech and language therapists, occupational therapists, physiotherapists and psychologists for children's disability services. There will be 35 additional posts for the child & adolescent mental health services, including clinical psychologists, occupational therapists and speech & language therapists for new and existing multidisciplinary teams.

### Departmental Staff.

140. **Deputy Michael Creed** asked the Minister for Transport the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38963/08]

**Minister for Transport (Deputy Noel Dempsey):** Aside from a Special Advisor, there are four staff employed by my Department who deal with representations from my constituency. Two are located in the constituency and if they were not paid by the Department they would be paid by the Houses of the Oireachtas and two are in Dublin. Their details are outlined in the following table.

Grade	Remuneration Salary scale per annum
Executive Officer	€32,179 – €51,054
Clerical Officer	€24,397 – €39,558
Personal Secretary (Secretarial Assistant)	€825.90 per week
Personal Assistant	€55,030

141. **Deputy Michael Creed** asked the Minister for Transport the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of State's constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38977/08]

**Minister for Transport (Deputy Noel Dempsey):** There are three staff in the Minister of State's constituency office. These are based in the Department and all of them deal with representations from the Minister of State's constituency. Their details are outlined in the following table.

Grade	Remuneration Salary scale per annum
1 Executive Officer	€30,566 – €48,504
2 Clerical Officers	€24,397 – €39,558

### **Taxi Regulations.**

142. **Deputy Pádraic McCormack** asked the Minister for Transport the situation with regard to the over supply of taxis in cities such as Galway, where the proliferation of the issuing of taxi licences has led to a situation where there is no parking place or not enough taxi bays in the city and where the proliferation of licences is making it impossible for the long-standing taxi owners to make a viable wage; the steps he will take to alleviate this problem; and if he will make a statement on the matter. [39015/08]

**Minister for Transport (Deputy Noel Dempsey):** The Commission for Taxi Regulation is the independent public body with statutory responsibility for the regulatory framework for the control and operation, including licensing, of taxis, hackneys, limousines and their drivers. In this regard, I understand that the Commission is currently carrying out an economic review of the small public service vehicle industry. In September 2006, the Commission replaced the individual local authority taximeter areas with one single national taximeter area.

With regard to taxi ranks, decisions regarding the location and operation of taxi ranks on public roads, as well as the provision of funding for taxi ranks, are primarily matters for consideration by the relevant local authority.

### **Search and Rescue Service.**

143. **Deputy Joe McHugh** asked the Minister for Transport if he has made a decision in regard to the future of Malin Head and Valentia coast guard stations; and the result of that decision. [39063/08]

144. **Deputy Joe McHugh** asked the Minister for Transport the stage the decision making process in regard to the futures of Malin Head and Valentia Island coast guard stations is at; and when this decision will be finalised. [39064/08]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 143 and 144 together.

It is my intention to strengthen the Irish Coast Guard and Maritime Administration to meet the needs of this country well into the 21st century. In that context, a decision on the west coast co-ordination centres will be taken shortly.

### **State Airports.**

145. **Deputy Michael McGrath** asked the Minister for Transport the position in relation to the separation of the three State airports of Dublin, Shannon and Cork under the State Airports Act 2004; and the timeline for the competition of the process. [39076/08]

**Minister for Transport (Deputy Noel Dempsey):** Under the State Airports Act, 2004 the boards of Cork and Shannon airport are required to prepare business plans for eventual separation.

All three airport business plans have to be coordinated by the Dublin Airport Authority for eventual approval by the Minister for Finance and myself. Among the requirements to be satisfied in advance of separation is the need to ensure the financial sustainability of all three state airports.

I have already received the Cork and Shannon business plans and I expect shortly to receive a finalised commentary on those plans by the DAA when they submit their own plan under the Act. I would expect DAA's commentary to address recent trends in the aviation market, the challenges facing the State airports and the financial and operational aspects of restructuring.

### Departmental Expenditure.

146. **Deputy Fergus O'Dowd** asked the Minister for Transport the position regarding the €13.6 million paid to CIÉ in 2007 as the railway safety grant and what is was used to fund; and if he will make a statement on the matter. [39165/08]

**Minister for Transport (Deputy Noel Dempsey):** The Railway Safety Programme 2004 — 2008 is the second of three five-year programmes designed to improve all aspects of safety across the Iarnród Éireann network and to maintain levels of risk as low as is reasonably practical.

In 2007, a total of €102.4m was expended by Iarnród Éireann on the Railway Safety Programme, of which €13.6m represents that element relating to the enhancement of the safety culture and safety management systems. This included investment in safety training across the company, the development of tools such as an Infrastructure Asset Management database and the Network Wide Risk Model and the development of safety standards.

### Departmental Staff.

147. **Deputy Richard Bruton** asked the Minister for Transport the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39182/08]

**Minister for Transport (Deputy Noel Dempsey):** Absences from work, with the exception of annual leave, are recorded on the Department's Human Resources Management System (HRMS). Such leave includes sick leave, parental leave, maternity leave, paternity leave, study and exam leave, carer's leave, and force majeure. Annual Leave is recorded and managed locally by line managers in the Departmental divisions and sections. All leave is managed in accordance with Department of Finance regulations and not benchmarked against other systems. Cover is not provided for such absences. In order to provide the Deputy with any further information he may require on the matter, I would ask that he contact my Department directly specifying the actual data and timeframe involved.

### Bridge Repairs.

148. **Deputy Willie Penrose** asked the Minister for Transport if his Department has received an application from Longford County Council for funding to repair the Camlin Bridge at Clondra; if finance will be made available for these works; and if he will make a statement on the matter. [39184/08]

**Minister for Transport (Deputy Noel Dempsey):** The provision and improvement of regional and local roads, including bridges, in its area is a matter for Longford County Council to be funded from its own resources supplemented by State grants.

All applications received for funding in 2009 under the scheme will be considered by my Department, having regard to compliance with eligibility criteria, the need to prioritise projects, competing demands from other local authorities and the funds available for the scheme in 2009. The 2009 regional and local road grant allocations to local authorities will be announced early next year.

### National Disability Strategy.

149. **Deputy David Stanton** asked the Minister for Transport the Budget 2009 allocation for



the advancement of the national disability strategy; and if he will make a statement on the matter. [39282/08]

**Minister for Transport (Deputy Noel Dempsey):** My Department has allocated Euro 20 million for 2009 under the National Disability Strategy for accessibility improvements to existing public transport infrastructure and facilities. This is in addition to the significant resources being provided under Transport 21 to ensure that accessibility is built into new public transport infrastructure and rolling stock as a matter of course.

### Visa Applications.

150. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when a visitors visa will issue to a person (details supplied); and if he will make a statement on the matter. [39162/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Based on the information provided, my Department has no record of a current visa application for the person in question.

### Departmental Staff.

151. **Deputy Michael Creed** asked the Minister for Justice, Equality and Law Reform the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38961/08]

152. **Deputy Michael Creed** asked the Minister for Justice, Equality and Law Reform the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of State's constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38975/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 151 and 152 together.

I have 1 Personal (Dáil) Secretary (Dublin), salaries €30,566 — €50,410. I have 1 Personal Assistant (Louth), salaries €46,558 — 59,097. I have four Clerical Officers (3 in Dublin and 1 in Louth), salaries 3 @ €24,397 — € 39, 558 and 1 @ €24,225 — €38,397. The number, grade and salary range of staff employed in the Constituency Office of my colleague, Mr. Conor Lenihan, T.D., Minister of State for Integration, are set out in the following table.

Grade	Number	Salary Range
Personal Assistant	1	€46,558 – €59,097
Personal Secretary	1	€44,316 – one point scale
Executive Officer	1	€30,566 – €48,504
Clerical Officer	2	€24,397 – €39,558

With regard to the location of these staff, the Executive Officer and two Clerical Officers are based in the Office of the Minister for Integration, while the Personal Assistant and Personal Secretary divide their time between that Office and the Minister of State's constituency.

### **Departmental Expenditure.**

153. **Deputy Joan Burton** asked the Minister for Justice, Equality and Law Reform the budgeted expenditure, and actual expenditure where relevant, of the Garda Reserve force, including resources diverted from other areas of Garda activity, for the years 2007, 2008 and 2009; and if he will make a statement on the matter. [38993/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** In 2007 expenditure from the Garda Reserve subhead in the Garda Vote amounted to €45,000. The provision in this subhead for 2008 is €1.28 million and expenditure to the end of October amounts to €229,000. The estimates for 2009 provide €1.28 million for this subhead.

There are also costs which are not separately assigned to the Garda Reserve. These include the salary costs of Garda trainers as training Reserve members is considered part of the trainers' normal duties. In addition, uniforms for all Garda members are procured in bulk and as such, the specific cost of uniforms for the Garda Reserve members is not identifiable.

### **Asylum Applications.**

154. **Deputy Phil Hogan** asked the Minister for Justice, Equality and Law Reform the status of an application on humanitarian grounds for a person (details supplied) in County Kilkenny; and if he will make a statement on the matter. [38998/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to the detailed Reply I gave to his recent Parliamentary Question, No. 863 of Wednesday, 24 September 2008, in this matter. The position in the State of the person concerned is as set out in that Reply.

### **Work Permits.**

155. **Deputy Michael Ring** asked the Minister for Justice, Equality and Law Reform the progress made in relation to the processing of an application for business permission by a company (details supplied) in view of the fact that the matter is ongoing since March 2008. [39043/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I can inform the Deputy that the Immigration Division of my Department has issued decision letters to the persons concerned in respect of their applications for permission to operate a business in the State.

### **Residency Permits.**

156. **Deputy Joe Costello** asked the Minister for Justice, Equality and Law Reform the status of the application for permission to remain in the State by a person (details supplied) in Dublin 7; the length of time it will be until a decision is made; and if he will make a statement on the matter. [39051/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Immigration Division of my Department informs me that a letter was recently issued to the person in question granting her permission to remain in the State on the basis of her marriage to an Irish national for an initial period of twelve months. This permission becomes operative when the applicant registers with the Garda National Immigration Bureau.

157. **Deputy Michael D. Higgins** asked the Minister for Justice, Equality and Law Reform the full amounts of moneys collected over each of the past three years through applications made to his Department and its offices for the stamp four scheme. [39073/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The monies collected from persons who received certificates of registration on the basis of the issue of a stamp 4 during the last 3 years is as follows:

- 2006 (from 27 May): €1,132,000.00
- 2007: €2,964,000.00
- 2008 (up to 4 November): €1,624,200.00

#### **Citizenship Applications.**

158. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when a decision will issue regarding an application for citizenship in the case of a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [39105/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** 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 September 2006.

Processing of the file has been completed and I have reached a decision. The person in question will be informed of that decision in the near future.

#### **Residency Permits.**

159. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for family reunification in the case of persons (details supplied) in Dublin 8; and if he will make a statement on the matter. [39106/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Immigration Division of my Department that the person in question made an application for Family Reunification on behalf of his wife in June 2008.

This application was then forwarded to the Refugee Applications Commissioner on 21st July, 2008 for investigation as required under section 18 of the Refugee Act 1996. The Commissioner will prepare and forward in due course a report to my Department.

Upon receipt of the report, the application will be considered and a decision will issue in due course. All applications are dealt with in chronological order and due to the high volume of applications on hand, it is unlikely that a decision will be reached on this application before January 2009.

160. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if a letter stating habitual residency or leave to remain in the State will be arranged for a person (details supplied) in Dublin 1 who has been refused a higher education grant; and if he will make a statement on the matter. [39107/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I wish to inform the Deputy that the person concerned was granted permission to remain in the State under Stamp 4 conditions for an initial period of 12 months, and was informed of this decision by letter dated 8 May, 2008. The person in question subsequently registered with the Garda National Immigration Bureau. Further renewals of this permission may be granted by GNIB

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without instruction from my Department, and no further correspondence between the person concerned and my Department is required.

Fees payable to third level institutions, and the eligibility criteria for higher education grants, are not matters which fall within the remit of my Department. However I have arranged for a letter to be issued to the person concerned confirming her legal residency in the State and setting out the basis on which her permission to remain in the State was granted.

### **Asylum Support Services.**

161. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if accommodation or medical assistance will be offered in the case of a person (details supplied); and if he will make a statement on the matter. [39108/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Reception and Integration Agency (RIA) is responsible for the accommodation of asylum seekers in accordance with the Government policy of direct provision and dispersal.

As stated in the Reply to the Deputy's Parliamentary Question of 23 October 2008, the person referred to in the details supplied is currently accommodated at Mount Trenchard accommodation centre in Limerick. The accommodation remains available to him and has never been withdrawn from him. The documents provided with the details supplied will be forwarded to a medical referee for examination to clarify whether there is a need for a change of accommodation in this case.

In relation to medical assistance generally, the provision of such assistance is a matter for the relevant medical services within the HSE. The Deputy will be aware that asylum seekers can access public health services in the same way as an Irish citizen. Furthermore, asylum seekers generally qualify for a medical card and can access the full range of services which that attracts without charge.

### **Deportation Orders.**

162. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in County Galway; and if he will make a statement on the matter. [39109/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 221 of Thursday 3 April 2008 and the written Reply to that Question.

The person concerned applied for asylum in the State on 7 February 2005. Her application was refused following consideration of her case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 29 December 2005, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State. Representations have been submitted on behalf of the person concerned and will be fully considered, under Section 3(6) of the

Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

163. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in Dublin 7; and if he will make a statement on the matter. [39110/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned arrived in the State on 10 June 1997 and claimed asylum. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, by the Refugee Appeals Tribunal.

The person concerned was informed by letter dated 1 June 2001 that the Minister proposed to make a Deportation Order in respect of him and afforded him three options in accordance with Section 3(3)(b)(ii) of the Immigration Act, 1999 (as amended), namely to leave the State voluntarily, to consent to the making of a Deportation Order or to submit, within 15 working days, written representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State i.e why he should not be deported.

His case was examined under Section 3(6) of the Immigration Act, 1999 (as amended), and Section 5 of the Refugee Act, 1996 (as amended) on the Prohibition of Refoulement. The person concerned submitted an application for EU Treaty Rights. The person concerned was informed by letter dated 8 July 2004 that his application had been refused. On 26 August 2004 the then Minister refused permission to remain temporarily in the State and instead signed a Deportation Order in respect of him. Notice of this order was served by registered post requiring the person concerned to present himself at the Garda National Immigration Bureau (GNIB), 13-14 Burgh Quay, Dublin 2 on Thursday 27th January 2005 in order to make travel arrangements for his removal from the State.

A further application was made by the legal representatives of the person concerned for EU Treaty Rights in February 2005. The person concerned was notified by letter dated 26 July 2005 that this application had been refused.

The enforcement of the Deportation Order is an operational matter for the Garda National Immigration Bureau. The effect of the Deportation Order is that the person concerned must leave the State and remain thereafter out of the State.

#### **Asylum Applications.**

164. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in County Meath; and if he will make a statement on the matter. [39111/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It is not the practice to comment in detail on individual asylum applications.

As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted.

A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

### **Citizenship Applications.**

165. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for citizenship in the case of a person (details supplied) in Dublin 7; and if he will make a statement on the matter. [39112/08]

172. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if a further review will be given to an application for naturalisation in the case of a person (details supplied); and if he will make a statement on the matter. [39120/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 165 and 172 together.

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 on 6 September 2004. This application was refused by my predecessor. The reason for the refusal was disclosed to the applicant in a letter dated 22 September 2006.

It is open to the person in question to lodge a new application if and when he is in a position to satisfy the statutory requirements applicable at that time. However, in doing so he should bear in mind the reasons for refusal of his previous application.

### **Deportation Orders.**

166. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in County Louth; and if he will make a statement on the matter. [39113/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to the Reply I gave to his Parliamentary Question no. 929 of Wednesday 24 September 2008. The status of the person concerned remains as set out in that Reply.

I am satisfied that the applications made by the person concerned for asylum and subsequently for temporary leave to remain in the State, together with all refoulement issues, were fairly and comprehensively examined and, as such, the decision to deport him is justified.

The enforcement of the Deportation Order is an operational matter for the Garda National Immigration Bureau.

### **Asylum Applications.**

167. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in County Meath; and if he will make a statement on the matter. [39114/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to the detailed Reply I gave to his recent Parliamentary Question, No. 792 of Wednesday, 24 September 2008, in this matter. The position in the State of the person concerned is as set out in that Reply.

### **Residency Permits.**

168. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform



the current or expected position in relation to an application for residency in the case of a person (details supplied) in Dublin 1; and if he will make a statement on the matter. [39115/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 183 of Thursday, 10 April 2008 and the written Reply to that Question.

The person concerned applied for asylum in the State on 16 December 1997. His application was refused following consideration of his case by the then Asylum Division of the Department of Justice, Equality and Law Reform and, on appeal, the then Refugee Appeals Authority. He was notified of this decision by letter dated 2 August 2000. In addition, this letter notified him that, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the Minister was proposing to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations have been submitted on behalf of the person concerned and will be fully considered, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

#### **Citizenship Applications.**

169. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected status in the case of an application for citizenship in the case of a person (details supplied) in Dublin 7; and if he will make a statement on the matter. [39116/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** 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 January 2008.

On examination of the application it was determined that the person in question did not meet the residency requirements as set out in the Irish Nationality and Citizenship 1956, as amended.

It is open to the person concerned to lodge a new application if and when he is in a position to meet the statutory requirements applicable at that time.

#### **Residency Permits.**

170. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected residency status or leave to remain in the case of a person (details supplied) in Dublin 6; and if he will make a statement on the matter. [39117/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned was refused permission to remain in the State under the revised arrangements for the non-EEA parents of children born in Ireland prior to 1st January 2005, known as the IBC/05 Scheme, as he did not meet the criteria of the scheme.

The person concerned was subsequently invited, by letter dated 9th May 2008, to make updated representations under Section 3 of the Immigration Act, 1999, as to why he should be permitted to remain in the State. Representations in this regard have been received in my Department and are being considered by the relevant officials. The person concerned, and his legal representatives, will be informed of any decisions made in due course.

#### **Prisoner Transfers.**

171. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform

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the arrangements in train to repatriate a person (details supplied) in County Kildare; if it is intended to intervene, support or in any way cater for their well-being; if his attention has been drawn to the deterioration in their mental and physical condition; if their current position in terms of responsibility is with his Department or the Department of Health and Children; if their rights as an Irish citizen are or have been fully observed to date; if the duty of care to which they are entitled to has been fully discharged by the relevant authorities; and if he will make a statement on the matter. [39118/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The 1983 Council of Europe Convention on the Transfer of Sentenced Persons provides a mechanism whereby prisoners can be repatriated to their home state in order to serve prison sentences they have incurred abroad. The Convention is provided for in legislation in this State by virtue of the Transfer of Sentenced Persons Acts, 1995 and 1997 and the process is administered by my Department.

The process requires extensive documentation to be exchanged between the relevant jurisdictions in order to allow an application to be fully considered. A three way consent is also required to enable any transfer to take place, i.e., from the authorities of both jurisdictions and from the person concerned. On receipt of those consents (assuming they will be forthcoming), an application must then be made to the High Court for a warrant authorising the transfer of the person concerned and their continued detention here.

I wish to advise the Deputy that my Department has not as yet received a formal application for a transfer to Ireland in respect of this person from the United Kingdom authorities. My officials have contacted the UK authorities responsible for such repatriations regarding this matter and they have stated that they have not received an application from the person concerned either. If she has not already done so, she should now apply for a transfer via her Prison Governor in the United Kingdom.

I would also like to inform the Deputy that officials of my Department have brought this matter to the attention of their colleagues in the Department of Foreign Affairs. The Department of Foreign Affairs have indicated that the person concerned has not sought consular assistance from them. However, the matter has now been brought to the attention of our Embassy in the UK who will make further inquiries.

*Question No. 172 answered with Question No. 165.*

### **Residency Permits.**

173. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected residency status in the case of a person (details supplied) in Dublin 1; and if he will make a statement on the matter. [39122/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It is not the practice to comment in detail on individual asylum applications.

As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted.

A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

174. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [39123/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 24 April 2001. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 22 May 2003, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations were received on his behalf. Following consideration of his case, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, a Deportation Order was signed in respect of the person concerned on 12 March 2004. Notice of this Order was served by registered letter dated 20 April 2004 requiring the person concerned to present himself to the Garda National Immigration Bureau (GNIB) on a specified date in order to make travel arrangements for his deportation from the State. The person concerned failed to ‘present’ as required and was therefore classified as a person who was evading his deportation. This position continued to obtain for more than three years.

The person concerned, through his legal representative, subsequently lodged a request under Regulation 4 (2) of the European Communities (Eligibility for Protection) Regulations 2006 (S.I. No. 518 of 2006) seeking the permission of the Minister to make an application for Subsidiary Protection in the State in accordance with those Regulations which came into force on 10 October 2006. This request was approved following which the person concerned formally applied for Subsidiary Protection in the State. This application is under consideration at present. When consideration of this application has been completed, the person concerned will be notified in writing of the outcome.

The person concerned remains the subject of a valid Deportation Order. However, the Deputy may be assured that this Order will not be enforced pending the determination of the Subsidiary Protection application.

### **Visa Applications.**

175. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for family reunification in the case of a person (details supplied) in Dublin 6; and if he will make a statement on the matter. [39124/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned was granted temporary permission to remain in the State on 14 November 2006, following the consideration of his case under Section 3 of the Immigration Act, 1999 (as amended). This permission was subsequently renewed for one year to 18 November 2008 and the person concerned was informed of this decision by letter dated 19 November 2007. This position still obtains.

There are no records in my Department of the person concerned having submitted an application for family reunification. The Deputy might wish to note that the position in the State

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of the person concerned is not such as would confer any statutory entitlement under family reunification provisions.

### **Asylum Applications.**

176. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if a review will be undertaken in the case of a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [39125/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 27 September 1999. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 27 November 2002, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations were received on his behalf. Following consideration of his case, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, a Deportation Order was signed in respect of the person concerned on 22 December 2004. Notice of this Order was served by registered letter dated 17 February 2005 requiring the person concerned to present himself to the Garda National Immigration Bureau (GNIB) on a specified date in order to make travel arrangements for his deportation from the State. The person concerned presented on the specified date as required and was given further presentation dates by the Garda National Immigration Bureau (GNIB).

The person concerned, through his legal representative, requested the Minister to review the decision not to allow to him permission to remain temporarily in the State in view of new information which had come to hand. Following consideration of this new information the Deportation Order signed on 22 December 2004 was affirmed. The legal representative of the person concerned was notified of this by letter dated 17 October 2005.

The person concerned, again through his legal representative, subsequently submitted a request under Regulation 4 (2) of the European Communities (Eligibility for Protection) Regulations 2006 (S.I. No. 518 of 2006) seeking the permission of the Minister to consider an application for Subsidiary Protection in the State in accordance with those Regulations which came into force on 10 October 2006. The request was approved and this application is under consideration at present. When consideration of this application has been completed, the person concerned will be notified in writing of the outcome.

The person concerned remains the subject of a valid Deportation Order. However, the Deputy may be assured that this Order will not be enforced pending the determination of the Subsidiary Protection application.

### **Residency Permits.**

177. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when a letter as per the reply to Parliamentary Question No. 154 of 23 October 2008, will issue to a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [39126/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The letter referred to in my Reply to Parliamentary Question No. 154 of 23 October 2008, was issued to the person concerned by registered post to the address on file with my Department on the 9 October 2008. This letter has subsequently been returned undelivered to my Department. The person concerned should now notify my Department of his current address in order for the letter to be re-issued.

The Deputy should note that it is incumbent on an applicant to notify my Department when they change address, in accordance with Articles 11 and 18 of the Aliens Order 1946. The person concerned was notified of this requirement and acknowledged same on 3 March 2003.

### **Deportation Orders.**

178. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected residency status in the case of a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [39127/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to his recent Parliamentary Questions No. 79 of Thursday, 16 October 2008, and No. 787 of Wednesday, 24 September 2008, in this matter. The position in the State of the person concerned is unchanged.

### **Visa Applications.**

179. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if he will reconsider applications made by persons (details supplied) in County Kildare; and if he will make a statement on the matter. [39128/08]

191. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for family reunification in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [39140/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 179 and 191 together.

I refer the Deputy to my Reply to his previous Parliamentary Question of 14 October 2008. I am informed by the Immigration Division of my Department that the person referred to by the Deputy made an application for family reunification on 26 September 2005 on behalf of her husband. She subsequently withdrew that application on 3 March 2006 and made a fresh application in respect of her mother and brother.

My Department forwarded the new application to the Refugee Applications Commissioner for investigation as required under Section 18 of the Refugee Act 1996. This investigation was completed and the Commissioner submitted a report to my Department on 20 June 2006. Following the receipt of the report my Department issued a decision to the applicant on 27 July 2006 refusing the application because the subjects of the application did not qualify as dependents under Section 18(4)(b) of the Refugee Act 1996.

Since the decision was issued further correspondence was received from the person in question and my Department replied to that correspondence on 5 August 2008.

### **Asylum Applications.**

180. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform



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the current or expected residency status in the case of a person (details supplied) in County Meath; and if he will make a statement on the matter. [39129/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It is not the practice to comment in detail on individual asylum applications.

As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted.

A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

#### **Travel Documentation.**

181. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if he will review a travel document in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [39130/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Immigration Division of my Department that a letter issued to the person in question on 29 October 2008 informing him that as an Angolan National he was advised to contact the Embassy of Angola, 22 Dorset Street, London W1U 6QY, England with a view to obtaining his own National passport.

The person in question has not been granted refugee status in the State in accordance with the Refugee Act 1996 and therefore is not entitled to apply for a 1951 UN Convention Travel Document. The person in question was issued with a Temporary Travel Document in May 2008 to assist him in obtaining his national passport. It now appears that the person concerned did not use the Travel Document for the purpose stated.

#### **Asylum Applications.**

182. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of persons (details supplied) in County Cork; and if he will make a statement on the matter. [39131/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The first named person concerned applied for asylum in the State on 27 May 2005. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the first named person concerned was informed, by letter dated 30 May 2006, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations have been submitted on behalf of the first named person concerned and will be fully considered, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

The second named person concerned has applied for asylum in the State. As the Deputy will be aware, applications for asylum in the State are determined by an independent process com-



prising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted.

A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

183. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in County Meath; and if he will make a statement on the matter. [39132/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It is not the practice to comment in detail on individual asylum applications. As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted. A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

#### **Asylum Support Services.**

184. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if permission will be given to a person (details supplied) in County Cork; and if he will make a statement on the matter. [39133/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Reception and Integration Agency is responsible for the accommodation of asylum seekers in accordance with the Government policy of direct provision. As stated in the Reply to the Deputy's Parliamentary Question of 14 October, 2008 in this matter, the RIA understands that the first contact from either party referred to in the details supplied requesting that they be accommodated together was received on 3 January 2008. Both parties refused to be accommodated anywhere other than at Kinsale Road accommodation centre. Kinsale Road accommodation centre has high occupancy levels and no accommodation suitable for this family has become available at the centre in this time.

The RIA has offered alternative accommodation in its portfolio to this family on a number of occasions but these offers have been refused every time. As stated in the previous response in this matter, if the family still wish to be accommodated together, they should apply again in writing to the RIA but should understand that the situation in respect of their demand to be accommodated at Kinsale Road remains unchanged. No such request has been received by the RIA to date.

#### **Citizenship Applications.**

185. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [39134/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Applications for certificates of naturalisation from the person referred to in the Deputy's Question were received in the Citizenship section of my Department in January 2005, April 2007 and

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September 2007. On each occasion, the person concerned did not meet the statutory requirements for Naturalisation. It is open to the person in question to lodge a new application if and when she can satisfy the statutory requirements applicable at that time.

### **Residency Applications.**

186. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for residency in the case of a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [39135/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 16 October 2000. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner. He did not appeal this decision.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 30 October 2001, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations were received on his behalf. Following consideration of his case, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, a Deportation Order was signed in respect of the person concerned on 21 May 2002. Notice of this Order was served by registered letter dated 25 October 2002 requiring the person concerned to present himself to the Garda National Immigration Bureau (GNIB) on a specified date in order to make travel arrangements for his deportation from the State. The person concerned failed to present on the specified date as required and was subsequently classified as evading Deportation.

The person concerned, through his legal representative, submitted a request dated 4 March 2008, under Regulation 4(2) of the European Communities (Eligibility for Protection) Regulations 2006 (S.I. No. 518 of 2006) seeking the permission of the Minister to consider an application for Subsidiary Protection in the State in accordance with those Regulations which came into force on 10 October 2006. The request was approved and this application is under consideration at present. When consideration of this application has been completed, the person concerned will be notified in writing of the outcome.

The person concerned remains the subject of a valid Deportation Order. However, the Deputy may be assured that this Order will not be enforced pending the determination of the Subsidiary Protection application.

### **Travel Documentation.**

187. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to a request for a travel document in the case of a person (details supplied) in Dublin 6; and if he will make a statement on the matter. [39136/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my reply to Parliamentary Question number 148 of 23 October 2008. The position remains unchanged. The person in question is an Angolan National and was advised to contact the Embassy of Angola, 22 Dorset Street, London W1U 6QY, England with a view to obtaining his own National passport.

The person in question was refused refugee status in the State in accordance with the Refugee Act 1996 and therefore is not entitled to apply for a 1951 UN Convention Travel Document. The person concerned was also advised that, should he need to travel to the United Kingdom to obtain his national passport, an application for a Travel Document of limited validity may be considered if he produces confirmed travel arrangements to the United Kingdom and an appointment letter from the Angolan Embassy London. The person in question has not responded to this information.

### **Citizenship Applications.**

188. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for citizenship in the case of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [39137/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** 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 May 2008. Officials in that Section are currently processing applications received in July 2006. Applications are dealt with in chronological order as this is deemed to be the fairest to all applicants. However, I understand that the person concerned is married to an Irish national and every effort is made to ensure those applications are dealt with as quickly as possible.

### **Refugee Status.**

189. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for leave to remain or residency in the case of a person (details supplied) in Dublin 1; and if he will make a statement on the matter. [39138/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It is not the practice to comment in detail on individual asylum applications. As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted. A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

190. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected position in relation to an application for leave to remain or residency in the case of a person (details supplied) in Dublin 1; and if he will make a statement on the matter. [39139/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It is not the practice to comment in detail on individual asylum applications. As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted.

A final decision on each application is made following receipt of the recommendation of the Refugee Applications Commissioner or the decision of the Refugee Appeals Tribunal, as appropriate.

*Question No. 191 answered with Question No. 171.*

### Departmental Staff.

192. **Deputy Richard Bruton** asked the Minister for Justice, Equality and Law Reform the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39180/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** My Department uses the Civil Service Human Resource Management System (HRMS) and time and attendance systems to record absence from work for whatever reason. A significant proportion of all absences relate to statutory entitlements or conditions of employment. In relation to these leave entitlements (annual leave, maternity leave, parental leave, carer's leave, force majeure leave, bereavement leave, etc.), the question of benchmarking against best standards does not arise. In relation to sick leave absence, the Comptroller and Auditor General is undertaking a Value for Money Audit on sick leave absence across the Civil Service and I look forward to reading his Report in due course. In the meantime, I am satisfied that my Department's level of sick leave absence at 4% is comparable with other public sector organisations.

### Departmental Expenditure.

193. **Deputy David Stanton** asked the Minister for Justice, Equality and Law Reform the 2009 funding allocation for disability services under the multi-annual investment programme 2006 to 2009; the expenditure under this programme each year respectively since it began; and if he will make a statement on the matter. [39288/08]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** In 2009, the Department of Justice, Equality and Law Reform has been allocated €3 million for disability services under the multi-annual investment programme 2006 to 2009.

The table details expenditure under this programme.

Year	Expenditure
	€
2006	2,696,000
2007	4,582,000
2008	1,783,144 spent to date

### Departmental Staff.

194. **Deputy Michael Creed** asked the Minister for Foreign Affairs the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38959/08]

195. **Deputy Michael Creed** asked the Minister for Foreign Affairs the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff who are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38973/08]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 194 and 195 together.

Responsibility for dealing with constituency representations lies with the staff of the Constituency Offices of the Minister for Foreign Affairs and of each Minister of State. The following tables set out the grades, numbers and remuneration of such staff.

Minister for Foreign Affairs, Mr Micheál Martin, T.D.

Grade/Position	Number	Salary Scale
Personal Assistant	1	Secretarial Assistant Salary Scale €23,102 – €44,572 per annum
Personal Secretary	1	Executive Officer PPC Salary Scale €32,179 – €51,054 per annum
Executive Officer	1	Executive Officer PPC Salary Scale €32,179 – €51,054 per annum
Clerical Officer	2	Clerical Officer PPC Salary Scale €24,397 – €39,558 per annum
Total	5	

My Personal Assistant and Personal Secretary are based in my Constituency Office in Cork. The other staff members are based in the Department's headquarters in Dublin.

Minister of State, Mr Dick Roche, T.D.

Grade/Position	Number	Salary Scale
Personal Assistant	1	Higher Executive Officer Standard Scale €46,558 – €59,097 per annum
Personal Secretary	1	Secretarial Assistant Salary Scale €23,102 – €44,572 per annum
Staff Officer	1	Staff Officer Standard Scale €34,941 – €46,655 per annum
Clerical Officer	1	Clerical Officer PPC Salary Scale €24,397 – €39,558 per annum
	1.5	Clerical Officer Standard Scale €23,174 – €37,584 per annum
	1	Clerical Officer Higher Scale €24,255 – €38,397 per annum
Total	6.5	

Minister Roche's Personal Secretary is based in his Constituency Office in Bray, Co. Wicklow. The other staff members are based in the Department's headquarters in Dublin.

Minister of State, Mr Peter Power, T.D.

Grade/Position	Number	Salary Scale
Personal Assistant	1	Parliamentary Assistant Salary Scale €41,092 – €52,200
Personal Secretary	1	Secretarial Assistant Salary Scale €23,102 – €44,572 per annum
Clerical Officer	2	Clerical Officer PPC Salary Scale €24,397 – €39,558 per annum
	1	Clerical Officer Standard Scale €23,174 – €37,584 per annum
Total	5	

Minister Power oversees the Development Cooperation Directorate, the Division of my Department which is responsible for administering the Irish Aid programme. The Division is currently decentralising to Limerick; this move will be completed next week, when staff move

[Deputy Micheál Martin.]

into a new headquarters building. Consequently, all of Minister Power's Constituency Office staff will be based in Limerick from that date.

Personal Pension Contribution (PPC) scales apply where officers were employed since 6 April 1995, pay class A rate of PRSI and make a personal pension contribution.

### **Human Rights Issues.**

196. **Deputy Pat Breen** asked the Minister for Foreign Affairs his policy on the issue of extraordinary renditions; if there are new developments planned in this area; the implications of these new developments; if searches and inspections of aircraft are planned for Shannon Airport; if he no longer accepts assurances from the US Government in this regard; and if he will make a statement on the matter. [39071/08]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The issue of extraordinary rendition has been raised on numerous occasions in this House. As has been made repeatedly clear, the Government is completely opposed to the practice of the extraordinary rendition of prisoners. I wish to reiterate at the outset that none of the various investigations into allegations of extraordinary rendition have revealed any evidence, or even resulted in a specific allegation, that any person has on any occasion been subjected to extraordinary rendition through Ireland. The Government has received clear and specific assurances from the US authorities that such prisoners have not been transferred through Irish territory, nor would they be, without our permission. These assurances are of a clear and categorical nature and have been confirmed at the highest level. I am confident that this would continue to be the case under a new US administration. The Government has established a Cabinet Committee on Aspects of International Human Rights. As part of its remit, the Committee has reviewed the Programme for Government commitments in relation to our total opposition to extraordinary rendition.

With a view to strengthening as necessary the legislative provisions, the Committee is to review the statutory powers currently available to the civil and police authorities regarding the search and inspection of aircraft, in the context of the obligations on the State under the Chicago Convention. We have stated on a number of occasions that the Gardaí have full powers of search and inspection where they have reasonable grounds for suspicion. In keeping with the Programme for Government and in the light of international developments, we believe that this is an opportune time to confirm that the legislation is as effective as it can be in this area, and to address, if necessary, any area where it may be improved.

The Committee has agreed that early contact should be made with the new US Administration to seek a clear statement of intent that extraordinary rendition would cease and would not resume during the new President's term of office. I would emphasise that, while we have no reason to doubt the existing assurances in respect of the use of Irish airports, what we are looking for is a clear overall policy statement which would commit the new Administration to end the practice of extraordinary rendition wherever it may be occurring.

In addition, commitments are also being sought in regard to the early closure of Guantanamo Bay and to the clear prohibition of intensive interrogation techniques such as water-boarding which are internationally considered to constitute torture. I have asked our Ambassador in Washington to follow up on these issues as a matter of urgency.

### **International Agreements.**

197. **Deputy Seán Barrett** asked the Minister for Foreign Affairs if he has satisfied himself



with progress in the various EU-Israeli partnership agreements; and if he will make a statement on the matter. [39085/08]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Israel is a key partner of the European Union in the Mediterranean, and an active member of the Euro-Mediterranean Partnership. The relationship between the EU and Israel is governed mainly by the EU-Israel Association Agreement and its associated Action Plan. The eighth annual meeting of the EU-Israel Association Council was held in June 2008, and the current EU-Israel Action Plan is due to be completed in April 2009.

On specifics, the co-operation between the EU and Israel across a range of technical and practical fields, such as transport, energy and social affairs, has been very good. Indeed, Israel's highly developed institutional structures and public administration have enabled it to lead the way among Mediterranean countries in many cooperation projects.

With the completion of the current Action Plan in April next, it is logical that its successor will seek to build on and to deepen existing cooperation. In this regard, Israel has presented ideas on how relations might develop further. The EU has agreed in principle to this approach, but discussions on what might be involved have only just begun and will inevitably take some time.

As regards dialogue on political and human rights issues, these form an essential part of the EU's contractual relations with its neighbours, including those in the Euro-Mediterranean Partnership. Of their nature, this often involves disagreement and hard talking. In this regard, the EU has often been strongly critical of Israel in relation to the Occupied Palestinian Territories, the process to reach a viable two State solution, and the rights of the Palestinian people. Importantly, this dialogue has provided the EU with a formal and regular channel to convey its views to Israel on these crucial matters, although of course the issues in question are also raised in many other fora.

The EU has stated that it sees deeper engagement on all these issues as an essential element of the enhancing of EU-Israel relations. This should include a strengthened political dialogue, stronger involvement of the EU in the peace process and in monitoring the situation on the ground, and the establishment of a full and separate subcommittee of the dialogue dealing with human rights issues.

### **Diplomatic Representation.**

198. **Deputy Leo Varadkar** asked the Minister for Foreign Affairs the procedures and resources in place to lobby the US Congress on issues of importance to Ireland; and if he will make a statement on the matter. [39090/08]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The relationship between Ireland and the United States is deep, close and enduring. Successive Presidents and their Administrations, and Ireland's many friends on Capitol Hill from both sides of the aisle, have made an enormous contribution to bringing peace and economic prosperity to this island.

Following the US Presidential election on 4 November 2008, the President and Taoiseach have written to congratulate President-elect Barack Obama on his victory. The Government look forward to working with the new President and his Administration in the years ahead to underpin and deepen further the economic, cultural and social relations between the United States and Ireland. Likewise, we will continue to work closely with the bipartisan Friends of Ireland in Congress, chaired by Congressman Richard Neal.

[Deputy Micheál Martin.]

This close cooperation is, of course, underpinned by the network of relations with members of Congress and their staff maintained by the Embassy in Washington. The Ambassador and his colleagues attach the highest priority to their work in this area, and, following yesterday's US elections, will be active in ensuring that Ireland's interests continue to be effectively advanced with the new Administration and Congress. In this regard, the level of staffing in our missions in the United States, and our Honorary Consul system, is kept under ongoing review.

Aware of the need to constantly update the relationship, and recognising the changing circumstances on both sides of the Atlantic, our Ambassador in Washington has been asked by the Taoiseach to lead a strategic review of Ireland/US relations, and to report on this by the end of the year. The review is intended to facilitate the further development of this important relationship, and to explore how our already close ties might be further enhanced in the future. Considerable work on the review has already taken place and the Ambassador has invited organizations and individuals across the United States to contribute their views.

199. **Deputy Leo Varadkar** asked the Minister for Foreign Affairs if efforts have been made to lobby members of Congress and the administration in opposition to possible changes to US corporate tax law that might adversely affect Ireland; and if he will make a statement on the matter. [39099/08]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The presidential campaign in the United States has just concluded. President Barack Obama will take up office on 20 January 2009 and the new Congress will meet for the first time on 6 January 2009. The campaign of the President-elect put forward a range of proposals on the US economy, trade and taxation. However, it is too early to know how these proposals will take shape and, therefore, what their implications may be for Ireland.

The Embassy in Washington, in co-ordination with the IDA, will continue to monitor these issues closely and to keep the Government fully informed of any possible developments so that, if necessary, appropriate action can be taken quickly and effectively.

#### **Departmental Staff.**

200. **Deputy Richard Bruton** asked the Minister for Foreign Affairs the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39178/08]

**Minister for Foreign Affairs (Deputy Micheál Martin):** My Department monitors absence through the Civil Service's Human Resources Management System (HRMS). All absences are recorded on HRMS, which is administered centrally by the Department of Finance. The recording of absences is managed by my Department's Human Resources Section. All HQ-based staff at grades up to, and including, Higher Executive Officer register their attendance using a flexi clock. At more senior grades and in our Missions abroad, attendance is monitored and reported on directly by line managers.

The average levels of absenteeism within my Department during the past five years are set out below. Each figure given is the total number of days lost to absence expressed as a percentage of the total available working days for staff in the Department.

- 2003: 1.98%;
- 2004: 2.28%;

- 2005: 2.57%;
- 2006: 2.76%;
- 2007: 3.58%.

In general, most absences in my Department are short-term in nature and do not require cover to be provided. Where a long-term absence arises, the question of cover is considered on a case-by-case basis and, if needed, such cover is drawn from existing resources. In some cases, an absent officer may be replaced temporarily by a junior colleague, usually from the same Section, who is paid an acting-up to higher duties allowance. The allowance is equivalent to the difference between the junior colleague's existing salary and the first point of the salary scale for the grade at which they are acting up.

Staff on certified long-term sick leave are entitled to full pay for a maximum of six months in any one year and half pay thereafter, subject to a maximum of twelve months' sick leave in any period of four years or less. Uncertified sick leave absences in excess of the limits prescribed by the Department of Finance may result in disciplinary action, including the withholding of salary increments. The Deputy may also wish to be aware that the Office of the Comptroller and Auditor General is currently undertaking an examination of the management of sickness absences in the Civil Service. My Department is cooperating with the Office in this regard.

201. **Deputy Michael Creed** asked the Minister for Arts, Sport and Tourism the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38951/08]

202. **Deputy Michael Creed** asked the Minister for Arts, Sport and Tourism the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38965/08]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** I propose to take Questions Nos. 201 and 202 together.

There are currently two members of staff in the Department's office in Dublin dealing with constituency matters, one at Staff Officer and one at Clerical Officer level. In my constituency, there are three members of staff dealing with such matters, two Personal Assistants at Higher Executive Officer level and a Personal Secretary at Secretarial Assistant level.

All of these staff are paid at the appropriate civil service rates and in addition my Personal Secretary is in receipt of an attraction allowance of 10% of salary. The staffing of my constituency office is in accordance with Department of Finance guidelines.

Minister of State Mr. Martin Mansergh T.D. does not have private or constituency office facilities at the Department of Arts, Sport and Tourism.

203. **Deputy Richard Bruton** asked the Minister for Arts, Sport and Tourism the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39170/08]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** Minister for Arts, Sport and Tourism (Martin Cullen TD): The Department uses the Human Resources Management System (HRMS) and a time management system (Clockwise) to track absences from work. This tracking is done in consultation with line managers in the Department as appropriate. A significant proportion of all absences relate to statutory entitlements or conditions of employment such as annual leave, maternity leave, parental leave, bereavement leave etc, where the question of benchmarking against best standards does not arise.

While the Department monitors sick leave absences it does not benchmark them against best standards but, as the Deputy will be aware, the Comptroller and Auditor General is currently carrying out an examination on the management of sickness absences across the civil service and the Department which has provided information to the C&AG in this exercise will implement any recommendations arising from this examination.

204. **Deputy Michael Creed** asked the Minister for Community, Rural and Gaeltacht Affairs the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38953/08]

205. **Deputy Michael Creed** asked the Minister for Community, Rural and Gaeltacht Affairs the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38967/08]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** I propose to take Questions Nos. 204 and 205 together.

There are five staff employed by my Department, whose function it is to deal with representations and matters relating to my constituency. These staff are based in my constituency office in Co. Galway and their grades and remuneration are as follows:

Grade	Salary Scales
1 Personal Assistant	€444.26 – €857.15 per week + 10% Attraction Allowance
1 Personal Secretary (HEO level)	€46,558 – €59,097 p.a.
1 Executive Officer	€32,179 – €51,054 p.a.
2 Clerical Officers	€467.55 – €758.10 per week

There are two staff employed by my Department, whose function it is to deal with representations and matters relating to the constituency of Mr John Curran, T. D., Minister of State at my Department. They are based in his constituency office in Clondalkin, Co Dublin, and their grades and remuneration are as follows:

Grade	Salary Scales
1 Personal Assistant	€41,092 – €52,200 p.a. + 10% Attraction Allowance
1 Personal Secretary	€444.26 – €857.15 per week + 10% Attraction Allowance

There are two staff employed by my Department, whose function it is to deal with representations and matters relating to the constituency of Mr John Curran, T. D., Minister of State at

my Department. They are based in his constituency office in Clondalkin, Co Dublin, and their grades and remuneration are as follows:

Grade	Salary Scales
1 Personal Assistant	€41,092 – €52,200 p.a. + 10% Attraction Allowance
1 Personal Secretary	€444.26 – €857.15 per week + 10% Attraction Allowance

The Deputy will also be aware that Mr Conor Lenihan, T.D., Minister of State with responsibility for Integration, has been assigned to the Department of Justice, Equality and Law Reform, the Department of Education and Science and to my Department. The staffing of his office is a matter for the Department of Justice, Equality and Law Reform.

### Consultancy Contracts.

206. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs the staff employed by a group (details supplied) giving details of their respective titles and so on. [38994/08]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** The Group referred to by the Deputy is a private company limited by guarantee. Although the company is contracted to deliver a number of programmes on behalf of my Department, my Department has no role to play in the management and staffing of the company. Consequently, details of the staff employed and their respective positions within the company are a matter for the company itself.

### Departmental Staff.

207. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs the staff who will be transferring to a group (details supplied) in County Mayo; the existing companies from which they will transfer; and if he will make a statement on the matter. [38995/08]

208. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs the assets which will be transferring with the staff to a company (details supplied) in County Mayo; the existing companies that the assets will transfer from; and if he will make a statement on the matter. [38996/08]

209. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs if the position of a company (details supplied) in County Mayo will be advertised; if it will be an open or closed competition; and if he will make a statement on the matter. [38997/08]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** I propose to take Questions Nos. 207 to 209, inclusive, together.

I wish to refer the Deputy to PQ No. 223 of 2nd October in relation to positions within the newly Integrated Companies. As previously stated, decisions in relation to the advertising and appointment of positions in LEADER and Partnership Groups are matters for the boards of the companies concerned taking into account all relevant legislation, including the European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003 (SI No. 131 of 2003). My Department has no role or authority in such processes.

[Deputy Éamon Ó Cuív.]

Similarly, in relation to the transfer of staff and assets to the company identified by the Deputy, it is matter for the Board of Directors of that company to identify and engage with all relevant companies within their catchment area in regard to transfer of staff and assets.

### **Community Development.**

210. **Deputy Michael Creed** asked the Minister for Community, Rural and Gaeltacht Affairs the status of an application from a group (details supplied) in County Cork for funding under the Pobal refurbishment scheme; when the group will received funding; and if he will make a statement on the matter. [39035/08]

**Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy John Curran):** The group in question applied to my Department for funding to refurbish a Community Centre under the Programme of Grants for Locally-Based Community and Voluntary Organisations.

I am pleased to inform the Deputy that the group's application has been successful and funding of €35,050 is being allocated to them under the Programme.

The group will be formally notified of the grant in the coming days and funding will issue shortly in accordance with the payment guidelines attaching to the Programme.

### **Departmental Staff.**

211. **Deputy Richard Bruton** asked the Minister for Community, Rural and Gaeltacht Affairs the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39172/08]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** My Department operates a personnel administration system, which records and tracks details in relation to staff, including the recording and tracking of staff absences from work for various reasons. I understand that this system is used by all Government Departments and that, while it does not have a specific facility to benchmark absences as referred to by the Deputy, it does enable my Department to review and monitor the attendance patterns of staff and to take follow-up action, where required.

Any cost arising in relation to providing cover where staff are absent from work is nominal, as dedicated cover is only provided for staff in the case of maternity absences. In such cases, a higher duties allowance is paid to the lower grade to act up in place of the officer on maternity leave and the consequential lower post remains unfilled. Estimating any lost input due to absences and the taking of appropriate action is the responsibility of line managers in my Department, who review progress in respect of the implementation of their annual business plans on a regular basis.

With regard to data relating to absenteeism in my Department, I refer the Deputy to my reply to Question No 404 of 21 October 2008.

212. **Deputy Michael Creed** asked the Minister for Social and Family Affairs the number of staff employed in his Department whose function it is to deal with representations from her constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if she will make a statement on the matter. [38962/08]



**Minister for Social and Family Affairs (Deputy Mary Hanafin):** There is a total of five full-time administrative staff assigned to deal with matters in my constituency office. The staff in question are based in my Department's headquarters in Áras Mhic Dhiarmada, Store Street, Dublin 1.

There are four established civil servants, one Executive Officer on a payscale of €32,179 to €51,054, two Clerical Officers on a payscale of €24,397 to €39,558 and one Clerical Officer on a payscale of €23,174 to €37,584 (Class B rate of PRSI contribution applies as this person commenced employment before 6 April 1995) in the office.

I have also appointed, on a contract basis for my term of office, one non-established civil servant, a Personal Assistant. The annual salary for my Personal Assistant is €55,030 together with a private pension contribution of 11% of salary.

#### **Social Welfare Benefits.**

213. **Deputy Jack Wall** asked the Minister for Social and Family Affairs the reason a person (details supplied) in County Kildare is not being granted a mortgage allowance payment in view of their income details; and if she will make a statement on the matter. [38981/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The supplementary welfare allowance scheme, which includes mortgage interest supplement, is administered on behalf of the department by the Community Welfare division of the Health Service Executive. Neither I nor the Department has any function in relation to decisions on individual claims.

Mortgage interest supplement provides short-term income support to eligible people who are unable to meet their mortgage interest repayments in respect of a house which is their sole place of residence. The supplement assists with the interest portion of the mortgage repayments only.

The Health Service Executive has advised that the person concerned was refused a mortgage interest supplement because her means were deemed sufficient to meet her mortgage interest costs. It is open to the person concerned to appeal this decision to the Health Services Executive designated Appeals Officer.

#### **Social Welfare Appeals.**

214. **Deputy Joe Costello** asked the Minister for Social and Family Affairs if her attention has been drawn to the case of a person (details supplied) in Dublin 1; and if she will make a statement on the matter. [39004/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The supplementary welfare allowance (SWA) scheme, which is administered on my behalf by the Community Welfare Division of the Health Service Executive, provides for the payment of rent supplement to eligible people whose means are insufficient to meet their accommodation costs.

The Health Service Executive has advised that the person concerned is not eligible for rent supplement. She has been refused rent supplement on the grounds that she is not in receipt of a social welfare payment and is currently participating in full-time education.

The person concerned has been advised by the community welfare officer of her right to lodge an appeal against the decision with the Appeals Office of the Health Service Executive.

#### **Social Insurance.**

215. **Deputy Joan Burton** asked the Minister for Social and Family Affairs the projected balance of the social insurance fund for end 2008, end 2009 and 2010; if she expects it to fall

[Deputy Joan Burton.]

significantly into deficit over that period; her views on projected trends in the fund's balance; if she proposes corrective measures to ensure that the fund remains broadly in balance or in surplus; and if she will make a statement on the matter. [39037/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** It is currently estimated that the balance of the social insurance fund will be approximately €3.4 billion, based on an expected annual deficit of €223 million, at end 2008. For end 2009, the balance is estimated to be €2.5 billion, based on an expected annual deficit of €900 million. A projected outturn for 2010 has not yet been finalised.

These estimates are similar to those of the second Actuarial Review of the Social Insurance Fund, which was required under Section 10 of the Social Welfare (Consolidation) Act, 2005, and published on 17th October 2007 in conjunction with the Green Paper on Pensions.

The findings of the Review included:

- That the Fund will move from being in surplus to running a deficit in 2009;
- That on foot of the annual deficits from 2009, the accumulated surplus of the fund will be exhausted by 2016.

However, in the light of current economic circumstances it is now expected that the accumulated surplus will be exhausted prior to 2016.

In this regard it should be noted that legislation provides that the exchequer is the residual financier of the fund and exchequer contributions to cover any shortfalls in contributions were the norm for over forty years. No exchequer contribution has been required since 1996 as the fund has been in surplus on foot of contributions from employers and workers. Any shortfall in the fund, in meeting the cost of benefits paid, would in the normal way be addressed by exchequer subvention.

Issues relating to social insurance contribution rates, payments, and possible future exchequer subventions to the fund, would have to be considered in a budgetary context.

### **Pension Provisions.**

216. **Deputy Róisín Shortall** asked the Minister for Social and Family Affairs if credits can be claimed by a person who takes a career break; and the general position of such persons in relation to the effect on their future pension and benefit entitlement. [39041/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The primary purpose of credited contributions is to preserve the continuity of a person's insurance record during periods when they are unable to work and pay PRSI in the normal way. In order to qualify for credited contributions, absences from work would generally have to be for reasons outside of the person's control, such as periods of proven illness or registered unemployment, or periods during which they may be entitled to certain other social welfare payments.

Credited contributions are not generally available in circumstances where a person voluntarily ceases insurable employment on a temporary or permanent basis. This reflects the contributory principle that underpins the qualifying conditions for all social insurance payments. However, a person taking time off work to care for children up to 12 years of age, or an incapacitated adult, may be entitled to avail of the homemaker's scheme whereby such periods can be taken into account for state contributory pension purposes at age 66.

One of the qualifying conditions for contributory pensions requires that the applicant must have a minimum yearly average number of paid or credited contributions throughout their working lives. Therefore, any prolonged gaps in insurance cover are likely to have significant consequences with regard to pension entitlement.

In the case of short-term benefits such as job-seekers allowance, illness, and treatment benefits a person may retain entitlement to such payments for a limited period after their last PRSI contribution but entitlement would then lapse unless further reckonable contributions are recorded on their behalf.

Subject to certain statutory conditions, it may be open to a person on a career break to pay voluntary contributions. However, it should be noted that voluntary contributions are reckonable only with regard to state contributory pension, transition pension and widows/widowers contributory pension.

### Unemployment Levels.

217. **Deputy Róisín Shortall** asked the Minister for Social and Family Affairs the number of people on the live register by nationality with a breakdown by occupation and duration on the register. [39046/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The number on the live register at 31st October 2008 was 251,951. Of these, a total of 195,561 have been signing continuously for less than one year. A total of 56,390 have been signing continuously for a year or more. A breakdown of the live register at 31/10/08 by occupational category is given in tabular format:

Category	Number
Agriculture, Fishing and Related Industries	4,170
Beauty	2,654
Business and Financial	2,839
Construction, Woodwork and Metal and Related Industries	81,418
Domestic and Catering	20,227
Education	8,355
General Operatives	32,914
Health and Related Industries	8,531
Information Technology	2,054
Legal Profession	615
Management	10,173
Office Admin, Clerical, Secretarial	25,425
Printing, Press, Communications	1,619
Retail, Sales	25,947
Security, Military	4,569
Textiles	404
Travel, Tourism	1,249
Unknown	12,055
Vehicle Trade	6,733
Total Live Register	251,951

[Deputy Mary Hanafin.]

The Central Statistics Office now includes a breakdown by nationality grouping in its detailed Live Register release each month. The figures for October 2008 will be published on 7th November 2008.

The total on the Live Register at 27th September 2008 was 240,217. The breakdown of this figure by nationality is as follows:

Country	Number
Ireland	199,003
United Kingdom	11,186
EU 15 (excluding Ireland & UK)	2,419
Accession States EU 15-27(Joined EU since Jan 2004)	19,381
Other Nationals	8,228
Total Live Register	240,217

### **Social Welfare Appeals.**

218. **Deputy Michael Ring** asked the Minister for Social and Family Affairs when a disability appeal for a person (details supplied) in County Mayo will be finalised. [39068/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Payment of illness benefit to the person concerned was disallowed from 2 May 2008 by a Deciding Officer of the Department following an examination by a Medical Assessor who expressed the opinion that the person concerned was not incapable of work.

An appeal was opened on 16 May 2008 and I am advised by the Social Welfare Appeals Office that, in accordance with the statutory requirements, the Department was asked for the documentation in the case and the Deciding Officer's comments on the grounds of the appeal. In that context another examination was carried out on 30 June 2008 by a different Medical Assessor who was also of the opinion that the person concerned was not incapable of work.

The case has been referred to an Appeals Officer who proposes to hold an oral appeal hearing. The Social Welfare Appeals Office is an office of the Department that is independently responsible for determining appeals against decisions on Social Welfare entitlements.

219. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs if a review will be undertaken in the case of an application for supplementary welfare allowance or rent supplement in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [39145/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** All applicants regardless of nationality, from 1 May 2004, are required to be habitually resident in the State in order to qualify for Supplementary Welfare Allowance, child benefit and certain social welfare assistance payments.

The Dublin Mid-Leinster Area of the Health Service Executive has advised that the person concerned was refused supplementary welfare allowance and rent supplement on the grounds that he is not habitually resident in the country. Any applicant who disagrees with the decision of a Community Welfare Officer has the right to appeal to the Executive's designated Appeals Officer. The person concerned has been advised of his right of appeal against this decision to

disallow his claims. He can appeal subsequently if necessary to the Social Welfare Appeals Office. No appeal has been received from him to date.

### **Social Welfare Benefits.**

220. **Deputy Róisín Shortall** asked the Minister for Social and Family Affairs the specific measures she is taking to offset the savings originally identified in the proposed changes to the revised estimates for her Department as a result of the changes in relation to her decision not to proceed with the budget 2009 announcement in relation to the age criteria for disability allowance; and if she will make a statement on the matter. [39168/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** In the Budget, I announced that the age of eligibility for entitlement to Disability Allowance (DA) would be increased from 16 to 18 years for new claimants with effect from 1 January 2009. As an alleviating measure, the age for entitlement to the Domiciliary Care Allowance (DCA) would be increased from 16 to 18 years from the same date. These measures were estimated to save €5.6 million on the Department of Social and Family Affairs Vote while giving rise to a cost of €1.4 million on the HSE Vote. Accordingly, the net saving to the Exchequer in 2009 was expected to be of the order of €4.2m.

As I have already announced, these measures will not now proceed. The consequential impact on the Social and Family Affairs Vote equates to 0.04% of expenditure and will be accommodated by on-going efficiencies across the whole range of the Department's activities next year. It will not be necessary to introduce further measures affecting entitlements or payments. The amount of €1.4 million which will not now be required for the DCA measure will be transferred from the HSE Vote to the Social and Family Affairs Vote in the Revised Estimates.

### **Departmental Staff.**

221. **Deputy Richard Bruton** asked the Minister for Social and Family Affairs the systems her Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if she will present data for the most recent years on this matter. [39181/08]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The Department has an Attendance Management policy in place since 2005. As part of the process of preparing this policy, the Department researched examples of best practice available in Irish and UK organisations. The inclusion in the Policy of practices such as return to work interviews, a Health Promotion Policy and supports for staff who are returning to work after a long term illness reflects this research.

The Department prepares reports for managers on a quarterly and annual basis of all sick leave absences that occur in the Department in order to support them in the management of attendance. These reports contain information in relation to numbers, duration, lost work days etc arising from work absences.

In addition, the Department uses the Administrative Productivity Training (APT) method of work measurement which is used to identify, measure and quantify workloads and to determine staffing requirements. This provides for a core figure of staffing for each business unit in the Department. The measurement includes a set 14.3% absence reserve. This absence reserve

[Deputy Mary Hanafin.]

covers all normal levels of annual, sick and special leave. The following table sets out details of absences for the years 2003 to 2007.

Year	Average No. of Absences per Employee	Average No. of working days lost to Sick Leave per Employee	Average No. of working days lost to Sick Leave per Employee when absences in excess of 6 months are excluded
2003	2.36	13.58	10.73
2004	2.33	13.78	10.76
2005	2.35	14.79	11.77
2006	2.29	14.68	11.06
2007	2.30	14.74	11.35

### Defence Forces Property.

222. **Deputy Joe McHugh** asked the Minister for Defence the amount of money spent at Rockhill and Lifford Army Barracks on refurbishment work and capital investment since 2000 to date in 2008. [39061/08]

**Minister for Defence (Deputy Willie O’Dea):** My Department is engaged in an on-going capital building programme designed to modernise and enhance the training, operational and accommodation facilities available to the Defence Forces both Permanent and Reserve. The programme focuses mainly on infrastructural projects comprising the construction of new buildings and the refurbishment of existing buildings.

In the period 2000 to 2008 the Department has spent approximately € 1,000,000 on refurbishment and capital projects in Rockhill and € 320,000 in Lifford. The majority of the expenditure in Rockhill was required to maintain and conserve the fabric of what is a listed building, thus protecting its structural integrity.

### Departmental Staff.

223. **Deputy Michael Creed** asked the Minister for Defence the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38954/08]

224. **Deputy Michael Creed** asked the Minister for Defence the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of State’s constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38968/08]

**Minister for Defence (Deputy Willie O’Dea):** I propose to take Questions Nos. 223 and 224 together.

The information requested is set out in the following tables:



Minister for Defence, Mr Willie O'Dea, T.D.

Staff dealing with Constituency matters located in my Department

Number	Grade	Salary Scale as at 01/09/2008
1	Executive Officer	Executive Officer PPC scale €32,179 – €51,054
1	Staff Officer	Staff Officer Scale PPC €36,779 – €49,104
1	Clerical Officer	Clerical Officer Higher Scale €24,255 – €38,397
2	Clerical Officer	Clerical Officer PPC Standard Scale €24,397 – €39,558
1	Clerical Officer	Clerical Officer Standard Scale €23,174 – €37,584

Staff dealing with Constituency matters located in my Constituency

Number	Grade	Salary Scale as at 01/09/2008
1	Personal Assistant (Non-Established)	Higher Executive Officer Standard Scale €46,558 – €55,030 (Excludes long service increments).
1	Personal Secretary (Non-Established)	Secretarial Assistant Contract Scale €23,182 – €44,726.

Minister of State, Mr. Pat Carey, T.D.

Two staff are assigned to cover both the private office and the constituency office of the Minister of State, both of whom are located in my Department.

Number	Grade	Salary Scale as at 01/09/2008
1	Higher Executive Officer	Higher Executive Officer Standard Scale €46,558 – €59,097
1	Clerical Officer	Clerical Officer Higher Scale €24,255 – €38,397

### Defence Forces Training.

225. **Deputy Ciarán Lynch** asked the Minister for Defence the number of National Defence Force personnel who have undergone potential NCO courses in each defence region in each of the past three years; the number of persons who have successfully completed the course in each region; and if he will make a statement on the matter. [39006/08]

**Minister for Defence (Deputy Willie O'Dea):** A breakdown of the number of Defence Force personnel who have undergone potential NCO courses in each of the past three years and the number of persons who have successfully completed the course are in the form of Tabular Statements as follows.

No. of Personnel who began Potential NCO Courses

	2005	2006	2007	Total
1 Southern Bde	39	Nil	12	51
2 Eastern Bde	55	39	58	152
4 Western Bde	Nil	31	Nil	31
DFTC	Nil	Nil	34	34
Air Corps	35	Nil	Nil	35
Naval Service	28	34	Nil	62
Total	157	104	104	365

[Deputy Willie O'Dea.]

No. of Personnel who Successfully Completed Potential NCO Courses

	2005	2006	2007	Total
1 Southern Bde	39	Nil	12	51
2 Eastern Bde	54	38	56	148
4 Western Bde	Nil	31	Nil	31
DFTC	Nil	Nil	32	32
Air Corps	34	Nil	Nil	34
Naval Service	28	33	Nil	61
Total	155	102	100	357

The success rate for Defence Force personnel who have undergone potential NCO courses in 2005, 2006 and 2007 is 98%. This is a high pass rate and reflects well on the quality of the candidates, the selection procedures and the experienced trainers and facilities available to the Defence Forces. The eight unsuccessful personnel over the three years have either failed the mandatory tests or have withdrawn from the course for personal reasons.

#### Departmental Staff.

226. **Deputy Richard Bruton** asked the Minister for Defence the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39173/08]

**Minister for Defence (Deputy Willie O'Dea):** My Department has in place a database, known as Human Resources Management System (HRMS), for managing attendance. This system provides a suite of reporting tools for monitoring and analysing absence data. Absences arise for many reasons, such as annual leave, sick leave, worksharing and career breaks. Absenteeism is usually defined as the time lost attributable to sickness or any other cause not excused through statutory entitlements or conditions of employment. A report on sick leave in my Department for recent years is as follows:

Year	Lost Time Rate
2006	4.4%
2007	4.8%

These rates compare favourably against international public sector norms. My Department has in place a range of measures to identify, manage, monitor and control absenteeism due to sickness, including the measures and initiatives adopted to promote well being and attendance. In managing sickness absences, my Department also employs an Employee Assistance Officer and avails of the services of the CMO in respect of medical issues.

227. **Deputy Michael Creed** asked the Minister for the Environment, Heritage and Local Government the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38957/08]

228. **Deputy Michael Creed** asked the Minister for the Environment, Heritage and Local Government the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38971/08]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I propose to take Questions Nos. 227 and 228 together.

The information requested is set out in the following tables:

Minister	Number of staff	Grade/Salary level	Location
John Gormley	0.5	Personal Secretary-Executive Officer salary scale	Department
	2	Executive Officer	Department
	2.5	Clerical Officer	Department

Minister of State	Number of staff	Grade	Location
Michael Kitt	1	Personal Assistant-Higher Executive Officer salary scale	Department
	1	Personal Secretary-Executive Officer salary scale	Galway Constituency Office
	2	Executive Officer	1 × Department 1 × Galway Constituency Office
Michael Finneran	1	Clerical Officer	Department
	1	Personal Assistant-Higher Executive Officer salary scale	Department
	1	Personal Secretary-Executive Officer salary scale	Roscommon/Leitrim Constituency Office
	1	Higher Executive Officer	Department
	2	Clerical Officer	Department
Máire Hctor*	—	—	—

\*Staffing arrangements for the Office of the Minister of State, Máire Hctor, with responsibility for Older People are dealt with by the Department of Health and Children.

The salary scales for all administrative grades are available on the Department of Finance website ([www.finance.gov.ie](http://www.finance.gov.ie)).

#### **Local Government Boundaries.**

229. **Deputy Joanna Tuffy** asked the Minister for the Environment, Heritage and Local Government the position with regard to an application for boundary extension from a council (details supplied) in County Dublin; if he will respond to this application; if he consents to the application, if the changes will be enforced before the 2009 local elections; and if he will make a statement on the matter. [38982/08]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I have recently received an application for a boundary alteration from Balbriggan Town Council,

[Deputy John Gormley.]

under Part V of the Local Government Act 1991. The application is currently being examined in my Department and I will make a decision in due course on completion of this examination.

### **Waste Management.**

230. **Deputy Ciarán Lynch** asked the Minister for the Environment, Heritage and Local Government the status of the proposed incinerator at Ringaskiddy; his views on whether all the requirements of the Aarhus Convention and the Public Participation Directive have been adhered to with regard to this application; and if he will make a statement on the matter. [39024/08]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The facility is a private sector development which has been the subject of the independent planning and waste licensing determinations provided for under the Planning and Waste Management Acts, and from which my involvement is statutorily precluded. In addition, there are legal proceedings before the High Court concerning compliance with EU requirements. In the circumstances it would not be appropriate to comment.

### **Local Authority Housing.**

231. **Deputy Jan O'Sullivan** asked the Minister for the Environment, Heritage and Local Government the obligations of local authorities to properly insulate houses which they rent to tenants in order to reduce fuel bills and the carbon footprint; and if he will make a statement on the matter. [39052/08]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** The regulations governing standards for rented houses are set out in the Housing (Standards for Rented Houses) Regulations 1993. These regulations, which apply to all rented dwellings including dwellings let by housing authorities, are currently under review and I expect to bring forward updated regulations shortly.

Through funding for remedial and regeneration programmes, significant improvements are being made in bringing the quality of older elements of the social housing stock up to modern standards, including from an energy efficiency perspective. In particular, my Department introduced a major initiative in 2004, providing for the installation of central heating in those local authority rented dwellings which lacked such facilities. It is a requirement under this initiative that all eligible works must include, where necessary, measures to ensure the energy efficiency of the dwelling, such as attic insulation to Building Regulation standards, draught proofing to existing windows and external doors, and the lagging of exposed pipe work and hot water cylinders.

By end 2007, my Department had co-funded the installation of central heating and associated energy efficiency measures in some 19,600 houses at a cost to the Exchequer of €94 million. A further €26 million has been allocated in 2008 to continue the programme.

In addition, I have recently announced that a full audit of the public housing stock will begin in 2009, to lay the foundation for a programme of retrofitting, where required, to deliver modern standards of energy efficiency. €5 million is being provided in 2009 for a number of retrofitting pilot projects, which will inform the approach to the wider roll-out of the retrofitting programme in due course.

Furthermore, local authorities and voluntary/co-operative housing bodies have been invited to submit proposals for demonstration projects for the delivery of sustainable energy efficient housing developments that will exceed the anticipated 2010 standards of the Building Regu-

lations Part L. Funding of €20m will be made available to support this 'Towards Carbon Neutral' programme, significantly advancing the knowledge and experience base in the design, construction and use of high performing energy efficient housing.

### **Animal Welfare.**

232. **Deputy Tony Gregory** asked the Minister for the Environment, Heritage and Local Government the number of hares killed or which subsequently died at coursing meetings (details supplied) during October and November 2008; and if this represents an increase on the average at these meetings. [39080/08]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Hare coursing in the State is administered by the Irish Coursing Club, set up under the Greyhound Industry Act, 1958. Statutory responsibility for the Act is a matter for the Minister for Arts, Sport and Tourism.

My responsibilities under the Wildlife Acts relate to the conservation of populations of certain protected species including hares.

My Department recently issued a licence under the Wildlife Acts to the Irish Coursing Club (ICC) allowing its affiliated clubs to net hares for the purpose of hare coursing for the 2008/2009 season, subject to certain conditions. One of these conditions is that the ICC must report on each hare coursing meeting held.

In relation to the 19 hare coursing meetings referred to in the question, my Department has received reports on 14 of these meetings to date. The reports for the meetings scheduled to take place on 1 and 2 November 2008 have not yet been received.

The number of hares killed or which subsequently died at the meetings reported upon was 22 compared to 27 and at the equivalent meetings held last year.

### **Departmental Staff.**

233. **Deputy Richard Bruton** asked the Minister for the Environment, Heritage and Local Government the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39176/08]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Absences of staff on annual or sick leave are tracked through the Flexible Working Hours (FWH) system. This system applies to all administrative staff up to and including Higher Executive Officer. All staff must comply with the requirements set out in the relevant Department of Finance Circulars and this Department's Sick Leave Guidelines. The annual and sick leave of staff not on the flexible working hours system is managed by the relevant Line Manager in accordance with the above Circulars and Guidelines and recorded centrally on the Human Resources Management System (HRMS) database.

In the case of industrial staff, their sick leave records are maintained centrally on an attendance database and their annual leave records are maintained locally and monitored by line management.

I refer to the reply to Question No. 491 of 21 October 2008 which gives details of the average level of absenteeism in the Department and is within the levels publicly reported for the private sector.

Staff who are absent on sick or annual leave are not normally replaced.

### Services for People with Disabilities.

234. **Deputy David Stanton** asked the Minister for the Environment, Heritage and Local Government the 2009 funding allocation for disability services under the multi-annual investment programme 2006 to 2009; the expenditure under this programme each year respectively since it began; and if he will make a statement on the matter. [39242/08]

235. **Deputy David Stanton** asked the Minister for the Environment, Heritage and Local Government the Budget 2009 allocation for the advancement of the National Disability Strategy; and if he will make a statement on the matter. [39279/08]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I propose to take Questions Nos. 234 and 235 together.

My Department allocates funds annually to individual local authorities on the basis of priority areas identified by them for capital and current expenditure each year. Capital funds are intended to address the priority needs of people with a disability by providing and improving accessibility to public buildings, roads, footpaths, beaches, amenity areas, heritage sites and swimming pools. Current funding provides for disability awareness training, accessibility audits, adapting information systems, and equipment to improve accessibility of public services.

The annual expenditure on the National Disability Strategy is as follows:

- 2005: €10,568,148;
- 2006: €17,488,090;
- 2007: €15,074,001;
- 2008: €1,983,118 (year-to-date).

I have allocated a total of €15 million for 2008 and expect that the balance will be drawn down by the end of the year. A provision of €14 million is included in my Department's expenditure estimates for 2009, consisting of €10 million capital and €4 million current.

### Departmental Staff.

236. **Deputy Michael Creed** asked the Minister for Communications, Energy and Natural Resources the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38952/08]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** There are three staff employed in my Department who deal with representations from my constituency. One of these carries out this work on a part time basis. Their details are as follows:

Grade	Remuneration
Personal Assistant	Higher Executive Officer salary scale (modified) €46,558 (min) – €59,097 (2nd LSI)
Executive Officer	Executive Officer salary scale (Full PRSI) €32,179 (min) – €51,054 (2nd LSI)
Clerical Officer	Clerical Officer salary scale (Full PRSI) €24,397 (min) – €39,558 (2nd LSI)

All of the above staff are located in my Department. The Clerical Officer deals with representations from my constituency from time to time as required.



237. **Deputy Michael Creed** asked the Minister for Communications, Energy and Natural Resources the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38966/08]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** There are three staff employed in my Department who deal with representations from the constituency of the Minister of State. Two of these carry out this work on a part-time basis. Their details are as follows:

Grade	Remuneration
Personal Secretary	Secretarial Assistant salary scale €23,181 (min) – €44,727 (2nd LSI)
Executive Officer (Private Secretary)	Executive Officer salary scale (Full PRSI) €32,179 (min) – €51,054 (2nd LSI) plus Private Secretary allowance of €21,774.20 per annum
Clerical Officer	Clerical Officer salary scale (Full PRSI) €24,397 (min) – €39,558 (2nd LSI)

The Minister of State's Personal Secretary is located in his constituency and the Executive Officer and Clerical Officer, who deal with representations from his constituency from time to time as required, are located in my Department.

#### **Telecommunications Services.**

238. **Deputy Michael Ring** asked the Minister for Communications, Energy and Natural Resources when broadband will be rolled out to an area (details supplied) in County Mayo. [39044/08]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** The provision of telecommunications services including broadband is, in the first instance, a matter for the private sector. Broadband service providers operate in a fully liberalised market, regulated, where appropriate, by the independent Commission for Communications Regulation, ComReg. I have no role in private sector broadband infrastructure investment undertaken by broadband service providers. However, it is hoped that the facilitation of greater competition in the sector via the introduction of broadband from different technology platforms, will encourage more rapid enabling of all exchanges for broadband.

I would add that in addition to fixed landline broadband, otherwise known as Digital Subscriber Line (DSL) or broadband over telephone lines, broadband services are available from competing service providers over multiple platforms including cable, fixed wireless and increasingly mobile. I understand that Belclare already has broadband on offer from a number of service providers.

#### **Departmental Staff.**

239. **Deputy Richard Bruton** asked the Minister for Communications, Energy and Natural Resources the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39171/08]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Staff absences in my Department such as sick leave, maternity leave, parental leave, carer's leave, study and exam leave, and term time, are recorded on the time and attendance system (Clockwise) and on our Human Resource Management System. Annual Leave is recorded and managed locally on Clockwise by line divisions and is monitored by our Human Resources Division.

Generally, cover is not provided where absences occur although, in some instances, staff are paid an Acting-Up Allowance to cover for maternity leave. In addition temporary Clerical Officers are recruited to cover for term time and staff are paid an Acting-Up Allowance in some instances. The sum of €40,000 was provided in the Estimates to cover the cost of the Department's term-time scheme in 2008.

There are no systems in place for benchmarking absences from work but all absences are managed in accordance with Department of Finance regulations. I will revert to the Deputy with general details for 2007 and 2008 in relation to the categories of absences mentioned in the first paragraph.

### **Services for People with Disabilities.**

240. **Deputy David Stanton** asked the Minister for Communications, Energy and Natural Resources the Budget 2009 allocation for the advancement of the national disability strategy; and if he will make a statement on the matter. [39278/08]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** The advancement of the National Disability Strategy and to serve the needs of persons with disabilities are mainstreamed within the Department's remit, as an integral part of policy, legislative and operational matters, and as such, it is not possible to disaggregate expenditure on elements of these activities which relate to disability for 2009.

### **Departmental Staff.**

241. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38950/08]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** I have detailed as follows the number, grade and salary details of staff located in my Constituency and Department Offices who deal with representations from my constituency:

#### Department Office

Number of Staff	Grade	Salary Scale
3*	Clerical Officer (Higher Scale)	€24,255 to €38,397
1	Personal Secretary	€30,566 to €45,416

\*Two of whom are involved in work-sharing arrangements.

## Constituency Office

Number of Staff	Grade	Salary Scale
2	Clerical Officer	€23,174 to €35,660
1	Personal Assistant	€46,558 to €55,030

242. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38964/08]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The information requested by the Deputy is set out as follows.

## Minister of State Sargent

## Department Office

Number of Staff	Grade	Salary Scale
1	Personal Secretary	€46,558 – €64,296

## Constituency Office

Number of Staff	Grade	Salary Scale
1	Personal Assistant	€46,558 – €64,296
2	Staff Officers	€34,941 – €46,342
2	Temporary Clerical Officers	€23,174 – €37,660

## Minister of State Killeen

## Department Office: 2

Number of Staff	Grade	Salary Scale
2	Clerical Officers	€23,174 – €40,417

## Constituency Office: 2

Number of Staff	Grade	Salary Scale
1	Personal Assistant	€46,558 – €64,296
1	Personal Secretary	€30,566 – €53,067

**Aquaculture Development.**

243. **Deputy Ulick Burke** asked the Minister for Agriculture, Fisheries and Food the reason for the delay in granting a foreshore and aquaculture licence to a person (details supplied) in County Galway; and if he will make a statement on the matter. [38980/08]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The individual in question originally applied for an Aquaculture Licence on 23 February 2006 and subsequently withdrew the application on 24 January 2008 due to the unsuitability of the site for the cultivation of shellfish. An application for an alternative site was received on 24 January 2008. My Department's advisors have some concerns about the suitability of this site and my Department has been in correspondence with the applicant on the matter. Every effort is being made by my Department to reach a determination in the case as soon as possible.

244. **Deputy Arthur Morgan** asked the Minister for Agriculture, Fisheries and Food if he is examining alternative methods of cockle fishing in Dundalk Bay; if a method, which includes a vacuum process, is being considered suitable for cockle fishing in the bay; when a decision will be made in this regard; and if he will make a statement on the matter. [38983/08]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Officials from my Department together with officials from BIM and the Marine Institute met with representatives of the Dundalk Cockle fishermen recently to discuss the current situation in Dundalk Bay and the possible re-opening of the cockle fishery. It was agreed that BIM and the MI would continue to work closely with fishermen on a management plan for the fishery. I am not aware of specific proposals on new fishing methods under consideration but any such proposals should be forwarded to the MI and BIM for evaluation. In the context of the Dundalk Cockle Fishery being within a Natura 2000 site, the re-opening of the fishery would be subject to the agreement of the Department of Environment, Heritage and Local Government and DG Environment of the European Commission.

#### **Rural Environment Protection Scheme.**

245. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the results of a compliance inspection (details supplied); the penalties involved; the reasoning for same; and if he will make a statement on the matter. [39031/08]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The European Court of Auditors and the European Commission both carried out audits on REPS earlier this year. The Commission has requested additional information which is currently being collated within my Department and will shortly be forwarded to the Commission. The outcome of the audit will not be known for some time.

#### **Departmental Staff.**

246. **Deputy Richard Bruton** asked the Minister for Agriculture, Fisheries and Food the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39169/08]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** My Department uses the Human Resource Management System (HRMS) to record and monitor absences. This system allows analysis of absence and the production of statistics on total and average number of sick days in a given time period, by grade, and by location, and enables my Department to estimate the direct salary cost of absence.

The Office of the Comptroller and Auditor General is currently preparing a report which examines the issue of managing sickness in the Civil Service. It is anticipated that this report

will provide an opportunity for my Department to benchmark absence against other Government Departments.

247. **Deputy Michael Creed** asked the Minister for Education and Science the number of staff employed in his Department whose function it is to deal with representations from his constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38955/08]

248. **Deputy Michael Creed** asked the Minister for Education and Science the number of staff employed by Ministers of State in his Department whose function it is to deal with representations from the Ministers of States' constituency; the number of these staff that are located in the constituency and in his Department; the grade and remuneration at which these staff are employed; and if he will make a statement on the matter. [38969/08]

**Minister for Education and Science (Deputy Batt O'Keeffe):** I propose to take Questions Nos. 247 and 248 together.

There are currently 5.5 officers working in my Constituency Office. The grades of these are as follows:

- 1 Higher Executive Officer — located in my Department
- 1 Staff Officer (working on a half time basis) — located in my Department
- 2 Clerical Officers — located in my Department
- 1 Personal Assistant (Higher Executive Officer level) — located in my constituency
- 1 Personal Secretary — located in my Constituency

The total anticipated cost in 2008 in terms of salary is €249,000.

There are currently 4.8 officers in the Constituency Office of the Minister of State. The grades of these officers are as follows:

- 1 Personal Assistant — located in the Department of Education and Science
- 1 Personal Secretary — located in the Minister of States office in his constituency
- 0.80 Staff Officer — located in the Department of Education and Science
- 2 Clerical Officers — located in the Department of Education and Science

The total anticipated cost in 2008 in terms of salary is €180,000.

These staffing levels are within the Department of Finance Guidelines for the staffing of the Private and Constituency offices of a Minister and Minister of State. The salaries paid to the Civil Servants are in accordance with the Department of Finance salary scales for the relevant grades. The salaries paid to the non-civil servant staff are in accordance with the Department of Finance Instructions relating to the Appointment of Ministerial Private Office Staff.

Representations from constituents are forwarded to the relevant Government Department or to the appropriate section of my Department, with responsibility for the relevant scheme and/or policy area, for the preparation of a response. Staff in my office and in the Minister of State's office are responsible for tracking and processing the replies.

#### **School Staffing.**

249. **Deputy Finian McGrath** asked the Minister for Education and Science if he will support a school (details supplied) in Dublin 5. [38984/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The 2009 Budget required difficult choices to be made across all areas of public expenditure. Decisions were made in order to control expenditure and to ensure sustainability in the long term. In this respect Education, while protected to a much greater extent than most other areas of public expenditure, could not be entirely spared, and I acknowledge the impact of funding restrictions in a number of areas, including at school level. However, these are the inevitable result of the challenging economic environment and the need to manage Exchequer resources prudently.

Specific information in relation to the detailed staffing allocations that individual schools will have for the commencement of the academic year 2009/10 cannot be determined until the allocation processes have fully concluded. There is nothing exceptional in this. The allocation processes include appellate mechanisms under which schools can appeal against the allocation due to them under the staffing schedules. This is particularly relevant at post-primary level where the appellate process considers in particular any specific curricular needs of the school concerned. At post-primary, there is no effective system wide redeployment scheme at present and this can mean that schools retain teachers, though over quota, and in addition discrete allocations are made to post-primary schools for example to cater for pupils with Special Educational Needs and those with Language difficulties and these allocations can also alter the ultimate position of the school in relation to any over quota position.

Schools are currently returning data to my Department in relation to their enrolment as of 30 September. My Department has commenced processing this data although all schools have not yet made their returns. The allocation processes including notification to schools will commence early in the New Year.

250. **Deputy Finian McGrath** asked the Minister for Education and Science if he will support a school (details supplied) in Dublin 5. [38985/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The 2009 Budget required difficult choices to be made across all areas of public expenditure. Decisions were made in order to control expenditure and to ensure sustainability in the long term. In this respect Education, while protected to a much greater extent than most other areas of public expenditure, could not be entirely spared, and I acknowledge the impact of funding restrictions in a number of areas, including at school level. However, these are the inevitable result of the challenging economic environment and the need to manage Exchequer resources prudently.

Specific information in relation to the detailed staffing allocations that individual schools will have for the commencement of the academic year 2009/10 cannot be determined until the allocation processes have fully concluded. There is nothing exceptional in this. The allocation processes include appellate mechanisms under which schools can appeal against the allocation due to them under the staffing schedules. This is particularly relevant at post-primary level where the appellate process considers in particular any specific curricular needs of the school concerned. At post-primary there is no effective system wide redeployment scheme at present and this can mean that schools retain teachers, though over quota, and in addition discrete allocations are made to post-primary schools for example to cater for pupils with Special Educational Needs and those with Language difficulties and these allocations can also alter the ultimate position of the school in relation to any over quota position.

Schools are currently returning data to my Department in relation to their enrolment as of 30 September. My Department has commenced processing this data although all schools have not yet made their returns. The allocation processes including notification to schools will commence early in the New Year.



### Grant Payments.

251. **Deputy Deirdre Clune** asked the Minister for Education and Science if his attention has been drawn to the fact that his proposal to cut the grant he allocates to Protestant faith schools will have a detrimental effect on the future of these schools; and if he will make a statement on the matter. [38991/08]

252. **Deputy Deirdre Clune** asked the Minister for Education and Science if he will consult with patrons and boards of management of Protestant faith schools with a view to assessing the effect the changes he announced to their grant allocation will have on the delivery of their education programmes; and if he will make a statement on the matter. [38992/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 251 and 252 together.

The 2009 budget required difficult choices to be made across all areas of public expenditure. Decisions were made in order to control expenditure and ensure sustainability in the long term. In this respect, education, while protected to a much greater extent than most other areas of public expenditure, could not be entirely spared. I acknowledge the impact of funding restrictions in a number of areas, including at school level. However, these are the inevitable result of the challenging international economic environment and the need to manage Exchequer resources.

With regard to the removal of certain support services grants received by Protestant fee-charging schools, I wish to re-emphasise that the Protestant Block grant remains in place. Protestant fee-charging schools receive, and will continue to receive, this grant, which amounts to €6.25 million in the current school year.

This payment covers capitation, tuition and boarding grants. It is distributed by the Secondary Education Committee among needier Protestant children. Applications are made by parents to the Central Protestant Churches Authority, which, on the basis of a means test, distributes the funds to individual schools on the basis of pupil needs.

The retention of this grant demonstrates the importance that I, and this Government, continue to attach to ensuring that students of the Protestant faith can attend schools that reflect their denominational ethos.

In retaining this grant, the Government is being faithful to the separate arrangements that were agreed with the Protestant schools when the free scheme was introduced by Donagh O’Malley and, at the time, it was the payment of the block grant in particular for Protestant fee-charging schools that distinguished them from those Catholic schools that chose to continue to charge fees.

It is estimated that savings of €2.8 million will accrue to my Department as a result of the withdrawal of support services grants from Protestant fee-charging schools in 2009.

It is important to note that the purpose of these grants was not to offset fees for disadvantaged Protestant students. Rather, they covered a range of support services.

I have had to take decisions on a number of grants that have impacted on the funding of schools generally. With the Protestant Block grant protected, I can see no justification for treating the Protestant fee-charging schools in a special way, particularly given that Catholic fee-charging schools have not been in receipt of the grants in question at all.

### Departmental Property.

253. **Deputy Michael Ring** asked the Minister for Education and Science if his Department

[Deputy Michael Ring.]

will convey any interest it may have in an old national school (details supplied) in County Mayo to a committee. [39008/08]

254. **Deputy Michael Ring** asked the Minister for Education and Science if he has in his Department possession of an original lease (details supplied) relevant to a property; and if he will make the document available to this Deputy. [39009/08]

255. **Deputy Michael Ring** asked the Minister for Education and Science if he will release any interest that his Department has in a building (details supplied) in County Mayo; and if he will make a statement on the matter. [39010/08]

256. **Deputy Michael Ring** asked the Minister for Education and Science his views on a proposal (details supplied). [39011/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 253 to 256, inclusive, together.

My Department has received correspondence in relation to the school in question from solicitors acting on behalf of a committee, as distinct from the Trustees of the school, to establish a playschool on the existing premises. This correspondence is currently under active consideration by officials in my Department. My officials will revert to the Solicitors in due course.

#### **School Transport.**

257. **Deputy Edward O’Keeffe** asked the Minister for Education and Science if he will confirm if he has received a report from Bus Éireann which was sought in October 2008 (details supplied); and if his attention has been drawn to the urgency in having this matter resolved. [39016/08]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** My Department has been advised by Bus Éireann and the Transport Liaison Officer for Co. Cork that the children in question are availing of a public transport service and that the combined travel and waiting times for these children are within the guidelines of the Post Primary School Transport Scheme.

As a general rule, special school transport services are not established in areas where scheduled public services already exist.

#### **School Completion Programme.**

258. **Deputy Olwyn Enright** asked the Minister for Education and Science the amount of funding allocated to a school completion programme at a school (details supplied) in County Offaly in 2008/2009; the amount of funding for same allocated in 2006-07; and if he will make a statement on the matter. [39017/08]

259. **Deputy Olwyn Enright** asked the Minister for Education and Science the amount of funding allocated to a school completion programme at a school (details supplied) in County Offaly in 2008/2009; the amount of funding for same allocated in 2006/2007; and if he will make a statement on the matter. [39018/08]

260. **Deputy Olwyn Enright** asked the Minister for Education and Science if he will confirm receipt of an email sent by a person (details supplied) to him on 8 October 2008; if a reply was issued to same; and if he will make a statement on the matter. [39019/08]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** I propose to take Questions Nos. 258 to 260, inclusive, together.

The School Completion Programme is a key component of DEIS ( Delivering Equality of Opportunities in Schools) the action plan for educational inclusion, which discriminates positively in favour of children and young people who are at risk of early school leaving. The Programme supports 468 primary and 224 post-primary schools in 124 School Completion Programme sites across 26 counties, focusing on young people between the ages of 4 and 18 years, which aims to develop local strategies to ensure maximum participation levels in the education process. Funding is provided to projects based on an integrated approach involving the schools, parents, relevant statutory, voluntary and community agencies to devise and implement strategies for the whole-school, targeted strategies for individual students, and those who are already outside of the formal system. Provision includes in-school, after-school and holiday time supports to enhance the young person's readiness to benefit from education.

€28.8 million was allocated to the School Completion Programme in 2007 with €31.1 million allocated for 2008. The programme is funded on a multi-annual basis under the National Development Plan (NDP) and was assisted under the European Social Fund (ESF) up to 2007.

As the Deputy will be aware, the Education budget for 2009 has been increased by some €302 million. Notwithstanding this, a number of tough and difficult decisions have had to be taken, which have seen a number of spending cuts across the education sector. Funding for the School Completion Programme in 2009 will remain at the same level as in 2008 and Projects will be notified of their allocation for 2008/09 shortly.

€526,600 was allocated in total to the projects referred to by the Deputy for 2006/07 and 2007/08. The level of funding allocated to projects is dependent on the submission of their annual Retention plan, taking into account the level of educational disadvantage in the schools involved in each project, the target group selected for intensive supports, the salaries of personnel employed and the overall level of funding available to the programme.

A response to correspondence received by my office from the project to which the Deputy refers will issue in the next few days.

### **Pupil-Teacher Ratio.**

261. **Deputy Catherine Byrne** asked the Minister for Education and Science the career guidance counsellor-student ratio here; and if he will make a statement on the matter. [39033/08]

**Minister for Education and Science (Deputy Batt O'Keeffe):** My Department makes a specific allocation of teaching posts in respect of guidance to schools in the second level system. This allocation is based on the pupil enrolment in September of the preceding school year.

As a result of the decision to allocate an additional 100 posts to guidance from September 2005 an enhanced guidance allocation provision has been put in place from the commencement of the 2005/06 school year. This enhanced provision means that in the case of schools in the Free Education/Block Grant Schemes, the level of allocation ranges from 8 hours per week for schools with enrolments below 200 pupils to 47 hours per week for schools with an enrolment of 1,000 pupils or more. The additional posts included provision for a further improvement in the allocation of Guidance hours for post-primary schools participating in the DEIS programme — Delivering Equality of Opportunity in Schools. The allocation for these schools now ranges from 11 hours per week for schools with enrolments below 300 to 55 hours per week for schools with an enrolment of 1,000 pupils or more. There are currently a total of 708 whole time equivalent posts allocated for guidance in post primary schools.

### Site Acquisitions.

262. **Deputy Simon Coveney** asked the Minister for Education and Science the reason for the delay in writing to Cork County Council in relation to a school (details supplied) to clarify that his Department will not be purchasing the site for the school from Cork County Council; and if he will make a statement on the matter. [39040/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Deputy will be aware that a suitable site has been identified for the school referred to. It was originally intended that my Department would acquire the lands directly and negotiations were progressing on that basis. The school’s Patron indicated that he was willing, in principle, to acquire the lands in order to advance the project subject to the Patron receiving a guarantee in relation to the timing of the building project.

For my part, I wrote to the Patron indicating that if the Patron was in a position to confirm that the lands would be acquired then my Department would commence the appointment of a Design Team.

My officials met with representatives of the school and the Patron earlier this week to discuss, inter alia, the site acquisition. The Patron’s representative formally confirmed to my officials that the Patron would purchase the required lands for the new school. I am advised that in response my officials indicated that the Department will now formally write to the Local Authority to appraise same of the updated position.

### Schools Refurbishment.

263. **Deputy Joanna Tuffy** asked the Minister for Education and Science if he will ensure that a new ceiling will be installed at a school (details supplied) in County Dublin; and if he will make a statement on the matter. [39042/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I have approved an emergency works grant for this school to enable the works referred to by the Deputy to be carried out as a matter of urgency.

### Schools Building Projects.

264. **Deputy Deirdre Clune** asked the Minister for Education and Science if a school (details supplied) in County Cork will be progressed in view of the capital funding announced in Budget 2009; the timetable for this work; and if he will make a statement on the matter. [39045/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The building project for the school to which the Deputy refers is in the early stages of architectural planning.

The progression of all large scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme.

### Third Level Fees.

265. **Deputy Jack Wall** asked the Minister for Education and Science his views in relation to submissions of concern in relation to education (details supplied); and if he will make a statement on the matter. [39057/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The issue of the re-introduction of third level fees, to which the Deputy refers, should be viewed in the context of the wider funding of higher education.

As the Deputy will be aware, the Government is investing unprecedented levels of public funding in higher education. In 2008 some €2 billion is being invested in our third level sector. In contributing to the achievement of national policy goals for social and economic development into the future, it can be anticipated that there will be continuing significant resource needs for our higher education sector. It is appropriate to raise questions around how future additional resource needs can be met and in particular how our higher education institutions can be supported in their development ambitions through a widening of their non-exchequer sources of income. The introduction of a form of student contribution, which would only be applied to those who can afford to pay it, is one possibility that merits debate.

My Department is, at present, conducting a review of policy options relating to the introduction of a form of student contribution. It is my intention, following completion of the review currently underway, to bring proposals to Government in relation to the available options.

### **Departmental Expenditure.**

266. **Deputy Joe McHugh** asked the Minister for Education and Science the number of the 32 budget 2009 cuts in his Department he will reverse; and if he will elaborate on these particular cuts. [39065/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The 2009 Budget required difficult choices to be made across all areas of public expenditure. These decisions were made to control expenditure and to ensure sustainability in the long run. In this respect the education sector, while protected to a much greater extent than most other areas of public expenditure, could not be totally spared.

Vote 26: Education & Science was increased by €302m which was a real achievement in the current economic climate and was one of only three Government Departments to have increased funding in 2009.

On Budget day I made it clear however, that even with the increased allocation in 2009, tough and difficult decisions had to be taken in order to work within this level of resources. I took no joy in making those decisions. They would not have been taken if we were not facing such ominous financial circumstances.

In the circumstances outlined above, I am not in a position to reverse any of the decisions taken.

### **School Staffing.**

267. **Deputy Charlie O’Connor** asked the Minister for Education and Science when schools in Dublin South-West will receive formal notice through departmental circulars, of changes arising from budget 2009 announcements; and if he will make a statement on the matter. [39077/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The mainstream staffing of a primary school is determined by reference to the enrolment of the school on 30th September of the previous school year. The actual number of mainstream posts sanctioned is determined by reference to a staffing schedule which is issued to all primary schools each year.

The detailed staffing allocation for the academic year 2009/10 cannot be determined until the allocation process has fully concluded. The allocation process includes appellate mechanisms under which schools can appeal against the allocation due to them under the staffing schedules. At primary level the final allocation to a school is also a function of the operation



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of the redeployment panels which provide for the retention of a teacher in an existing school if a new post is not available within the agreed terms of the scheme.

Schools are currently returning data to my Department in relation to their enrolment as of 30 September. My Department has commenced processing this data although all schools have not yet made their returns. The allocation process including notification to all primary schools will commence early in the New Year.

268. **Deputy Charlie O’Connor** asked the Minister for Education and Science if he will arrange for officials of his Department to visit a school (details supplied) in Dublin 24 to discuss its needs in respect of the newcomer population in these schools; if the schools concerned will benefit from his statement that there will be alleviation in respect of language support teacher posts when significant concentration of newcomer pupils as a proportion of the overall enrolment is in place; and if he will make a statement on the matter. [39078/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The budget measures will mean that the level of language support will be reduced from a maximum of six extra teachers per school to a maximum of two teachers per school, as was the case before 2007.

However, the ongoing requirement for current levels of language support teachers in schools should also start to reduce in line with lower levels of immigration and in line with improvements in the levels of proficiency of those pupils for whom this resource has been available.

Nonetheless, schools that require language support will still be entitled to get it. We still envisage having over 1,400 language support teachers in our schools in September 2009 and up to about 500 other teachers in part-time posts. By any standards this is a very significant resource and the challenge will be to ensure that it is used to maximum effect.

As I announced on budget day we will also provide for some alleviation for the position of those schools where there is a significant concentration of newcomer pupils as a proportion of the overall enrolment. This will be done on a case by case basis.

The allocation process for language support teachers is an annual one and existing provision is not rolled over automatically. Schools will be applying afresh in the spring and early summer of 2009 for the 2009/10 school year, based on their assessment of the prospective needs of existing pupils and any new pupils they are enrolling.

#### **Schools Refurbishment.**

269. **Deputy Ciarán Lynch** asked the Minister for Education and Science when funds will be made available for the refurbishment of a school (details supplied) in County Cork; the action he will take to progress this long-standing matter; and if he will make a statement on the matter. [39079/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The project to which the Deputy refers involves the acquisition of additional land.

The progression of the project, from site acquisition and initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the further progression of the project at this time.



### School Transport.

270. **Deputy Leo Varadkar** asked the Minister for Education and Science the breakdown of the private contractors who received the €1.4 million to install new seat belts on school buses; and if he will make a statement on the matter. [39100/08]

271. **Deputy Leo Varadkar** asked the Minister for Education and Science when it was decided that private contractors had to install pull test seat belts to be eligible for a grant; the person by whom the decision was made; the way private contractors were informed of these standards; and if he will make a statement on the matter. [39102/08]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** I propose to take Questions Nos. 270 and 271 together.

The breakdown of costs for the private contractors seat belt programme is as follows: €872,940 for the visual inspections of seat belts fitted to vehicles; €250,763 for the retrofitting of vehicles; and €319,121 for the development of specifications

In the region of 100 buses owned by private contractors were included in the programme.

My Department met with the associations representing private contractors in the school transport scheme on a number of occasions to update them on developments regarding the safety belt programme in school buses which was announced in July 2005. In July 2006, my Department agreed, that contractors who retrofitted safety belts in accordance with installation standards approved by the Department of Transport, were eligible for a grant equivalent to half the cost of retrofitting their vehicles, subject to a maximum grant of €3,000 for a large vehicle.

### School Staffing.

272. **Deputy Tony Gregory** asked the Minister for Education and Science the number of private fee-paying second levels schools here; and cost of State funding including salaries of staff to these fee paying schools. [39104/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** There are 56 fee-paying schools in the State, of which 21 are Protestant, two inter-denominational, one Jewish and the remainder Catholic.

With the exception of the Protestant and Jewish fee-charging schools, fee-paying schools do not receive capitation or related supports.

Protestant fee-charging schools receive, and will continue to receive, the Protestant Block grant, which amounts to €6.25 million in the current school year. This payment covers capitation, tuition and boarding grants.

A similar arrangement exists for the Jewish school and amounted to €43,684 in the 2007/08 school year. This arrangement will continue also.

The arrangements for minority schools reflect the importance the Government attaches to ensuring that students can attend schools that reflect their denominational ethos.

Prior to Budget 2009, minority religion schools were eligible other non-pay grants. It is estimated that savings of €2.8 million will accrue to the Department from their withdrawal in 2009.

Teachers in all fee-charging schools are paid by the State, and this arrangement pre-dated the introduction of free education arrangements. The cost for the 2007/08 school year was €100.12 million.

273. **Deputy Frank Feighan** asked the Minister for Education and Science the position regarding a school (details supplied) in County Roscommon. [39164/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The mainstream staffing of a primary school is determined by reference to the enrolment of the school on 30th September of the previous school year. The actual number of mainstream posts sanctioned is determined by reference to a staffing schedule which is issued to all primary schools each year.

The detailed staffing allocation for the school in question for the academic year 2009/10 cannot be determined until the allocation process has fully concluded. The allocation process includes appellate mechanisms under which schools can appeal against the allocation due to them under the staffing schedules. At primary level the final allocation to a school is also a function of the operation of the redeployment panels which provide for the retention of a teacher in an existing school if a new post is not available within the agreed terms of the scheme.

Schools are currently returning data to my Department in relation to their enrolment as of 30 September. My Department has commenced processing this data although all schools have not yet made their returns. The allocation process including notification to all primary schools will commence early in the New Year.

274. **Deputy Ruairí Quinn** asked the Minister for Education and Science the number of additional teachers that will be hired at primary and post primary level in order to deal with the increase in school enrolments as estimated in budget 2009; the amount the additional primary school teachers will cost; the amount the additional post primary teachers will cost; and if he will make a statement on the matter. [39166/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Overall the number of primary and post-primary teachers in schools in September 2009 is projected to be about 200 fewer in each sector compared to September 2008.

The estimates are calculated on the basis that approximately 900 additional posts in primary schools and 320 such posts in post-primary schools are needed due to demographics and the continued growth in provision for children with special educational needs in schools.

The estimates are also calculated on the basis that the 900 additional primary posts will reduce by 340 (to 560) as a result of the reducing demand for language support teachers and reduced requirements because of decreases in pupil numbers in certain special classes.

In addition to the normal increases and decreases set out above, there are also policy changes announced as part of the Budget and 2009 estimates that provide for decreases in teaching post numbers arising from changes to the staffing schedules that allocate teachers to schools, the re-imposition of the ceiling on the number of language support teachers per school and the withdrawal of teaching posts which have been historically provided under previous disadvantage schemes to non-DEIS schools. It is estimated that these will decrease the number of teaching posts by approximately 760 posts in primary education and 560 in post-primary education.

Thus while it is estimated that there is of the order of a 200 net decrease in the number teaching posts in both primary and post-primary education, this also means that there will be a higher turnover of teachers to reflect the overall changes of allocations and teachers moving to new posts as a consequence of reflect the changes. The figures, both for increases and decreases in the estimated number of teaching posts, relate to possible ranges for the impact of changes to the staffing schedules and the effectiveness of redeployment. The net pay allo-

cation for teachers' salaries and pensions will increase by almost €300m in 2009 as a result of a combination of pay increases, increased pension costs, increased enrolment in 2009 and the full year costs of the salaries of extra teachers appointed in September 2008.

An additional €40m has also been allocated for the continued growth in the provision for special needs in primary and post-primary schools providing for the full year costs of additional Special Needs Assistants in the system this September as well as provision for additional posts next September.

### Departmental Staff.

275. **Deputy Ruairí Quinn** asked the Minister for Education and Science the estimated cost of paying the draft national pay agreement to those who are paid from his Department's budget; if he will provide a breakdown of these figures which include both current spending on pay and predicted moneys spent on pay under the new agreement under headings (details supplied); and if he will make a statement on the matter. [39167/08]

**Minister for Education and Science (Deputy Batt O'Keeffe):** The estimated cost of the 3.5% pay increase with effect from 1 September 2009, arising under the recently negotiated second pay agreement under Towards 2016, is €80m in 2009 and €240m in a full year.

The following Table gives a breakdown of the costs requested by the Deputy.

Estimated impact of 3.5% Pay Increase 1/9/09

	2009 Budget Allocation	3.50% wef Sept. 2009
Departmental Staff Salaries	67,686	792
National Teachers	2,144,454	25,090
Secondary/Community & Comprehensive Teachers	1,297,319	15,179
Vocational Education (including Teachers & SNAs)	757,639	8,864
Non-Teaching staff including SNAs — Primary	295,083	3,452
Non-Teaching staff including SNAs — Sec/C&C	45,383	531
Third level	1,071,899	12,541
Retired Teachers	861,715	10,082
Other	138,132	3,100
Total	6,679,310	79,632

276. **Deputy Richard Bruton** asked the Minister for Education and Science the systems his Department has in place for tracking absences from work for various reasons, for benchmarking them against best standards and for estimating the cost of cover or lost input as a result of these absences; and if he will present data for the most recent years on this matter. [39174/08]

**Minister for Education and Science (Deputy Batt O'Keeffe):** The attendance/absence of officials at my Department is recorded on a Human Resources Management System (HRMS) database.

A similar parliamentary question was tabled recently by one of the Deputy's colleagues and I have requested officials at the Personnel Unit of my Department to compile information on absenteeism for the last five years as sought by that Deputy and forward it to him in due course.

I will also arrange for the Deputy to be provided with a copy of this data when it has been completed.

### Schools Building Projects.

277. **Deputy Willie Penrose** asked the Minister for Education and Science the position of an application in respect of a school (details supplied) in County Longford; if steps will be taken to progress same; and if he will make a statement on the matter. [39183/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The school to which the Deputy refers has applied to my Department for capital funding for a new school building.

The progression of all large-scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

### Special Educational Needs.

278. **Deputy David Stanton** asked the Minister for Education and Science the 2009 funding allocation for disability services under the multi-annual investment programme 2006 to 2009; the expenditure under this programme each year respectively since it began; and if he will make a statement on the matter. [39243/08]

279. **Deputy David Stanton** asked the Minister for Education and Science the budget 2009 allocation for the advancement of the national disability strategy; and if he will make a statement on the matter. [39283/08]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 278 and 279 together.

The National Disability Strategy supports and reinforces equal participation in society of people with disabilities. Its elements include — the Education for Persons with Special Educational Needs Act, 2004, the Disability Act, 2005 and its associated Sectoral Plans published in 2006 by six Government Departments, the Citizens Information Act, 2007 and a commitment to a multi-annual investment programme for disability support services.

The Deputy will be aware that although my Department does not have a Sectoral Plan under the Disability Act, appropriate education services are supported as a central element in the Government commitment to supporting those with special educational needs/disability.

This support is provided across a wide spectrum of initiatives within the education sector. At school level, in addition to the teachers provided in the classroom, significant additional supports are also provided to enable schools to cater for the needs of students with special educational needs. Such supports include additional resource teaching support, special needs assistant support, special transport arrangements, enhanced capitation and funding for the purchase of specialised equipment.

When the overall annual spend in 2008 to support persons with special educational needs is considered, including the €25m funding available under the multi-annual investment programme, my Department will spend an estimated €900m in total by the end of this year.

The equivalent spend for 2006 and 2007 are €706m (€11m available under the multi-annual programme) and €838m (€20m available under the multi-annual programme) respectively.

Following the announcement of Budget 2009, I am pleased to report that in excess of €1 billion will be available next year to support children and adults with special educational needs.

With these levels of investment, it is clear that significant progress has been made in educational provision for people with special needs in recent years. This progress has been achieved through the additional investments made by successive Ministers for Education. Advances in the level of dedicated provision to support children with special educational needs include:

- Schools are now allocated extra resource teachers and special needs assistants to enable them meet the special educational needs of students. In the region of 19,000 staff in our schools work solely with children with special needs.
- Special Needs Assistant posts have increased from under 300 in 1997 to almost 10,000 in 2008.
- Primary schools are staffed up-front with additional teachers to cater for the most prevalent special educational needs — removing the need for assessments and delays in recruitment.
- The level of training available to teachers has improved significantly. The establishment of the Special Education Support Service to provide expert support, professional development and training opportunities in special education for school staff has been very significant. In 2007, the service was in contact with over 15,000 teachers. The range of post-graduate professional training programmes available to professionals in the special needs area has also significantly expanded.
- The National Educational Psychological Service (NEPS) aims to facilitate, for all students, the development of their potential and maximise the benefits of their educational and other experiences, having particular regard to those with special educational needs. NEPS supports schools and students in the development and delivery of appropriate interventions for children with special educational needs.
- The National Council for Special Education (NCSE) was established to co-ordinate the delivery of services for children with special needs. The NCSE is responsible, through its network of local Special Educational Needs Organisers, for allocating resource teachers and special needs assistants to schools to support children with special needs. This has completely transformed the application process for extra supports for the better.
- Assistive technology, specialist equipment and building adaptations continue to be provided as necessary. Special school transport arrangements, currently costing €50m per year, will continue to be made.
- There has been a particular focus in recent years on improving services for children with autism. In the past year alone, about 100 extra special classes for autistic children have been set up, bringing the total number sanctioned to over 330 classes, and
- Early educational intervention is now provided for children with autism from 2½ years of age. There are now 35 early intervention classes for children with autism attached to mainstream schools that are funded by my Department. Funding is also provided through the home tuition programme for children with autism aged from 2½ years to 5 who are unable to access an early intervention class.

As announced on Budget day, in the current financial circumstances it is not possible to proceed with full implementation of the EPSEN Act in 2010 as originally envisaged. Government will keep the matter under review and is committed to the full implementation of EPSEN at the earliest possible date.

[Deputy Batt O’Keeffe.]

I am particularly pleased that, in order to strengthen and enhance services, and continue the preparation for the full implementation of the Act at a later date, the Government provided €20m in 2009 — €10m for education services and €10m for health services.

In my Department this additional funding will provide for an expansion of the NEPS service so that all schools in the country will be covered by the service as well as enhancing the capacity of the NCSE to co-ordinate the provision of services to children with special educational needs. In addition teachers and special needs assistants will continue to be deployed to schools to meet children’s needs and there will be further investment in teacher training in this area.

An integrated approach is being adopted by the education and health sectors to target these additional resources to the areas of greatest need. Progress in both sectors will be kept under review by the Office for Disability & Mental Health and the Cross-Sectoral Team during 2009.