



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

Wednesday, 11 February 2009.

Leaders' Questions	351
Ceisteanna—Questions	
Taoiseach	359
Requests to move Adjournment of the Dáil under Standing Order 32	371
Order of Business	372
Charities Bill 2007: From the Seanad	388
Ceisteanna—Questions (<i>resumed</i>)	
Minister for Agriculture, Fisheries and Food	
Priority Questions	402
Other Questions	415
Adjournment Debate Matters	424
Private Notice Questions	
Financial Transactions	425
Suspension of Member	450
Charities Bill 2007: From the Seanad (<i>resumed</i>)	451
Message from Seanad	475
Legal Services Ombudsman Bill 2008:	
Order for Report Stage	476
Report Stage	476
Employment Law Compliance Bill: Second Stage (<i>resumed</i>)	479
Private Members' Business	
Hospital Services: Motion (<i>resumed</i>)	483
Adjournment Debate	
Hospital Services	508
Visa Applications	510
Private Rented Accommodation	512
Special Educational Needs	514
Questions: Written Answers	517

DÁIL ÉIREANN

Dé Céadaoin, 11 Feabhra 2009.
Wednesday, 11 February 2009.

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

Paidir.
Prayer.

Leaders' Questions

Deputy Enda Kenny: The Taoiseach has a different personality from his predecessor. While sometimes I despair for our country, I admire the resilience and patience of our people. One of the most shameful acts in political life has been the decision of the Minister for Education and Science to remove teachers from 900 special needs pupils——

Deputies: Hear, hear.

Deputy Enda Kenny: ——at a time when we speak of fairness, solidarity, the type of people we are, the need for us all to put our shoulders to the wheel and at a time of financial turmoil and uncertainty. The Taoiseach has an opportunity to break the golden circle of developers, banks, regulators and Government. Far too cosy cartels have existed to the consternation and deep anger of people on the streets.

We are in a mess where the Fraud Squad is investigating, the Committee of Public Accounts cannot call before it people to give evidence in terms of public accountability——

Deputy Bernard J. Durkan: Hear, hear.

Deputy Enda Kenny: ——we continue to deal with the entrails of a range of tribunals and nobody in Government accepts responsibility for any actions of Government. We are in this mess not because Fianna Fáil policies have failed but because they have succeeded. As the Minister for Finance has said, this is where the people wanted us to go and the position at which they wanted us to arrive. We have now come to a shuddering halt.

The transfer of €7 billion from Irish Life & Permanent to Anglo Irish Bank took place when there was a run on that bank during the final quarter of the financial year. Was the Government aware of the extent of the transfer involved? Did the Financial Regulator inform the Government of the transfer of €7 billion from Irish Life & Permanent to Anglo Irish Bank? More important, did the treatment of that transfer of money, either as a loan or as a deposit, not send out a misleading statement or perception to shareholders of both institutions and to international markets?

The Financial Regulator knew about this. The Minister for Finance told us in the House that Anglo Irish Bank was being nationalised owing to the unethical loan practises of the previous chairman. If that were the case and the Financial Regulator informed the Department of Finance of the transfer, how can the Taoiseach justify the Department of Finance signing off on a

[Deputy Enda Kenny.]

special bonus of the type awarded to the previous Financial Regulator? I accept he has statutory entitlements but this payment goes beyond normal terms and conditions. Given the Financial Regulator knew of the transfer of €7 billion, a massive deposit, by Irish Life & Permanent to Anglo Irish Bank, can the Taoiseach justify that payment and will he explain to the House why that happened?

Deputy Dinny McGinley: They broke no law.

The Taoiseach: It is important to point out that these issues with Anglo Irish Bank are the subject of various investigations. This is based on information from the Financial Regulator and the due diligence exercised, which was undertaken as part of the planned recapitalisation of the bank. The information was also provided by the new board of the bank. I am confident the new board, appointed by the Minister for Finance, under the chairmanship of Donal O'Connor will follow up on all of these issues. The Director of Corporate Enforcement is also conducting an investigation independently in that respect.

Deputy Pádraic McCormack: Who wrote that?

The Taoiseach: The new board is also reviewing all the corporate governance practices of the bank and will put arrangements in place to guide the bank in the future.

It is important that Anglo Irish Bank customers and depositors can be sure their savings are being safeguarded. While I understand people's anger about these matters, it is action that will deal with this issue. There is a very serious situation with which we must deal. As the House knows, we brought forward a guarantee system in September in order to bring stability to the banking system in the interests of protecting businesses, protecting as many jobs as is absolutely possible and making sure people can conduct their business in the normal way with a functioning banking system. That guarantee will be paid for by those who avail of it to the tune of approximately €1 billion during the course of the term in which the guarantee is provided to those institutions.

A Deputy: To pay the directors.

The Taoiseach: As the House knows, we are also in the process of finalising arrangements regarding recapitalisation. The recapitalisation of banks is about ensuring once again that we provide much-needed stability in the banking system for the benefit of the real, wider economy. The portrayal of the recapitalisation policy as being in some way simply for the provision of bankers is incorrect. It is about maintaining stability in the banking system at this critical time.

Deputy Alan Shatter: It is about bonuses and pay-offs. The Taoiseach has no moral compass.

The Taoiseach: On executive remuneration, under the guarantee scheme that was enacted here in September there is a remuneration oversight committee which will report to the Minister for Finance in the coming weeks and which will deal with all of those issues, rightly so.

Deputy Jim O'Keeffe: Another committee.

The Taoiseach: On severance payments for the Financial Regulator, in a reply yesterday the Minister for Finance outlined the factual situation whereby the regulatory authority informed the Minister for Finance that pension benefits are payable in accordance with the Central Bank and Financial Services Authority of Ireland superannuation scheme. I also understand that the former chief executive had two years remaining on that contract, but having regard to indepen-

dent legal advice and his exclusive availability to the authority for a period of three months, the authority agreed to payments of an additional €151,500——

Deputy Alan Shatter: He should have been fired for gross incompetence.

The Taoiseach: ——which is equivalent to six months remuneration plus an additional two months salary to the former chief executive. That is the decision of the regulatory authority in regard to that particular matter.

Deputy Pádraic McCormack: Does the Taoiseach believe it is right?

Deputy Jim O’Keeffe: Does the Taoiseach stand over it?

The Taoiseach: I make the point that we are in a very serious situation that must be handled calmly. Anger alone, while understandable and justifiable in many respects in terms of the history behind all of this, will not be the solution to the problem. Action is needed.

Deputy Bernard J. Durkan: There is no action, certainly no commensurate action.

The Taoiseach: The Government is determined to take that action during the course of today as part of an ongoing response to ensuring we maintain stability in our banking system at a very difficult time internationally and domestically.

Deputy Enda Kenny: I asked two questions. Did the treatment of the transfer of €7 billion from Irish Life & Permanent to Anglo Irish Bank send out a misleading perception of the strength of the bank and therefore have an impact on shareholders and on the international markets in the way they considered this? That is the question.

Deputy Michael Creed: Did the Government know about it?

Deputy Enda Kenny: The Taoiseach has not justified in any way the special bonus for the former regulator. The Minister for Finance could have sacked the regulator if he felt he was not up to his job, in which case all of these matters would have fallen. There is clearly a need for the Taoiseach to smash this circle once and for all, and to be seen to do that in such a way that if people who accept positions of responsibility abuse those positions or fail to live up to their remit, these special golden handshakes should not be paid.

Deputies: Hear, hear.

Deputy Enda Kenny: I understand the Government is due to announce its recapitalisation programme today or tomorrow, certainly this week. First, within that recapitalisation programme, is the Taoiseach looking for guarantees that pools of money will be made available for mortgages for first-time buyers, for small and medium-sized enterprises and for sufficient funds to enable existing businesses that might be in distress to trade their way out of that?

Second, will he insist that remuneration levels for top executives will not be dealt with by percentage but will be capped? There are many people in this country who have expertise in the financial area and who would willingly work in the nation’s interest for a capped level of remuneration, not a reduction of expenses, where salaries are still extraordinarily high by Irish standards.

Finally, I have continuing doubts about the consequences of putting €7 billion taxpayers’ money into a recapitalisation programme. While I called for such a programme last November as a forerunner of an operational banking system, this may not be the most prudent use of taxpayers’ money and the Government could well find itself in a situation where it is coming

[Deputy Enda Kenny.]

back for more at some time in the future. Can the Taoiseach justify the Government's proposal to take €7 billion of taxpayers' money to bridge a gap that is clearly of unknown depth and unknown consequence?

Deputy Michael Creed: Does the Taoiseach know about the €7 billion?

The Taoiseach: May I answer the question? The new board of Anglo Irish Bank obviously took a view in regard to this question. Investigations are being conducted of foot of this and that process must be given the opportunity to go through its various stages, which is being done. The investigations are ongoing in regard to that matter.

Deputy Jim O'Keeffe: When did the Taoiseach become aware of it?

The Taoiseach: On the other question regarding the capitalisation of the bank, we are seeking to ensure there is additional credit over and above what was provided last year for business. We made that point in the policy statement we issued in December, calling for a greater amount of money to be made available for first-time buyers and people who wish to take out mortgage commitments. This has been part of the ongoing discussions.

On the question of the recapitalisation itself, the Deputy makes the point that he felt a recapitalisation should have taken place sooner. It is because of the prudent approach and the advice we are taking, and the work that has been undertaken based on various stress tests and scenarios which are prudent and proper in assessing the capital needs of the banks going forward, that we will find in what way we can contribute to stability and what sort of figure would be regarded as sufficient in those circumstances, as matters stand.

We have been conducting this with the best of advice to the Department of Finance. The figures that would be coming forward if the Government makes a decision later this afternoon are not plucked from the air. They are based on an assessment as to what is required in the interests of the stabilisation of the banking system and its ability to work through its provisions.

I spoke yesterday, and the suggestion is made in comment today in various newspapers, about predictions on the performance of various assets. Once assets are diagnosed as bad debts, they are provided for in the accounts. The stress testing and the various scenarios that are worked out by those who advise on this matter to Government and to the Department are such that we are devising the amount of money that would be required in the interests of the wider economy, of jobs, of ordinary people conducting their business on a daily basis and of having a functioning banking system with which to do that. That is the whole purpose, and no other, behind why we are conducting this policy and why we are bringing ourselves to the position where a decision can now be taken by the Government on these matters.

There will be ongoing monitoring and evaluation of the situation to see in what way risk is managed into the future. There is no means by which we would put this behind us and suggest that is the end of the matter. We are approaching in a prudent, cautious and comprehensive way the maintenance of stability in the banking system, first, through the guarantee system, which is being paid for, and, second, by a capitalisation programme, which is being paid for by a coupon and in which greater interest will be available to the Government than what is available at present for the money that is being provided. This will ensure the Government also gets the upside in the event of shares returning to more normal trends in the years ahead.

Deputy Michael Creed: When did the Taoiseach know about the €7 billion?

Deputy Bernard J. Durkan: He knew about it on 30 October, or was it 30 September?

Deputy Michael Creed: The Taoiseach is refusing to answer the question.

Deputy Eamon Gilmore: On 30 September the Labour Party stood alone and opposed the blanket guarantee the Government proposed for the banks. We did so because we believed we were not being told the full story and that the taxpayer was not being told what was involved with that guarantee. It turns out we did not know the half of it. It turns out on that very day, Irish Life & Permanent was shuffling €4 billion by way of a loan——

Deputy Charles Flanagan: It was €7 billion.

Deputy Eamon Gilmore: The bank moved €7 billion by way of a loan into Anglo Irish Bank to make the latter's accounts look good.

Deputy Alan Shatter: They were false accounts.

Deputy Eamon Gilmore: It was effectively a financial three card trick, the dig out to beat all dig outs. Why would it not do so? There was no risk involved for the bank, because the taxpayer was taking the risk. It could lend Anglo Irish Bank billions of euro. It was our money and if it went wrong, we would pick it up. The Government could impose some more levies on working people to get it back.

It appears the banks can lend thousands of millions of euro to each other, but at the same time they cannot extend several thousand euro to viable businesses to keep going.

Deputy Phil Hogan: Hear, hear.

Deputy Eamon Gilmore: The former chief executive of the Financial Regulator, which was supposed to be keeping an eye on all of this for us, now walks off with an enormous golden handshake. The Government, which presided over all of this, imposes levy after levy on hard working people to pay for this largesse. Does the Taoiseach have any idea of the degree of anger which exists among people, especially working people? This includes workers in the private sector who are losing their jobs because of the credit squeeze, and workers in the public sector who are being asked to pay this so-called pensions levy?

I seek some straight answers today. When did the Taoiseach become aware this money was lent by Irish Life & Permanent to Anglo Irish Bank?

Deputy Pádraic McCormack: He did not have a clue.

Deputy Eamon Gilmore: It is unbelievable that at the very time it was introducing a blanket guarantee, the Government was not aware such inter-bank lending arrangements were taking place before our very eyes. The Taoiseach made a very interesting comment on the day of the bank guarantee, to which I refer. The Taoiseach stated he would expect that the banks would help each other out. I remember that comment, because I remember putting the question as to whether the taxpayer would end up having to pay. The Taoiseach stated that the banks would help each other out.

Deputy Olivia Mitchell: They did so.

Deputy Eamon Gilmore: Did the Government encourage the payment of these loans, or what was the extent of its knowledge of the position? When did it first come to the attention of the Taoiseach and the Minister for Finance?

The Taoiseach: I absolutely refute the suggestion put by Deputy Gilmore — it is without foundation — that he finds it unbelievable the Government was not aware of these loans. I was not aware of these arrangements.

Deputy Kieran O'Donnell: When did the Taoiseach become aware?

Deputy Bernard J. Durkan: Why was he not aware?

Deputy Joan Burton: The Taoiseach ought to have been aware.

The Taoiseach: In fact, the board of directors of the bank was not aware of these arrangements. It seems to me that not all members of the board of the bank were aware of those arrangements.

Deputy Joan Burton: They ought to have been aware.

The Taoiseach: The point is——

Deputy Eamon Gilmore: To which board and which bank is the Taoiseach referring?

The Taoiseach: The Anglo Irish Bank, which is the bank to which the Deputy referred.

Deputy Eamon Gilmore: What about Irish Life & Permanent?

The Taoiseach: It is similar with Irish Life & Permanent. I wish to make the position very clear, in case the Deputy seeks to start throwing innuendo to me.

Deputy Eamon Gilmore: I am not. I am simply trying to get information.

The Taoiseach: The Deputy sought information and then decided it would be unbelievable if I gave a certain answer. The answer is very straightforward.

Deputy Kieran O'Donnell: He is entitled to ask.

The Taoiseach: Of course I had no knowledge of any untoward goings on between Irish Life & Permanent and the Anglo Irish Bank. The decisions made on 30 September were in the interests of maintaining stability in the banking system and the economy, based on advice from the Governor of the Central Bank, the regulatory authorities and the Department of Finance, and from no other source. I wish to make that very clear. This innuendo has been going around for long enough. Everything the Government is doing regarding this matter to bring stability to the banking system is on the basis of our assessment of the national interest and the seriousness of the situation confronting the country. I refute any suggestion to the contrary; it is without foundation.

Deputy Alan Shatter: The Taoiseach does not know what is going on.

Deputy Jim O'Keeffe: When did the Taoiseach become aware?

The Taoiseach: I simply made the point that when we became aware on the basis of the due diligence that was being conducted as a result of the recapitalisation programme policy statement announced, it obviously had to be taken on board by the regulatory authorities——

Deputy Terence Flanagan: When?

The Taoiseach: —and by the Office of the Director of Corporate Enforcement. I can provide a time and date for the Deputy.

Deputy Alan Shatter: Why was the House not told? It amounts to a criminal conspiracy to defraud shareholders.

The Taoiseach: However, it was not on 30 September as suggested by this Deputy. This Deputy is trying to suggest—

An Ceann Comhairle: As Deputy Shatter is aware we are on Leaders' Questions and he has no right—

The Taoiseach: The Deputy is trying to suggest something which is simply untrue.

Deputy Caoimhghín Ó Caoláin: The Taoiseach knew it on 20 January when he asked them to buy a pig in a poke. He knew it by 20 January when he proposed to nationalise Anglo Irish Bank. That is the critical point on which we must have clarity.

An Ceann Comhairle: The Deputy is out of order. I call the Taoiseach without interruption.

A Deputy: The Deputy should not come in here and talk about banks.

The Taoiseach: I wish to make clear that the decisions made on these matters were totally on the basis of what was in the public interest at all times, and for no other reason.

Deputy Alan Shatter: That does not address the question asked.

The Taoiseach: The suggestion was made to the contrary that on 30 September there was some knowledge available to the Government. The Deputy suggested it would be unbelievable if I were to suggest that knowledge was not available to the Government. It certainly was not.

Deputy Alan Shatter: Did PricewaterhouseCoopers know of this?

(Interruptions).

An Ceann Comhairle: I call Deputy Gilmore without interruption.

Deputy Eamon Gilmore: Okay, the Taoiseach did not know about this on 30 September. The Government was in discussion with the banks. We were told on 30 September that the Government was in discussions with the banks. Arising from those discussions, the Taoiseach came before the House and effectively asked the Dáil to hand over the deeds of the country to bail out the banks in a guarantee scheme.

Deputy Bernard J. Durkan: Hear, hear.

Deputy Eamon Gilmore: If the banks did not tell the Taoiseach what was really going on at the time he came before the House, they were making a monkey of him. They were also making a monkey of the public, which was asked to put up the money and the guarantee. The Taoiseach says he did not know of this on 30 September. When did he find out?

We now have a serious problem in the banking system and a serious loss of confidence, domestically and internationally. Everyone knows it is critical for the country that confidence is restored.

The Taoiseach's proposed bank recapitalisation scheme, the details and conditions of which we have yet to examine, is aimed at restoring confidence internationally to the Irish banking

[Deputy Eamon Gilmore.]

system. However, he will not restore confidence to the Irish banking system, recapitalisation scheme or no, while we have this drip, drip emergence of one thing after another occurring in these banks. First, we found out about directors receiving loans and shoving money around between one bank and another. Then there was the matter of contracts for difference. Now, we hear the banks were moving money around between one another. When did the Taoiseach become aware of these loans? When did the Minister for Finance and the Department become aware? We are entitled to know. There has been far too much drip, drip information. The Government must level with the public. There is public money involved, which apparently will be put into the banks, and more public money will have to be used if everything goes seriously wrong. The people, whose money the Government is now playing with and who are being asked to raise this money, is entitled to know when the Government knew these arrangements were in place between the banks and when this loan was made. Will the Taoiseach explain this to the House?

The Taoiseach: I have made it clear——

Deputy Charles Flanagan: Was this a once off?

Deputy Dermot Ahern: He has not even started to answer the question.

An Ceann Comhairle: Give the Taoiseach a chance to answer the question. Deputy Gilmore was listened to in silence and the Taoiseach is entitled to be listened to in silence also.

Deputy Jim O’Keeffe: Tell us the date.

The Taoiseach: The position is there was no knowledge available to the Government concerning the guarantee scheme we made. That was an important decision. These were banks of systemic importance. We were advised at official level that the scheme should be brought into play and that was done. It brought stability to the banking system and improved the situation considerably. In fact other Governments have followed on from that. In December, we brought forward a recapitalisation policy statement. Subsequently, as I made clear, in the due diligence that was conducted it became clear that it was in the interest of the country that the bank be nationalised.

11 o'clock

Deputy Eamon Gilmore: That does not answer the question.

The Taoiseach: The issues being brought to our attention in respect of the new chairman and the board, and the various practices and governance issues being brought to the attention of the board and the Department, had to be dealt with. They are being dealt with and are being investigated.

Deputy Emmet Stagg: That is the padding. The Taoiseach should answer the question.

Deputy Eamon Gilmore: The Taoiseach should answer the question.

The Taoiseach: All of those issues will be dealt with on completion of the investigation.

The answer to the question is that the nationalisation of the bank became an imperative on the basis that market confidence had——

Deputy Joan Burton: When did the Taoiseach know?

Deputies: When did the Taoiseach know?

The Taoiseach: Will the Deputies wait till I answer the question? Market confidence was leaving because of the practices that were emerging. It was before we nationalised the bank obviously, because that became necessary in the public interest of the country.

Deputies: Why did the Taoiseach not tell us?

Deputy Olivia Mitchell: It was taxpayers' money.

Deputies: When did the Taoiseach know?

The Taoiseach: It was an institution of systemic importance. That investigation is being conducted at the moment and will be finalised and brought to everyone's attention when it is completed. That is the answer to the question.

Deputy Alan Shatter: On a point of order—

An Ceann Comhairle: Deputy Shatter has no involvement in Leaders' Questions.

Ceisteanna—Questions.

Official Gifts.

1. **Deputy Enda Kenny** asked the Taoiseach the rules in place in his Department governing the acceptance of hospitality by Ministers from State agencies; and if he will make a statement on the matter. [44684/08]

2. **Deputy Eamon Gilmore** asked the Taoiseach the guidelines that exist in regard to the acceptance of hospitality by Ministers from State agencies; and if he will make a statement on the matter. [46104/08]

3. **Deputy Caoimhghín Ó Caoláin** asked the Taoiseach the guidelines for the acceptance of gifts by Ministers from State agencies; and if he will make a statement on the matter. [1779/09]

The Taoiseach: I propose to take Questions Nos. 1 to 3, inclusive, together.

If a Minister were to receive a gift worth more than €650 from a State agency, it would be deemed to be a gift given by virtue of office and would have to be surrendered to the State. It would also have to be declared in the Minister's annual statement of registerable interests.

As regards hospitality, I assume that the Deputies are not referring to a situation where Ministers travel abroad in the course of, and for the performance of, their duties and their travel expenses and accommodation are paid for by the State agency on behalf of which they are travelling. For obvious reasons, restrictions in the code of conduct for officeholders published by the Standards in Public Office Commission, which I will refer to in a moment, do not apply to any offer or supply of property or a service made "in the course of and for the purpose of performance of duties of an officeholder, for example, hotel facilities or attendance at EU Council meetings, including a representational role by a spouse where this is in accordance with established practice".

As regards hospitality otherwise, the code of conduct for officeholders sets out, among other things, a framework for the acceptance of hospitality by officeholders. Briefly, the code provides that officeholders should not accept offers of hospitality where to do so would, or might appear to, place them under an obligation. The code also provides that officeholders should not accept offers to meet the costs of travel facilities and-or commercial accommodation in

[The Taoiseach.]

connection with official activities where such offers are made by private citizens or private enterprises, but that discretion may be used where an officeholder is the official guest of another Government or official body, or of a not-for-profit representative organisation or the like.

The Department of Finance's code of practice for the governance of State bodies provides a corporate governance best practice framework under which State agencies are required to conduct their business. Among other things, it provides that State agencies should avoid providing hospitality which might affect or appear to affect the ability of the donor or the recipient to make independent judgments on business transactions.

The code of practice recognises that it is not feasible to provide specifically for all situations which will arise. It reminds directors and employees of State agencies, therefore, that it is primarily their responsibility to ensure that all their activities, whether covered specifically or otherwise by the code, are governed by the ethical and other considerations implicit in it.

Deputy Enda Kenny: When a Minister travels abroad on behalf of his or her Department, the position is well known, transparent and open to scrutiny. It appears from the investigations into FÁS that the same does not apply there. If a Minister accepts a trip or hospitality from a State agency, there does not seem to be the same level of awareness as if the Minister travels on behalf of his or her Department. For example, if the Minister for Foreign Affairs were to travel to some country at the invitation of a State agency as distinct from the Department of Foreign Affairs, that would not show up in the same way. Is the Taoiseach happy about that? What safeguards are being put in place to ensure that there is absolute transparency about such trips?

I accept the Taoiseach's bona fides in wanting to do things in the public interest here but I find it incredible that, because of the constraints arising from the Abbeylara case, the Committee of Public Accounts is unable to subpoena witnesses who have clear information about elements of this case. That is not in the public interest. We should be able either to write legislation within the context of the Abbeylara finding or have a referendum to allow the Oireachtas deal with these persons in semi-State agencies or whatever part of Government applies, when the need arises.

When I asked the Taoiseach last June about FÁS, he said that he held the then chief executive in the highest regard and would defend his integrity at all times. Is the Taoiseach happy that since that time structures have been put in place which allow for oversight of hospitality extended to Ministers within agencies such as FÁS for instance?

The Taoiseach: It is the normal arrangement that when Ministers travel abroad in the course or performance of their duties, their travel expenses and accommodation are paid for by the State agency on behalf of which they are travelling. It is right that this should be the case because the Minister is conducting duties in performance of his or her office. I am sure that lessons are being learned from the various issues arising out of FÁS. Mr. Ed O'Sullivan, a former Secretary General at the Department of Finance with responsibility for the public service, is the interim chief executive officer and is *au fait* with the various guidelines in respect of these matters. He also has an overall capacity to help guide the agency in the transition period pending the appointment of a long-term head of the organisation.

It is my view that those issues which have arisen are lessons to be learned and actions to be taken in changing a culture that may have grown up over many years and aspects of those arrangements which we would find unsatisfactory. From my point of view, it is under a leadership now that will ensure that the culture of public service is manifest and above public

reproach in terms of moderation that is displayed as people go about their business in an appropriate way and are not seen to be extravagant.

Deputy Enda Kenny: Does that mean, for instance, that if Fáilte Ireland brings the Minister for Arts, Sport and Tourism to some function in France or Italy, that it will show up in its report and that of the Department? Will hospitality extended by an agency to a Minister be made public? I understand that there is no intention to cover it up but it is necessary that everybody be perfectly aware of it from the reports of the agency and of the Minister's Department. This should be absolutely above board and everybody should understand it. One does not want a situation to arise in which someone knows that a Minister was in America or wherever, but the trip is reported only in the accounts of the semi-State agency. I hope that the structures being put in place under the former Secretary General with responsibility for the public service will ensure that happens. If a Minister travels at the invitation of a semi-State body or agency to do business for the country, everybody should understand the nature of that travel and a record of it should be available for all to see. Everybody understands that is what it was, as it is there for all to see. Will those changed structures bring about that situation?

The Taoiseach: The Standards in Public Office Commission, which sets out the code of conduct for officeholders, does not apply the question of filling forms for the supply of a property or a service, made during the course of such a supply for the purpose of the performance of the duties of an officeholder. The Standards in Public Office Commission has drawn up the guidelines, and we should abide by them. The office is doing this in compliance with the legislation. I do not have a problem with whatever guidelines we are asked to comply with. In this case, the office has indicated its view on the matter and we should deal with the issues that are specific to what the legislation was set up to address, rather than trying to deal with every issue related to the performance of people's duties on a daily basis.

Deputy Eamon Gilmore: These questions arose from the controversy that developed following revelations about FÁS involving trips to Florida and the expenses incurred, about who travelled and who paid for what. It emerged that the statutory responsibility for approving the scheme of expenses rested with the Minister. Without going back over the detail about who travelled where, we need to first establish a few principles. It is not a good idea that a Minister, who has a statutory responsibility to approve a scheme of expenses, should himself be the beneficiary of an expenses regime in the State agency concerned. There needs to be some kind of wall developed between the Minister who approves the regime, and the agency to whom the regime applied. Where a Minister is invited on a mission of some kind by a State agency, the expenditure incurred by the Minister and his or her staff should be accounted for in the Department's own budget, and should be subject to Dáil questions and the normal parliamentary scrutiny and accountability that applies to that. If that were done, there would be a distinction between the expenditure of the State agency and the extent to which Ministers benefit. The important thing is to make that distinction between the accountability by the State agency and the Minister.

The Taoiseach: I do not know about that, but I will have it checked. The Department of Finance set out certain guidelines on this. I think the Deputy raised the matter with me before, when he asked that FÁS submit a scheme of expenses for approval by the Minister, on the basis that it is in compliance with the general guidelines set out by the Department of Finance. The question of whether the expenses are paid for out of the budget of the State agency or the Minister's own budget is a matter for consideration. I hear what the Deputy is saying about it. If a Minister is performing his or her duties on behalf of a State agency, usually that agency deals

[The Taoiseach.]

with the travel and other arrangements that are provided for in that trip. It is not dealt with in different parts by the Department and the agency.

I will check whether the current arrangements in place will add to the issue to any great extent. We are dealing with public money, so accountability should be available from those who disburse it. If it is disbursed by a State agency, then that agency should answer for it, rather than create another arrangement where some payments are made by the Department and others by the agency. Why not have greater transparency from the State agency in the first place?

Deputy Caoimhghín Ó Caoláin: Yesterday I spoke about the use of the Government jet by the spouses of Ministers or Ministers of State. I made specific reference to the Minister for Health and Children, who was accompanied by her spouse in the incident mentioned by Deputy Gilmore. That trip was under the aegis of FÁS, and we know that there was much controversy in the fall out from the trip, including the personal services expenses paid by the platinum card of Mr. Greg Craig, the director of public affairs at FÁS. That created much controversy at the time and led to the resignation of the CEO, Mr. Roddy Molloy. Arising out of what some believe is the inappropriate use of the Government jet, I asked the Taoiseach if any new guidelines were to be introduced by him to lay out his expected best practice approach to the use of the jet. He stated that he did not believe that this was necessary.

On the basis of all that was demonstrated by that Florida trip, have any new guidelines for Ministers and Ministers of State been drawn up in order to ensure that best practice applies to gifts, services and other expenditure by the State agencies? What guarantee have we that what was discovered about the FÁS trip has not been replicated in other situations across other Departments and State agencies? What level of oversight and scrutiny is currently in place? Following the exposure of the practices within FÁS that led to the resignation of its CEO, has the Taoiseach taken steps to insist on best practice across the board? Given what was exposed on the Florida trip, does the Taoiseach accept that there is a culture that needs to be addressed? Will he address it?

The Taoiseach: The Committee of Public Accounts has been discussing this matter for some time with various members of staff from FÁS. The committee will be making recommendations for consideration, while the interim chief executive has experience that is being brought to bear on the lessons to be learned at the agency. The legislative basis upon which we operate, such as codes of conduct, the Ethics in Public Office Act 1995, the Standards in Public Office Act 2001 and so on, are all complied with by Ministers. It is a matter for State agencies to ensure that the arrangements made are in line with guidelines devised by themselves and approved by the Minister, or in line with the general Department of Finance guidelines that apply to these matters.

Deputy Caoimhghín Ó Caoláin: I would like to follow up on that. It may well be that the practices we are discussing are endemic in the private sector. There is more and more evidence of that. The difference is that we are talking specifically about the spending of public moneys by the public sector. The highest standards need to apply in such circumstances. Does the Taoiseach accept that rather than allowing State agencies to mimic their counterparts in the private sector, we should put in place the highest standards of best practice? Can he clearly indicate to the wider public, whose money is employed in the abuses to which I have referred, that these practices have been stamped out and will not be tolerated in the future?

The Taoiseach: The essence of accountability is that lessons are learned when breaches take place or difficulties arise. If people take on board lessons, change can take place. That is

precisely what accountability is about. It is obvious that like other agencies, FÁS needs to learn lessons from the controversies that have been brought into the public domain. As I have said, the new head of the agency will ensure that the appropriate standard of public service applies to all its activities, including activities in this area. We can have every confidence in his capacity and willingness to do that.

Freedom of Information.

4. **Deputy Enda Kenny** asked the Taoiseach the number of freedom of information requests received by his Department during November 2008; and if he will make a statement on the matter. [44686/08]

5. **Deputy Enda Kenny** asked the Taoiseach the number of freedom of information requests which were processed by his Department during 2008; the number which have been acceded to; and if he will make a statement on the matter. [46572/08]

6. **Deputy Eamon Gilmore** asked the Taoiseach the number of freedom of information applications received in his Department during 2008; the way these figures compare with the same period in each year since 2002; and if he will make a statement on the matter. [1005/09]

7. **Deputy Caoimhghín Ó Caoláin** asked the Taoiseach the number of freedom of information requests received by his Department in 2008 and the same figure for 2003; and if he will make a statement on the matter. [1780/09]

The Taoiseach: I propose to take Questions Nos. 4 to 7, inclusive, together.

Ten freedom of information requests were received in the Department of the Taoiseach in November 2008. The number of requests received in 2008 as a whole was 83, 64 of which were granted or part granted and ten of which were withdrawn. There were no records in respect of six requests. In the other three cases, the records sought were exempt from release. The table that follows this reply sets out the other figures requested by the Deputies. All freedom of information applications received by the Department of the Taoiseach are processed by statutorily designated officials in accordance with the Freedom of Information Acts 1997 and 2003. In accordance with the Acts, I have no role in processing individual applications.

Year	2002	2003	2004	2005	2006	2007	2008
Totals	146	142	45	61	54	71	83

Deputy Enda Kenny: I would like to make two comments. When certain activities in FÁS were being investigated recently, the members of the Committee of Public Accounts obtained more relevant information from the individual freedom of information requests they submitted than from the documentation the semi-State body in question furnished to the committee. In other words, less information was supplied on foot of requests from the committee to the agency than was obtained on foot of the freedom of information requests submitted by the members of the committee. Perhaps that justifies the existence of the freedom of information system. As the overseer of that system, the Taoiseach should ensure that State bodies provide the fullest possible information when freedom of information requests are made.

In response to a previous question, the Taoiseach told me that 10,704 freedom of information requests were made to the Office of the Information Commissioner in 2007. That figure represented a reduction of 42% since 2003. The number of requests submitted to the Department of the Taoiseach decreased by 50% over the same time, from 142 in 2003 to 71 in 2007. I do

[Deputy Enda Kenny.]

not think people have stopped making requests because they have got all the information they want. The *Tenth Report by the Minister for Finance on Freedom of Information*, which was published on 28 October 2008, highlighted the shortfalls in the freedom of information system's fee structure. The Information Commission has pointed out that Ireland is one of only two of eight comparable jurisdictions to charge people to make freedom of information appeals. Ontario charges €16 for an appeal, but Ireland charges €150. When the Taoiseach was the Minister for Finance, he dismissed the Information Commissioner's call for a decrease in the fees imposed in respect of freedom of information requests and appeals. The commissioner has described the fees as being part of a "culture of secrecy".

At a time when everybody is demanding transparency and accountability, does the Taoiseach, who has said we should have fair play, have any plans to reconsider the Information Commissioner's request for a review of the fee structure? Fine Gael has proposed that a flat fee of €10 should be imposed in respect of requests, reviews and appeals. We have suggested that appeal fees should be refunded if appeals are successful. Does the Taoiseach think the Government could give its consent to such a change? If a person's appeal to the appeals commissioner is granted, surely the appeal fee should be refunded in recognition of that, or as a consequence of it. Would the Taoiseach agree to that?

An Ceann Comhairle: As I have indicated previously, questions about possible changes to the Freedom of Information Acts, whether by means of an extension to the principal Act or the revision of fees, should properly be addressed to the Minister for Finance.

Deputy Enda Kenny: The Ceann Comhairle is an advocate of fairness and transparency. He is doing a great job around the country.

An Ceann Comhairle: I am only pointing out what is the position.

Deputy Enda Kenny: I often hear the Ceann Comhairle quite rightly telling pupils from all parts of the country that we want openness and transparency.

An Ceann Comhairle: That is right. That involves the right question being asked of the right man.

Deputy Enda Kenny: Thank you.

The Taoiseach: The ongoing process of extending the Freedom of Information Acts to public bodies is being undertaken by the Department of Finance. As Minister for Finance, I oversaw the biggest ever extension of the scope of the Freedom of Information Acts, to a further 137 bodies, in 2006. More than 520 bodies are now covered by the freedom of information regime. Just 67 bodies were covered when the original Freedom of Information Act came into operation ten years ago. I do not think anyone can question our commitment to wider transparency and accountability. The Department of Finance is making arrangements to extend the scope of the freedom of information scheme to a further group of bodies, including the Law Reform Commission, which is the only body under the aegis of the Department of the Taoiseach that has yet to be included in the scheme. I expect the Minister for Finance to make an announcement in this regard in due course.

I understand there are no plans to review the freedom of information fee structure, which is a matter for the Minister for Finance in the first instance. The current structure, which was introduced in 2003, provides that a fee of €15 is imposed when a freedom of information request is made. I contend that the fee is modest when compared with the estimated average

administrative cost of processing a freedom of information request, which is €485. I remind the House that almost 11,000 such requests were made in 2007. I do not believe anybody would argue that the fee is unreasonable, or that it discourages people from making responsible freedom of information requests. It is important to point out that no charge is imposed in respect of the time that is taken to examine the records sought with a view to determining whether they may be released. Equally, no charge is imposed in respect of access to personal information. The fees charged under the freedom of information scheme have not increased since they were introduced in July 2003.

Deputy Kenny referred in particular to the fees that are charged when appeals are made. I remind him that it costs €75 for an internal appeal and €150 for an appeal to the Office of the Information Commissioner. Significant reductions may be availed of by medical card holders, who are asked to pay fees of €25 and €50, respectively, for appeals in each category. Appeals concerning personal information are entirely exempt from the fee structure. The making of appeals to the Information Commissioner is a quasi-judicial process. It can take many months to complete the process, as it can entail a considerable amount of work. The fee that is charged in such circumstances is a fair reflection of the nature of the appeal process and the costs and time involved. It is important to note that a person who submits an appeal to the Information Commissioner may receive a preliminary decision, which gives a good indication of the likely final decision. Such a person can withdraw his or her appeal and obtain a full refund of fees even at that late stage in the process. I understand that 30% of appeals made to the Office of the Information Commissioner are withdrawn. The appeal fee is returned in such cases.

Deputy Eamon Gilmore: The last time the House discussed this matter on Question Time, I asked the Taoiseach about the Information Commissioner's decision, which was made on foot of a freedom of information request, to release documents that were used during Cabinet discussions on Ireland's greenhouse gas emissions. The Taoiseach told me on that occasion, in October 2008, that it was intended to appeal the decision in line with advice that had been received from the Attorney General. Can the Taoiseach tell the House if the decision in question has been appealed? If so, at what stage is the appeal?

The Taoiseach: I do not know. I will have to check it out. Does the matter in question relate to the Department of the Taoiseach?

Deputy Eamon Gilmore: When I asked the Taoiseach about this matter on 21 October 2008, I note the record states that the Information Commission had recently made a decision that documents relating to the Cabinet's consideration of Ireland's greenhouse gas emissions should be released. The Freedom of Information Commissioner considered that European Union access to information rules and regulations, including access to environmental information, required that it should be released. The Taoiseach told me at the time that following consultation with the Attorney General's office it had been decided that an appeal should be taken in that case. If he does not know the answer to that question now, I am sure he will communicate it to me in due course.

Deputy Caoimhghín Ó Caoláin: In light of the scandals in Irish banking and in FÁS referred to earlier and, all too sadly, many others that have come to light in recent times, will the Taoiseach reconsider his position, when Minister for Finance, on the recommendation of the Information Commissioner not to continue to charge fees for FOI requests and appeals? In the context of all that has taken place, does he consider it is appropriate to revisit the Information Commissioner's recommendation and to set aside fees to strengthen scrutiny across the board?

[Deputy Caoimhghín Ó Caoláin.]

Does he accept it is the absence of scrutiny that has given rise to much of what we have witnessed and learned, including this morning and sadly, into the future?

Does the Taoiseach also accept that, aside from FOI legislation and the bodies to which it applies, there is a good argument for him to consider a parallel process that would apply to the corporate sector in order that a light can be shone on the conduct, management and standards applying within it in context of the abject failure of the Office of the Financial Regulator to properly give oversight and scrutiny to that sector? Is there now a case for the Taoiseach to consider a further measure that would apply not only to public bodies but to the corporate sector to try to offset the serious lack of confidence and strong distrust within Irish society in regard to that sector?

The Taoiseach: In my previous reply to Deputy Kenny on the fees structure I made the point that it is in no way the deterrent some contend it is for the use of Freedom of Information for the purpose of obtaining information. The fees structure is very reasonable in the circumstances, given the nature of the work that is undertaken and the fact that the fee does not even come close to the cost of such information being gathered and collated. In all the circumstances, particularly the full exemption for personal information, the fees structure ensures that presumably, only responsible FOI requests would be pursued rather than people seeking information for the sake of it, putting the system to the trouble of responding only to have it forgotten, with the result that it would not be put to any great public effect.

Regarding the question of the regulatory situation in financial services and banking, all of that is now being considered and reviewed in the European context as well as domestically. We will work with colleagues to examine if the EU-wide regulatory regime is sufficient to meet the new circumstances in which we now find ourselves as a result of the fracture that has taken place in the financial services industry arising from the level of financial innovation that was being conducted, the number of off-balance sheet instruments that were being used and the leveraging of banking assets for the purpose of providing credit, which has led to a crisis of confidence in terms of credit being less available and the banking system being under stress worldwide. Domestically, the Minister for Finance will examine what arrangements he considers should now be proposed to the Government for consideration in respect of new regulatory arrangements that will ensure public confidence can be applied to the oversight and supervision of the financial services industry in Ireland.

Deputy Caoimhghín Ó Caoláin: I thank the Taoiseach for his reply. Will he accept it is unfortunate that the argument of vexatious FOIs is used to scuttle any reconsideration of the Information Commissioner's recommendation to abolish fees? In that context, is there not a mechanism that could be introduced for an independent determination as to vexatious as against sincere and serious FOIs? Does he not consider that the Information Commissioner's recommendation in this regard still has merit. By contrast with other jurisdictions, the punitive costs involved in the appeals process here constitutes a serious disincentive. Surely that merits reconsideration in the context of all that we have spoken about.

Will the Taoiseach indicate what recommendations, arising out of the experience of the inadequacy of the financial regulator, he and his Government are presenting in the European context for broader consideration and application? I hope this will be done at the earliest possible time.

The Taoiseach: I do not accept that the fees structure punitive. The Deputy does not seem to have any evidence to suggest it is punitive. As I said, the fee for medical card holders is €35 and €50. This is in regard to quasi judicial procedures. One could not go into a court with a

lawyer and expect to get anything done for €20 or €50. Having regard to the amount of time being applied to provide this information, the appeal mechanism of the Information Commissioner and the fact that it takes months to address issues, to suggest that the fees structure is a deterrent or a disincentive is not borne out by the facts. Perhaps it has helped in reducing the number of vexatious Freedom of Information requests being submitted. If there is no fees structure in place, one would make it up as one goes along and keep the whole system going trying to collect information simply because somebody seems to want it rather than it being sought for any obvious effect. We must be sensible about this. I believe the balance is very well struck.

On the question of co-ordination and the question of to what extent EU-wide regulatory rules can be applied, that matter is being discussed by ECOFIN and Finance Ministers on an ongoing basis, as are proposals by the Commission, in which Commissioner McCreevy is involved. It is a question of waiting to see what emerges from that, but there is no doubt there is a broader context than simply our own regulatory context — there is a wider issue that must be addressed. This is an international industry and there is a strong movement of capital all over the world. We must have some rules and regulations by which people need to work to ensure there is greater transparency and understanding of what is going on.

Irish-US Relations.

8. **Deputy Enda Kenny** asked the Taoiseach if he will report on his recent telephone conversation with the then President-elect of the United States, Mr. Barack Obama; and if he will make a statement on the matter. [44687/08]

9. **Deputy Eamon Gilmore** asked the Taoiseach when he next intends to visit the United States; and if he will make a statement on the matter. [46102/08]

10. **Deputy Eamon Gilmore** asked the Taoiseach the matters discussed in his recent telephone conversation with the then President-elect, Barack Obama; and if he will make a statement on the matter. [46103/08]

11. **Deputy Enda Kenny** asked the Taoiseach his plans to visit the United States; and if he will make a statement on the matter. [46575/08]

12. **Deputy Enda Kenny** asked the Taoiseach if he will convene a meeting of the Ireland-America Economic Advisory Board during his next visit to the United States; and if he will make a statement on the matter. [46576/08]

13. **Deputy Enda Kenny** asked the Taoiseach the arrangements in place within his Department for maintaining contact with the Ireland-America Advisory Board; and if he will make a statement on the matter. [46577/08]

14. **Deputy Caoimhghín Ó Caoláin** asked the Taoiseach the discussions he has had with the new US President; when his next visit to the US is scheduled; and if he will make a statement on the matter. [1781/09]

15. **Deputy Eamon Gilmore** asked the Taoiseach the communications he has had with Barack Obama since his inauguration as President of the United States; and if he will make a statement on the matter. [3045/09]

16. **Deputy Eamon Gilmore** asked the Taoiseach if he has plans to meet the newly inaugurated President of the United States, Barack Obama. [3046/09]

The Taoiseach: I propose to take Questions Nos. 8 to 16, inclusive, together.

I spoke on the phone with President-elect Obama on 18 November and congratulated him on his election success. I took the opportunity to stress the importance the Government attaches to Ireland's relationship with the United States. He expressed his desire that the relationship would continue to flourish in the coming years.

I commented on my visit to New York last summer. Ours is a mature two-way relationship and I fully expect it to further develop on that basis. I briefed the President-elect on the positive political developments in Northern Ireland with the resumption of meetings of the Northern Ireland Executive. I took the opportunity to personally invite him to Ireland. I also wrote to him on 20 January to convey my best wishes on his inauguration.

I expect to visit the United States in March for St. Patrick's Day. While the programme for my visit has not yet been finalised, I would expect to meet with the Ireland-America Economic Advisory Board. My Department maintains contact with the board primarily through the Irish Embassy in Washington, as well as through visits and meetings.

Deputy Enda Kenny: Did the Taoiseach invite the then President-elect to Moneygall and did he invite the Taoiseach to the White House?

The Taoiseach: I do not think he would insult me.

Deputy Enda Kenny: Did the Taoiseach discuss with him, perhaps even briefly, the question of the undocumented Irish? Is it his hope that the US Government will introduce a comprehensive Bill within 12 to 18 months or does he envisage that the Minister for Foreign Affairs might have to make arrangements, if possible, for a bilateral arrangement with the US, given that former Senator Clinton is now the Secretary of State?

My third question concerns the role of the special envoy to Northern Ireland, an appointment made originally by President Clinton. This is an important position in keeping connections and contacts alive between Northern Ireland, Ireland and the United States. Prior to the US presidential election there were some suggestions that the special envoy might be recalled. Did the Taoiseach mention to President Obama the importance of maintaining this position? If so, did the President make any comment?

The Taoiseach: Paula Dobriansky was the latest nominee of President Bush and she is returning to other duties. I understand the Obama Administration intends to continue with such an arrangement whereby a person from the State Department will continue to engage his or her capacities with the process and be helpful in every way possible in terms of confidence building and bringing his or her particular perspective, especially an economic one, to the question of the process and how he or she can help things along. We very much thank all those who have been appointed by previous US Presidents and we look forward to the new appointment and to having a positive working arrangement with the person appointed. The Minister for Foreign Affairs, Deputy Micheál Martin, will engage most often with the appointee.

On finding a solution for undocumented citizens, supporting our diaspora and addressing the plight of the undocumented in the United States are key objectives of the Government. Finding a resolution for our undocumented community is an important priority for us. We have pursued a bilateral solution to reforming our migration arrangements with the United States. This strategy has three key objectives — the solution for our undocumented; the establishment of a new long-term reciprocal working visa system known as the E3; and the working holiday agreement. A new working holiday agreement between the two countries has now been achieved.

Detailed discussions are being held with senior members of Congress in respect of the second issue.

However, finding a solution for the undocumented remains our key priority in this area. In taking up the issue with the new US Administration and with Congress we are building on the extensive work on behalf of the undocumented the Government has carried out over recent years with many of those now within the Administration, and in co-operation with the Irish lobby for immigration reform. Since 2006, the Government has provided funding of \$235,000 for this work.

An Ceann Comhairle: Only three minutes remain. I will try to come back to Deputy Kenny. Deputy Gilmore asked the question.

Deputy Eamon Gilmore: I heard the Taoiseach outline what he expects his programme to be when he visits the United States on St. Patrick's Day. Does he intend to meet President Obama during that visit? For a number of years there has been a tradition of making a presentation of shamrock in the White House. Will that occur this year? Will it still be presented in Waterford crystal?

Deputy Enda Kenny: From a Clara man to a Moneygall man.

The Taoiseach: As I said in my earlier response, no detailed arrangements have been agreed yet regarding the visit. I hope to visit Washington and perhaps New York around St. Patrick's Day, and to meet with different interests there as my predecessors have done in the past. We have had no indication yet of any change to arrangements that have become established in recent times. I should not anticipate agreement on any issue until it is forthcoming, officially.

Deputy Caoimhghín Ó Caoláin: Can the Taoiseach indicate to us his hopes in respect of an engagement with President Obama other than the photo opportunity of the presentation? Is he hopeful? Does he expect to have a meaningful engagement with the President and to have the opportunity to address, in a serious and focused way, the issue of the undocumented Irish in the United States? All sides of this House share concern on this issue. There is a critical need to start ratcheting up pressure with regard to this matter. It drifted during the former President's terms and this has caused huge hurt and anguish for Irish people in the United States, and for their families here. I presume we are all conscious of this.

In the context of President Obama's day one announcement in respect of Guantanamo and all matters emanating from that, during the course of his telephone conversation did the Taoiseach address the issue of extraordinary rendition and how it has applied in Ireland, and, specifically, at Shannon Airport? Will he address the issue in the course of an upcoming engagement with the US President in the context of his stated intent? Will we now see a new regime of inspection agreed to between the US Administration and Ireland?

An Ceann Comhairle: If Deputy Kenny wants to come in he must be very brief.

Deputy Enda Kenny: I asked the Taoiseach if he invited President Obama to Moneygall. It might be at least a diversion from all the other woes.

The Taoiseach: I shall invite him to the country first and, if he accepts, we can decide afterwards on the location.

Deputy Enda Kenny: Is Offaly playing or will it have a team to bring to a match at that stage?

An Ceann Comhairle: The county is looking for a manager at present.

Deputy Enda Kenny: No more so than that of the man beside the Taoiseach.

Deputy Micheál Martin: We are keeping the country in suspense.

Deputy Enda Kenny: Cork will give Kerry a free run this year.

The Taoiseach: I will try to keep the US President out of GAA politics. Deputy Ó Caoláin raised several matters. These are substantive meetings and any suggestion to the contrary is rather ungracious. The Deputy's party has been a beneficiary of the process for a long time and, but for the fact that Irish Governments were able to get into such places, his party members might not have been able to make the visits they have made in recent times. The Government has had an excellent relationship with all US Administrations and these have brought real and direct benefits. They have been instrumental in insuring that political developments can take place. That level of engagement continues. I have no reason to doubt that President Obama will not be seized by some of these issues given his very wide and burdensome duties and obligations. There is no doubt that Ireland has enjoyed a level of interest from successive Administrations, indicative of the very close ties of kinship we have enjoyed with that country over many years.

The question of the undocumented is one that must be handled appropriately and in a way that might achieve progress for us. It is easy, as the Deputy might claim, to ratchet up pressure. Ratcheting up pressure is not in itself the issue. There are many people of goodwill in the Houses of Congress who will be supportive in the right circumstances. Those circumstances have yet to be created because there are many countries with a diaspora and there are, therefore, many people of different origins who also have this problem. It has caused very serious domestic difficulty for many in Congress, and in the context of political debate over many years.

Rather than believing we must go in and start twisting arms all over the place, what we must do is build on the goodwill we have generated on this issue. We must be respectful of the fact that it is a difficult domestic question for the United States. It is one on which we are prepared to engage with that country, find incremental improvements, and try to deal with this issue. That means being mindful of the difficulties it creates rather than believing there is an entitlement we can expect. The approach must be sensible and sensitive to the domestic realities for both parties represented.

That, in no way, is to suggest we are not very determined to assist those who find themselves in this difficulty. As constituency Deputies we know of many who hold this status who wish to have it rectified as soon as possible. Their position denies them return to their own country and their loved ones. They miss many important occasions in family life, whether weddings, bereavements or suchlike, quite apart from the fact they cannot come home and socialise in their own country. This is a very human issue and is one with which I am especially acquainted. I wish to address it but I must approach it, as we all must, on the basis there are people who can and will assist, given the right circumstances. It is our job to try to create those circumstances and not to make an approach that would detract from establishing sufficient goodwill to make a decision possible.

There is no relenting by this Administration. The Minister for Foreign Affairs, Deputy Martin, has been assiduous in the conduct of his duties in this regard, given the high priority it is accorded in his Department, apart from the important aspect of our bilateral relationship it represents as an outstanding item to be resolved. On the basis that Guantanamo Bay is closing, I do not see the purpose of an inspection regime.

Deputy Caoimhghín Ó Caoláin: Will the Taoiseach secure assurances?

The Taoiseach: The assurances we have obtained are satisfactory to this Administration.

Deputy Caoimhghín Ó Caoláin: But to very few others.

The Taoiseach: There is no evidence to the contrary. Such assurances are acceptable to us because it is in the interests of this relationship that we continue to conduct our business on that basis.

Deputy Caoimhghín Ó Caoláin: It is a very naive acceptance.

The Taoiseach: It is not a very naive acceptance. The idea that Deputy Ó Caoláin can ratchet up pressure on one hand and not accept the word of an Administration on the other is naive.

Deputy Caoimhghín Ó Caoláin: It is not. The Taoiseach will always get a pat on the back of the head.

The Taoiseach: That is why the Deputy is where he is and we are where we are.

Deputy Caoimhghín Ó Caoláin: A pat on the back of the head will no longer suffice.

The Taoiseach: That is wrong again. It is a question of mutual respect. If one wants respect, one must show it.

Deputy Caoimhghín Ó Caoláin: Absolutely.

The Taoiseach: On the basis of the assurances we received and with no evidence to the contrary, I have no reason to doubt the assurances I have received — none. Deputy Ó Caoláin can continue with his suspicions and conspiracy theories as long as he likes, and when he expects to get something done, he can give me a shout. He will be a long time waiting I would say.

Deputy Brian Hayes: We will be a long time waiting for a reply.

The Taoiseach: Regarding the question of detainees, the Ministers for Foreign Affairs and Justice, Equality and Law Reform understand their officials met a senior State Department representative on the matter earlier this week. We have made clear that our general disposition is to be helpful, but we also believe the greatest possible degree of co-ordination at European level would also be helpful. There was a first discussion among EU Foreign Ministers at the end of last month and the Justice Ministers will consider the issue a fortnight from now. Following that, we will review where matters stand.

Requests to move Adjournment of the Dáil under Standing Order 32.

An Ceann Comhairle: Anois, iarratais chun tairisceana a dhéanamh an Dáil a chur ar athló faoi Bhuan Ordú 32, requests to move the adjournment of the Dáil under Standing Order 32.

Deputy James Bannon: I seek the adjournment of the Dáil under Standing Order 32 to raise a matter of national importance, namely, the threat to the democratic process and the exercise of the rights of citizenship posed by the Government's failure to ensure by means such as automatic registration that young people are registered to vote, with 30% of 18-25 year olds not registered.

Deputy Caoimhghín Ó Caoláin: I seek the adjournment of the Dáil under Standing Order 32 to raise the following matter of national importance requiring immediate address, namely,

[Deputy Caoimhghín Ó Caoláin.]

the extent of the knowledge of the Minister for Finance and-or his Department of the irregular transactions between Anglo Irish Bank and other financial institutions including Irish Nationwide Building Society and Irish Life & Permanent when he proposed to the Houses of the Oireachtas on 20 January the nationalisation of Anglo Irish Bank; the full facts now known to him of the extent of the irregularities that were apparently endemic in this State-owned bank; and how he proposes to hold accountable those who have clearly abused their positions of trust and responsibility, and if this includes consideration of prosecution through the courts.

An Ceann Comhairle: Tar éis breithnithe a dhéanamh ar na nitheardaithe, níl siad in ord faoi Bhuan Ordú 32. Having considered the matters fully, they are not in order under Standing Order 32.

Deputy Caoimhghín Ó Caoláin: It is difficult to credit that you do not consider that last matter appropriate given the seriousness of the situation.

An Ceann Comhairle: That is a decision for the Chair.

Order of Business.

The Taoiseach: It is proposed to take No. 1, Charities Bill 2007 — amendments from the Seanad; No. 19, Legal Services Ombudsman Bill 2008 — Order for Report, Report and Final Stages; and No. 18, Employment Law Compliance Bill 2008 — Second Stage (resumed). Private Members' business shall be No. 53, motion re hospital services (resumed), to conclude at 8.30 p.m. tonight, if not previously concluded.

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

Deputy Enda Kenny: I propose that we suspend the business of the House for two hours.

Deputy Brian Hayes: Agreed.

Deputy Enda Kenny: Is that agreed, a Cheann Comhairle?

An Ceann Comhairle: Would Deputy Kenny like to explain that to us?

Deputy Enda Kenny: I am concerned about social solidarity and good faith. On 29 September, the members of the Government met regarding the bank guarantee scheme and 30 September was the year end date for Anglo Irish Bank. In January, we dealt with the nationalisation of Anglo Irish bank. An issue of considerable importance in that Bill was the Government's knowledge that €7 billion had been passed from Irish Life & Permanent to Anglo Irish Bank. That was an important piece of information of which the Dáil should have been aware in the context of its deliberations on that Bill because, through nationalisation, the country is being asked to take an exposure of the order of tens of billions of euro in potentially bad debts. While I am loath to accuse anybody of misleading the House, obviously the Government, Taoiseach and Minister for Finance were aware of this. We should have a two-hour debate.

An Ceann Comhairle: We cannot get into that now.

Deputy Bernard J. Durkan: It is an important issue.

An Ceann Comhairle: There are no proposals before the House today.

Deputies: Make a proposal.

Deputy Enda Kenny: I will make a proposal——

An Ceann Comhairle: Deputy Kenny must make that case to the Government.

Deputy Enda Kenny: I am making it to the Government through you, Sir. You constantly remind me to talk to you. I propose that at the close of normal business we have 90 minutes of discussion on this matter to clear up any misconceptions. The Government was aware of this transfer of €7 billion. I am concerned about the misrepresentation of the use of that money as a loan or as a deposit and the Taoiseach should come into the House——

An Ceann Comhairle: Deputy Kenny could ask during Leaders' Questions.

Deputy Alan Shatter: It should be dealt with now.

Deputy Paul Kehoe: The Taoiseach should explain to the House the circumstances surrounding this in so far as we know them so everybody can have social solidarity, take what we hear from the Government in good faith and not be misled, as it appears we have been.

Deputy Bernard Allen: It is a resigning matter almost.

Deputy Enda Kenny: It is.

Deputy Liz McManus: The Government had information.

An Ceann Comhairle: There are at least two requests for a private notice question on this matter and they are matters for the Chair to determine in due course before 2.30 p.m. today. I cannot see why we will invoke a new procedure when there are no proposals on the Order of Business.

Deputy Phil Hogan: They do not know the answers to the questions.

An Ceann Comhairle: I can only apply Standing Orders.

Deputy Enda Kenny: The Ceann Comhairle is independent of any Member of the House. We do not know what decision he will make on the private notice questions. I propose a 90-minute debate at the end of business so the Taoiseach can give an explanation to the House of the circumstances surrounding——

An Ceann Comhairle: The Deputy has made his point.

Deputy Enda Kenny: ——the transfer of €7 billion to Anglo Irish Bank, which is the same amount the Government proposes to take from the taxpayer to fund the recapitalisation programme.

An Ceann Comhairle: There is no proposal before the House.

Deputy Bernard Allen: If the Government was aware of that, people should resign.

An Ceann Comhairle: The Deputy asked about that this morning.

Deputy Eamon Gilmore: I support Deputy Kenny's request. I appreciate what the Ceann Comhairle said about the normal procedures that apply in the House. However, the Taoiseach's response to my question earlier this morning was extraordinary. The Taoiseach acknowledged that he and the Government knew about the €7 billion transfer of money or loan — call it what one wants — to Anglo Irish Bank, the effect of which was to falsify the real position of

[Deputy Eamon Gilmore.]

that bank. The Government knew about that before it introduced legislation in the House asking us to nationalise that bank and take responsibility for it.

Deputy Simon Coveney: That is correct. The Government did not tell us.

Deputy Eamon Gilmore: We were not told. The Government introduced legislation on an entirely false premise. It had very substantial information which affected the status of Anglo Irish Bank and what we took on when we nationalised it, and the Government did not inform us about it. It is not a small matter. The consequences of all this for the public finances, the country, the taxpayer, jobs, business and our economy are enormous. I support Deputy Kenny's request that the basis on which the Bill to nationalise the bank was introduced in the House be debated here. The information provided to the House was certainly false. At the very least, the Government held back information it should have provided to us.

12 o'clock

Deputies: Hear, hear.

Deputy Eamon Gilmore: It will require a closer examination of the text of what was said on those days to establish formally whether misleading of the House took place.

Deputy Caoimhghín Ó Caoláin: On 20 January I asked specifically of the Minister for Finance if he had other information he was not sharing with the Deputies on the Opposition benches, whom he was asking to buy a pig in a poke. He was asking us to sign up to the expenditure of public moneys and the exposure of the public finances to what I described as potentially a financial cesspit. That is exactly as it has proven to be. If the Minister had not proceeded as he did, after yesterday's exposure about Irish Life & Permanent the ass would have fallen out of Anglo Irish Bank and it would not be worth a button on the Stock Exchange this morning. That is a fact. It would be over and done with. Many people watching the situation would say today "Good riddance". There are strong opinions on this matter. The Minister for Finance was unable to give that assurance. He looked ashen-faced across the House in response to that and other questions posed. He clearly had critical information, and he had either personally decided to withhold it or had been gagged and prevented from sharing it with other Members of the House.

An Ceann Comhairle: The Deputy has made his point.

Deputy Caoimhghín Ó Caoláin: That constituted absolute misleading of the Members of this House who were facing a critical proposition — one, thankfully, that a significant body of us had the wit and sense not to sign up to.

An Ceann Comhairle: Come on now. I must ask the Taoiseach to respond.

Deputy Caoimhghín Ó Caoláin: It is imperative that the Minister and the Taoiseach come before the House to face the real questions about Anglo Irish Bank — what they knew, what they know now, and what they really propose to do about those who betrayed the loyalty and trust that was put in them and the responsibility that was given to them in their positions at the helm of that bank and other financial institutions. This is not only about Anglo Irish Bank. It is about Irish Nationwide and Mr. FitzPatrick. It is about Irish Life & Permanent.

An Ceann Comhairle: The Deputy has made his point. I must call the Taoiseach now.

Deputy Caoimhghín Ó Caoláin: These are regular transactions. The big questions are why the Financial Regulator was unable to come clean on these matters, and what was the extent of his knowledge, and that of his office, about these matters.

The Taoiseach: It is important that we deal with these issues in a sensible and moderate fashion.

Deputy Paul Kehoe: Absolutely.

The Taoiseach: Please. These are serious matters that we need to address.

Deputy Brian Hayes: Exactly.

Deputy Paul Kehoe: That is why we want a debate.

The Taoiseach: The Government intends to conduct a meeting today with regard to recapitalisation of two of the main institutions. This would involve a debate in the House tomorrow for that purpose. All these matters can be discussed and clarified without any problem whatever. The point that was being made during Leaders' Questions was that there were governance issues arising with regard to Anglo Irish Bank and this was sapping market confidence. On my official trip to Japan I indicated through conversations I had that it was clear that nationalisation of the bank was required and that this was in the public interest. That was the decision that was taken in the public interest. There was no attempt by anybody to mislead or do anything untoward whatsoever, as far as we are concerned, with regard to these matters. The debate in the House on foot of the decision to be taken by Government later will be the best way of clarifying this.

An Ceann Comhairle: I am moving on.

Deputy John Deasy: On a point of order, the Ceann Comhairle has received two Private Notice Questions and there is nothing under Standing Orders to prevent him from making a decision on them now.

An Ceann Comhairle: I have until 2.30 p.m. to make that decision.

Deputy John Deasy: There is nothing in Standing Orders which prevents the Ceann Comhairle from making that decision now.

An Ceann Comhairle: And there is nothing in Standing Orders which requires me to make it now either. I will exercise my independent discretion.

Deputy John Deasy: The Ceann Comhairle could sort this out right now and make a decision with regard to the debate, so why not do so?

An Ceann Comhairle: I thank the Deputy for his assistance in that respect.

Deputy Pat Rabbitte: Does the Taoiseach agree that it is now urgent that this House establish an all-party commission on banking which would investigate recent events and make recommendations on the future conduct of banking in Ireland, in the interest of the country's reputation?

An Ceann Comhairle: That is not in order, unless the Taoiseach wants to respond.

The Taoiseach: What is in the interest of the country's reputation is that we proceed with our recapitalisation in order to stabilise the banking system, and for the debate to take place in this House on all aspects of the matter. It is open to anyone in the House to raise any issue.

For the purpose of clarification, I want to make the point again that general governance issues were arising with regard to Anglo Irish Bank which brought about a situation in which the nationalisation of the bank was imperative. There was no detail available to me at that time about specific matters. What we were talking about was governance issues which were sapping market confidence. We needed to deal with that issue and that was the basis upon which we made those decisions.

Deputy Pat Rabbitte: Are there not a whole——

An Ceann Comhairle: We cannot go into this now, Deputy Rabbitte. There is a debate tomorrow. The Taoiseach has already indicated that.

Deputy Pat Rabbitte: There are a whole number of different issues causing widespread concern among the public. If this House has a role, surely it ought to be examining the implications of what has come into the public domain in recent months——

Deputy Simon Coveney: Today.

Deputy Pat Rabbitte: ——and not just yesterday. This House ought to put a number of Deputies who know something about banking on a commission which would investigate these issues and make recommendations for the future. We will end up like Reykjavik if we allow things to proceed——

Deputy Brian Lenihan: Shame.

Deputy Pat Rabbitte: ——as they are proceeding at the moment.

An Ceann Comhairle: I cannot allow this to continue. I must move on.

Deputy Pat Rabbitte: There are an awful lot of people out there——

An Ceann Comhairle: The Deputy is not in order.

Deputy Brian Lenihan: We are part of the eurozone. The Deputy should not forget that.

Deputy Pat Rabbitte: Yes, I will remember that. We have been responsible on this side of the House, but if the Minister were to look at the e-mails and other representations we are getting——

A Deputy: Hear, hear.

Deputy Pat Rabbitte: ——he would see the concerns that are abroad about people's jobs and homes.

An Ceann Comhairle: I cannot go into this now.

Deputy Pat Rabbitte: We need a banking system that works. This House showed before, in the DIRT inquiry, that it has the capacity to examine these issues and make recommendations about future conduct. I ask the Taoiseach to consider that seriously. I cannot see any downside to it. The people expect no less of us.

An Ceann Comhairle: Deputy Stagg.

Deputy Emmet Stagg: I give way to Deputy Gilmore.

Deputy Eamon Gilmore: The issue we are pursuing with the Taoiseach is not a small matter. It is clear from the replies we got during Leaders' Questions that the Government knew about the €7 billion loan.

An Ceann Comhairle: Deputy Gilmore, I cannot wander off into this on the Order of Business.

Deputy Phil Hogan: It is €7 billion.

Deputy Billy Timmins: The Ceann Comhairle should allow a debate.

An Ceann Comhairle: A debate is to take place tomorrow.

Deputy John Deasy: The Ceann Comhairle could sort this out immediately.

An Ceann Comhairle: There are at least two Private Notice Questions tabled for today——

A Deputy: Make a decision on them.

Deputy John Deasy: Make a ruling on it now.

An Ceann Comhairle: There are at least two questions, and that decision will be made prior to 2.30 p.m. As always, I will act impartially, independently and in the best interests of the House.

Deputy Enda Kenny: We need the truth.

An Ceann Comhairle: I cannot allow a debate on this now.

Deputy Paul Kehoe: A Cheann Comhairle, it is a serious matter.

Deputy Olivia Mitchell: The whole country is talking about it.

An Ceann Comhairle: Deputies must understand that. I cannot allow a debate on this now.

Deputy Eamon Gilmore: I am not asking for a debate on it now, but I am asking for a debate during the day. The issue at stake here is that the Government came in and asked the House to pass a Bill nationalising a bank whose accounts had been effectively falsified by the loans it got from other institutions. The Government knew that at the time it brought in the legislation.

An Ceann Comhairle: The Taoiseach has already responded on this issue.

Deputy Eamon Gilmore: That is not a small matter.

An Ceann Comhairle: Does the Deputy have anything to add to what he has said already on this matter?

Deputy Eamon Gilmore: The Taoiseach is now telling us that there were issues of general governance. This is not a issue of general governance.

An Ceann Comhairle: There are procedures and rules governing the House which I have to implement.

Deputy Eamon Gilmore: It is very specific. We were asked to nationalise a bank while the Government knew that the real financial position of that bank was not as had been publicly stated.

An Ceann Comhairle: I ask the Deputy to resume his seat because I am going to proceed now.

Deputy John Deasy: The Ceann Comhairle should make a ruling now. He is protecting them.

Deputy Alan Shatter: On a point of order——

An Ceann Comhairle: I am protecting nobody. The Deputy must withdraw that remark.

Deputy John Deasy: I withdraw it.

Deputy Alan Shatter: On a point of order——

An Ceann Comhairle: Is it a point of order?

Deputy Alan Shatter: It is, Sir. It is my understanding and experience in this House over many years that when Members either intentionally or by accident say something that misleads the House, they come into the House and explain themselves. This morning, on this particular issue, the Taoiseach has said two things which are mutually contradictory.

An Ceann Comhairle: I cannot go into that now.

Deputy Alan Shatter: I ask the Ceann Comhairle to bear with me for a moment. He said with regard to the nationalisation of Anglo Irish Bank that there were general governance issues——

An Ceann Comhairle: I must move on.

Deputy Alan Shatter: ——but he did not know what they were.

An Ceann Comhairle: There are two Private Notice Questions tabled, one from the Deputy's own finance spokesperson, which will be dealt with in due course.

Deputy Alan Shatter: Yet he told us less than an hour ago that he knew at the time of the nationalisation that Irish Life & Permanent——

An Ceann Comhairle: The Deputy is out of order.

Deputy Alan Shatter: ——had transferred €7 billion to Anglo Irish Bank. One of those statements is true; both cannot be.

An Ceann Comhairle: Deputy Stagg is next. Deputy Shatter must resume his seat.

Deputy Alan Shatter: It is my view that this House was misled when the nationalisation Bill came before it——

An Ceann Comhairle: The Chair is on its feet so the Deputy must resume his seat.

Deputy Alan Shatter: ——because the Taoiseach was privy to information that Members of this House should have been given.

An Ceann Comhairle: If the Deputy does not resume his seat, I will have to ask him to leave the House.

Deputy Alan Shatter: He has given us two contradictory versions of events. Within one hour this morning he said two things which are mutually inconsistent.

An Ceann Comhairle: The Deputy must resume his seat when the Chair is standing.

Deputy Alan Shatter: The Taoiseach should clarify which is true. It is one or the other.

An Ceann Comhairle: If the Deputy does not resume his seat, I will ask him to leave the House.

Deputy Alan Shatter: Both are mutually exclusive.

An Ceann Comhairle: I call Deputy Stagg.

Deputy Emmet Stagg: On a related matter, which I believe is in order, when does the Government expect to make a decision on the capitalisation of AIB and Bank of Ireland? Does it intend to have a debate on that issue in the House and when might that debate take place? On a second matter, an old chestnut, could the Taoiseach indicate when the Bill to regulate management companies will be published?

The Taoiseach: Work is continuing on the Bill on management companies. The Deputy has raised this issue on a number of occasions. It is being proceeded with as quickly as possible.

On the other question, the Cabinet intended to meet this afternoon for the purpose of discussing these matters. It will give the House an opportunity to debate them tomorrow.

An Ceann Comhairle: I call Deputy Crawford.

Deputy Alan Shatter: If we have that debate, how can we rely on anything the Taoiseach tells us? That is the key issue. There might be more about Anglo Irish Bank than he is prepared to tell the House.

An Ceann Comhairle: Deputy Shatter, is this a takeover bid? I have called Deputy Crawford.

Deputy Seymour Crawford: In light of the fact that the Taoiseach is going to provide €7 billion for the banks within the next 24 hours or so, could he find the €400 million required to pay the farmers' grants? This is also affecting banks and otherwise.

An Ceann Comhairle: We cannot deal with that.

Deputy Seymour Crawford: It is extremely important——

An Ceann Comhairle: I know it is but I cannot allow it.

Deputy Seymour Crawford: ——and I believe an additional budget is required for it. It is urgent.

An Ceann Comhairle: Has the Deputy a question that is in order?

Deputy Seymour Crawford: It is extremely urgent.

Deputy Joe Costello: I have a valid question for the Taoiseach. Given that the Government is going to provide €7 billion towards the recapitalisation of the banks, can the Taoiseach explain why the same banks stated last year that they did not require capitalisation?

An Ceann Comhairle: Deputy Costello should ask a question that is in order.

Deputy Joe Costello: Why have the same banks not drawn down any of the €30 billion that was made available by the European Investment Bank——

An Ceann Comhairle: That is not in order. There are two Private Notice Questions down for today, as I have repeated on a thousand occasions, and they will be considered in due course. The Deputy must ask a question that is in order.

Deputy Joe Costello: That was an introduction to my question. My point is that there is €30 billion available in the European Investment Bank to be drawn down by the Irish banks.

An Ceann Comhairle: The question is not in order. I call Deputy Brian Hayes.

Deputy Joe Costello: Is there a legal reason for the banks not drawing it down? Do we need to amend the legislation?

An Ceann Comhairle: I call Deputy Hayes.

Deputy Joe Costello: A Cheann Comhairle, I am asking about legislation.

An Ceann Comhairle: Of what legislation is the Deputy speaking?

Deputy Joe Costello: I have to explain what the legislation about. This is a very important matter. If we are recapitalising the banks and we are not drawing down money that is already available, is there a legal impediment to doing so?

An Ceann Comhairle: What is the legislation?

Deputy Joe Costello: Is there a legal impediment to drawing down that money, to ensure cashflow for small and medium businesses which are crying out for it?

An Ceann Comhairle: Is legislation promised in that area?

The Taoiseach: No legislation is required. I understand about €30 million is being drawn down from that fund at present by the three main banks.

Deputy Róisín Shortall: Why is it not happening?

The Taoiseach: It is happening.

Deputy Joe Costello: Why is it not being drawn down?

Deputy Brian Lenihan: It is. There is no impediment. It is out there waiting to be drawn down.

An Ceann Comhairle: There are Private Notice Questions on this. I call Deputy Brian Hayes.

Deputy Brian Hayes: A Cheann Comhairle, you have received other questions today. You might concede on the first question and that would clear up this entire matter, but I do not wish to pre-empt your decision. The Education for People with Special Educational Needs Act

or EPSEN Act passed by the Oireachtas gave absolute rights and guarantees to special needs children in primary and post-primary school. Can the Taoiseach advise the House if the Minister for Education and Science had the full support of the National Council for Special Education before his decision to effectively get rid of 128 teachers for special needs children from 1 September next? Would the Taoiseach not accept that an amendment to the EPSEN Act is required for the Minister to do this?

An Ceann Comhairle: Is legislation promised in that area?

The Taoiseach: No.

Deputy Brian Hayes: What other cutbacks in 2009 is the Government planning which we have not been told about and which the Minister for Education and Science might announce at midnight?

An Ceann Comhairle: There is no legislation promised. I call Deputy Burton.

Deputy Joan Burton: Will the Taoiseach and the Minister for Finance make a statement in the House? At the time of the banks guarantee — and on the occasion of each of the four other major debates relating to the nationalisation of Anglo Irish Bank and the recapitalisation announcement — I asked them whether they were aware that 30 September was the final year end accounting date of Anglo Irish Bank and what impact that had on the decision of the Government to bring forward the guarantee scheme.

An Ceann Comhairle: This is repetition. The matter has already been ruled on.

Deputy Joan Burton: The Minister for Finance denied that he was even aware of the year end date, which says something about his competence.

An Ceann Comhairle: The Deputy is well aware that a debate has been promised for tomorrow——

Deputy Joan Burton: This is a conspiracy by the Government to save Anglo Irish Bank at the expense of the general Irish banking system.

An Ceann Comhairle: ——and I am sure Deputy Burton will be able to make her contribution then.

Deputy Joan Burton: It is a wrong conspiracy. You should come to the House and address what you told the House when you misled the House, Minister.

Deputy Brian Lenihan: I did not mislead the House.

Deputy Joan Burton: There are two Bills promised. The first is the financial services (deposit guarantee scheme) Bill. How can the Government proceed with that Bill in the context of what we now know about what the Government knew about the guarantee and the circumstances in Anglo Irish Bank but refused to tell this House when it introduced the guarantee on 29 September? The second Bill is the National Pensions Reserve Fund (Amendment) Bill. How can that Bill be introduced when we know that the proposal to put €7.5 billion into the two big banks is seriously and dangerously flawed because of behind the scenes deals between this Government and Anglo Irish Bank?

The Taoiseach: Once again, I totally refute that statement. It is totally inaccurate and wrong. It is just not true and it does not become this House to continue making those allegations. They are not true, and I ask the Deputy to accept that. Everything we are doing here and everything we are trying to do to contend with the situation is in the public interest. To continue with such innuendo adds nothing to the debate.

Deputy Joan Burton: To ask us to believe, Taoiseach, that you did not know suggests that you are incompetent, and so is the Minister.

Deputy Noel Dempsey: You are irresponsible.

The Taoiseach: No. To be honest, what the Deputy has to say suggests——

Deputy Joan Burton: It suggests that the Taoiseach is incompetent beyond belief.

The Taoiseach: ——that she is on an unrelenting campaign of innuendo regarding this matter which has no basis in fact. That is what it is.

Deputy Joan Burton: That is not true.

The Taoiseach: It is true. It does nothing——

Deputy Noel Dempsey: It is totally irresponsible.

Deputy Joan Burton: The Taoiseach is aware of how deadly and difficult are the financial circumstances of Anglo Irish Bank but he decided to put the rest of the banking system in peril for Anglo Irish Bank. That is what he is accused of.

An Ceann Comhairle: Deputy Burton is out of order.

Deputy Joan Burton: It is typical of his incompetence.

The Taoiseach: I reject that accusation.

Deputy Joan Burton: You did not know your incompetence.

The Taoiseach: I reject that accusation as being without foundation.

An Ceann Comhairle: We must move on.

The Taoiseach: I absolutely and totally reject it.

Deputy Joan Burton: You can reject it——

The Taoiseach: I do reject it, without any equivocation.

Deputy Róisín Shortall: When will you tell us when you became aware of the €7 billion?

Deputy Joan Burton: Will the Taoiseach appoint an inspector to investigate the affairs of Anglo Irish Bank? There are currently four investigations running in Anglo Irish Bank. Will he appoint an inspector of the High Court? That is required to clear it out and restore our reputation.

An Ceann Comhairle: I call Deputy Durkan.

Deputy Joan Burton: Our reputation has been destroyed by this.

Deputy John Cregan: Deputy Burton is destroying it more.

An Ceann Comhairle: The Taoiseach has answered the question. I call Deputy Durkan.

(Interruptions).

Deputy Bernard J. Durkan: The Chair will be glad to hear that I will not pursue that particular question, although it is on my mind and there are some unanswered questions. Deputy Stagg raised the issue of estate management companies. The Taoiseach did not clarify the matter but only said it is ongoing. However, when I asked the Tánaiste about it I was told a single Bill was being introduced.

Deputy Emmet Stagg: The Deputy should not mind what she says.

Deputy Bernard J. Durkan: In the previous week, I was told there would be two Bills, one from the Department of Justice, Equality and Law Reform and one from the Department of the Environment, Heritage and Local Government. Will the Taoiseach clarify whether there will be one or two Bills?

Deputy Emmet Stagg: They think it is one Bill but they do not think it will work.

Deputy Bernard J. Durkan: The Minister for the Environment, Heritage and Local Government recently announced a scheme for insulating houses, which is very progressive and welcome. It is a good idea. However, at the same time, local authorities throughout the country have abolished the disabled persons' grants——

An Ceann Comhairle: That will do, come on.

Deputy Bernard J. Durkan: ——or suspended them.

An Ceann Comhairle: Give us a break, come on.

Deputy Bernard J. Durkan: I am sorry, a Cheann Comhairle——

An Ceann Comhairle: Ask about legislation.

Deputy Bernard J. Durkan: ——the local government Bill is on the Order Paper and you know it is on the Order Paper.

An Ceann Comhairle: I do. We will ask the Taoiseach about that.

Deputy Bernard J. Durkan: I would like to have a debate on that issue——

An Ceann Comhairle: No, on the local government Bill.

Deputy Bernard J. Durkan: ——and let us find out what exactly is happening in this area. Are we receiving contradiction?

An Ceann Comhairle: The Taoiseach on the legislation.

The Taoiseach: It is one Bill we are putting forward on the multi-units, and the other one is this session.

Deputy Bernard J. Durkan: We know it is this session, but when will we have it this session? Will we wait for the abolition?

Deputy Emmet Stagg: He has been “this session” for four years.

Deputy Bernard J. Durkan: I do not think——

An Ceann Comhairle: The Taoiseach stated “this session”.

Deputy Bernard J. Durkan: ——the Taoiseach is aware that the disabled persons’ grants have been abolished.

An Ceann Comhairle: I cannot go along with this now. Deputy Timmins is next.

Deputy Bernard J. Durkan: The disabled persons’ grants are abolished at the same time that the Government makes an announcement to refurbish houses, which is a good scheme.

An Ceann Comhairle: Deputy Durkan has made his point. I call Deputy Timmins.

Deputy Bobby Aylward: They are not abolished.

Deputy Bernard J. Durkan: If they are not abolished, what is the status of the disabled persons’ grants?

An Ceann Comhairle: I thank Deputy Alyward. Have a chat with him about that afterwards. I call Deputy Timmins.

Deputy Bernard J. Durkan: They are abolished.

Deputy Billy Timmins: The Government has sought to portray the questioning of bank practices as unpatriotic or irresponsible both inside and outside this House. It was mentioned by some of the Ministers.

Deputy Micheál Martin: Deputy Timmins is swimming.

Deputy Billy Timmins: It is not unpatriotic or irresponsible.

An Ceann Comhairle: Deputy Timmins must know that is not in order.

Deputy Billy Timmins: The Taoiseach mentioned that we were going to have a debate on recapitalisation tomorrow. Any debate we have had inside this House in the past few months has been rushed. It has been a scramble.

Deputy Bernard J. Durkan: Hear, hear.

Deputy Billy Timmins: We will not follow the Government blindly.

An Ceann Comhairle: Okay, okay.

Deputy Billy Timmins: This is the most serious issue facing the country——

An Ceann Comhairle: I must move on anyway, whether it is or not.

Deputy Billy Timmins: ——and we are expected to take the Government on trust, a trust that has not held up to date.

An Ceann Comhairle: I cannot go into that now, and Deputy Timmins knows well I cannot. Does the Deputy have a question that is in order?

Deputy Billy Timmins: A Cheann Comhairle, if you do not allow the private notice questions, can you suggest how we can deal with this, the most important issue to face the country?

Deputy Paul Kehoe: Today.

Deputy Billy Timmins: What suggestion have you for us today, instead of scrambling in here tomorrow to a preconceived idea and to learn some of the information?

An Ceann Comhairle: I strongly advise Deputy Timmins to ask a question which is in order——

Deputy Billy Timmins: The markets must decide where our banks stand at present.

An Ceann Comhairle: ——and not to muse and put forward hypotheses. Deputy Ring is next.

Deputy Billy Timmins: We cannot deal with it until we know the extent of the problem. Whether knowingly or not, we do not have the information.

An Ceann Comhairle: Deputy Ring is next.

Deputy Billy Timmins: I would appear the Government has much more information than we have.

An Ceann Comhairle: Deputy Ring is next.

Deputy Billy Timmins: It was irresponsible not to share it with the House.

A Deputy: Raise it on the Adjournment.

Deputy Billy Timmins: We have a public interest remit in here and we will not follow the Government line.

An Ceann Comhairle: Deputy Ring is next.

Deputy Billy Timmins: A Cheann Comhairle, you have a duty——

An Ceann Comhairle: Allow your own Deputy in.

Deputy Billy Timmins: ——in this House to ensure that the public interest and democracy is protected.

An Ceann Comhairle: I will do that, do not worry. I call Deputy Ring.

Deputy Billy Timmins: It is not being protected here this morning.

An Ceann Comhairle: It is of course.

Deputy Michael Ring: Every citizen of the State that I meet has asked me this question over the past few weeks. I want to ask the Taoiseach when, under the current legislation, the fraud squad and CAB will go in and investigate the banks. There are two laws in this country, one for the poor and one for the banks. The people want to know when the fraud squad or CAB will be prepared to go in and see what was going on in the banks.

An Ceann Comhairle: Put it down for the Adjournment.

Deputy Kathleen Lynch: When the EPSEN Act, legislation that was introduced to ensure education for people with special needs, was suspended a number of months ago, there was a little bit of a kerfuffle, but not much because we felt that whatever was there would remain in place. The Minister for Education and Science has created a reputation by portraying himself as the Rocky V of the Government. It is easy to be Rocky when one is taking on vulnerable children with disabilities.

An Ceann Comhairle: Rocky V is not in order on the Order of Business, as Deputy Lynch well knows.

Deputy Kathleen Lynch: I know that well. I ask the Taoiseach to turn to the Minister of State with responsibility for disability, who is seated behind him, and ask him if he intends to allow this to happen, that children with special needs will now be taken out of mainstream school and put back into special schools——

An Ceann Comhairle: I do not know what is wrong this morning but we seem to be annoyed. I cannot do that.

Deputy Kathleen Lynch: ——bused out of their communities every day and bused back?

An Ceann Comhairle: Deputy Lynch is out of order, unfortunately.

Deputy Kathleen Lynch: The socialisation of children with special needs will now stop. It is the most revolting and disgusting cut that I have seen by this Government——

An Ceann Comhairle: Deputy Lynch cannot discuss that now.

Deputy Kathleen Lynch: ——and there have been some beauties.

An Ceann Comhairle: There are no circumstances under which we can discuss that now.

Deputy Enda Kenny: I do not want to be out of order but I made three proposals that we would sit for an hour and a half longer than normal to discuss the circumstances surrounding the receipt by Anglo Irish Bank of €7 billion from ILP. I am prepared to withdraw that, Sir, if, in your own particular and specific Kerry way, you give a signal in your objectivity and independence that the two questions referred to by Deputy Deasy will be allowed today and there can be a real discussion about this in advance of the legislation tomorrow.

An Ceann Comhairle: According to the long-standing precedents, I will make that decision in due course and before 2.30 p.m. today.

Deputy Emmet Stagg: It is being favourably considered.

Deputy Enda Kenny: I think that is a signal of intent.

An Ceann Comhairle: I should think it was.

Deputy Emmet Stagg: It is being favourably considered.

Deputy Enda Kenny: I take that as a signal.

An Ceann Comhairle: I call Deputy Bannon.

Deputy Enda Kenny: Could I just add this? The Taoiseach stated there would be a debate tomorrow. I assume he means that the legislation proposed by Government would be intro-

duced and that there would be a proper opportunity to debate that in the House, that it is legislation rather than just a debate.

The Taoiseach: The debate is to discuss the decision.

Deputy James Bannon: The sale of alcohol Bill is still wandering around the legislation programme. It was scheduled to be published last autumn. It should have been taken in tandem with the Intoxicating Liquor Bill 2008. When can we finally expect the publication of this Bill?

The Taoiseach: Later this year.

An Ceann Comhairle: I will move along to——

Deputy P. J. Sheehan: A Cheann Comhairle——

An Ceann Comhairle: Deputy Sheehan, my apologies.

Deputy P. J. Sheehan: I thought you had overlooked my demand to ask the Taoiseach a question. I do not bother the Taoiseach too often. I do not overload him with questions but there are a few matters I want to clarify with him.

Regarding the Criminal Justice (Money Laundering) Bill, the Fianna Fáil website makes the following offer: “We are delighted to announce the Fianna Fáil Insurance Package, starting with the delivery of Fianna Fáil Home Insurance.” From where did this arise?

An Ceann Comhairle: We will move on.

Deputy P. J. Sheehan: No.

An Ceann Comhairle: The Deputy will have to have a discussion about that at some cumman some night if he can, but I do not propose to deal with it.

Deputy Enda Kenny: There is two of us.

An Ceann Comhairle: We will have to have a discussion about that.

Deputy Enda Kenny: They are repossessed homes.

The Taoiseach: Apply if you want.

Deputy P. J. Sheehan: Under the financial services (deposit guarantee scheme) Bill——

An Ceann Comhairle: He is advertising insurance schemes on the Order of Business.

Deputy Paul Kehoe: They only want to take their contents because the developers are not giving them any more money.

Deputy P. J. Sheehan: ——is the Fianna Fáil Party registered as an intermediary with the Financial Regulator? I suggest the Financial Regulator’s rules must be not to tell one anything.

An Ceann Comhairle: I suggest Deputy Sheehan visit Mr. Dorgan in Fianna Fáil headquarters.

Deputy P. J. Sheehan: Does the Taoiseach tell the Financial Regulator nothing ever?

An Ceann Comhairle: I must move on.

(Interruptions).

Deputy Joan Burton: Did the Taoiseach state that there would be legislation?

An Ceann Comhairle: I must move on.

Deputy Joan Burton: On a point of clarification——

An Ceann Comhairle: He did not.

Deputy Joan Burton: ——did the Taoiseach state there would be legislation tomorrow?

The Taoiseach: No.

An Ceann Comhairle: He did not.

Deputy Joan Burton: Sorry?

The Taoiseach: I did not say that.

Deputy Micheál Martin: Deputy Burton knows well he did not.

Charities Bill 2007: From the Seanad.

Acting Chairman (Deputy Kathleen Lynch): Before we begin I wish to bring to the attention of Members that the original list of amendments circulated on 18 December 2008 should not be used. All amendments to be considered are on the substitute list of amendments circulated on 3 February and the additional list circulated on 9 February.

Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy John Curran): Before we start to discuss the specific amendments before the House today, I briefly want to clarify for Members why I am returning to the House with more than 80 amendments to the Bill as originally passed by the House in last November.

The amendments fall into a number of categories and a good proportion of them are presentational, drafting and technical type amendments on the advice of Parliamentary Counsel.

There are a number of substantive amendments and a number of those emerged from issues raised by Members across the floor of both this House and the Seanad. I gave a commitment at that stage that we would address issues such as mass cards and Daffodil Day.

It has always been my approach to listen to the issues raised during the debates, irrespective of from which side of the House they emanated, and to take on board the positive suggestions where possible. As I stated, many of the amendments before the House today have emerged from Opposition amendments in both Houses and I thank all Members of both Houses for their constructive input to the Bill since its introduction. As a direct result and a consequence of this inclusive approach, I believe we now have a much improved Bill. Changes made to the Bill in the Seanad have been broadly welcomed by the sector and it is telling that none of the amendments before the Dáil today was opposed in the Seanad. I look forward to outlining these amendments to the Members and I shall now turn to the specific ones.

Amendments Nos. 1, 5, 40 and 46 were added during the passage of the Bill through the Seanad on foot of discussions with the Department of Education and Science and the Office of the Attorney General. As it stands, education bodies such as schools, student councils, parent associations and vocational educational committees are already subject to oversight by the Department of Education and Science, and on occasion by other bodies such as the Committee

of Public Accounts. It is not the intention of the Charities Bill to impose a significant additional administrative burden on organisations, and yet the principle is that all charities must be entered on the register of charities, including education bodies referred to here.

However, these amendments will exempt education bodies from the need to submit annual reports and the annual audit examination of accounts provisions. Education bodies, however, which are not charities, should not and will not be exempted from the need to keep books of accounts. It is important that charities should be able to accurately account for their financial situation at all times. I consider the exemption from some of these accounting and auditing requirements was appropriate as many of these education bodies are already required to keep and submit accounts to other sources. It will, of course, still be within the gift of the authority to request any information from these bodies, where necessary.

In keeping with the graduated approach to regulation, I also considered that there is merit to easing the regulating burden on charities that are extremely small, with limited resources. Accordingly, in the case of such charities with an income or expenditure of less than €10,000 per annum, I am providing that they be exempted from the accounts and audit or examination provisions of the Bill. There is scope for this threshold to be increased to up to €50,000, if considered appropriate, over time. I believe it would be unreasonable to expect a charity of that scale to provide examined accounts, although as with education bodies they will be required to produce an annual report, which may also contain financial information. Members should bear in mind that the authority is empowered to request information from any charity, including the small charities and the education bodies, as appropriate. To achieve this outcome a number of amendments were required.

Amendment No. 1 clarifies that “the Act of 1998” refers to the Education Act 1998. Amendment No. 5 defines an “education body” for the purposes of the Bill. Amendment No. 40 exempts both education bodies and small charities from the requirement to submit an annual statement of accounts to the new authority, while amendment No. 46 exempts the same organisations from the audit and examination provisions. I believe these amendment strike an appropriate balance and provide fair and equitable oversight, and I move the amendments.

Acting Chairman: As a matter of procedure, because these are Seanad amendments, they must be proposed from the Chair. I now propose Seanad amendment No. 1, which is related to Seanad amendments Nos. 5, 40 and 46. Therefore, amendments Nos. 1, 5, 40 and 46 may be discussed together.

The Dáil went into Committee to consider amendments from the Seanad.

Seanad amendment No. 1:

Section 2: In page 8, subsection (1), between lines 3 and 4, to insert the following:

““Act of 1998” means the Education Act 1998;”.

Deputy Michael Ring: I welcome the Bill in principle. The Minister of State accepted some of our amendments and introduced the necessary legislation in the Seanad, and I welcome that. I am disappointed that he has not dealt with one area in the Bill, however, in relation to human rights as a charitable purpose. I have received much representation in this regard, as has my colleague, Deputy Wall, and other Members of the House. We are concerned that these charities will be disadvantaged *vis-à-vis* the UK and Europe. I am disappointed that the Minister of State did not introduce the necessary amendment to deal with this in the Seanad. There is concern among charities about this as evidenced by the representations I have received. I am asking the Minister of State whether something could be done, even at this late stage, to try to

[Deputy Michael Ring.]

reassure these charities and table the necessary amendments to deal with the problem they have.

Regarding amendment No. 1 and the other amendments in relation to smaller charities, I welcome the proposal because I believe many such charities would have had to present audited accounts at the end of the year. The Minister of State seems to be saying that if a charity is getting up to €10,000, it will be recognised as a charity and will not have to present audited accounts. For charities with incomes above €10,000, the regulator can exercise discretion in relation to the amount of paperwork they have to produce. I welcome that and believe it is in the spirit of the Bill. The one item we all sought in this Bill was that there should not be too much bureaucracy and paperwork for charities. They collect money that the State will not provide and we do not want charities spending more time than they should producing paperwork for the regulator. I accept the amendment as a good proposal and Fine Gael will not oppose it.

Deputy Jack Wall: I also thank the Minister of State for the changes he has made. Obviously, it is good to note that some of the amendments, as proposed in this House, have been included.

The issue of human rights has again raised its head on foot of representations from various groups such as Amnesty International, FLAC, the Irish Council for Civil Liberties, Frontline, Wheel, etc. They have all raised major concerns about this and some aspects of the Bill in relation to those charities that already have a human rights dimension to them. The fear is that this could cause concerns when sections of the Bill are reviewed in five years' time.

I also appeal to the Minister of State in this regard. Given the enormous implications for human rights, is it not feasible that something might be done to address this shortfall in the Bill? The perspective on this side of the House is that the Minister of State is open to change, given his approach to the legislation both in this House and in the Seanad. The freedom of debate on the Bill must be acknowledged. The Minister of State's officials were readily available to us and he demonstrated real transparency on the various amendments tabled by the Opposition and in trying to facilitate Members. However, the human rights aspect is the Bill's single shortfall. I ask him to consider amending it in that regard.

Among the representations we received was a proposal from the Law Society, which was circulated to the various organisations. There is, therefore, a general concern in this regard. It would be wonderful if this provision could be included, as it was in the original Bill. At that stage there was great relief that the Bill, as proposed, would eventually deliver what had been sought, since so many people had lobbied for a charities Bill for so long. The fact that this provision was included in the original draft was seen as the icing on the cake. In agreeing with the amendments being discussed, I want to raise this concern, and I am aware that Deputies Costello and Higgins also have major reservations about this aspect of the Bill.

Deputy Aengus Ó Snodaigh: Like the previous two speakers, I welcomed this Bill when it was first drafted and we saw the heads. The main omission, which I presume was a clerical error when it was first printed, was the admission that the advancement of human rights was a charitable purpose. I appeal to the Minister of State at this, the eleventh hour, to include the advancement of human rights in the Bill as a charitable purpose. I presume that we could, if so desired, recommit to deal with that omission. It is a serious omission because in other jurisdictions it is a given that the advancement of human rights is a charitable purpose.

The principle of equivalence which lies behind the Good Friday Agreement and which has directed much of our legislation in this area will be undermined because human rights advocacy is afforded charitable status in the North. Even though existing human rights NGOs will be

protected, organisations established in the future to protect human rights will not be afforded charitable status. In addition, existing NGOs will encounter greater difficulties in raising funds because they will not meet the criteria set out in the legislation.

The Minister of State would not wish to be associated with a systematic and concerted assault on the human rights architecture of this State but the removal from the Bill of human rights advancement as a charitable purpose is seen by all who work in the field, and by many others, as part of just such an assault. Budget 2009 provided further glaring examples of this assault with the imposition on the Human Rights Commission of a 24% cut in funding and the slashing of the Equality Authority's budget by an incredible 42%. Rather than forcing the passage of this Bill and promising to address the issue at a later stage, I appeal to the Minister of State to delay its enactment in order to find a mechanism for fixing this major shortfall. Otherwise, my colleagues and I will probably have to oppose a Bill which has been welcomed for the most part. The attitude of the Minister of State and his officials to Opposition proposals has been quite positive thus far and they will have one more chance to address this issue by making changes to the amendments which we will discuss presently. We are happy to support the amendments currently before us, however.

Deputy Joe Costello: I support the voices that have urged the Minister of State to reconsider his decision on excluding human rights as a charitable purpose. We are in the unusual situation of seeking to reinstate provisions which were contained in the Bill as originally drafted. These provisions were not removed at the request of any Opposition Deputy but by the very Minister of State who has responsibility for the Bill in the first place. I ask him to clarify how he can include human rights bodies within the definition of charitable organisations but subsequently remove them without explanation.

Like my colleagues and I, he has probably received submissions from Amnesty, FLAC, the Irish Council for Civil Liberties, Front Line, the Wheel and the Law Society. Apart from the Law Society, these are non-governmental organisations concerned with the advancement and protection of human rights nationally and internationally. This provision would be a severe setback for those organisations which have hitherto enjoyed charitable status. To make matters even worse, we are specifically excluding them from the legislation. That is a slap in the face to these organisations and their work on human rights.

The Minister of State also has responsibility for combatting drugs. He is doing a fine job in this regard and is well respected in the community that I represent. However, he should recognise the relationship between the scourge of drugs and the promotion of human rights and equality. It is important to have effective community based non-governmental organisations if we are to improve the quality of life from a human rights perspective.

I can see no apparent reason for denying charitable status to these bodies. They need such status to continue their activities as voluntary organisations. It is eminently reasonable, therefore, to allow them to continue as charities.

This country has recently witnessed a number of attacks on human rights and their promotion. The economic recession has carried over into that arena. We can see the effects on the Equality Authority, the Human Rights Commission and overseas aid, much of which is spent on the promotion of human rights. Our domestic legislation should reflect our appreciation of human rights both at home and abroad. In terms of the monetary returns of voluntary organisations, charitable status is essential.

I ask the Minister of State to explain why human rights advocacy was first included then removed from the Bill's provisions on charitable status. Has he entered into discussions with the human rights bodies to which I referred earlier?

Deputy Michael D. Higgins: This is a very important issue. As I have noted in previous debates during the Bill's passage through this House, we have to be careful in ensuring that life is not made more difficult for existing organisations or impossible for new organisations in terms of extending their remits or operating in a practical sense on the ground.

The argument will be made that human rights are not excluded from the Bill's provisions because, for example, the welfare of a community could be defined at some stage in the future as potentially including human rights. That is not good enough because any discussion that arises in the future will be influenced by the fact that human rights were specifically excluded. This will represent a serious hindrance. If such a consideration applied in respect of an application to the Revenue Commissioners for charitable status, an organisation would immediately run into potentially disastrous difficulties. I want to be positive about the matter and I do not impute any ill-will to the Minister of State.

The obvious way out of this is to find a mechanism for inclusion of an explicit reference that the promotion and protection of civil and human rights is a charitable purpose. This must be done. Enormous work has gone into, for example, the development of the new United Nations Convention on Disability, the former thrust of which — it includes contributions from people such as Professor Ger Quinn and others — was to enable the disability issue evolve into a rights context.

The issue is whether one purports to be charitable towards an unfortunate person one manages to find a means of assisting or whether one views that person's right to participate fully as a citizen. Participation is mentioned in relation to means. However, the drift in terms of jurisprudence in this area is towards an explicit recognition of a right. This is happening nationally, in European terms and at United Nations level. An enormous amount of work has gone into this. Equally, in regard to the development theory, with which I am more familiar, the Irish White Paper to its credit makes reference to the human rights component of its development strategy. The Norwegians regarded as most important that it have a rights focus as part of its white paper on development.

As regards practise on the ground, those of us who have done so know that when one walks into an area of huge deprivation by which one is deeply saddened, one's concern is to be of assistance rather than to address the fundamental issue. Practical examples are important. During our earlier discussions on the Bill I expressed concern in regard to the exclusion of political purpose. Looked at historically, this would have excluded the campaign in the British Parliament for the abolition of trade in slaves and in today's terms would exclude the admirable work by some of our NGOs in making cases against child or bonded labour. Is such campaign political? It is, at least, human rights.

Recognition of civil and political rights was not the strongest possible position to take. The strongest possible position would have been that suggested by me during the Second Stage debate, namely, not to include an interpretation that excluded people opposing, say, a dictatorship. I admire organisations that undertake works of justice.

I have been a Member of this House for a long time and have witnessed clear division in this House between those who suggest it is all right for us to be involved in charitable acts and those who believe it is not appropriate for us to be involved in making the case for justice, an issue I came across while campaigning on issues in Central America in respect of El Salvador and Nicaragua and in regard to the Chilean dictatorship of Pinochet and so on. I regard as sad that we would ever do anything that would interfere with the capacity and charitable status of organisations engaged in tasks of justice, including the Mothers of the Disappeared in Chile and in Argentina and so forth. Even if I accepted the view that we must exclude people involved in activities that could be construed as political we would be doing something much more

serious if we provided that the whole purpose of activity of an NGO or any other civil organisation can be the advancement of human rights.

I stated earlier that this is not the strongest but the minimalist campaigning position, which is precisely the reason the human rights committee of the Law Society of Ireland, which is not a radical organisation, has put forward its particular proposal in regard to management of the issue. It suggests that because the word “means” is included in the legislation the suggestion could be made that one could seek to satisfy the advancement of human rights under another condition at a later stage.

The function of parliamentarians is to deal with the quality of legislation. It is not satisfactory to state one agrees with everything said but that the matter can be dealt with another day. This could create practical difficulties for existing NGOs and others in terms of their dealings with, among others, the Revenue Commissioners and could create a boundary for new and emerging concentrations. While I am an adjunct professor of the Irish Centre for Human Rights, the views I have expressed are my own. I simply wish to declare my connection with a human rights organisation.

The unanimous scholarly view in regard to legislation of this type is that it is best to be explicit. Inclusion of protection and promotion of civil and human rights does not lessen legislation but provides for protections, accountability and transparency. One should not leave dealing with this issue to another day as this would require those performing these important and worthwhile tasks to seek to be accommodated within some other parts of the definition. I urge the Minister of State — there is no suggestion of a partisan difference between us on this — to seek to accommodate this issue on the basis of good legislation, practise and management.

Deputy John Curran: The amendments before us do not refer specifically to human rights. However, as the issue has been raised by many speakers, I would like to address it.

To be fair, the issue of human rights has received considerable debate at different Stages in this and the other House. I reiterate that “charitable purposes” as provided for in section 3 mirror those changes developed in common law over many years and used by the Revenue Commissioners in considering eligibility for exemptions.

As I stated previously, the Bill neither seeks to dilute nor expand these “charitable purposes”. I admit the term “human rights” is not specifically stated in the Bill. However, many of the purposes listed as “charitable purposes” are the activities in which human rights groups engage, including the prevention or relief of poverty, the advancement of education, the advancement of conflict resolution and reconciliation, the prevention of human suffering and the integration of those disadvantaged in society. These specific purposes are identified in the Bill.

I disagree with Deputy Higgins’ statement that organisations not registered with the new regulatory authority may encounter difficulties with Revenue. The Bill is explicit in this regard. There is a clear divide in responsibility. The Revenue Commissioners are independent in their own findings. The Bill provides that those charities currently registered with Revenue will be deemed to be charitable under the new legislation and authority. I do not believe any existing human rights group will be affected by this. The purposes identified are the activities in which human rights groups engage. As I stated earlier and have reiterated time and again, the purpose of this legislation was to maintain the status quo and to regulate what is currently happening. Also, provision is made for a mandatory review of the legislation in five years.

On Deputy Ring’s comment regarding small charities, I agree it is important that the amount of regulation introduced is proportionate. Lest anybody believe small charities can come and

[Deputy John Curran.]

go and do as they wish, while the new regulatory authority will have the power to seek any and all information provision is not made for complicated returns.

Deputy Michael Ring: Universities undertake their take-up collections inside and outside the country. The Bill suggests that while they will not be exempt, what they collect will not be published. I want to ensure they are monitored like everybody else and that when donations are made for a university, everything is above board. I hope the Department of Education and Science will ensure that will be the case if this aspect is not covered by this legislation.

Deputy Joe Costello: I accept the Minister of State's point that the *status quo* will be respected in terms of charitable status. However, it is still beyond me why he is not prepared to accept a wording that provides specifically for the promotion and advancement of human and civil rights. Any of the areas that are covered do not cover the entire gamut of civil and human rights. There are organisations specifically dedicated to human rights. Amnesty International is one such organisation but its remit is not covered by the terms of this legislation.

The Minister of State says the *status quo* will not be interfered with but why not allow a wording that clearly underpins our commitment as a country to the promotion and advancement of human and civil rights? We are very strong in this regard on a domestic and an international basis, and we pride ourselves on having been to the forefront with the United Nations and the Council of Europe when they were established. We were also a founding member of Amnesty International when it was established for the promotion and advancement of human and civil rights.

Why not have it contained in the Bill? It is not doing any damage to the wording but it would do a lot of good and would reassure these organisations that their work is being respected by the authorities and the Members of this House.

Deputy John Curran: The Deputy is correct that the purpose of the Bill is to maintain the *status quo*. As at present with regard to the Revenue Commissioners, human rights *per se* is not recognised as a charitable purpose yet organisations like Amnesty International are registered and will automatically be deemed to be registered with the new authority.

The central point is that this legislation was drawn up to mirror and maintain the *status quo*. I am conscious of the fact that this in itself was a substantial piece of work. There is the second aspect that there would be a mandatory review within five years because there is a very significant job to do.

To return to the point made by Deputy Ring on education, it is not that those bodies are not reporting to the charity authority but that they are reporting to other authorities and some of them may even be accountable to bodies like the Committee of Public Accounts. Even with that in mind, the authority is still entitled to request any additional information it may subsequently deem appropriate. However, those educational institutions, because they are already reporting, will not have an onus to have those accounts published with the authority.

Deputy Michael D. Higgins: I wish to add one further point which I believe is important. My difficulty with the Bill when I spoke on Second Stage was in regard to the suggestion that it is simply addressed to dealing with the *status quo*. We have waited a long time for legislation and it represents a monumental amount of work to actually deal with the *status quo*. However, if we are to have a review in five years' time or otherwise, it would be irresponsible of me not to say that the former thrust of legislation in this area, comparatively and internationally, as well as practice on the ground, is towards the recognition of a rights approach.

One could argue that 1993 was the high point, given the first appointment of a United Nations Commissioner for Human Rights. One could also argue that the last decade, the last five years in particular, has seen a retreat from the rights perspective internationally, so the amendment would be a very good thing. The most progressive NGOs are expressing their interest and wish to operate on a rights basis.

A further international development is the merging of civil and political rights with economic, social and cultural rights. This is part of the forward movement of progressive movements of landholders and peasants in other parts of the world. It would have been better in many cases to have the inclusion of a simple, straightforward recognition. This would mean that the legislation is not out of date and is in the forward spirit of the forward movement of thinking on this issue.

It will happen anyway — it will have to happen. However, the point is that we should not have a needless legalistic argument with regard to rights having to justify themselves in regard to community welfare, which will immediately encounter the old argument that used to apply with regard to pensions and welfare as to whether the issue was residual, structural or otherwise. We have been through all of that nearly 100 years ago in arguing about the British welfare state. Exactly the same argument will now arise in this regard. It is also included in regard to the question of benefit to the community and so on. Why would one have to plan for the rights perspective to come in the back door when there is the whole structure of forward thinking in this area?

One can do everything one likes for the *status quo*. I want to recognise the achievement in terms of drafting in this highly technical area. However, acceptance of the amendment will save time in the future in terms of amending the legislation and review. The Minister of State should consider how the accommodation of five or six words will represent so much possibility for people who are interested in the area.

Deputy John Curran: None of the amendments we are considering refer to human rights.

Deputy Michael D. Higgins: Of course.

Deputy John Curran: The Deputy is correct that this area has been extremely complex. I inherited the Bill in the course of its passage through the Oireachtas and two of my predecessors as Minister of State, Deputies Pat Carey and Noel Ahern, dealt with the earlier Stages. The underlying issue was that while this is complex, we are trying to maintain the *status quo*. We are considering what Revenue has done. It was in that context that the legislation was framed.

The Bill seeks to ensure that existing groups involved in human rights and social justice issues, and which are currently registered as charities, will automatically be deemed as charities. I reiterate that when we consider charitable purposes, all of the specific purposes in which human rights groups are currently engaged, such as the prevention or relief of poverty, the advancement of education and the advancement of conflict resolution and reconciliation, will be included.

The legislation has gone as far as possible towards maintaining the *status quo* and trying, in the complex area the Deputy recognises, to organise a charitable sector which for a long time had no organisation. We must also recognise that this is a first step and there will be a mandatory review.

Seanad amendment agreed to.

Acting Chairman: Amendments Nos. 2 to 4, inclusive, and 65 are related and may be discussed together.

Seanad amendment No. 2:

Section 2: In page 8, subsection (1), to delete line 7 and substitute the following:

““body” includes, in relation to a trust in respect of which there is only one trustee, that trustee;”.

Deputy John Curran: These amendments have been grouped as they relate to charitable trusts. While it is unlikely there are many, if any, single trustee charities, on the basis of legal advice, amendment No. 2 amends the definition of body to cater for such a scenario.

Amendments Nos. 3 and 4 are technical amendments. They provide for necessary redefinitions of charitable organisations and trusts arising from section 88, which allows for charitable organisations to enter into certain agreements with charity trustees or connected persons that would have been contrary to the previous definition.

Amendment No. 65 emerged from interdepartmental consultations relating to how a charity might act on dissolution. A fundamental principle of the Bill as currently drafted is that a charity should apply all of its property for the stated charitable purpose, even when the charity is dissolved. In the course of this consultation, the possibility emerged that some charities might not be bound under their constitutions on dissolution to distribute the remaining property to the charitable purposes. Under these two amendments, which address the potential loophole, any such charity would have to obtain the consent of the authority to pay any of the property to members of the charity on dissolution of that charity.

Deputy Michael Ring: I welcome the amendment, because there are professional people who give a good deal of time to charity. There may be times when such people need to be paid for work done. It is only right that this is the case, provided there is no conflict. If such a person is an auditor, he or she should not be allowed to audit the accounts. However, if someone were to do professional work, which costs money and a good deal of time, that person is entitled to get paid for it.

I refer to the single charities. The Minister of State, Deputy Curran, stated the matter is technical and that there are not many charities in the country with only one person as a director. The reason this is included is to allow for a case where there might be an anomaly in the Bill, which I accept.

Deputy Jack Wall: I agree with the amendments. The last matter raised draws attention to the question of many trusts which, because of the death of other trustees, have only one remaining member. That may need to be addressed under different legislation, but it is a significant concern for trusts throughout the country. For example, it may be a concern in sports organisations which have a trustee for the grounds and so on. There is a need to bring the legislation on the number of trustees up to speed for such organisation. Some people give a significant amount of their time voluntarily, but there are other instances where remuneration must occur. This must be acknowledged and respected. I am sure the amendment will deal with that aspect of the matter.

Deputy Aengus Ó Snodaigh: I agree with the thrust of the amendment. A charitable trust is established for charitable purposes and I support the argument that a trust should not be established specifically to enjoy the advantages which other charities enjoy. A new charitable trust should not be set up to promote human rights or deal with a situation where it seeks to

highlight the abuse of human rights in a particular area. For example, let us consider the most recent outrage. If I wish to set up a charitable trust tomorrow to examine human rights breaches in Gaza, I should not gain the benefits which are allowed to a charitable trust.

The Minister of State may have been correct in his remarks dealing with other amendments to the effect that the legislation will not adversely affect existing charities. However, this provision will prevent the establishment in future of charities or charitable trusts dealing exclusively with human rights. Some may seek to by-pass that provision. If an organisation seeks charitable status or to be accepted as a charitable trust, it must fall within the four points in the legislation. It could cloud its true intentions and this is not the purpose of the legislation. When first drafted, the legislation intended to cover the organisations which are truly charitable and which have no intention to make a profit. The legislation is welcome. Ireland has a great standing internationally in terms of the money raised here for those purposes. Those funds have been very welcome in areas of dire straits throughout the world. However, even within Ireland the people are willing to donate money to a charity. The purpose of the legislation is to ensure that process is properly regulated and I welcome it for this reason. There is an opportunity for the Minister of State, within the confines of the amendments before us, to address the points made in the discussion on the last section.

Deputy John Curran: I reiterated the position regarding human rights and the position for existing charities. I specifically set out the charitable purposes for which new charities could be recognised. That maintains the *status quo*. I refer to the remarks of Deputy Wall on the wider issue of trustees and trust law. There is a difference between the wider issue and the matter with which we are dealing. I accept the point made. Deputy Ring mentioned the matter of trustees. It became apparent as we proceeded with the legislation that frequently, trustees are well qualified people with technical expertise in either law, finance or whatever, and that they frequently offer that expertise at a greatly reduced rate to a given charity. Had we not tabled this amendment it could have adversely affected many charities. I thank the Deputies for their support in this regard.

Seanad amendment agreed to.

Seanad amendment No. 3:

Section 2: In page 8, subsection (1), to delete lines 24 to 28 and substitute the following:

“(iii) none of the property of which is payable to the members of the body other than in accordance with *section 88*.”.

Seanad amendment agreed to.

Seanad amendment No. 4:

Section 2: In page 8, subsection (1), to delete lines 31 and 32 and substitute the following:

““charitable trust” means a trust—

(a) established for a charitable purpose only,

(b) established under a deed of trust that requires the trustees of the trust to apply all of the property (both real and personal) of the trust in furtherance of that purpose except for moneys expended in the management of the trust, and

(c) none of the property of which is payable to the trustees of the trust other than in accordance with *section 88*.”.

Seanad amendment agreed to.

Seanad amendment No. 5:

Section 2: In page 9, subsection (1), between lines 22 and 23 to insert the following:

““education body” means—

(a) a vocational education committee established by section 7 of the Vocational Education Act 1930,

(b) a recognised school within the meaning of the Act of 1998,

(c) a management committee established for the purposes of section 37 of the Act of 1998,

(d) a parents’ association established in accordance with section 26 of the Act of 1998,

(e) a student council established in accordance with section 27 of the Act of 1998,

(f) an institution of higher education within the meaning of the Higher Education Authority Act 1971 (amended by section 52 of the Institutes of Technology Act 2006), or

(g) a body established solely for the purpose of funding not more than one such institution of higher education;”.

Seanad amendment agreed to.

Acting Chairman (Deputy Kathleen Lynch): Seanad amendments Nos. 6, 16, 17 and 59 are related and may be discussed together by agreement.

Seanad amendment No. 6:

Section 2: In page 10, subsection (1), line 4, to delete “activities, or” and substitute the following:

“activities, whether in the State or outside the State, or”.

Deputy John Curran: This grouping includes amendments made on the basis of legal advice, principally to clarify matters. One of my basic aims for the legislation was to make charities secure from takeover or from being undermined or misused by criminal or terrorist groups. It is vital this does not occur. Concerns were expressed by Senators during the passage of the Bill through the Seanad and similar concerns were previously raised in this House by Deputy Wall. I thank him for raising the matter in the first instance. I consulted with the Office of the Attorney General regarding any possible concerns that the existing wording in the Bill relating to terrorism could be interpreted as referring only to terrorism in this jurisdiction. While my advice is that the existing working applies to terrorism in any jurisdiction, the amendment is put for the avoidance of any doubt.

Amendments Nos. 16 and 17 are similar, in that they clarify that section 37 subsection (2) and section 37 subsection (4), respectively, apply to consultative panels established under the Direction of the Minister and according to that section. Amendment No. 59 clarifies that the powers of the authority under section 68 subsection (3) to obtain books, documents or records applies to both charitable organisations and charity trustees.

Deputy Jack Wall: I welcome the amendment. It puts a belt and braces on matters. I recall when the issue was first discussed, officials believed there was no need for the amendment.

However, the matter was debated and it helps to complete a good section of the Bill. I appreciate the inclusion of the amendment by the Minister.

Deputy Michael Ring: I support the amendment.

Deputy John Curran: I thank Deputies for their support.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 7, 39, 47, 57 and 58 are related and may be discussed together by agreement.

Seanad amendment No. 7:

Section 3: In page 11, subsection (1), line 29, to delete “regarded as being”.

Deputy John Curran: This grouping includes drafting amendments proposed on the basis of legal advice and are essentially for presentational purposes. Amendment No. 7 is a drafting amendment only, removing text considered to be superfluous. Instead of stating what is “regarded as being” a charitable purpose the revised wording explicitly refers to what “will” be a charitable purpose. Amendment No. 39 is purely presentational and makes no substantial change to the provision. It replaces the term “have been” with “are” and places the onus on the charity trustee to ensure accounts are kept on an ongoing basis in a way that facilitates compliance with the regulations under section 47. The previous use of the term “have been” placed only a retrospective onus on trustees.

Amendment No. 47 indents the final paragraph of section 50(14)(b) to clarify that it refers only to paragraph (b) and not to the subsection as a whole. Amendment No. 57 rearranges the existing wording of section 68(1) purely for presentational purposes and amendment No. 58 tweaks the existing wording to section 68(2) though without any substantive change to the meaning. Instead of saying that a direction from the authority under section 68(1) to a charity to produce documents etc. may be given in the circumstances outlined in the section 68(2) the new wording says that the authority may only require a charity to provide documents for the specific circumstances outlined in the section to apply.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 9 and 10 are related to Seanad amendment No. 8 and they will be taken together by agreement.

Seanad amendment No. 8:

Section 3: In page 11, lines 34 and 35, to delete subsection (2) and substitute the following:

“(2) A purpose shall not be a charitable purpose unless it is of public benefit.”.

Deputy John Curran: This group relates to the issue of public benefit. Amendments Nos. 8 and 9 are similar in that they remove some text that on reflection was considered to be unnecessary. My advice was that a purpose is either charitable or not and that the use of the phrase “regarded as a charitable purpose” was not required in legal terms.

In respect of amendment No. 10, since the earlier debates on this in the Dáil and Seanad, I have reflected on those organisations which purport to be religious in nature but whose principal interest is in profit, or whose method may be harmful to its followers. Deputies Wall and Higgins originally raised this point in amendments. Some Senators also put it forward.

[Deputy John Curran.]

I came to the conclusion that there might be considerable merit in the principle behind the original amendment that nominally religious organisations which in reality have scant regard for the spiritual, psychological or indeed financial well-being of their members or potential members should not be granted the privilege of charitable status. Accordingly, I introduced an amendment in the Seanad developed in consultation with the Office of the Attorney General which will ensure that dubious organisations that pose as religious but whose motive is making money, or which use inappropriate psychological techniques in recruiting or retaining members shall not attain charitable status. I thank members of the Opposition in both Houses for their constructive role in this matter. I commend amendment No. 10 which addresses an issue that is clearly of concern across both Houses and amendments Nos. 8 and 9.

Deputy Jack Wall: I welcome the decision of the Minister of State to ensure that this is part of the Bill. It covers our feelings about representations to the Labour Party and our concerns on reading the first draft of the Bill. It strengthens the Bill and ensures that people will benefit from it. We are worried about cults and the unfortunate people they recruit. We receive e-mails etc. promising us that we will be millionaires in the morning if we do certain things. The same applies to cults that try to entice young people by offering benefits. These are good amendments and will be of major significance to families whose loved ones have unfortunately fallen into cults, which may be increasing. I hope the legislation, with these amendments, will help people who are concerned about those collecting money to develop such cults.

Deputy Michael Ring: I too support these amendments. There was strong reference to this topic in the Dáil and Seanad. I welcome particularly amendment No. 10.

I have heard a man speak on radio programmes who has been contacted by families whose members have joined cults and cannot get out but sign everything over to them. They are not charities and have created many problems for families. I do not know whether legislation can deal with them but something needs to be done. One hears harrowing stories about how these cults take over people's minds, bodies and lives, leaving them in such a state that it takes them years to return to ordinary life. I welcome the amendment, which defines the difference between charitable and other organisations.

I will not discuss them in detail today but there are many other areas that we could examine within the church, which create problems for the church. It may not be for legislators to deal with this but some day that may have to happen.

Deputy John Curran: I thought Deputy Ring was going to open a whole other subject.

Deputy Michael Ring: I decided not to.

Deputy Jack Wall: On reflection.

Deputy John Curran: Deputy Ring is right to mention dubious religious organisations and their adverse effect. There may well be other avenues by which to deal with them but following the Opposition suggestions, I was adamant that there would be no refuge for them in this legislation. There may be other things to do but in regard to this Bill I was happy to be able to respond in particular to Deputy Wall's constructive proposals.

Seanad amendment agreed to.

Seanad amendment No. 9:

Section 3: In page 11, to delete lines 36 and 37 and substitute the following:

“(3) Subject to *subsection (4)*, a gift shall not be of public benefit unless—”.

Seanad amendment agreed to.

Seanad amendment No. 10:

Section 3: In page 12, between lines 25 and 26, to insert the following subsection:

“(10) For the purposes of this section, a gift is not a gift for the advancement of religion if it is made to or for the benefit of an organisation or cult—

- (a) the principal object of which is the making of profit, or
- (b) that employs oppressive psychological manipulation—
 - (i) of its followers, or
 - (ii) for the purpose of gaining new followers.”.

Seanad amendment agreed to.

Seanad amendment No. 11:

Section 7: In page 13, between lines 31 and 32, to insert the following subsection:

“(2) The Revenue Commissioners shall not be bound by a determination of the Authority as to whether a purpose is of public benefit or not in the performance by them of any function under or in connection with—

- (a) section 207, 208 or 609 of the Taxes Consolidation Act 1997,
 - (b) section 17 or 76 of the Capital Acquisitions Tax Consolidation Act 2003,
- or
- (c) section 82 of the Stamp Duties Consolidation Act 1999.”.

Deputy John Curran: This is a technical amendment inserted on legal advice. The Bill has always separated the decisions of the new Charities Regulatory Authority from those of the Revenue Commissioners in respect of tax matters. It is not appropriate for the new authority to have any role in respect of tax matters which are the domain of the Minister for Finance and the Revenue Commissioners alone.

Every charitable organisation, as well as having exclusively charitable purposes must have a public benefit. The effect of this amendment is to remove any doubt that Revenue will be in any way bound by any determination of the authority as to whether the purpose of the organisation is of public benefit.

Deputy Michael Ring: I agree with the Minister of State that the Revenue Commissioners and the new regulatory authority must be separate organisations. The Revenue Commissioners must have their own authority and must deal with whatever information or otherwise is connected to Revenue issues. There must be a clear separation between these organisations. The fact that an organisation has charitable status does not exempt it from compliance with the rules and regulations of the Revenue Commissioners. There may be instances in which that happens but it must be clear. I am glad that has been included in the Bill.

Deputy Jack Wall: Various groups contacted me about this, including Amnesty International, the Free Legal Advice Centres, FLAC, the Irish Council for Civil Liberties, ICCL, Front Line and the Wheel. They are concerned about this argument. They say that the Bill already provides

[Deputy Jack Wall.]

that even if the charities regulator recognises an organisation as a charity the Revenue Commissioners have the discretion to refuse to grant the same organisation charitable status from a taxation perspective. Is there an anomaly there? Could the regulator give charitable status which the Revenue Commissioners would refuse?

Deputy John Curran: Existing charities are registered with the Revenue Commissioners and will automatically be deemed as such by the authority. From thereon the independence of Revenue is maintained throughout this legislation.

Deputy Jack Wall: Is there not a risk of a charity chasing its tail if it must go to the regulator to acquire charitable status but the Revenue Commissioners refuse this, or *vice versa*?

Deputy John Curran: Technically that could happen but the independence of each organisation is maintained.

Deputy Jack Wall: Very well.

Seanad amendment agreed to.

Progress reported: Committee to sit again.

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

Ceisteanna — Questions (Resumed).

Priority Questions.

Rural Environment Protection Scheme.

64. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the reason REPS 4 applicants have not been paid 12 months after they submitted their applications; and if he will make a statement on the matter. [5282/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): REPS 4 is a measure under the current Rural Development Programme 2007-13 and is subject to different EU regulations from the preceding versions of REPS. Under REPS 4, all payments are to be made in just two instalments. The first payment of 75% can be made only when all administrative checks on all 2008 applications for REPS 4 and the single payment scheme are completed. These include checks on areas and on plan details and the controls have to satisfy stringent EU regulatory and audit requirements.

Some 9,800 REPS 4 plans have been prepared using eREPS, the electronic planning system approved and funded by the Department. The information on these plans is in computerised format and it was necessary to develop an appropriate computer-based control system for checking them. This was a lengthy process and the system was only available from late autumn. The substantial minority of plans submitted this year that were not prepared using eREPS — about 3,000 — have to be checked manually and this is extremely time-consuming. Industrial action in the Department's local offices last year meant that this part of the process was delayed. In the circumstances, the Department sought some flexibility from the European Commission which would have allowed payment of those REPS 4 cases which had been fully cleared, but the Commission was not prepared to allow it.

The first payments for 2008 REPS 4 applications were issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made.

Deputy Michael Creed: For thousands of farmers awaiting payment under REPS 4, that explanation will not wash. Notwithstanding administrative checks or industrial relations disputes, applications have been with the Department since late 2007, yet neither the Minister or his officials has been in a position to communicate directly with these farmers until now to tell them that there has been such an administrative problem. Teagasc and private planners are clearly stating that this problem emanates from the Minister's Department and that they were never apprised of any additional requirements for REPS 4 when they were submitting their original applications.

I suggest that the Minister go back to the European Commission post-haste and seek permission to pay immediately REPS 4 entitlements for the first year, given the cash difficulty in which farmers find themselves. Let us use the intervening period between payment for the first year and the second year to resolve outstanding administrative difficulties that have arisen.

Deputy Brendan Smith: I am also concerned with the delay in getting out a REPS payment for which the funding has been provided and is in place. Almost 11,000 applications were submitted until 15 May 2008, which were related to 2007. Of the 12,292 REPS 4 applications in 2008, only 11% passed all the administrative checks. We went to Europe towards the end of the year and we sought permission from the European Commission to continue the previous system whereby advance payments would be issued. The European Commission would not allow us to do so. I do not agree with the statements made by some private planners and by some people in Teagasc that it is the fault of the Department.

There are obvious errors in these applications. There are decimal points in the wrong place and there are missing documents——

Deputy Michael Creed: For God's sake, decimal points should not hold up applications.

Deputy Brendan Smith: This influences the technology. These are minor errors, but there also errors in which plans are omitted and where there are inadequate biodiversity provisions. The Department officials have gone back to many individual farmers and their planners and have been in a position to rectify the errors made by the people who submitted the plans in the first place. We want to eliminate the disparities involved. More than 2,000 payments have been issued up until last Monday, and they continue to be issued every day. I do not accept that if plans are sent in with obvious errors, it is somehow the fault of the receiving Department.

Deputy Michael Creed: It is the fault of the receiving Department, because for over 14 months it has failed to communicate advice in any way to individual applicants or their planners that there has been a difficulty, be it a decimal point or a biodiversity plan. There is a different interpretation being taken and if these people were not apprised of different interpretations of biodiversity under REPS 4, then that is a failure of communication on the part of the Minister's Department.

Given the cash flow difficulties of farmers, can the Minister not make arrangements to pay? He should go to Brussels, use the Government's muscle and make arrangements to pay the first year of the scheme. He should give an assurance that in the intervening period, the outstanding issues can be resolved with the individual farmers and their planners.

Deputy Brendan Smith: I said that there was a range of errors from omission of plans to wrongly designated areas. Surely the official examining that particular application in the Department is not responsible for sending in the wrong information——

Deputy Michael Creed: The Minister has not communicated with the farmers in 14 months.

Deputy Brendan Smith: During the course of 2008, REPS 4 was not the only REPS programme analysed and funded by the Department. The Department paid out €330 million in 2008 under the REPS 3 programme. Those applications were processed and paid out. The European Commission has made it known to us in no uncertain terms that it wants all applications checked and all errors rectified before payments can be issued.

A new measure introduced by the Department will make it compulsory for REPS planners to submit all plans using eREPS, which is the Department's electronic planning system. This system will include built-in automatic checks which will ensure that information provided by planners avoids the main errors discovered in the recent administrative checks. This will considerably reduce the time taken up by the process of administrative checks. If the planner submits an application that contains an error, the Department's technology will reject that application and this will eliminate errors. The Department put considerable resources into putting in place this particular technological system.

Deputy Michael Creed: Not good enough.

Deputy Brendan Smith: Very substantial funds have been issued and are being issued.

EU Directives.

65. **Deputy Seán Sherlock** asked the Minister for Agriculture, Fisheries and Food the position regarding the pesticides directive; the obligations landowners will have regarding legislation; and if he will make a statement on the matter. [5074/09]

Deputy Brendan Smith: In adopting the sixth environmental action plan in 2002, the European Parliament and the Council agreed an approach involving implementation and revision of the relevant legal framework for pesticides, through the development of a thematic strategy on the sustainable use of pesticides. The thematic strategy is designed to revise and enhance the existing legislative framework and to target the use phase of plant protection products.

The objectives of the strategy set out in the communication are to encourage rational and responsible use of pesticides, as well as appropriate crop and soil management practices; to improve the behaviour of pesticide users, by ensuring better training and education; and to improve the quality of pesticide application equipment to optimise the effectiveness of treatment, while minimising adverse impact on human health and the environment. Implementation of the strategy has resulted in the European Commission submitting proposals for a directive establishing a framework for Community action to achieve sustainable use of pesticides; a regulation of the European Council and of the Parliament concerning the placing of plant protection products on the market; and a regulation of the European Council and of the Parliament concerning statistics on plant protection products.

The main provisions of the directive on sustainable use of pesticides address the establishment of national action plans to set objectives to reduce risks; an obligatory system of training and certification for professional users of pesticides; inspection of application equipment; prohibition of aerial spraying with possible derogations; specific measures to protect the aquatic environment; designation of areas of greatly reduced or zero pesticide use; handling and stor-

age; integrated pest management; and establishment of harmonised risk indicators for pesticides.

On its adoption and implementation, the proposal will lead to a wide range of additional controls to enhance further the degree of protection afforded those distributing, handling and using plant protection products; a requirement to prepare national action plans to reduce the risks associated with use of plant protection products, involving a systematic and co-ordinated programme to reduce further the degree of risk arising for the environment; and a requirement for deployment of additional resources, by the Department of Agriculture, Fisheries and Food and its associated agencies, to give effect to the range of additional measures introduced.

The proposed directive on sustainable use of pesticides is progressive and ambitious. Adoption of this proposal will further enhance the high level of protection afforded to humans, animals and the environment already achieved through the current regulatory system for pesticides. It will serve to limit the use of plant protection products to situations where their use is essential and will extend the range of controls in place governing the use of pesticides.

During negotiations, the Department has ensured that any additional controls proposed are justified and would make a real contribution to the sustainability of environmentally sensitive agricultural production in Ireland. In this regard, the issue of “use reduction” targets in the proposals presented difficulties in an Irish context. While the directive will not place obligations on landowners *per se*, it will place obligations on the users of pesticides to acquire training and certification, to have their application equipment tested and certified and to implement integrated pest management. The directive has gone through its Second Reading in the European Parliament and Council and is due for final decision at Council in March 2009.

Deputy Seán Sherlock: The Minister neglected to mention that before the Common Position was reached, it was proposed to reduce the quantities of pesticides supplied or used by 50%. That proposal did not take into account the national plant health requirement to have certain substances available. Similarly, it did not take into consideration the properties of the substances concerned. Will a list of the specific pesticides that are to be prohibited as a result of the directive, or the Common Position that has been reached, be provided? The Minister mentioned that people will have to be trained to use pesticides. Will such training comprise another layer of bureaucracy to be dealt with by landowners and farmers before they can set about their daily business of growing crops? What is the Irish position on this directive? I accept that the directive is specifically aimed at protecting human and animal health, which is laudable. We need to find out, within the remit of Question Time, what impact the directive will have on farmers and landowners. Will a list of pesticides be prescribed?

Deputy Brendan Smith: Deputy Sherlock’s questions relate to the regulation rather than the directive. Ireland, like other European countries, will have to draw up an action plan. With regard to the regulation, we oppose the proposal to introduce hazard-based cut-off criteria for the approval of substances. The Deputy asked about training. People will be trained to apply and use pesticides properly, in line with best practice. Certain forms of machinery will be used to apply various pesticides at different times. Public commentary on this issue often causes confusion when people refer to the “directive” rather than the “regulation”. I understand that until now, the approval phase involved various products being deemed to be suitable for use on land. The residue regulations provide for consumer protection. The directive and regulation under discussion will address a lacuna that exists in the use phase, when a particular pesticide is applied. While Ireland and Britain are often on different sides of the argument at meetings of the Agriculture and Fisheries Council, we have been *ad idem* with Britain and Hungary on these measures. We have opposed some of the proposals because we believe we should have

[Deputy Brendan Smith.]

had an opportunity to undertake an impact assessment of them. We have not received such a concession from the European Commission.

Deputy Seán Sherlock: When Ministers speak about EU legislation, they have a tendency to use words like “lacuna”. The Minister’s response was somewhat confusing. I will try to interpret it as best I can when I read the Official Report. If there is a Common Position and a framework for Community action, there will be a prescribed set of pesticide uses or functions. Will there be a defined list? Will pesticide users be required to undertake training? Does the Minister envisage that this will be implemented within a certain timeframe? The Minister has said that Ireland had an alliance with Britain and Hungary on this issue, but what position did the three countries take? Did Ireland abstain when the vote was taken on the final Common Position? Did Ireland vote against it?

Deputy Brendan Smith: If these proposals are approved by the Council, an action plan will be put in place by the middle of 2011. We received support at official and political level from our counterparts in Britain and Hungary for our position, which we argued consistently. If I recall correctly, no other country supported the position. We expressed particular concerns about the proposal to base decisions on hazard-based cut-off criteria, rather than on the scientific principles of risk assessment. Some substances that are crucial to crop protection in Ireland may fail to meet the new cut-off criteria. With regard to some fungicide uses, for example, we argued consistently that consideration should be given to this country’s climate conditions. Mediterranean countries like Spain are concerned about insecticide, whereas Ireland’s damp climate means that fungicide is the major issue here. As we have consistently pointed out, we do not have the final text of the proposal that will be put to the Council of Ministers next month. We do not know exactly what it will be. For some time, it has been suggested that an action plan will have to be drawn up by the middle of 2011. If the proposals are agreed and need to be implemented at EU level, the Department will meet the relevant stakeholders in the middle of this year to consult them. One of the factors driving these proposals at Commission level is a recent Eurobarometer report, which found that the use of pesticides is the biggest concern of EU citizens when it comes to food safety issues. This issue will not go away.

Pigmeat Sector.

66. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the draw-down from the €180 million fund approved by Dáil Éireann to deal with the pork dioxin contamination; the safeguards in place to ensure the taxpayer is not asked to provide compensation in respect of pork that is not of Irish origin; and if he will make a statement on the matter. [5283/09]

Deputy Brendan Smith: Under the agreement that was concluded with pig processors in December 2008, €180 million is being made available from the public finances to help processors to fund the recall and destruction of certain pork products that were in the market or in storage at the time of the recall. The details of the agreement, which allowed processing plants to resume operations within a week, are reflected in the pigmeat recall scheme that has been established by the Department of Agriculture, Fisheries and Food. The scheme, which covers affected products in Ireland and in overseas markets, is important in so far as it will ensure that such products are destroyed and will facilitate the return to normal market conditions. The Department is involved in other activities to assist the pigmeat sector. Along with Bord Bia, the Department is actively seeking to restore access to markets that were temporarily

closed due to the dioxin incident. I am glad that our efforts to date have brought some success. The frank and open way in which we dealt with the issue has borne fruit.

The EU “aids to private storage” scheme, which has a potential cost of €15 million, might also prove beneficial in this regard. It allows for the temporary removal of 30,000 tonnes of pigmeat from the market. Some €37.1 million has been paid so far under the pork recall scheme, which provides for assistance in respect of eligible produce manufactured from pigs slaughtered in Ireland between 1 September and 6 December 2008. A case has been made to consider offering help in respect of other products manufactured in Ireland that were affected by the product recall, including products containing both Irish and imported pigmeat and products made here using solely imported pigmeat that, at the time of the recall, could not be segregated satisfactorily to facilitate their sale. The Department is considering the position of such products and the claims made by some people in the industry.

Deputy Michael Creed: The pig industry is not yet out of the woods in so far as this crisis is concerned. I implore the Minister to continue to micro-manage this issue. Producers and processors are dealing with serious issues. It is one thing that the markets are open, but it is a significantly different thing to regain market share on the supermarket shelves. Does the Minister agree that the Irish taxpayer would be appalled at the prospect of having to pay compensation to Irish processors of bacon from the Netherlands, Chile or any other foreign country? The Minister and his Department, like the Minister’s predecessors who were responsible for previous programmes for Government, have failed to deliver an adequate system of country of origin labelling. It was a flag of convenience in previous programmes for Government, but it has not been delivered. As a result of the Department’s failure to deliver country of origin labelling, Irish taxpayers may have to pay compensation in respect of pork that was not produced here.

This country’s bovine compensation scheme, which pertains to animals that are diseased, is well established. No similar scheme is available in the pig industry, perhaps for good reasons. Compensation has been paid in respect of bovine animals that were fed with contaminated feed during the recent crisis. I understand the level of compensation is relatively close to the cost of replacing those animals. Those in the pig sector have been left swinging in the wind; the compensation they have received comes nowhere near meeting re-entry costs. Is it the Department’s unspoken agenda to force these producers out of the business, given that the compensation offered to them comes nowhere near meeting re-entry costs.

Deputy Brendan Smith: I reject the Deputy’s final comments. I fully appreciate the serious difficulties arising from the contamination incident caused to individual pig producers, the processing industry and everybody involved in the pork trade.

From day one the Department and Government worked extremely hard to bring a conclusion to that incident as rapidly as possible. This House agreed a Supplementary Estimate prior to Christmas to enable the issuing of interim payments, which were crucial to stimulate movement in the system again. Such payments needed to trickle down to the individual pig producer who was waiting for payment from the processing facilities.

In regard to labelling, the Department of Health and Children, on behalf of the Department of Agriculture, Fisheries and Food, put forward specific proposals to the European Commission on labelling for pigmeat, poultrymeat and sheepmeat on a number of occasions.

Deputy Michael Creed: It is not listening to those who put them forward.

Deputy Brendan Smith: Unfortunately, those proposals were not accepted by the European Union. I mentioned at a recent committee meeting, and the Deputy questioned me on this recently, that I had observed a different attitude to labelling among other member states, country of origin labelling and European Union labelling. The Minister, Mr. Benn, in our nearest neighbour Britain, spoke recently about the need for consumers to know from where their food originates. It is a welcome move by Britain that it wants the know from where food is coming. Some other member states have also expressed an interest in this issue.

Deputy Michael Creed: Is the Minister aware of the period of delay between producers providing pigs to processors and payment being received? The period of delay is significantly different from the period involved prior to the dioxin contamination? In addressing that, will the Minister indicate how much money has been paid out? If it is necessary to pay out additional funds to the processors or others who have been affected, it should be done quickly to ensure these people can have the financial muscle to re-establish themselves in the market. Bord Bia has a role to play, but these individual companies also need financial assistance to regain market share and to pay farmers for the pigs they are producing. How much money has been drawn down? Are payments imminent? When will all the money be drawn down?

Deputy Brendan Smith: Under the specific pork recall scheme, €37.1 million has been paid to date.

Deputy Michael Creed: Some €37 million.

Deputy Brendan Smith: Some €37.1 million and the possibility of making second interim payments is currently being examined. Naturally every claim from a processor must be validated. As the Deputy rightly said, we have to protect the taxpayer. Whether the product is abroad or here, it must be rendered and validated by a competent authority. We will not pay out money until the relevant checks have been done. That does not include the figure for payments made to farmers who unfortunately had to have their herds slaughtered. I will not give a figure for that, but I can clarify it and advise the Deputy tomorrow.

Deputy Michael Creed: Does the Minister realise that some producers are contemplating not killing animals again?

Deputy Brendan Smith: There was no delay on our part in issuing payments. The funding is in place. We work under a system where a claimant must prove his or her eligibility for payment. We must have our checks and balances in place. We have to ensure that every claim is properly validated.

Deputy Michael Creed: Those checks are putting pig producers out of business.

An Leas-Cheann Comhairle: We are moving on to Question No. 67 in the name of Deputy Sherlock.

Deputy Brendan Smith: Deputy Creed spoke about the need to protect the taxpayer. We will do that and we will issue the payments as rapidly as we can, as we have done. We dealt with this scheme very effectively and efficiently.

Deputy Michael Creed: Producers are being put of business.

Alternative Farm Enterprises.

67. **Deputy Seán Sherlock** asked the Minister for Agriculture, Fisheries and Food the policy

in regard to assisting landowners in growing crops for production of biofuels or alternative energy; and if he will make a statement on the matter. [5075/09]

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Trevor Sargent): The Department of Agriculture, Fisheries and Food recognises the key role that farmers can play in providing feedstocks for biofuel and biomass production. Our role is to support the supply side of the market by assisting farmers to grow energy crops. In accordance with the national bioenergy action plan, we are providing a number of incentives to improve the profitability of growing energy crops.

In 2007, we introduced a bioenergy scheme to encourage farmers to plant miscanthus and willow for bioenergy purposes. Aid is available to cover 50% of establishment costs, subject to a maximum payment of €1,450 per hectare. The scheme has generated considerable interest with more than 1,800 hectares planted so far. The third phase was launched recently to aid the planting of a further 1,800 hectares in 2009. Further supports for energy crop production include EU and national premiums worth €125 per hectare. Aid for energy crop production is also available under the rural environment protection scheme and the disadvantaged areas scheme, subject to some restrictions on the areas planted. As a further support measure, land planted with energy crops can qualify for the single farm payment.

The Department is also funding research projects that relate directly to energy crops through the research stimulus fund programme. The aim of this research is to identify plant varieties and crop production systems that are most suited in the Irish context. Teagasc is also assisting farmers in energy crop cultivation. It is carrying out research on growing energy crops at the Oak Park Crops Research Centre and it provides technical advice to landowners on how best to grow energy crops. In 2008, it published a farm diversification manual providing detailed technical advice on energy crop cultivation. Together with Teagasc, my Department co-funded an educational DVD to advise farmers on planting and harvesting willow and miscanthus. I can obtain a copy of that DVD for the Deputy if would like it.

Additional information not given on the floor of the House.

These measures are intended to complement the demand side schemes introduced by the Department of Communications, Energy and Natural Resources to promote the use of biofuels in the Irish transport market. The mineral oil tax relief scheme valued at €205 million and the proposed biofuel obligation scheme should provide an additional stimulus for the production of energy crops.

The cultivation of energy crops provides an alternative land use option for farmers and is part of the solution to mitigating greenhouse gas emissions. I am confident that the measures introduced by my Department will assist farmers in realising the many opportunities to grow energy crops.

Deputy Seán Sherlock: I understand the target set by the EU Commission for the production of biofuels is 10% by 2020. The European Parliament and its environment committee, which consists of members from across the political divide, voted to scale down the proposed EU-wide target of 10% by 2020 to 4% by 2015. Notwithstanding the 1,800 hectares of miscanthus planted, to which the Minister of State referred, we have moved from the planting of 137 hectares of energy crops in 2003 to just more than 9,000 hectares in 2007, which represents approximately 0.02% of all agricultural land. Teagasc has estimated that potentially 75,000 to 100,000 hectares of land could be devoted to energy crops in Ireland without impacting negatively on food production.

[Deputy Seán Sherlock.]

Are the targets that have been set realistic? Is the Government doing enough to encourage farmers to get into the business of growing crops for fuel? How will the food versus fuel debate impact on Ireland? What is the Government doing to encourage more farmers to diversify into such production? Is there a ready market available for fuel crops?

Deputy Trevor Sargent: Tá cúpla ceisteanna ansin. Ar dtús, on the fuel versus food issue, as the Deputy mentioned, we are a long way from the conflict in this area that pertains in other parts of the world, given that we have only 6,000 hectares of such crops planted. The evaluation is that we could plant up to 70,000 hectares before we would have to make the difficult choices being made in other parts of the world. Such production impacts mainly on water resources. In those countries the volume of water taken to grow fuel crops might otherwise be for human consumption.

There is no doubt that a market must be available for such crops. There also must be a willingness to produce them. Miscanthus is more popular than willow, even though there is good reason to plant willow. Marketing is also a factor. The trend can be detected from what is being done in the sector. For example, cereal farmers are more inclined to diversify into oil seed rape production, which necessitates the use of similar machinery and agronomy, of which the farmers have experience.

A number of factors come into play. It is too early to say whether the 10% target is realistic. The jury is still out on that. It will not be advantageous for us if the target set is complied with through imports of such crops simply for the sake of complying with a bureaucratic target. We must closely monitor the position to ensure we are not impacting on other marketable areas of food production for the sake of reaching a nominal percentage target set by the EU.

Deputy Seán Sherlock: I put it to the Minister that it is hardly a bureaucratic target, it is a political target that was reached partly with the agreement of the green movement throughout the European Union. I do not mean to be facetious when I say that.

Deputy Trevor Sargent: Politics is part of bureaucracy, as the Deputy knows.

Deputy Seán Sherlock: We are currently at a point where fuel prices have decreased due to the fall in oil prices. The Government has a tendency to take its foot off the pedal with regard to developing a coherent and long-term policy. Post CAP reform, there will be an abyss into which many Irish farmers will fall. There will be significant loss of revenue. This is one way in which the slack can be taken up. I put it to the Minister that the Government must come back to the House with a defined Government policy on how farmers can look to the future with regard to alternative energy production and the creation of markets.

Deputy Trevor Sargent: That review is underway and I look forward to further questions in order that we can report on it. The Department is reviewing the scheme and intends to have that completed by mid-2009 in order to assess the need for a further scheme. The new scheme will require State aid approval and we must address this as well as additional Exchequer funding. It will have to take account also of all other demands made. A growth area such as bio-energy must be encouraged because it is an investment that will ensure we are not so dependent on imported fuel. Although we export 80% of our food production we import 90% of the energy for it. Somewhere along the line we must try to reduce that import dependency. Bio-fuel is one of the ways of achieving that.

Farm Waste Management.

68. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the amount of money required by his Department to meet its full outstanding liabilities under the farm waste management scheme and the farm investment scheme respectively; the amount provided to each scheme in his Department's estimates for 2009; if, in view of the financial hardship being experienced by individual farmers due to the failure of his Department to meet its contractual commitments, he will begin to process and pay outstanding liabilities in full; and if he will make a statement on the matter. [5284/09]

Deputy Brendan Smith: The farm waste management scheme was introduced by my Department in March 2006 in order to assist farmers meet the additional requirements of the nitrates directive. The farm improvement scheme was introduced in July 2007 under the aegis of the 2007-13 rural development programme. The deadline for completion of work and the submission of claims for grant payment under the farm waste management scheme expired on 31 December 2008, although applicants were permitted to submit certain supporting documentation up to 9 January 2009.

Almost 17,400 claims remain to be processed to payment stage under the farm waste management scheme in 2009 and, in view of the exceptional number of payment claims received, my Department is undertaking a review of the situation which includes an assessment of the overall cost of these claims. I have already confirmed on a number of previous occasions that farmers will receive payment in respect of all works which have been completed prior to the deadline in accordance with my Department's technical specifications.

Last week, the Government took a number of decisions on the overall expenditure control and economic strategy that included the funding for the farm waste management scheme and arrangements for payment of grant aid on a phased basis. My Department is in discussion with the Department of Finance on the implications for the Department's Vote and the details that will be published in the Revised Estimates Volume next month.

Significant funding has been made available under the farm waste management scheme since its introduction in 2006, with over €527 million spent over the last two years alone. In addition, almost €13 million has been made available under the farm improvement scheme over the same period and claims are being processed and payments made as normal by my Department under the latter scheme.

Deputy Michael Creed: I am not sure whether we are supposed to jump up and down and clap when we hear the Minister say he will pay. The big question for farmers is when they will be paid. Is the Minister aware that for every month he delays payment — I will not make reference to the charter of rights which speaks about payment within eight weeks — interest payments made by farmers to banks come to approximately €3 million? That sum comes directly from farmers' pockets.

I presume that before the Minister came into the House he was talking about recapitalising the banks. Possibly after he leaves here he will continue to do so as he will return to a Cabinet meeting. That policy should inform every Department and the way in which they approach such issues. Paying the farmers their farm waste management scheme grants would, in effect, recapitalise the banks. The farmers will take the grant with one hand and hand it with the other to the bank managers to whom they owe money. My questions for the Minister are simple. When will they be paid? Will he bring in a Supplementary Estimate to provide for payment?

Deputy Brendan Smith: I said earlier that the payments would be made on a phased basis. The Government is not in a position to make full payment this year. What has been decided is to have payments made on a phased and proportionate basis.

Deputy Seymour Crawford: That is outrageous.

Deputy Brendan Smith: To date, €548.7 million has been paid out from the Exchequer on this scheme.

Deputy Seymour Crawford: That is of no benefit to farmers who want grants.

Deputy Brendan Smith: I will deal with the schemes that were there when Fine Gael was in Government.

(Interruptions).

An Leas-Cheann Comhairle: Allow the Minister to answer the question.

Deputy Brendan Smith: More than——

Deputy Paul Kehoe: Promises were made.

Deputy Brendan Smith: Promises made will be honoured, as they always are.

Deputy Paul Kehoe: Honour the farmers who should have been paid.

Deputy Brendan Smith: The Deputy's predecessors——

An Leas-Cheann Comhairle: Please, Deputy Kehoe. This is a priority question.

Deputy Brendan Smith: I thank the Leas-Cheann Comhairle. More than 18,000 farmers have been paid in full. Over 17,000 remain to be paid. The expenditure available to us this year will enable us to pay all the remaining 17,400 payment claims when they are processed. Of those a 40% payment will be made during the course of this calendar year, 40% of the remaining payment will be made in the first days of January 2010 and the remaining 20% in January 2011.

Deputies: Outrageous.

(Interruptions).

An Leas-Cheann Comhairle: Allow the Minister.

Deputy Brendan Smith: This funding will amount to approximately €550 million. If one takes the coming January date, within ten months €988 million will have been paid out of a scheme that will cost the Exchequer in excess of €1 billion. This means that 90% of all eligible claimants will be paid by 3 January next. With the funding available this year we could have made a decision to pay more than 7,000 applicants their full payment. That would not be fair to other people who would receive no payment this year. The Government decided that payments should be made on a proportionate basis, namely, 40% to claims that are processed and cleared with immediate effect. Others will be paid 40% of their entitlement as they are cleared and passed during the year.

An Leas-Cheann Comhairle: I will allow a further supplementary question from Deputy Creed.

Deputy Brendan Smith: Another aspect of Deputy Creed's question concerned the banks. I appreciate there are farmers who have substantial commitments and bank loans. Everybody in this House knows these farmers who depend on the payments to come through.

Deputy Ulick Burke: Pay them.

Deputy Brendan Smith: I have spoken already to the major banks and am to meet them during the course of this week. I have asked that particular provision be made for individual farmers, in respect of their loans, to comprise a grant element. That money is guaranteed by the State even though it will not be paid as quickly as we would wish.

An Leas-Cheann Comhairle: I call Deputy Creed again.

Deputy Brendan Smith: I have asked the banks to give particular consideration to people with loans.

Deputy Michael Creed: I have no alternative but to conclude that the Minister should consider his position as Minister for Agriculture, Fisheries and Food.

(Interruptions).

An Leas-Cheann Comhairle: There shall be no reaction from the Visitors Gallery.

Deputy Michael Creed: It is an appalling vista that farmers will be asked to carry the can for the failure of the Minister to do a simple mathematical calculation.

Deputies: Hear, hear.

Deputy Michael Creed: There were 17,000 applicants. Reckoning an average payment of approximately €33,000 would have told the Minister what his Department Estimate required.

The Minister is in Cabinet and he and his colleagues are contemplating recapitalising the banks. Payment of the farm waste management scheme will recapitalise the banks, indirectly. I assure him that 99% of payments he will make out will go into banks.

Let us get down to brass tacks. I have had individual farmers sit opposite me with their wives, in tears because they did not have money to put bread on the table. The Minister should look at the range of other issues in which he is failing to make payments, in REPs and the farm investment scheme, in reduced payments in the suckler cow and the disadvantaged area schemes. The Minister has been an unmitigated disaster.

Deputies: Hear, hear.

Deputy Michael Creed: I ask the Minister, in the context of recapitalisation, to go back to the Cabinet room before it is too late and say that the €450 million required for this scheme will recapitalise the banks. It is not money for farmers but it will enable them to meet their requirements to continue in business.

I have one final question for the Minister. Will he meet the farmers' interest repayments? He stated the payments would be in the order of 40%, 40% and 20% over three years, which

[Deputy Michael Creed.]

I reject as unacceptable. To make that more palatable, will he meet the contingent interest liabilities that farmers must pay in the meantime?

An Leas-Cheann Comhairle: The Minister's final reply.

Deputy Brendan Smith: I totally reject what Deputy Creed said. I was told during the course of last year, before July, when €150 million had been provided for this scheme, that no further payments would be made between July and December. A sum of €150 million was provided in the Estimates at that time. Before the year was out we had allocated €414 million in payments and we have provided——

Deputy Michael Creed: The Minister should not blame the farmers.

An Leas-Cheann Comhairle: Allow the Minister.

Deputy Brendan Smith: I am entitled to speak. I belong to a party that believes in free speech and I should be entitled to answer.

Deputy Michael Creed: The Minister is late coming to that.

An Leas-Cheann Comhairle: Allow the Minister, Deputy Creed.

Deputy Brendan Smith: During the course of last year I was told that payments would cease under the farm waste management scheme during the course of the summer.

Deputy Ulick Burke: They have.

An Leas-Cheann Comhairle: If the Minister will yield, for a moment. I allowed Deputies to put their questions and they must let the Minister speak.

Deputy Brendan Smith: During the summer I was told payments under the scheme would cease. At that time we had spent €150 million. The Department put in another €32 million, a further €195 million of a Supplementary Estimate, which was regarded as an exceptional item of expenditure, and a further €30 million before the end of the year. We brought the payments practically up to date by the end of the year, amounting to €414 million——

Deputy Michael Creed: As the Minister should.

Deputy Brendan Smith: During December more than 14,000 claims came in. We were told by plenty of people in this House that work would not be done and claims would not be made. We stated very clearly that payments would be honoured. The suckler cow scheme is a new stream of income that was paid out for the first time during December. Some €33 million was paid out before the end of the year and another €12 million has already been paid during January——

Deputy Michael Creed: The Minister should deal with the farm waste scheme.

Deputy Ulick Burke: The Minister should deal with the question in front of him.

Deputy Brendan Smith: Deputy Creed brought up the supplementary measures. Some €313 million was also paid out during 2008 under REPS. All these commitments will be honoured.

Other Questions

Grant Payments.

69. **Deputy Kieran O'Donnell** asked the Minister for Agriculture, Fisheries and Food if he will confirm the level of payment expected to be made available under the suckler cow welfare scheme in 2009 and 2010; and if he will make a statement on the matter. [5031/09]

Deputy Brendan Smith: I expect to be able shortly to confirm the position regarding payments under the suckler welfare scheme. More than 53,000 farmers applied for the scheme in 2008 and the estimated cost, at a rate of €80 per cow, will be some €77 million for 2008. By the end of 2008, €33 million was spent on the scheme. A further €44 million has been provided in my Department's Estimate for 2009 to pay for the remaining 2008 born calves. Of this €44 million, more than €12 million has been paid out to farmers already in January and payments are continuing on a weekly basis as additional animals become eligible. It must be borne in mind that the money paid to farmers under this scheme is an additional income stream that was not there before last year and that all of this money is coming from the Exchequer.

Deputy Tom Sheahan: I will be as direct and as straight as I can be to assist the Minister. This was introduced at €80 per head and was then reduced to €40 per head. Will the Minister make a statement to the farmers and the nation to categorically dispel the existing rumour that this scheme will be abolished?

Deputy Brendan Smith: This scheme was introduced with funding of €250 million to be provided over five years. In the first year of applications there was a very large take up and the total cost of the 2008 scheme amounts to €77 million. A sum of €33 million was provided in the Estimates for 2008 and this scheme, by its nature, is claimed for only towards the end of the year with calves weaning. Some €33 million was spent in 2008 and the remaining €44 million due for the 2008 scheme will be paid. A total of €12 million has been paid since 1 January and payments continue. No decision has been made on the rate of payment that would apply to this scheme for 2009.

Deputy Tom Sheahan: Will the Minister give assurances that this scheme will be in place for the next five years?

Deputy Brendan Smith: This scheme was introduced last year——

Deputy Tom Sheahan: It is a “yes” or “no” answer.

Deputy Brendan Smith: I indicated that the €250 million provided for the scheme was not €80 per animal. It was introduced at the beginning on the basis that there would be €250 million over five years. The intention is to honour that scheme.

Deputy Andrew Doyle: The Minister said 53,000 farmers applied, but the relevant figure is how many animals were applied for. The calculation was on the basis that one would need €77 million for a year, yet only €44 million was paid out in 2008, because there were animals that carry over. Is it correct that €44 million is still due on the 2008 applications? When the five years are up there will be animals that will not be claimed for until the year after the scheme closes. Is the Minister prepared to re-evaluate the amount of money up from €40 if the number

[Deputy Andrew Doyle.]

of animals claimed for is smaller. If the €40 is paid out in years two, three and four, will he save the money and continue to pay €40 or does he intend to revise the figure, if possible, upwards?

Deputy Brendan Smith: As Deputy Doyle rightly said, the number of applications was almost 54,000 and the number of beef breed calves born in the scheme last year was 974,000. The funding paid out under the 2008 scheme during the calendar year 2008 was €33 million and €44 million is provided in the 2009 Estimate to pay the remainder of the 2008 scheme. Many of the applications would come in only at the end of the year and there would be that carry-over into 2009 but the payment is in respect of the 2008 scheme.

Deputy Andrew Doyle: The question was whether the Minister will revise the figure upwards.

Deputy Brendan Smith: I very much doubt that because the demand on the scheme will be sufficient to draw down the funding available.

Deputy Ulick Burke: A number of complaints and requests have been sent to the Wexford office and information has circulated from that office to the local and district Department of Agriculture, Fisheries and Food offices. They have been told in typical Departmental speak, vague and meaningless, how to answer those questions. This is nothing more than a delaying tactic. Has the Minister seen this and verified that it should go out? This is regarding payments to farmers of overdue payments.

Deputy Brendan Smith: On the suckler cow scheme?

Deputy Ulick Burke: No, REPS and other payments.

Deputy Brendan Smith: We dealt with the REPS payments. I do not know if the Deputy was in at the time.

Deputy Ulick Burke: That was a priority question.

An Leas-Cheann Comhairle: This question deals with suckler cow payments.

Deputy Brendan Smith: The suckler cow payments are processed from the Portlaoise office of the Department and I am not aware of people awaiting payments. In many instances the Department has been back to individual farmers clarifying aspects of the applications that were deficient, or whatever. The payments are issuing rapidly. If there is a query about a particular applicant we will check it out.

Deputy Ulick Burke: On a point of information, these notices came from the Department to all local offices.

Common Agricultural Policy.

70. **Deputy Seamus Kirk** asked the Minister for Agriculture, Fisheries and Food if the additional modulation agreed to in the CAP health check will result in a loss of money to farmers here. [4940/09]

Deputy Brendan Smith: The agreed rates of additional modulation will generate approximately €120 million in total over the four years from 2009-2012 in transfers from the single farm payment to rural development. These additional funds will stay in Ireland and be passed

back to Irish farmers under the rural development programme. As such, the additional modulation represents a redistribution of money from the single farm payment scheme to other farm payment schemes. As this process will involve the transfer of funds from one type of payment to another, it will be income-neutral for farmers as a whole.

Deputy Andrew Doyle: That is not true.

Deputy Brendan Smith: In line with the new regulations the funds must be used for measures to address the so-called “new challenges” of climate change, water management, bio-energy and biodiversity, dairy restructuring and innovation. The consultation process as to how these funds can best be used for the development of Irish agriculture is currently under way. It is also worth noting that more than 50,000 Irish farmers will be exempt from the increased rate of modulation.

Deputy Seamus Kirk: The Minister may not have the statistics, but could he tell us what will be the total annual benefit to the agriculture industry of the modified arrangement?

Deputy Brendan Smith: With the existing modulation arrangements, the amount collected annually is €42.5 million. That modulation is in place up to 5%. With the new rates that will be applicable there will be an increase in modulation rate of 2% this year and 1% in 2010, 2011 and 2012. The additional funding that will be generated for the modulated fund will be €17 million this year, €25 million in 2010, €34 million in 2011 and €42 in 2012. That brings the cumulative amount in the period up to 2012 to a total of almost €120 million.

Deputy Andrew Doyle: The Minister said these would be zero gain, but there will be a net loss to some farmers who will not avail of some of the schemes. Can the Minister clarify whether some of the REPS 4 budget is being taken out of the modulated money? The spin on this is that REPS 4 and single farm payments have separate budgets, but is this a transfer of funds from the single farm payment into REPS 4?

Deputy Brendan Smith: Up to now the modulated funds that were available, which were fairly small, went into the overall rural development programme. The Exchequer puts a substantial amount more into the rural development programme than the necessary requirement, because it is co-funded by the European Union. Deputy Doyle’s point is correct in that there was an effort in the past to ensure the modulated funds would go to the broader rural development programme, which would encompass measures outside the farm gate. In the health check, I argued strenuously that the money should be retained on farms and not go to programmes that did not directly benefit individual farmers. Programmes will be introduced, particularly in the areas of climate change, water conservation, biodiversity and innovation, which can be availed of by individual farmers. I said in my initial response that the consultation process had begun and we have asked for submissions to be returned to the Department by 16 February. All the funding will go back to on-farm activities, not those outside the farm gate, as other countries would have argued for.

Deputy Seán Sherlock: The question is whether there will be a loss of money to farmers. The point of modulation, as the Minister has stated, is to contribute towards environmental measures such as water conservation. Will the moneys involved be controlled by the Department? Will they be paid directly to farmers, or will they be paid to other agencies as determined by the Department to administer those schemes? The point is whether farmers will lose money through the measures that are supposed to be incorporated within modulation.

Deputy Brendan Smith: The funding will remain in schemes operated by the Department, not outside bodies. For argument's sake, we could have a top-up in REPS which would consist of an extra measure, but the money will not go to agencies, projects or programmes that are outside the farm gate.

Dairy Sector.

71. **Deputy Niall Collins** asked the Minister for Agriculture, Fisheries and Food the additional support measures being put in place to support the dairy sector here. [4932/09]

Deputy Brendan Smith: Dairy farmers' incomes comprise the market price paid for milk and direct income support from the EU. Market forces have a significant and increasing influence on the price paid for milk. World market prices determine the returns received by dairy processors and these in turn are reflected in the price paid to farmers. In essence, farm gate prices normally reflect the returns from dairy product sales in international markets. Dairy product prices reached record high levels in 2007 and early 2008, and producer prices also peaked at that time. Since then, international prices have fallen back considerably, although the average Irish producer price for 2008 was similar to the 2007 price. The indications are that markets will remain weak in the first half of 2009.

I made it clear to Commissioner Fischer Boel that a range of supports would help to restore confidence and put a floor under market prices. The Commission initially responded by commencing the 2009 butter private storage scheme two months early. Subsequently, on 15 January, the Commissioner announced further measures to assist the dairy sector, which included a commitment under the intervention system to purchase more than the fixed quantities of butter — 30,000 tonnes — and skimmed milk powder — 109,000 tonnes — if the market situation requires it. In addition, she announced the reintroduction of export refunds for butter, milk powders and cheese, and these were reinstated at the milk management committee meeting on 22 January.

Irish operators can now avail of these refunds and my Department will continue to examine the position and urge the Commission to set the refunds at an appropriate level to support the dairy sector. During the health check negotiations, I argued strongly in favour of keeping critical market instruments in place and using them effectively. These support measures can now be used to respond to price volatility in the current market situation and will help support the dairy sector in Ireland. While we are facing short-term uncertainty, analysis shows that the long-term outlook is bright. The main international forecasting organisations predict global growth in wealth and population in the medium term. This will present new opportunities for high-quality producers such as Ireland, and all areas of the dairy sector can expect to reap the rewards.

One of the major challenges in the medium term is to ensure that Irish farming and the agrifood sector is at the heart of an evolving high-value food market which is focused on quality and innovation. As part of this overall strategy, the Department provided funding of €140 million towards investment in dairy processing. A total of 19 capital investment projects were approved and awarded grant assistance under the fund, which will generate an estimated capital spend of €286 million at full production. In the meantime, I assure the House that I will continue to monitor developments in the dairy sector closely and intervene again with the Commissioner as the market situation evolves and in view of the particular difficulties facing the market at present.

Deputy Niall Collins: Could the Minister clarify the products covered by the export refunds that were recently introduced? In addition, I ask the Minister what he considers to be the general outlook with regard to dairy pricing. How does he feel the dairy investment fund will improve the dairy industry? Could he comment on the benefits of the CAP health check to the dairy sector?

Deputy Brendan Smith: With regard to dairy prices, as Deputy Collins knows and as I mentioned in my earlier comments, the dairy market has been volatile and things are difficult for producers and processors at present. We had good prices in 2007 but difficulties arose in 2008 due to the extra supply coming from New Zealand, turbulence in the global financial market and the lack of demand worldwide. New Zealand, which is a big exporter, can benefit from a favourable exchange rate. All of this makes things difficult for Irish and European producers. Prices are low in New Zealand and the US and the recession is reducing consumer demand. As I said, New Zealand benefits from having its own currency which can be devalued when necessary. It is a major exporter. Fonterra, its major processor, is the biggest exporter in the world. Thus, things are difficult for producers in terms of prices, and processors have indicated that the first half of this year will be particularly difficult.

Export refunds are applicable to butter, skim milk powder, whole milk powder and cheese. The Deputy also asked about the health check. This country has a strong dairy industry, notwithstanding the pressures on the market at present. Additional milk quota will be valuable and beneficial to dairy farmers. It will bring extra capacity to the country and will be put to good use.

Deputy Michael Creed: I accept that this is a difficult time and many of the problems are dictated by global conditions. What we need is far more aggressive use of market support measures at European Union level. The Minister said that the picture looks difficult for the first half of 2009, which is the peak milk production time for Irish farmers. The Minister will be aware that some processors are talking about a doomsday scenario, with farmers paid in the region of 19 or 20 cent per litre for milk. That is the cost of production. Farmers will not be able to ride out that type of price volatility. Notwithstanding what has been achieved in Brussels, as the Minister has outlined, does he accept the necessity to go back to ensure that a more realistic price can be paid by processors if there is more aggressive use of market support measures?

An Leas-Cheann Comhairle: A number of Deputies wish to speak so I ask people to be brief.

Deputy Brendan Smith: Deputy Creed is right. The market mechanism measures can take product off the market, thus giving it a boost. During the course of the health check, many countries argued that such measures should be much restricted and that the Commission should decide when they were invoked. We argued strongly for the need for the private storage system, the intervention system and the export refunds. The market management committee is meeting on 19 February. We have indicated to the Commission that we are adamant that there should be a higher level of refund to support the market. We have argued for that. The private storage scheme was brought forward to 1 January. We have argued strongly to the Commission, and will continue to do so, that we need to make maximum use of the market mechanisms that are available in view of the particular difficulties that exist at present.

Deputy Seymour Crawford: I welcome any support measures. Does the Minister accept that it is pointless to get an increase in quota when we do not have an increased market? Clearly, increased production at European level and elsewhere has affected the price. How can he give

[Deputy Seymour Crawford.]

such a positive view of the world market when production in the US and elsewhere is constantly increasing? The US, in fact, is now using storage systems to prop up its own market. Can the Minister assure us that he will exert maximum pressure to increase the use of intervention and other measures to underpin the drastic prices available at present?

Deputy Brendan Smith: The Deputy pinpoints the particular difficulties facing the market. Additional quota will be useful. The commodity price and this industry have suffered from cycles. We can suffer problems arising from the currency, which can be in our favour at times and against it at others, while in 2007 there was a drought in New Zealand which reduced production there. The US emerged as an exporter and was helped in that by the weak dollar. However, higher feed costs there and the strengthening of the dollar slowed that trend. Undoubtedly, farming practices that increase production or decrease production in any of the major producing countries have an adverse effect on us. There is a limited market.

With regard to the medium term, a couple of years ago we could have discussed the growing affluence of highly populated countries such as India, China and Asia, the changing dietary requirements of people there, the huge growth in population and new markets evolving in those countries for dairy products. That is not as applicable today as it was at that time or a year ago. The only consistent trend is the growth in the world's population. The Food and Agriculture Organisation of the United Nations has produced long-term forecasts on the likely demand for food and has indicated that food production will have to double by 2050. I appreciate that this is no good for the individual farmer who is getting a bad price for milk today.

Deputy Seán Sherlock: To what extent does the Minister believe that the commodification of dairy products and the fact that they are tradeable commodities has an effect on the markets and on the price of milk for Irish farmers? This should be taken into account. Are there discussions at EU level or within the WTO framework to tackle the fact that commodification is causing great vagaries in prices? That is having an impact on the market here.

Deputy John Deasy: With regard to the price supports the Minister mentioned and his talks with Commissioner Fischer Boel, what do they mean in a practical sense to a farmer who is offered 19 cent per litre when the farmer's production costs are probably 22 cent or 23 cent? In the last three or four years farmers have been mandated to follow EU directives relating to issues such as waste management on their farms, the nitrates directive and so forth. They have been asked to spend a great deal of money on their farms. In some cases the Department has announced schemes. It allocated €56 million for one of them but thousands of farmers have not even received that money and do not know if they will get it. At the same time that the Minister has imposed this burden on farmers, the processors are offering them 19 cent per litre, a reduction from 29 cent. In the case of some winter milk producers, it is a reduction from approximately 39 cent. The Minister must answer the farmers' questions. How are they to stay in production if that is the price they will be given by the processors? What is the Government going to do about it, considering what the Minister has mandated farmers to do under EU directives? What will the EU do to try to save some of these family farms that are facing non-viability within the next year?

Deputy Brendan Smith: In response to Deputy Deasy, the market mechanism measures we discussed previously are European Union wide. Everybody knows the law of supply and demand — if there is over-supply or lack of demand, the producer is, unfortunately, the victim. That is happening with milk production today. We argued within the European Union, with

some success, for the retention of aids to private storage, intervention, which is really public storage, and export refunds. We succeeded in having the date brought forward for the implementation of some of those measures. We will argue in the management committee of the European Union next week that the measures should be improved to provide a better baseline price in the industry. Over-supply, lack of demand, currency problems and global recession are all factors in keeping the price down for the dairy producer.

An Leas-Cheann Comhairle: We are seven minutes over time on this question.

Deputy John Deasy: The reality is that in my constituency hundreds of farmers will go out of business. The Minister will have to succeed next week.

An Leas-Cheann Comhairle: We must proceed to the next question. The Deputy has made his point very forcefully.

Deputy John Deasy: Hundreds of dairy farmers will go out of business if this price reduction comes into force.

An Leas-Cheann Comhairle: We must proceed to Question No. 72. We have spent more than double the allocated time on this question.

Deputy John Deasy: Will the Minister please respond?

An Leas-Cheann Comhairle: Very briefly.

Deputy Brendan Smith: The Deputy is well aware that we do not set the price. Deputy Crawford and I are from a constituency that has a huge dairy sector as well. People are working extremely hard.

Deputy John Deasy: The Minister mandated that EU directives be carried out. At the same time the farmers are paying this money, they get a price reduction.

Deputy Brendan Smith: We do not mandate any EU directive, as the Deputy is aware. He was chairman of the European affairs committee and he knows——

Deputy John Deasy: I tried to stop it, for this reason.

An Leas-Cheann Comhairle: Allow the Minister to reply.

Deputy Brendan Smith: Directives are implemented European Union wide; they are not mandated by me or by the Department. We must implement them when the decision is made.

Deputy John Deasy: Could the Minister not grant aid it?

An Leas-Cheann Comhairle: We must move on. We are eight minutes over time on this question.

Deputy Brendan Smith: Does Deputy Deasy think——

Deputy John Deasy: The Minister has allocated €56 million for these farmers. Most of them are not going to get the grant for the waste management scheme. The Minister cannot announce a scheme for waste management and then not fulfil it.

Food Industry.

72. **Deputy Joanna Tuffy** asked the Minister for Agriculture, Fisheries and Food if extra funding will be made available to Bord Bia to promote Irish produce to continental EU markets following the pork dioxin scare and in view of the 30% gain made by the euro versus sterling which has a major impact on producer profits from British sales; and if he will make a statement on the matter. [4885/09]

Deputy Trevor Sargent: The total Exchequer allocation to Bord Bia for 2009 is €31.6 million, including specific allocations for quality assurance, that is, the quality assurance scheme, and healthy eating initiatives, such as the Food Dudes programme. This grant-in-aid, together with an industry contribution of the order of €7 million, will enable Bord Bia to implement a comprehensive set of promotional programmes and services to assist Irish food and drink companies build additional business in Europe, particularly in euro zone countries. These programmes have been developed in consultation with industry, bearing in mind the impact of the sterling differential on competitiveness.

Among the extensive range of activities planned for continental Europe are: a Private Label seminar, France-Belgium, which will be followed up by participation at the MDD — Marques de Distributeurs Alimentaires — trade fair in Paris and mentoring on the requirements of supplying continental supermarket groups; Marketplace Roadshow Spain, which involves building insight into Spanish market requirements, through a seminar on the retail and food service markets and the dynamics of the market, which will be followed by participation at the Club de Gourmet trade fair in Madrid and individually tailored buyer meetings with the largest customers in the market; Portugal market familiarisation, which involves a key insight into market and visiting the Alimentaria trade fair in Lisbon; the Private Label seminar, Scandinavia, Germany and Holland, which includes company specific mentoring on market requirements and participation in the PLMA — Private Label Manufacturers Association — international trade fair in Amsterdam; and food ingredients-nutraceuticals, Europe, which involves providing industry with detailed analysis on market requirements, particularly for dairy ingredients, culminating in participation in the Vita Foods international fair in Geneva. Other trade fairs where Bord Bia will be promoting the capability of the Irish food, drink and horticulture industry include Biofac in Munich this month, Vinexpo International Wine and Spirits in Bordeaux in June, TFWA Duty Free in Cannes in October, Anuga International in Cologne in October and Food Ingredients Europe in Frankfurt in November.

Bord Bia activities will also be prioritised to assist the meat sector following the dioxin contamination incident last year and the board has in place a market recovery campaign to build on the reassurances already provided to customers since the product recall. My Department, the Department of Foreign Affairs and Bord Bia are continuing to work closely on market access issues and will be guided by Irish exporters with regard to programmes and activities required on a market by market and customer by customer basis.

Deputy Seán Sherlock: I anticipate that the Minister of State will spend some time in the air to visit some of the events. I welcome the fact that there is a significant budget for Bord Bia. It is money well spent when one thinks of the return. The €8 billion to €9 billion in food exports will be one of the saviours if this economy is to lift itself out of recession. The emphasis on food production will be vital in that sense.

Has there been a full restoration of the markets in light of the pork dioxin scare? I refer to the markets prior to 6 December. As I understand it, we have lost some market share to the

UK because of the sterling differential, which is a major factor. I welcome the Minister of State's answer but we need to step up our efforts in terms of the potential of continental Europe given that we have 33% of exports there presently. There is a greater potential in continental Europe. I do not necessarily expect the Minister of State to come back with a reply on that one given the timeframe — it is just by way of a general comment.

Deputy Trevor Sargent: I appreciate what Deputy Sherlock said. He has taken a pragmatic approach. He put his finger on it in terms of the potential of the food market when it comes to the recession.

On the pigmeat sector, consumption in Ireland has returned to relative normality quite quickly. That, in itself, has sent out a positive message demonstrating the confidence of the consumer in Irish pigmeat. That is what Bord Bia is using in its market recovery campaign.

Bord Bia is currently preparing the first in a series of promotional campaigns being launched this month and it is hoped, subject to resources, that this can be followed by two similar campaigns later in the year. It is intended that these will focus on promoting products bearing the Bord Bia quality mark, which will also communicate origin as the Irish pork and bacon approved label is phased out.

The recovery plan has four aspects. First, there is the customer reassurance programme. This demonstrates the integrity of Irish health controls, which is the first point that Bord Bia makes internationally in all of our markets. Second, Bord Bia is working specifically with the Irish embassies, hosting bilateral veterinary meetings so that the people in those countries can be absolutely assured and can speak from a position of knowing everything that must be known about our traceability and our confidence.

Third, a trade communications programme is in place. That is where Bord Bia approaches decision makers in the retail, food service and manufacturing sectors to ensure that there is no breakdown in communication and they understand the primary quality of our product. Finally, on international access for pigmeat, Bord Bia is approaching opinion formers in the market based around the exemplary health controls. This involves the media, where Bord Bia gets into magazines and newspapers.

Deputy P. J. Sheehan: I admire the Minister of State's list of conferences worldwide.

An Leas-Cheann Comhairle: A supplementary, please.

Deputy Trevor Sargent: I do not go to them all, by the way.

Deputy P. J. Sheehan: I was going to ask if the Minister was going to travel by Government jet.

Deputy Michael Creed: He will cycle.

Deputy P. J. Sheehan: The Minister of State mentioned the word "traceability". We have failed hopelessly on the traceability of the products that are offered here as Irish products in the poultry sector. What will the Minister of State do to correct that imbalance? It is no good going around the world advertising our product if it is not genuine product.

Deputy Seymour Crawford: On the same issue of traceability, I support all the Minister of State's efforts to promote the product but for the future we must be absolutely sure there is traceability. We did not have it when the problem arose. We have the same problem of trace-

[Deputy Seymour Crawford.]

ability in the poultry sector. We do not have proper labelling. I would encourage both the Minister of State and the Minister to do all they can on food labelling.

Deputy Trevor Sargent: I agree with the Deputy that it is a key issue. We have been asking the European Commission to accept our proposals. While we are working through that and insisting on a higher standard Europe-wide, we are succeeding in getting across that our overall health checks are exemplary and the fact that we had a total recall was evidence that we were not prepared to accept anything but the very best. There was no doubt whatsoever and no caveats in that regard. Unfortunately, that was required to ensure that we would not have any doubt.

There is still work to be done. The Minister, Deputy Smith, is working hard to ensure that our European partners accept that we need improvements in traceability.

Written Answers follow Adjournment Debate.

Adjournment Debate Matters.

An Ceann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Members in each case: (1) Deputy Bannon — the need for the Minister for Health and Children to ensure that after a wait of 12 years a full complement of appropriate services for secondary care facilities is provided under Phase 2B of Longford-Westmeath Hospital, Mullingar, County Westmeath, to ensure patient safety and best possible outcomes; (2) Deputy Alan Shatter — the unjust and discriminatory impact of the new Health Act 2008 on the medical card rights of widows and widowers whose spouses died during 2006, 2007 and 2008; (3) Deputy Joe Carey — the consequences of the €10 travel tax for Shannon Airport in light of the recent announcement by Ryanair that it will remove two aircraft from its fleet of six based in Shannon, resulting in the reduction in flight numbers from 136 to 116 this summer and the further removal of two other aircraft from its fleet in November; and in the interest of Shannon Airport and the well-being of the mid-west economy in terms of jobs, business and passenger choice I am asking that the €10 travel tax is not imposed; (4) Deputy Pat Breen — the need to sanction an extension in respect of Barefield national school, County Clare; (5) Deputy Shane McEntee — the refusal by An Bord Pleanála to award costs to a local action group regarding the following invalid application — Ref: 17.PA005 Biomass Combined Heat & Power (CHP) Plant and Associated Ash Landfill at College Road Nobber, County Meath; (6) Deputy Mattie McGrath — the provision of hospital services in the south east, and particularly the situation at South Tipperary General Hospital; (7) Deputy Seán Barrett — to discuss the impact of the smarter travel action plan on the south County Dublin area; (8) Deputy Noel J. Coonan — to ask the Minister for the Environment, Heritage and Local Government when an application for funding for a new fire station facility in Cloughjordan, County Tipperary, first made by North Tipperary County Council in May 2005, will be provided by the Department, taking into account the extreme deteriorating conditions at the establishment and subsequent health and safety concerns; (9) Deputy Ciarán Lynch — to ask the Minister for Environment, Heritage and Local Government if he will lay before the House the details, including financial implications, of his plans to enable local authorities to lease estates from developers as outlined by the Minister of State in recent days, and if he will lay out his programme to spend €20 million in leasing currently idle properties from developers; (10) Deputy Brian O'Shea — the need to prevent the closure of St. Brigid's ward at St. Patrick's geriatric hospital Waterford with the loss of 19 public beds; (11)

Deputy Jan O'Sullivan — the need for the Minister for Health and Children to clarify the future role of St. John's Hospital, Limerick, including its accident and emergency department, surgery, its proposed extension and the re-opening of beds that are currently closed; (12) Deputy Kathleen Lynch — the reduction of special teacher support to children with special needs; (13) Deputy Catherine Byrne — the living conditions of persons in receipt of rent supplement; (14) Deputy John Perry — the need to introduce a visa waiver system for nationals of Taiwan; (15) Deputy Tom Hayes — in light of the huge number of job losses nationwide, can the Minister outline what she plans to do to strengthen the role of the county enterprise boards, how they can expand their services to foster job creation and entrepreneurship, and what is necessary to make them a key player in Ireland's economic recovery?; (16) Deputy Joe Costello — the need for the Department of Education and Science to set a deadline for the construction of a permanent school for Gaelscoil Bharra, Cabra, Dublin 7, considering that the application file was missing for four years in the Department of Education and Science; and (17) Deputy Tom Sheahan — the many serious issues affecting fishermen in west Kerry, leading to the decline of the fishing industry in the area, just two of which are mackerel quotas and the "days at sea" rule.

The matters raised by Deputies Mattie McGrath, John Perry, Catherine Byrne and Kathleen Lynch have been selected for discussion.

Private Notice Questions.

Financial Transactions.

An Ceann Comhairle: I will call on the Deputies who tabled questions to the Minister for Finance in the order in which they submitted their questions to my office.

Deputy Enda Kenny: Perhaps we will wait for the Minister.

An Ceann Comhairle: I had not realised.

Deputy Enda Kenny: We know that the Minister, Deputy Smith, is well capable, but to answer this one is even beyond his great capacity and that of the man beside him.

An Ceann Comhairle: There is nothing beyond that man's capacity.

(Interruptions).

Deputy Enda Kenny: He went with the loaves and fishes with the farm waste management grant.

Deputy Caoimhghín Ó Caoláin asked the Minister for Finance the extent of the knowledge of himself or his Department of the irregular transactions between Anglo Irish Bank and other financial institutions, including the Irish Nationwide Building Society and Irish Life & Permanent, when he proposed to the Houses of the Oireachtas on 20 January 2009 the nationalisation of the Anglo Irish Bank; the full facts now known to him regarding the extent of the irregularities that were apparently endemic in this State-owned bank; the way he proposes to hold accountable those who have abused their positions of trust and responsibility; and if this includes consideration of prosecution through the courts.

Deputy Richard Bruton asked the Minister for Finance the communications, if any, which occurred between the financial institutions involved in a major transfer of funds to Anglo Irish Bank on 30 September 2008 and the regulator, the Central Bank, his Department or other representatives of Government; the date on which the communications were made; the actions, if any, which were taken on foot of those communications; the oversight, if any, of how these transactions were presented by Anglo Irish Bank in its accounts; and if he will make a statement on the matter.

Deputy Eamon Gilmore asked the Minister for Finance when he or his Department first became aware of the reported transfer of €7 billion from Irish Life & Permanent to Anglo Irish Bank, €4 billion of which was transferred on 30 September 2008, the day on which the bank guarantee scheme was announced; the investigation being held into the transfer of these moneys; if his attention has been drawn to any other transfers of money to or from Anglo Irish Bank in or around this time; and if he will make a statement on the matter.

Deputy Joan Burton asked the Minister for Finance his knowledge of the transfer of moneys from Irish Life & Permanent to Anglo Irish Bank; the circumstances in which the matter was brought to his attention; the steps he took as a result; if his attention has been drawn to other transfers from other financial institutions to Anglo Irish Bank; and if he will make a statement on the matter.

Deputy Enda Kenny asked the Minister for Finance if he will explain the circumstances surrounding the transfer of €7 billion from Irish Life & Permanent to Anglo Irish Bank; if he will clarify the extent of knowledge of this transaction known to Government when Dáil Éireann decided to nationalise Anglo Irish Bank; if the transfer of the €7 billion involved was deemed to be an inter-bank transfer loan or a deposit by Anglo Irish Bank; his views on whether this amounted to creative accountancy giving a clear misrepresentation of the deposit strength of Anglo Irish Bank; the extent and nature of due diligence carried out in respect of Anglo Irish Bank prior to nationalisation; the person by whom and authority by which such due diligence was carried out; if he will make such reports public; if the PricewaterhouseCoopers report informed the Government of the transfer of €7 billion to Anglo Irish Bank; if Ernst & Young, in respect of its report on Anglo Irish Bank, informed the Government of the extent of this transfer; when the regulator informed him and the Government of this transaction; if the regulator made his views thereon known to him and Government; the reason the Government saw fit not to inform Dáil Éireann of the extent of information available to them in regard to Anglo Irish Bank and its circumstances at the point of decision by the Government to nationalise the bank and introduce the Bill for nationalisation to Dáil Éireann; and if he will make a statement on the matter.

Deputy Arthur Morgan asked the Minister for Finance if he will provide a full account to Dáil Éireann in respect of inter-bank loans relating to Anglo Irish Bank; the knowledge he or his Government colleagues have of such loans; the stage at which they became aware of any activity in respect of these loans; if his attention has been drawn to loans between Government Members and Anglo Irish Bank; and if he will make a statement on the matter.

An Ceann Comhairle: I want to inform Members as to how I intend to proceed from here. I intend to allow the Minister to give an open-ended reply because there are many questions. Then I propose that the time allocated for questions thereafter from those who tabled questions will be two minutes and the Minister will have four minutes in respect of each question. Then

I will try, if possible, to get to other Members, but it is only reasonable to say that it will not take longer than, say, one hour.

Minister for Finance (Deputy Brian Lenihan): I do not have the question tabled by Deputy Morgan, and I should appreciate it if I could have a copy.

I have the questions from the other Members and I propose to take all questions together. As Deputies will be aware, the issues referred to in the questions put before the House today are under investigation by various bodies including the Financial Regulator and the Office of the Director of Corporate Enforcement. As I am sure Deputies will appreciate, some of the issues may lead to further action, including criminal proceedings, and in those circumstances it is not appropriate for me to comment in detail on specific issues—

(Interruptions.)

Deputy Brian Lenihan: —without the risk of prejudicing the outcome of the investigations, or prosecutions which may arise in the matter.

Deputy Pádraic McCormack: He has escaped again.

Deputy Brian Lenihan: However, I would like to outline to the Deputies the Government's approach to date regarding inappropriate practices at Anglo Irish Bank. The obligations and requirements contained in the guarantee scheme gave rise to increased engagement with the covered institutions, which included an assessment of the loan book for the Financial Regulator and capital position of all covered institutions by PricewaterhouseCoopers. This initial assessment was received towards the end of October. The question of financial transactions between Anglo Irish Bank and Irish Life & Permanent was included in the report. The Department of Finance drew this specific matter to the attention of the Financial Regulator when reviewing that report. The circumstances of that transaction remain under review by the regulator. I also understand that the newly appointed board of Anglo Irish Bank is reviewing this matter in the context of finalising the accounts for the year ending 30 September 2008.

As part of the planned recapitalisation of Anglo Irish Bank, a further due diligence exercise was undertaken. Further information was also supplied to my Department by the Financial Regulator and the Central Bank as part of detailed consultations with these bodies regarding the implementation of the scheme and in negotiations on recapitalisation proposals.

As a result of this increased level of engagement with the banks and Anglo Irish Bank in particular, I became aware of certain unacceptable practices at the bank. Those issues include loans to directors and a transaction in September between Anglo Irish Bank and Irish Life & Permanent. Regarding the transaction with Irish Life & Permanent, I am advised that Anglo Irish Bank placed funds with Irish Life & Permanent. A non-bank subsidiary company of Irish Life & Permanent then deposited a similar amount in Anglo Irish Bank as a customer deposit.

The Government made it clear when nationalising Anglo Irish Bank that an important factor in reaching this decision related to concerns over corporate governance issues which were undermining confidence in the bank. The information already in the public domain regarding loans to directors at the bank, and information available to me in the first half of January on the transaction involving Irish Life & Permanent reinforced this decision.

Deputies should note that the bank's annual accounts will be published in the coming weeks and will provide further details on directors' loans as well as the transaction involving Irish Life & Permanent. Matters at Anglo Irish Bank are now the subject of a number of investi-

[Deputy Brian Lenihan.]

gations and reviews including those being undertaken by the Financial Regulator and the Office of the Director of Corporate Enforcement. These investigations must be followed up both by the regulatory authorities, which have extensive powers, and by the bank itself. As Minister for Finance and shareholder of the bank, I will ensure, where appropriate, that any issues identified on foot of these investigations are fully addressed and any misconduct of a criminal or civil character is brought to justice or appropriate compensation is received.

The new board is reviewing all the corporate governance practices at the bank and will put arrangements in place to guide Anglo Irish Bank in the future. I have every confidence that this new board will pursue the necessary changes in this regard. In all of this it is important to note that the Government is committed to the stability of the Irish banking system. Depositors and creditors with Irish banks, including those within the full ownership of the State, must be and will be protected.

Naturally Deputies will be anxious to know when exactly I learned of the Anglo Irish Bank — ILP transaction. The matter of financial transactions between Anglo Irish Bank and Irish Life & Permanent was an issue in the PricewaterhouseCoopers report, which was received at the end of October. The Department drew this specific matter to the attention of the Financial Regulator when reviewing the report. The circumstances of that transaction remain under review by the regulator. The matter was one of the corporate governance issues at Anglo Irish Bank, which were an important part of the Government's decision to take the bank into public ownership, to ensure the instability such corporate governance issues can cause would not threaten the stability of our financial system, generally.

I made it clear at the time of the announcement of the decision to take Anglo Irish Bank into public ownership that a key element of the Government's decision was concern that corporate governance issues at Anglo Irish Bank could destabilise the bank and threaten the stability of the financial system. This transaction was one of those corporate governance issues. It would not have been appropriate for me to publicly disclose partial information which was and remains the subject of an investigation by the responsibility statutory authority, the Financial Regulator. The investigation is ongoing into these matters. It will determine whether legal or regulatory codes were breached. If legal or regulatory issues arise, then due process will be followed in bringing any parties responsible to account.

Deputy Caoimhghín Ó Caoláin: Is the Minister confirming that €4 billion was deposited on 30 September, the day the bank's financial year ended, and hours after the Government's guarantee to the banks was announced? Does the Minister recognise that this will be seen right across the board as an exercise in cooking the books and that another financial institution, Irish Life & Permanent, was knowingly involved as it withdrew the deposit some seven days later?

Is it not the case that Anglo Irish Bank wanted to avoid collapse and to benefit from the State guarantee, used a deceptive financial ruse to achieve this and that the Irish taxpayer has been the victim of that deception? The Minister has indicated he became aware of this before the end of October 2008. A question put to him on 20 January by me and others, when he rose to propose the nationalisation of Anglo Irish Bank, was specifically about whether there was other relevant information this House should know before giving active consideration to the proposal. The Minister withheld that information from this House. Did he brief his Cabinet colleagues of this detail he is now confirming he was aware of, from October 2008? Did he brief his party? Did he brief the Green Party, and when did it become aware of this? Will he advise the House of the disclosure of this information to each

4 o'clock

of those elements of Government? Will he clarify once again when the Financial Regulator became aware of this?

An Ceann Comhairle: The Deputy should conclude.

Deputy Caoimhghín Ó Caoláin: I will conclude by asking the steps he now proposes to take to explore the complicit roles of the other main financial institutions, namely, Irish Nationwide in respect of Mr. FitzPatrick, Irish Life & Permanent in regard to this transfer of funds in September and any additional relationship that may exist between Anglo Irish Bank and other financial institutions.

An Ceann Comhairle: I ask the Deputy to conclude.

Deputy Caoimhghín Ó Caoláin: He has suggested that he is constrained because of possible later actions but the House and the people deserve a factual account of the steps he is taking or intends to take in respect of those executives and other individuals who were involved in what can at best be described as highly irregular activities——

An Ceann Comhairle: We must be fair to other Members.

Deputy Caoimhghín Ó Caoláin: ——and, in the opinion of all fair minded people, as criminally irresponsible, to put it mildly.

An Ceann Comhairle: The Chair is obliged to inform the Deputy that what takes place between the Minister and his Cabinet colleagues is subject to Cabinet confidentiality.

Deputy Brian Lenihan: Deputy Ó Caoláin opened his questions by referring to the exposure to the taxpayer. I assure the House that there has been no taxpayer exposure whatsoever to date at Anglo Irish Bank.

Deputy Paul Connaughton: Yet.

Deputy Brian Lenihan: However, huge damage has been done to the reputation of this country by the various activities which took place in the bank. The Deputy pursued the question of my own awareness of this particular matter and I indicated in my reply that I did not become aware of it until the middle of January of this year. Information about the transaction was contained in the extensive PricewaterhouseCoopers report and was referred by my Department to the regulator at that stage in the autumn of last year but the specific character of this transaction was explained to me in the middle of January by my officials.

Deputy Caoimhghín Ó Caoláin: Prior to the 20th.

An Ceann Comhairle: Let the Minister finish.

Deputy Brian Lenihan: It was one of the factors which led me to the conclusion that I should recommend to my colleagues the nationalisation of the bank. However, because it was a matter pertaining to a customer of the bank, I did not put it before my colleagues or the Taoiseach in explicit terms because confidence in a bank over which we have now taken ownership would be shattered if the Minister for Finance publicly and with abandon disclosed the confidential arrangements made between a bank and its customers.

Deputy Dinny McGinley: Some customers.

Deputy Brian Lenihan: I immediately insisted that the matter be reported back to me by the board of the bank. As Deputies will be aware, that board was reconstituted immediately following the bank's nationalisation. The board indicated to me that it intended to put the matter into the public domain with its annual report. That is the position in respect of this matter.

I agree with Deputy Ó Caoláin that if the necessary investigations now being undertaken by the Financial Regulator and the Office of the Director of Corporate Enforcement disclose wrongdoing of a civil or criminal character, these must be pursued. If they disclose civil wrongdoing, in respect of which I am aware the board of the bank is taking legal advice, those who as a result owe money to the bank must be pursued. If criminal misconduct is disclosed as a result of the investigations of the Office of the Director of Corporate Enforcement, criminal proceedings must and will be taken. As Deputies will appreciate, that office has a very good record in the prosecution of corporate crime. In regard to this and other transactions at Anglo Irish Bank, all these matters have to be investigated and the director himself makes these decisions. Neither the Government nor this House can direct the taking of a prosecution in this country. It is the responsibility of the director to do that. It is also his responsibility to determine whether it is appropriate to ask the High Court to appoint an inspector to investigate the circumstances of the bank generally. Were he to so decide, naturally I have reviewed the legislation with the Tánaiste and any legislative amendment necessary to facilitate a more extensive investigation would be enacted. However, it is not my function nor is it the function of the Government or this House to direct the director to take a prosecution or to apply to the High Court for the appointment of an inspector. Clearly, if these steps are warranted they must be taken and any wrongdoing at this bank must be pursued to the ultimate degree.

Deputy Caoimhghín Ó Caoláin: Have I the right to ask a supplementary question?

An Ceann Comhairle: No, Deputy Bruton is next. I have to give time to every Member. I must be fair to everybody.

Deputy Caoimhghín Ó Caoláin: Will the Ceann Comhairle accord an opportunity for Deputies to ask supplementary questions later?

An Ceann Comhairle: Yes, if it is possible to do so.

Deputy Richard Bruton: I wish to ask the Minister a number of questions arising from his reply. He indicated that the PricewaterhouseCoopers report of October contained this information but he did not know about it until January. Did he not read the report? Did his Department regard this as so trivial that his officials did not bring it to his attention if he did not read the report himself? Did this transaction, which he noted in his earlier reply was described as a customer deposit even though it clearly was not such a deposit in any normal sense, not ring alarm bells?

When he proposed on 21 December to put €1.5 billion into Anglo Irish Bank, did nobody from the Financial Regulator or his Department inform the Minister that the serious issues which had arisen in the way the bank had been behaving were reason for pausing before investing taxpayers' money as if it were a sound bank with a long-term future? The Minister indicated that reputational damage was the reason he moved from putting in the cash to nationalising the bank but it would now appear that much of the information about the reputational damage was known by his Department and the regulator, without anything being done about it.

Why did the Minister feel that he should not reveal this information to the Dáil when we were debating the nationalisation of Anglo Irish Bank? The House was quite divided on the

nature of the legislation and the appropriateness of the protections that were being included. My own party indicated that an orderly wind-down was appropriate for a bank that had been seriously damaged. Why was this not revealed to the Dáil at a time when serious decisions were being made that put taxpayers' money at risk?

Deputy Brian Lenihan: I read extensive parts of the PricewaterhouseCoopers report which my officials outlined to me as being of fundamental importance.

Deputy Paul Connaughton: The Minister did not read that bit.

Deputy Brian Lenihan: No, I did not read that particular passage in the report.

Deputy Pádraic McCormack: It is like the Lisbon treaty.

An Ceann Comhairle: Let him finish.

Deputy Brian Lenihan: My officials were concerned about the matter and they referred it to the regulator. In regard to the position of the banking sector, throughout the time since my appointment in 2008 the sector was in a state of considerable fragility.

Deputy Kathleen Lynch: It still is.

Deputy Brian Lenihan: The sector was certainly encouraged by the Central Bank and the Financial Regulator to engage in whatever liquidity operations were possible to protect the various banking institutions. The transaction did not appear on the face of it to be immediately culpable and that was the position in regard to it initially.

Deputy Paul Connaughton: In other words, the Minister did not understand what was in the report.

An Ceann Comhairle: Allow the Minister to finish.

Deputy Brian Lenihan: On whether the matter was taken into account when the decision on capitalisation was made——

Deputy Kathleen Lynch: It was not because we did not know about it.

Deputy Brian Lenihan: ——it was not taken into account at that stage because it was still under investigation by the regulator.

Regarding the decision on capitalisation, €1.5 billion was at that stage the recommended figure to generate sufficient confidence in the institution to maintain its financial stability. On foot of the decision to capitalise, a more extensive and intensive due diligence investigation was carried out and on that basis more precise facts on the transaction were brought to my attention in the middle of last month. That was one of the factors I took into account in making a recommendation to the Government.

I am sure Deputy Bruton is aware that matters relating to customers' deposits and dealings between customers and banks are necessarily confidential in character and cannot be put by me into the public domain in the absence of a concluded investigation. The investigations into this matter had not concluded but the provisional information available to me in the middle of January was sufficient to satisfy me there would a risk to the taxpayer in this and in the loan transaction——

Deputy Michael Creed: The Minister should have shared that with the House.

Deputy Michael Mulcahy: Let him finish.

Deputy Brian Lenihan: Let me finish. In all these transactions, the issues raised involving corporate governance were such that I had to advise the Government and Taoiseach, who was abroad at the time, of them. In regard to this issue, I simply left the matter with my colleagues as a general issue of corporate governance and then proceeded with introduction of the Bill on nationalisation in this House. I explained to the House that there were issues of corporate governance at Anglo Irish Bank.

Deputy Simon Coveney: Ignoring €7 billion.

Deputy Eamon Gilmore: This issue raises questions not alone of corporate governance but of governance of the country.

Deputies: Hear, hear.

Deputy Eamon Gilmore: I would like to retrace with the Minister how this came about. I understand from what he said that this loan was reported in the PricewaterhouseCoopers report which his Department received in October. The Minister stated his officials thought this sufficiently serious they requested the Financial Regulator to investigate the matter but that they did not bring it to his attention until January. Is that correct?

Deputy Pádraic McCormack: He knew a little.

Deputy Simon Coveney: That is not credible.

Deputy Eamon Gilmore: Am I correct that the Minister read only the sections of the PricewaterhouseCoopers report which were drawn to his attention or highlighted by his Department, that the Department was considering a recapitalisation of this bank prior to the decision on nationalisation, that in the context of that recapitalisation nobody drew this matter to the Minister's attention and that nobody prior to the taking of the decision on recapitalisation or the decision to nationalise decided to obtain a report from the regulator on the outcome of his investigation in regard to this loan? Is that the position?

Is it the case that the Minister knew about this transfer when he came into this House with a proposal to nationalise Anglo Irish Bank and did not tell the House about it? This does not inspire confidence in anybody. I draw the Minister's attention to the letter sent by the Taoiseach to Deputy Kenny and I in advance of the nationalisation debate cautioning us on the need for responsibility. What was most important was that the Minister for Finance inform us of what was going on. The Minister stated, if I understand him correctly, that Anglo Irish Bank placed funds in a subsidiary of Irish Life & Permanent and that Irish Life & Permanent then deposited a similar amount of funds in Anglo Irish Bank. Can the Minister provide us with the amounts involved in both transactions?

Deputy Brian Lenihan: My Department is in constant contact with the Financial Regulator and refers matters to him on an ongoing basis. There is nothing unusual in my Department referring a matter to the Financial Regulator. It would not be the practice for my Department to always advise me of what matters have been referred to the Financial Regulator.

Deputy Pádraic McCormack: They keep the Minister in the dark.

Deputy Paul Connaughton: He was counting his money.

(Interruptions).

An Ceann Comhairle: Please allow the Minister to finish.

Deputy Brian Lenihan: As I outlined to the House, my Department queries a constant stream of matters with the Financial Regulator. It is not unusual for my Department — in fact it is quite common — not to advise me of all matters that are referred to the Financial Regulator. There is nothing unusual in a reference to the Financial Regulator.

Deputy Brendan Howlin: Was the Minister there at all?

Deputy Pat Rabbitte: We are ruined so.

Deputy Brian Lenihan: We are not ruined. We are, Deputy Rabbitte, served by good officials at the Department of Finance.

Deputy Pat Rabbitte: They blank out important information.

Deputy Brian Lenihan: With regard to the transaction in question, as I said already, throughout last year the institutions were in a stressed condition and requests were made by the Central Bank and the Financial Regulator for the institutions to support themselves. That is not a feature of banking practice unique to Ireland. A feature of banking practice which took place in all European countries last year and this year was requests that banks mutually support each other in the context of their liquidity.

The transaction identified in the report excited interest in my Department and was referred to the Financial Regulator. The Financial Regulator has not to date reported on the transaction. When the matter came to my attention in January I insisted that following nationalisation of the bank, the incoming board would deal with this issue and it has done so. On the amounts involved, I cannot provide that information today. Obviously, the information I have given is put on the record of the House with the consent of the bank.

Deputy Joan Burton: Did the Minister read the full report presented by PricewaterhouseCoopers which dealt with all the due diligence examinations in respect of all covered institutions and identified, in particular, risk factors for the taxpayer in the context of the guarantee? Did the Minister say he read the full report or that officials presented him with summaries or blanked or highlighted sections of part of the report?

Will the Minister explain the transaction again? He suggests that Anglo Irish Bank placed funds in what he described as a “customer account” in Irish Life & Permanent. That is not banking practise; these are corporate accounts. Why does the Minister use the term “customer”——

Deputy Brian Lenihan: To be helpful to the Deputy, corporations are customers too.

Deputy Joan Burton: No. I have some experience of merchant banking. This is not a little old lady walking into the bank with a handbag containing €5,000 or €10,000. These are deposits of €3 billion and €4 billion, a total of €7 billion. The Minister describes this in a particular way. I would like him to take us through the process again. Why does he call the accounts “customer” accounts when they are major wholesale industrial deposits by other banks? Will the Minister agree this would be a big item on the bank’s balance sheet?

The Minister said there was a back-to-back transaction.

An Ceann Comhairle: The Deputy’s time has expired.

Deputy Joan Burton: Anglo Irish Bank put money into Irish Life & Permanent and it, back-to-back, put money into Anglo Irish Bank. That is similar to what happened at Enron. Does the Minister understand that? Why is it his officials did not inform him about this? How could the Minister not have been aware of this given the systemic risk to Ireland's reputation were this information to come out?

An Ceann Comhairle: I must call on the Minister to respond. Deputy Burton is well over time.

Deputy Joan Burton: There are now four inquiries into practices at Anglo Irish Bank, namely, Mr. FitzPatrick's loans, the directors' loans, the Quinn company and contracts for difference and, possibly most important, window dressing through Enron-style accounting of back-to-back transactions with another bank. Is the Minister aware of any other back-to-back transactions—

An Ceann Comhairle: I must call the Minister.

Deputy Joan Burton: —in the year end accounts?

An Ceann Comhairle: Deputy Burton, I must call the Minister to reply. Other Members are offering.

Deputy Joan Burton: I remind the Minister that on 17 October—

An Ceann Comhairle: I must call the Minister.

Deputy Joan Burton: —I asked him specifically about the year end date of Anglo Irish Bank—

An Ceann Comhairle: The Deputy must conclude. She has taken up double her time.

Deputy Joan Burton: —and he told me that it was dangerous to name institutions in this House. The Minister was aware of what was happening in the bank.

Deputy Dinny McGinley: We know what happened to Enron; they are all in prison.

An Ceann Comhairle: I call the Minister to reply.

Deputy Brian Lenihan: I wish to make clear, in respect of the PricewaterhouseCoopers report, that it listed a number of risk factors.

Deputy Joan Burton: Did the Minister read it?

Deputy Brian Lenihan: This was not a risk factor listed in the report, which is an important point I would like to put on the record of the House.

Deputy Joan Burton: Did the Minister read the report?

Deputy Brian Lenihan: I outlined already that I worked through the report. I did not read the report in its entirety but focused on the risk factors outlined therein.

Deputy Fergus O'Dowd: How many pages are in the report?

Deputy Brian Lenihan: If Deputies wish me to reply to their questions they must listen to me. This was not a risk factor listed in the report.

Deputy Pat Rabbitte: Did the Minister meet the auditor?

Deputy Brian Lenihan: This was described in the report as an issue. On that basis, my Department referred it to the Financial Regulator.

On the precise details of the transaction, I reiterate what I have already put on the record of the House. On the transaction with Irish Life & Permanent, I am advised that Anglo Irish Bank placed funds with Irish Life & Permanent. A non-bank subsidiary company of Irish Life & Permanent then deposited a similar amount in Anglo Irish Bank as a customer deposit.

Deputy Joan Burton: So that was back to back.

Deputy Brian Lenihan: In regard to the expression “customer deposit”, I understand a customer account can be held by an actual person or a company or corporation. There is no particular——

Deputy Joan Burton: Which was it?

Deputy Brian Lenihan: Deputy Burton rightly points out that most of us — all of us in this House, I hope — are concerned with little old ladies who deposit funds in banks, but their customers include corporations and, on that basis, it is described as a customer in that respect.

Deputy Richard Bruton: But not banks.

Deputy Brian Lenihan: If Deputy Burton studies my reply, she will see I am advised that Anglo Irish Bank placed funds with Irish Life & Permanent and that a non-bank subsidiary company of Irish Life & Permanent then deposited a similar amount in Anglo Irish Bank as a customer deposit.

Deputy Joan Burton: Can the Minister explain the significance of that?

Deputy Brian Lenihan: The Deputy has explained it herself.

Deputy Joan Burton: So the Minister agrees.

Deputy Brian Lenihan: In regard to major wholesale deposits by other banks, I am glad the Deputy has acknowledged their existence at Anglo Irish Bank because, of course, it is one of the reasons it is essential to safeguard the banking system because of the degree of default which would happen were the bank to have been let go to the wall at any stage.

Deputy Enda Kenny: The Minister, Deputy Brian Lenihan, is a man of integrity. There is a lesson here for everybody. The Minister did not read the full report but the politics of his ministerial office should have put him on alert when his officials told him a section of this report should be referred to the regulator. He should have asked the reason for the referral and the alarm bells should have gone off at that stage.

While stressing that the Minister is a person of integrity, he might explain to the House why the perception outside in the real world is that there has been some kind of cover-up in that the Government did not bring to the attention of the House the information it was aware of at the time of the nationalisation of Anglo Irish Bank. Irish Life & Permanent issued a statement saying this transfer took place in somewhat exceptional circumstances. What are these exceptional circumstances? Can the Minister explain how a double transfer took place from Anglo Irish Bank to Irish Life & Permanent and *vice versa*? This did not happen by coincidence. Clearly, there was contact between the two financial institutions so that it would happen.

[Deputy Enda Kenny.]

The Minister stated that an investigation is under way and that if criminal activity is involved, it will be pursued to finality and rightly so. Does he have a suspicion criminal activity was taking place? It is normal in the financial world that inter-bank transfers take place but, given his comment that if criminal activity is involved he will pursue it, does he have a suspicion, assumption or perception, or have some of those officials brought to his attention an indication that criminal activity might well have been involved, and in what circumstances would that happen given the back-to-back transfer?

This was the subject of an incorporeal decision by the Cabinet. The Taoiseach was in the Japan and was in constant contact with the Minister of Finance, or at least this is what I understand from newspaper reports. When was the Green Party informed of the eventual decision to arrive at a decision for nationalisation? Was the entire Cabinet up to date on this matter?

In the context of the nationalisation, the Minister has said he did not have the full picture. Why was the House not informed of the extent of the picture he had? This is why people outside the House say this is a continuation of business as usual and protection of what was there. It is the Minister's job to smash that wide open in terms of transparency and accountability, and to prove to the people of the country that there will be no cover-ups during his time as Minister for Finance.

Deputy Brian Lenihan: A number of good questions have been put by Deputy Kenny which give me the opportunity to put matters on the record of the House. First, there was a Cabinet meeting which arrived at the decision to nationalise Anglo Irish Bank. The various newspaper reports that it was a purely incorporeal meeting are inaccurate. The matter was of some urgency and the Taoiseach was in Japan but a meeting of the Cabinet took place and was presided over by the Tánaiste. A number of Ministers were present and at all stages our colleagues in Government from the Green Party participated in these decisions and were fully informed of them.

Deputy Michael Creed: Did they know about the €7 billion?

Deputy Brian Lenihan: I dealt with that matter earlier. The decision, therefore, was not an incorporeal decision of the Cabinet. It was a full decision of the Government but, naturally, the Taoiseach was kept apprised of developments in the matter up to the time of the Cabinet meeting.

In regard to the suggestion of criminal activity, I was speaking in regard to corporate malpractice generally in Anglo Irish Bank, not specifically in regard to this particular transaction. Even at this stage I have no evidence before me of any suggestion of criminal culpability in regard to this transaction. In regard to the loan transactions, I have no evidence, even at this point, that there was criminal activity disclosed in that regard.

In regard to the acquisition of shares by a bank where the acquisition is financed by the institution — by the company itself — otherwise than lawfully, and there are circumstances where it can happen lawfully, then clearly, were that to have happened, there could be an issue of criminal liability. I want to put on the record of the House that I am not suggesting there is any information to hand at this stage that suggests criminal activity in regard to this transaction. However, I reassured the House in response to the question put by Deputy Ó Caoláin that if criminal conduct is disclosed, it is dealt with and I outlined the machinery for dealing with it.

In regard to the report by PricewaterhouseCoopers, Deputy Kenny will be aware, having served as a Minister, that officials brief Ministers extensively on reports. I was briefed exten-

sively by my officials on the PricewaterhouseCoopers report, not just on one occasion but on several occasions before meeting various institutions, including this institution.

Deputy Michael Creed: How big is the report?

Deputy Brian Lenihan: However, as I have said already, in the report this matter was not viewed at that stage as a risk factor; it was viewed as an issue to be pursued.

Deputy Pádraic McCormack: It is a thorny issue.

Deputy Brian Lenihan: I was advised in the course of January that it was viewed as a matter of a more serious character. That was one of the issues I took into account in deciding to recommend to my colleagues that the institution should be nationalised.

Deputy Arthur Morgan: Will the Minister explain why he decided to nationalise Anglo Irish Bank when he learned of these irregular loans, rather than deciding on the opposite course of action and allowing the bank to wind down? Many of us believe that would have been the correct action to take.

The Minister says there is no culpability but there were very serious goings on, of which he was aware. Why did he not wait for the outcome of those reports before deciding to nationalise?

What is the current status of the Anglo Irish Bank Corporation Act given the Minister withheld information from the Dáil in regard to very important matters at the time of the Dáil debate? Is that Act now open to constitutional challenge as a result of his withholding that information from the Dáil?

The Minister alluded to my colleague's question. When did the Minister inform the Government members of his coalition partner about these irregularities in Anglo Irish Bank? Was it before or after they agreed to proceed to nationalisation that they were aware of this toxic and irregular activity?

Are there further toxic announcements to come in regard to this or any other bank? Perhaps the Minister will explain whether he is aware we are the laughing stock of Europe because of all of these activities. When we compare and contrast the reaction of the State to these people to that of the American authorities to Enron——

An Ceann Comhairle: The Deputy is not entitled to make a statement.

Deputy Arthur Morgan: People there were led out in handcuffs because of their activities. Here, however, the Minister does not even wait for the result of a report before nationalising this toxic bank.

Deputy Brian Lenihan: If Deputy Morgan will allow me a little time, I should have said in reply to Deputy Bruton that the PricewaterhouseCoopers report contains 120 pages on each financial institution, so it is a very long report and it was essential that I be briefed on parts of it. I worked my way through substantial parts of it and, to be honest, there were large parts of it which I wanted to forget because they contained details about individual customers of the relevant financial institutions.

I refer to the questions posed by Deputy Morgan. The Deputy should stop this business of saying that the bank should not have been nationalised. Whatever the future of the bank, it had to be nationalised to protect the stability of the financial system. There was no other option. If we had taken the course of action advocated by Deputy Morgan, that is, to immediately wind

[Deputy Brian Lenihan.]

up the institution, Ireland would have immediately taken a hit of many billions of euro throughout companies, banks, individual customers, hospitals and credit unions.

Deputy Simon Coveney: The Minister is suggesting it is appropriate not to tell the House the truth on that basis.

Deputy Brian Lenihan: That course of action was not an option for the Government. The Government attempted to maintain this institution as a going concern on a capitalised basis with 75% control by the State. That did not command market confidence. In the absence of that measure commanding market confidence and in the possession of information concerning the fragility of its liquidity and corporate governance issues which had arisen, the best course was to recommend to Government the nationalisation of the institution. I have not heard any alternative course advocated on the other side of the House that would have secured the interests of the people, the economy, jobs in the country and the taxpayer to any greater effect.

Deputy Arthur Morgan: I asked a question which was not addressed by the Minister.

An Ceann Comhairle: Only 14 minutes remain so I cannot continue in this way.

Deputy Arthur Morgan: The legislation could be open to a constitutional challenge.

Deputy Brian Lenihan: There is no question of a constitutional challenge to the legislation.

Deputy Joe Costello: I refer to the PricewaterhouseCoopers report. Will the Minister place the report in the Oireachtas Library now that the Anglo Irish Bank has been nationalised and is, therefore, the property of the people? At least, the House should have the privilege of examining it. The Minister stated that following nationalisation he brought to the attention of the board the issue of the €7 billion. Is it not strange that the first time the Minister decided to act on the matter was following the nationalisation? His officials had referred the matter to the Financial Regulator already, some three or four months earlier. Was the Minister in possession of a report from the regulator, prior to appearing before the House, regarding the proposals to nationalise Anglo Irish Bank, that might have been relevant to the Members of the House before they voted on the matter?

Deputy Pat Rabbitte: Given the gravity of the matter, I suggest we seek the agreement of the Minister and the House to extend the allocated time to probe further. The questions should not be left half-answered.

An Ceann Comhairle: We will see how we get on.

Deputy Kieran O'Donnell: We are being left in the dark.

Deputy Brian Lenihan: How much time is left?

An Ceann Comhairle: I said at the outset that one hour would be allowed, which will bring us to approximately 4.45 p.m.

Deputy Joan Burton: That is not enough time. This is too important.

An Ceann Comhairle: I call on Deputy Rabbitte to be as brief as possible.

Deputy Pat Rabbitte: I will be brief.

Deputy Emmet Stagg: Is it not true that Standing Orders allow a debate to proceed for as long as required?

Deputy Caoimhghín Ó Caoláin: That is correct.

Deputy Emmet Stagg: Of course, the Ceann Comhairle may use his discretion.

An Ceann Comhairle: It is at the discretion of the Chair.

Deputy Pat Rabbitte: I agree with Deputy Kenny that the Minister's integrity is not in question. I imagine he is over-stretched, as are his officials. However the Minister has put himself at risk with the answers provided to the House this afternoon. We are both agreed that the reason the Minister took his stated position on 29 September was because of the rumours that were rife concerning Anglo Irish Bank, the crashing share price and the knock-on effects of these on the banking system. In any case, that is what the Minister told the House. Then, the Minister was unable to answer certain questions and he informed the House he engaged PricewaterhouseCoopers to find out the answers. Now, it seems he is telling the House that when he received the PricewaterhouseCoopers report, he read extensive tracts, but not this particular tract. He seems to be saying this matter was not considered a risk factor.

The Minister must explain to the House how his officials came to that conclusion. How did the officials decide that this matter ought immediately be referred to the Financial Regulator, but kept from the Minister for Finance? How could the Minister's officials decide to conceal this critical information from him? How could the Minister regard what Deputy Burton has described as this Enron-style ruse at deception as just another customer that he would like to forget about? The Minister had no wish to race through the pages of the report naming the bank's customers. He preferred to forget them. How could he forget this one? The Minister must attempt to explain to the House a second time how he has risked so much taxpayers' money in rescuing this bank in circumstances in which he initially did not bother to read the relevant section of the report, and then when he did become aware of the position, he proceeded anyway with the measures to nationalise the bank.

I cannot understand how the Department could have acted in this way, given the anxiety that must have awaited the completion of the PricewaterhouseCoopers report. The Department must have been very keen to read its contents and its conclusions, to determine whether the bank was solvent, to ascertain the loan to deposits ratio, and other critical questions. However, the officials decided to refer this critical question to the Financial Regulator, but not to the Minister and kept the details from him. Can the Minister explain this?

Deputy Brian Lenihan: I would be very pleased to do so. However, I will first address Deputy Costello's questions. As I indicated in my reply, I instructed my officials that the new board should deal with this matter. To date we have not received a report from the Financial Regulator on this matter. Deputy Costello will appreciate that the old board of Anglo Irish Bank stayed in operation until the institution was nationalised by the Houses. The old board was in existence until the President signed the legislation and a new board was constituted by the Government. That was a new board, distinct from that which existed for most of the month of January.

Deputy Joe Costello: The regulator had three or four months in which——

Deputy Brian Lenihan: Mr. O'Connor, who became chairman in late December, liaised with my Department on the matters under discussion and they were brought to my attention. He was dealing with these matters. However, there was considerable uncertainty about the corpor-

[Deputy Brian Lenihan.]

ate future of Anglo Irish Bank until the nationalisation Bill was enacted. I advised my officials to raise the matter with the board members upon their entry into office. It was my responsibility as Minister for Finance to appoint a new board once the bank was nationalised. I am trying to explain that the context in which the question is asked is not quite relevant.

Deputy Joe Costello: The regulator had already spent three or four months examining the matter. Did the Minister not seek a report from it prior to the nationalisation?

Deputy Brian Lenihan: Mr. O'Connor, in whom I had full confidence, was dealing with the matter. Once I was apprised of the matter, I suggested to my officials that the board was obliged to deal with this matter in conjunction with the regulator.

Deputy Simon Coveney: He has not dealt with it.

Deputy Pádraic McCormack: To whom does the regulator report?

Deputy Brian Lenihan: That is why the board proposed to put these matters into the public domain upon the publication of the annual report.

I refer to Deputy Rabbitte's questions. He raised the question of the meeting on 29 September and the Government decision to guarantee the banking system. There was a concern on 29 September that a nationalisation of Anglo Irish Bank would have a knock-on effect on the entire banking system, because of the very critical liquidity position of all the banks that evening. The approach to the Taoiseach and I regarding the guarantee was made by the chairman and chief executive of the Bank of Ireland and the Allied Irish Bank. I put that on the record of the House in the course of the guarantee debates. I received no representations whatsoever from the Anglo Irish Bank about the extension of a guarantee to it, or about its possible nationalisation at that time.

Deputy Pat Rabbitte: Anglo Irish Bank had been in with your Department expressing its concerns for the previous three weeks.

Deputy Brian Lenihan: I received no representations from the bank other than one representation on the sole occasion on which I met Mr. FitzPatrick, prior to 30 September, in which he suggested he would be interested in taking over the Irish Nationwide Building Society.

Deputy Fergus O'Dowd: Was he interested in taking over the Minister's job also?

Deputy Brian Lenihan: I discussed this matter with my officials and suggested it might not be a wise course of action at the time. That was the sole occasion since my appointment as Minister for Finance on which I met Mr. FitzPatrick. I met him, of course, on two subsequent occasions, after 30 September, with my officials, to discuss the future of the institution.

It is important to recall the focus of the PricewaterhouseCoopers report. It was a due diligence exercise on the loan quality of financial institutions but naturally inquiries were made in this report of other features. This was another feature which emerged and was viewed and described in the report as an issue. It was not listed in the report as a risk factor. When I told the House a few minutes ago that this was not viewed as a risk factor that was what was stated in the report. It was described simply as an issue to be pursued and my Department did pursue it. That was written in the report. Did the Deputy have another query about nationalisation and proceeding with nationalisation?

Deputy Pat Rabbitte: The Minister said that his officials briefed him extensively. How in the name of God could they have briefed him extensively and not brought this to his attention? Why did he not meet with the authors of the report? This is a serious matter.

The Minister will recall that not long ago we gave Deputy Micheál Martin a fool's pardon when he had not read the papers about the nursing homes.

An Ceann Comhairle: I have to move on to the next question.

Deputy Pat Rabbitte: We cannot give that to the Minister for Finance who is mortgaging the country's future on a decision regarding which he did not read all the information available.

Deputy Brian Lenihan: In respect of mortgaging the country's future——

Deputy Pádraic McCormack: It is.

Deputy Brian Lenihan: The decision on the guarantee was taken on 30 September, not on receipt of the PricewaterhouseCoopers report. That was an exercise to assess the loan quality of the financial institution.

I met the author of the report but the focus of the report was on the loan quality of the institution. Naturally, deposits were not examined in the same detail in that report.

Deputy Pat Rabbitte: Did the author not tell the Minister about this transaction?

Deputy Brian Lenihan: No, he did not inform me of it.

Deputy Brendan Howlin: That is extraordinary.

Deputy Brian Lenihan: The issue was identified in express terms as one which the Department should pursue. It was not even expressly identified as a risk factor in the report. When the offer was made to Anglo Irish Bank, however, in respect of the €1.5 billion, that was on the basis that the State would continue with the due diligence process with a more extensive and intrusive investigation into the affairs of Anglo Irish Bank covering deposits as well as the loan book and all the other features of the institution. At the conclusion of that due diligence my officials advised me about this issue. It was one of the issues which I took into account in recommending to my colleagues that the institution should be nationalised.

It is important to remember that the due diligence, which was instituted after the offer to capitalise Anglo Irish Bank for a 75% return, focussed on the deposit base as well as the loan book of the bank.

An Ceann Comhairle: The debate has run for an hour but several Deputies are offering. I will give them the opportunity to speak in this order: Deputy O'Donnell, Deputy Ó Caoláin, Deputy Gilmore, Deputy Burton and Deputy O'Dowd.

Deputy Kieran O'Donnell: I have here the preliminary results for Anglo Irish Bank for 2008, published on 2 December. When will the audit be concluded? We now control the bank but the audit is yet to be concluded.

This transaction came from a non-bank subsidiary of Irish Life & Permanent so that it could be classified under customer accounts rather than banks which would appear less risky to the international market. Does the Minister agree that this was done for no reason other than concealment? I cannot understand how it was not highlighted as a major risk issue in the PricewaterhouseCoopers report. We would like to see that report.

[Deputy Kieran O'Donnell.]

This Minister found and pored over the Anglo Irish Bank report in respect of the director's loans for Seán FitzPatrick. The PricewaterhouseCoopers report that the Minister commissioned is 120 pages long. It was like the Holy Grail. I would have thought the Minister would have wished to read the report in depth.

Deputy Pádraic McCormack: Bedtime reading.

Deputy Kieran O'Donnell: I cannot understand how the Minister read the Anglo Irish Bank annual report but will not state that he has read the PricewaterhouseCoopers report. When did he inform the Taoiseach about this loan transaction? What was the purpose of the transaction between the subsidiary of Irish Life & Permanent and Anglo Irish Bank?

Deputy Caoimhghín Ó Caoláin: When the Second Stage debate on the Central Bank and Financial Services Authority of Ireland Bill was held here seven years ago, I pointed out that not only did the Central Bank allow the DIRT fraud to flourish but it lobbied Government not to intervene claiming that to do so would encourage a flight of money from the economy.

An Ceann Comhairle: The Deputy must ask a question.

Deputy Caoimhghín Ó Caoláin: Given that the Central Bank was prepared to turn a blind eye to that scandal I queried at the time what other failings there were in its operations. Seven years later we are concerned here with the replacement brought in by that legislation in 2002, a new regulatory regime that was lauded at the time by the Government as one that would deal with all of these problems.

An Ceann Comhairle: The Deputy must ask a question.

Deputy Caoimhghín Ó Caoláin: It is clear that the Office of the Financial Regulator has failed to live up to Government expectations, I expect, and certainly those of all Opposition voices here and the electorate. What will the Minister do to ensure public confidence in a regulatory regime in respect of the banks and financial institutions?

Deputy Brian Lenihan: The intention is to publish the annual report at some stage after 20 February 2009. It will be published as soon as possible after that date. In response to Deputies O'Donnell and Costello, the PricewaterhouseCoopers report contains a great deal of confidential information about individual customers of the bank.

Deputy Joe Costello: We do not want that.

Deputy Kathleen Lynch: The Minister can leave out that.

Deputy Brian Lenihan: I am examining whether it will be possible, in respect of the bank in which the State is a shareholder, to publish the maximum amount possible, consistent with the protection of the necessary confidentiality which must exist between a customer and a bank in an institution which we now own, and to do that when the annual report is published.

The report contains 120 pages on each of the financial institutions. I was briefed extensively on it. The focus was on the quality of the loan books because understandably, our concern was to ensure what exposures arose in the institutions there in terms of our guarantee. The deposit issue was noted but described as an issue to be taken up by the Department and was so taken up. I cannot give the House a finalised view on the reason for the transaction today. It is clear that there were major liquidity support operations mounted between institutions in the past

year but to the extent that this may have gone beyond that activity it is a serious matter and will require a comprehensive explanation from the parties concerned. Those investigations are ongoing and I cannot prejudge them.

On a more constructive note, I agree with Deputy Ó Caoláin that it is of fundamental importance that we reform the regulatory system. I will listen to all sides of the House in the progression of that reform. The current architecture and system did not serve the country well when it entered this financial crisis. The arrangement which was arrived at, whereby the Central Bank was co-located with the financial regulator but each operated autonomously, does not appear to have served the country well in recent months and years. It is known in the public domain that the Central Bank assessed the dangers of excessive lending long before the regulator but was unable to force its will in that regard. There has always been a demand for a separate system of financial regulation because of the fear that a central bank would be concerned primarily with prudential considerations but whatever may have happened, it is essential that we devise a structure that commands public confidence for the future. Many of the decisions that will have to be taken in that regard relate to men and women, rather than measures, but measures may be required as well.

Deputy Eamon Gilmore: We are coming to the end of this round of questions and I have listened very carefully to what the Minister has had to say. The replies that he has given to us this afternoon raise the most serious questions about his performance in his office, and the most serious questions about his future in that office.

An Ceann Comhairle: I must ask the Deputy to ask a question.

Deputy Eamon Gilmore: I am coming to a question. The State has given an extraordinarily generous guarantee to the banking system. PricewaterhouseCoopers was appointed to examine the financial state of the banks and what we had got ourselves into. It beggars belief that the Minister did not read the PricewaterhouseCoopers report, even if one accepts that he was very stretched on time during the period concerned. It is unbelievable that he would not have read the section of the report about Anglo Irish Bank, and that we have ended up in a situation——

Deputy Brian Lenihan: I did not say that.

Deputy Eamon Gilmore: He did say that. He stated that he did not read what was in the report about this loan, and that it was not drawn to his attention. He said that his officials reported it to the Financial Regulator but did not bring it to his attention. He told us that this report came before his Department in October and that he did not know about this loan until January. He has explained why. We know that he did not inform the House about this loan before the nationalisation of Anglo Irish Bank. Did he inform the Government about the existence of this loan before it made the decision to approve the legislation to nationalise the bank?

Deputy Brian Lenihan: I answered the question on the report already. The Deputy chose to misconstrue my reply and state that I had not read the sections relating to Anglo Irish Bank.

Deputy Eamon Gilmore: No, he stated that he did not read the report.

Deputy Brian Lenihan: I stated that I had not read the entirety of the report, which contained 120 pages on each of six financial institutions, that I had been briefed extensively by my officials on it, that I had met the author of the report and that the matter was listed in the report as an issue to be addressed by the Department, and not a risk factor. Naturally, my concern was

[Deputy Brian Lenihan.]

directed at risk factors, as should be the case for any Minister for Finance and as pointed out by the Deputy in the opening preamble to his questions. In looking at a 720 page report on the Irish banking system, a Minister for Finance will focus on risk factors.

Deputy Emmet Stagg: Why did the Minister not read it all?

Deputy Brian Lenihan: The Deputy was concerned about the position of the guarantee and the issues were supplemented by very generous and extensive briefings by my officials on this matter. When the matter was drawn to my attention in January, I took a decision to recommend to my colleagues that we should nationalise this institution, which I believe was the correct decision. Deputy Gilmore cannot point to a cent of taxpayers' money that has been wasted as a result of the decisions I have taken in this whole matter. His party characterised the guarantee as a generous one. The taxpayer has received money for the guarantee.

The Labour Party decided not to support the guarantee so that Deputy Gilmore can quietly go around the country saying that the Government is bailing out the banks and not worrying about anything else.

Deputy Eamon Gilmore: I am not saying it quietly at all.

Deputy Brian Lenihan: We are not bailing out the banks. In a battle for financial survival in this country, we will take the necessary decisions to protect the stability of our financial system.

Deputy Kathleen Lynch: Did the Minister tell the Government about the loans?

Deputy Brian Lenihan: We will not be distracted by cheap politics. That is not easy, but we will do it.

Deputy Kathleen Lynch: There is nothing cheap about €7 billion.

Deputy Brian Lenihan: I made it clear in my earlier replies that I had advised my colleagues that there were issues of concern on corporate governance and that investigations were ongoing, but I did not disclose to the Taoiseach or my colleagues the particular circumstances of this particular transaction.

Deputy Joan Burton: I understand that the Financial Regulator and the Department of Finance were aware from late 2007 and early 2008 of the issues relating to Seán Quinn and that there were grave concerns about the Quinn family group of companies and the contracts for difference. However, there were also difficulties with Anglo Irish Bank and the fact that it was being problematic. Would the Minister confirm that those difficulties became acute and that he was briefed on them by his officials on taking office? In that context, when he asked us in the Dáil on 29 September — the day before Anglo Irish Bank's year end, as I pointed out then — to guarantee €440 billion of deposits, was there somebody somewhere in the bowels of the Civil Service, the Irish Financial Services Regulatory Authority, the Central Bank or the Government who cast an eye over the quality of those deposits, as well as the quality of the assets and the lending to construction firms for development?

The amount involved was €7 billion. It seems to have come in two lumps of €3 billion and €4 billion. Did they amount to 3% of the bank's commercial deposits? They did not come from ordinary customers. The Minister stated that Anglo Irish Bank put money in Irish Life & Permanent. Did that, therefore, also create a deposit of €7 billion in Irish Life & Permanent to inflate that bank's balance sheet? That money went bank onto the balance sheet of Anglo Irish Bank through a company of Irish Life & Permanent. Who owned this company or what

was the company vehicle? How come the board of Irish Life & Permanent received €7 billion and then a company connected to Irish Life & Permanent — possibly a subsidiary — then sent the money back? That actually amounts to €14 billion which was guaranteed that week by the Government. Did the Minister not actually check that?

He did not read the report in full. Why was the report on Anglo Irish Bank not red letter reading? This was the bank about which everybody was most worried. Why did the Minister not sit down and read the report, and then have a thorough briefing on every angle from his officials? We know he was under pressure, but this was the bank that set all the alarm bells ringing.

Deputy Fergus O'Dowd: How many copies of the PricewaterhouseCoopers report were delivered to his Department? When was a copy of the report given to the Taoiseach? Did he get a separate copy of the report? The world is in a financial crisis, as is our country. The Minister has plenty advisers to brief him, but the buck stops with him. Does he think it is credible that he did not read every one of those 720 pages? There is no excuse for him not to have done so, because that is what he is paid to do. Regardless of the personal pressure that was on him at a time of crisis, the Minister did not do his job. He has brought his position as Minister for Finance into absolute disrepute. As a result, does he not think he should consider his position as a member of the Government?

5 o'clock

Deputy Brian Lenihan: Deputy O'Dowd's words are very strong.

Deputy Fergus O'Dowd: I ask the Minister to answer my questions.

Deputy Brian Lenihan: I assure him that my officials briefed me extensively on this report and on the risks associated with all the institutions concerned. I received extensive briefings on all six financial institutions.

Deputy Simon Coveney: The Minister did not — that is the point.

Deputy Brian Lenihan: There were different stresses, strains and risks associated with all six. I read large amounts of this report in considerable detail.

Deputy Simon Coveney: Not all of it.

Deputy Brian Lenihan: As I have pointed out throughout this debate, this issue was not identified in the report as a risk factor.

Deputy Fergus O'Dowd: It does not matter.

Deputy Billy Timmins: The Minister for Finance commissioned a report that he then did not read.

An Ceann Comhairle: Let him finish.

Deputy Brian Lenihan: In January, when the issue was drawn to my attention as a risk factor, I took immediate action in regard to it, as any Minister would do.

Deputy Simon Coveney: The Minister did not tell anyone.

Deputy Brian Lenihan: I can assure Deputies that there was no prejudice to the State, with regard to the report, in the intervening period. Deputy Burton asked a large number of questions.

Deputy Fergus O'Dowd: Did the Taoiseach get the report?

Deputy Brian Lenihan: No, the Taoiseach did not receive a copy of the Pricewaterhouse-Coopers report.

Deputy Fergus O'Dowd: Was there just one copy of it?

Deputy Brian Lenihan: Several copies were prepared for my officials. It is not the Book of Kells.

Deputy Fergus O'Dowd: No, but it is very important.

Deputy Brian Lenihan: It was circulated at official level within the Department of Finance.

Deputy Fergus O'Dowd: How many copies?

Deputy Joan Burton: Will the Minister answer my questions?

Deputy Brian Lenihan: It was not circulated——

Deputy Fergus O'Dowd: How many copies?

Deputy Brian Lenihan: It was not circulated——

Deputy Leo Varadkar: Did other banks make deposits into Anglo Irish Bank as well?

Deputy Brian Lenihan: It was not circulated to the Taoiseach or to other Ministers. I returned any copies I received because I was conscious of the confidential character of the information involved.

Deputy Fergus O'Dowd: How many copies of it were in the Department?

Deputy Brian Lenihan: I do not have information to hand to indicate how many copies of the report exist.

Deputy Fergus O'Dowd: Can the Minister get that information for Deputies?

Deputy Brian Lenihan: I am sure we can find out that for the Deputy, if he is anxious to know.

Deputy Fergus O'Dowd: Could we get the circulation list as well?

Deputy Brian Lenihan: I assure the House that my officials have studied the report with great assiduity and that I have been briefed on its contents in extensive detail.

Deputy Billy Timmins: Were there any other similar transactions?

Deputy Brian Lenihan: That is an important question. I am glad it has been asked because it gives me an opportunity to put on the record of the House the fact that there is no evidence of similar transactions in the Irish banking system. Before the Government at present is the important question of the capitalisation of the Bank of Ireland and the Allied Irish Banks. If there is one disappointing feature of this whole business——

Deputy Leo Varadkar: Neither of those banks made deposits into Anglo Irish Bank.

Deputy Brian Lenihan: Indeed. If there is one disappointing feature of this whole debate, it is that this story will distract from the importance of stabilising these institutions.

Deputy Michael Mulcahy: Hear, hear.

Deputy Brian Lenihan: I refer to the two banks of greatest systemic importance to our economy and our country. The Government will announce its decision on those two banks imminently.

An Ceann Comhairle: I am moving on to the Charities Bill 2007.

Deputy Joan Burton: Can the Minister answer my questions?

An Ceann Comhairle: I am moving on to the Charities Bill.

Deputy Joan Burton: The Minister has not addressed any of my questions.

Deputy Brian Lenihan: There were too many of them.

Deputy Joan Burton: No. Can the Minister answer my questions?

Deputy Brian Lenihan: I will, on another occasion.

An Ceann Comhairle: I am moving on the Charities Bill.

Deputy Joan Burton: Come on.

Deputy Róisín Shortall: The questions were asked, a Cheann Comhairle.

(Interruptions).

An Ceann Comhairle: I am not going back on it any further now.

Deputy Joan Burton: That is deeply unfair. The Minister has avoided my questions.

An Ceann Comhairle: The amount of time I have allowed for this debate is longer than that provided for in Standing Order 30.

Deputy Joan Burton: It is disgraceful.

Deputy Róisín Shortall: We are not finished.

An Ceann Comhairle: We are.

Deputy Róisín Shortall: Questions that were asked have not been not replied to.

An Ceann Comhairle: I must move on to the next Seanad amendment to the Charities Bill.

Deputy Róisín Shortall: Questions asked by Deputy Burton have not been answered.

An Ceann Comhairle: It is at the discretion of the Chair. I have given more than one hour and 20 minutes.

Deputy Róisín Shortall: We are entitled to a reply to questions asked.

An Ceann Comhairle: I cannot do any more.

Deputy Róisín Shortall: You are not doing your duty in this House——

An Ceann Comhairle: The Chair is not responsible for the answers given by Ministers.

Deputy Róisín Shortall: You are not doing your duty if you do not insist——

An Ceann Comhairle: I have done my duty.

Deputy Joan Burton: ——that the Minister replies to questions which have been properly asked.

An Ceann Comhairle: I have allowed more than one hour and 20 minutes. I cannot allow any more time.

Deputy Róisín Shortall: It is a sham. You are protecting the Minister.

Deputy Thomas P. Broughan: You are protecting the Government.

An Ceann Comhairle: There is other business.

Deputy Róisín Shortall: You are protecting the Minister and protecting the Government.

An Ceann Comhairle: The Deputy must withdraw that.

Deputy Róisín Shortall: You should not be doing that, a Cheann Comhairle.

An Ceann Comhairle: You must withdraw that.

Deputy Róisín Shortall: You are protecting the Minister and the Government by not insisting on answers to questions that are asked.

An Ceann Comhairle: You must withdraw that statement.

Deputy Róisín Shortall: I refuse to withdraw that.

An Ceann Comhairle: In that case, I must ask Deputy Shortall to leave the House. I regret to have to do that.

Deputy Eamon Gilmore: A Cheann Comhairle——

An Ceann Comhairle: She must withdraw that statement.

Deputy Eamon Gilmore: On a point of order——

An Ceann Comhairle: I have asked Deputy Shortall to leave the House.

Deputy Eamon Gilmore: I am raising a point of order.

An Ceann Comhairle: She must withdraw that statement.

Deputy Eamon Gilmore: In fairness, Deputy Burton asked the Minister a number of questions, but he did not reply to them.

Deputy Joan Burton: Any of them.

Deputy Eamon Gilmore: While Deputy Shortall was drawing the Ceann Comhairle's attention to that, the Minister for Finance walked out the door.

Deputy Róisín Shortall: He sneaked out the door.

Deputy Kathleen Lynch: He dismissed the questions.

Deputy Eamon Gilmore: That is a discourtesy.

An Ceann Comhairle: I have nothing more——

Deputy Eamon Gilmore: Before the Ceann Comhairle chastises Deputy Shortall, I wish to make it clear that I accept that he might not have seen the discourtesy that was done to the House.

Deputy Noel O'Flynn: The Ceann Comhairle brought the matter to an end.

Deputy Eamon Gilmore: While Deputy Shortall was trying to draw his attention to the fact that Deputy Burton's questions had not been answered, the Minister walked out of the Chamber.

Deputy Kathleen Lynch: He did.

Deputy Eamon Gilmore: Quite frankly, the Ceann Comhairle should deal with it as a matter of order in the House and respect for the House. That is my point of order.

An Ceann Comhairle: After more than an hour and 20 minutes, I stated that the matter was concluded.

Deputy John Cregan: That is right. He brought it to a conclusion.

An Ceann Comhairle: Before I hear from anybody else, I again ask Deputy Shortall to withdraw her allegation.

Deputy Róisín Shortall: On a point of order——

An Ceann Comhairle: No. I am asking you to withdraw the allegation before we move any further.

Deputy Róisín Shortall: I want to make a point of order.

An Ceann Comhairle: I must ask you to withdraw the allegation before we hear from anybody or do anything.

Deputy Róisín Shortall: Deputy Burton asked a number of questions, but the Minister did not make any attempt to answer any of them. He skulked out the door, under the Ceann Comhairle's cover.

An Ceann Comhairle: I have no interest in having an argument with Deputy Shortall.

Deputy Róisín Shortall: That is exactly what happened.

An Ceann Comhairle: I am asking her to withdraw her comments.

Deputy Róisín Shortall: I will not withdraw them.

An Ceann Comhairle: In view of her refusal to obey the Chair, I must ask Deputy Shortall to leave the House.

Deputy Róisín Shortall: I am waiting for the Minister to come back and reply to the questions Deputy Burton asked.

Deputy Noel O'Flynn: The Chair brought the debate to a conclusion.

Suspension of Member.

An Ceann Comhairle: As the Deputy has decided she will not leave the House——

Deputy Eamon Gilmore: On a point of order——

An Ceann Comhairle: ——I must move: “That Deputy Shortall be suspended from the service of the Dáil.” Is that motion opposed?

Deputy Eamon Gilmore: It most certainly is being opposed.

Deputy John Cregan: The proceedings were brought to an end.

An Ceann Comhairle: In accordance with Standing Order 62, any division on the suspension of a Member is postponed——

Deputy Eamon Gilmore: If the Ceann Comhairle persists with it——

An Ceann Comhairle: ——until immediately before the Order of Business on the next sitting day, which in this case is tomorrow.

Deputy Eamon Gilmore: ——I will lead my Deputies out of this Chamber in protest at the unfair treatment of Deputy Shortall.

An Ceann Comhairle: Deputy Shortall must now leave the House.

Deputy Róisín Shortall: A Ceann Comhairle, this is a charade.

An Ceann Comhairle: The Deputy must now leave the House.

Deputy Róisín Shortall: We were promised that we would be allowed to ask questions and get answers.

An Ceann Comhairle: The Deputy must now leave the House.

Deputy Róisín Shortall: Deputy Burton came in and asked legitimate questions, but the Minister completely ignored her.

An Ceann Comhairle: If the Deputy does not leave the House, I will have to suspend the sitting.

Deputy Róisín Shortall: We have a right to answers to our questions.

An Ceann Comhairle: I will suspend the sitting for 15 minutes.

Sitting suspended at 5.05 p.m. and resumed at 5.20 p.m.

An Ceann Comhairle: Deputy Shortall, I must ask you to leave the House.

Deputy Róisín Shortall: I will leave the House now in protest against the failure by the Minister for Finance, Deputy Lenihan, to answer legitimate questions posed by my colleague, Deputy Joan Burton.

Deputy Eamon Gilmore: The Labour Party Deputies will leave the House in protest at the Minister's failure to answer Deputy Burton's question which gave rise to the request by the Ceann Comhairle that Deputy Shortall should leave the House. When we ask questions in the Chamber the Minister should reply to them. Instead of doing so, he headed for the door at the first opportunity he got. That shows disrespect to the House and to Deputy Burton, and for the serious matters we had to discuss.

An Ceann Comhairle: Deputy Gilmore——

Deputy Eamon Gilmore: It is ironic that it is Deputy Shortall. Deputy Shortall protested——

An Ceann Comhairle: All I can say to Deputy Gilmore that no further questions were allowed. His party members were involved in this matter for one hour and 20 minutes and all the Chair can do is facilitate the Members by allowing the question. The Chair did so and allowed several Private Notice questions. The debate took much longer than is normal in these circumstances because I continued to allow Members ask questions. There was a considerable amount of repetition and I regret that Deputy Gilmore is aggrieved. That is all I can say.

Question put.

Deputies: Vótáil.

Deputy Shortall withdrew from the Chamber.

Charities Bill 2007: From the Seanad (Resumed).

The Dáil went into Committee to resume consideration of amendments from the Seanad.

Seanad amendment No. 12:

Section 8: In page 13, paragraph (b), lines 37 to 39, to delete all words from and including “or” in line 37 down to and including “months.” in line 39 and substitute the following:

“(c) dividends paid in respect of such shares, being dividends that are not retained as part of the property of the trust for more than 12 months, or

(d) any other distribution of cash or assets made in respect of such shares, being cash or assets that are not retained as part of the property of the trust for more than 12 months.”.

Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy John Curran): On Report Stage in Dáil Éireann I introduced an amendment that was developed to offset a possible risk that the Bill, as previously worded, might act as a significant impediment to convention securitisation activities in Ireland. Following further inter-departmental consultation and discussions with legal advices since then, it was decided during the passage of the Bill through the Seanad that a further technical drafting amendment be made to copperfasten the provision.

Deputy Michael Ring: It is a technical amendment and, accordingly, I agree with it.

Seanad amendment agreed to.

Acting Chairman (Deputy Noel O'Flynn): Seanad amendments Nos. 13 and 18 to 22, inclusive, are related and may be discussed together by agreement.

Seanad amendment No. 13:

Section 15: In page 16, between lines 7 and 8, to insert the following subsection:

“(2) The Minister may, in relation to the performance by the Authority of its functions under *section 39*, give a direction in writing to the Authority requiring it to comply with such matters specified in the direction relating to—

- (a) the maintenance of the register,
- (b) the collection and collation of information for the purpose of maintaining the register, or
- (c) the entry into agreements with persons, other than charitable organisations, for the purpose of obtaining such information.”.

Deputy John Curran: The grouping includes amendments that relate to the new register of charities. It is recognised that the establishment and maintenance of the register will give rise to costs. The purpose of amendment No. 13 is to allow greater flexibility in the future in terms of maintaining the register of charities. The amendment specifically seeks to give the authority, when directed by the Minister, options to use material from other relevant electronic data bases, including any that have been or are being supported in whole or in part by public funds in maintaining the register.

By way of background, over the past two years my Department has provided funding, together with the EU and a number of philanthropic sources, towards a feasibility study to establish whether it might be possible to set up a GuideStar Ireland. For those Deputies who may be unfamiliar with the concept, GuideStar is founded upon the provision of an extensive, free searchable web data base of all non-profit organisations in a country. It is constituted as a non-profit entity in all countries where it has been established or is in development. These include the USA, the UK, Canada, Israel and Germany. In countries where they are established, GuideStars are regarded as the authoritative source of information about the entire non-profit sector. This would include the charity sector.

This amendment seeks to ensure there will be no impediment preventing the authority, under direction of the Minister, from engaging with an external data provider such as a future GuideStar Ireland with regard to the provision of material to assist in maintaining the register of charities. Although there is no certainty that a GuideStar Ireland, or similar project, will proceed, or that there will be any public money available for such a venture, it would be remiss for the legislation not to provide for the possibility of such an arrangement, particularly were it to be the case that public funds had been expended on the potential source of data. The legal advice to me is that the most direct way to ensure this is to include a provision for an appropriate direction for the Minister to the authority. I stress that such a direction would only apply with regard to the maintenance of the register of charities. I believe this amendment will ensure efficiency, value for money and better joined up Government in the future.

Amendment No. 18 is a technical amendment clarifying that section 39(4) applies only to applicants under that section and not to charitable organisations deemed under section 40 which will not have to go through the application process as set out in section 39. Throughout the consideration of this Bill in the Houses of the Oireachtas we have looked consciously at ways to ensure that the administrative burden imposed by the legislation does not prove

unmanageable, especially for smaller charities. It is recognised that on application for registration charities must file a comprehensive list of documentation. The amendment I introduced in the Dáil to deem existing charities as automatically registered goes a long way towards alleviating the registration burden for existing charities.

However, although I consider that larger charities, in particular, should provide the range of information listed, I recognise that smaller charities, or particular categories of charity, may have difficulty in fulfilling this requirement. With this in mind I propose amendment No. 20 and the related, necessary technical amendment, No. 19, under which the authority, with the consent of the Minister, can reduce the number of documents that particular charities are required to file on registration. This Seanad amendment was welcomed by the charities sector and I commend it to the House.

Seanad amendments Nos. 21 and 22 both correct cross references to other sections of the Bill that should have been made following previous amendments.

Deputy Michael Ring: These are technical amendments. Arising from the funding the Department and Europe have been providing, will these data bases be available to the public so that at any time people can go to their computers and see who is registered and who is not?

Deputy John Curran: If a GuideStar were to be established in Ireland with public funding this amendment is merely an enabling provision that would allow a direction to the authority. In current times there is no guarantee that such a situation will occur but it would be remiss of us not to take the opportunity to include it in the primary legislation.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 14, 15 and 50 are related and may be discussed together by agreement.

Seanad amendment No. 14:

Section 32: In page 22, subsection (2)(c), line 42, to delete “statute” and substitute “enactment”.

Deputy John Curran: Amendments Nos. 14, 15 and 50 are very similar and are inserted on the basis of legal advice. They propose to use the word “enactment”, which encompasses a wider range of legal provisions than the current word “statute”.

Seanad amendment agreed to.

Seanad amendment No. 15:

Section 32: In page 22, subsection (2)(c)(i), lines 43 and 44, to delete “statute” and substitute “enactment”.

Seanad amendment agreed to.

Seanad amendment No. 16:

Section 37: In page 26, subsection (2)(a), line 16, to delete “established” and substitute “established pursuant to a direction”.

Seanad amendment agreed to.

Seanad amendment No. 17:

Section 37: In page 26, subsection (4), line 27, to delete “under *subsection (1)*” and substitute the following:

“pursuant to a direction under *subsection (1)*”.

Seanad amendment agreed to.

Seanad amendment No. 18:

Section 39: In page 27, subsection (4), line 17, to delete “Subject to *section 40*, a charitable organisation” and substitute the following:

“A charitable organisation (other than a charitable organisation to which *section 40* applies)”.

Seanad amendment agreed to.

Seanad amendment No. 19:

Section 39: In page 27, subsection (5), line 26, to delete “An application“ and substitute “Subject to *subsection (6)*, an application”.

Seanad amendment agreed to.

Seanad amendment No. 20:

Section 39: In page 29, between lines 13 and 14, to insert the following subsection:

“(6) The Authority may exempt an applicant for registration under this section from such of the requirements of *subsection (5)* as it considers appropriate where it is of the opinion that compliance by the applicant with those requirements would be unduly onerous having regard to his or her circumstances.”.

Seanad amendment agreed to.

Seanad amendment No. 21:

Section 39: In page 29, subsection (6), line 14, to delete “*section 40*“ and substitute “*section 43(10)*”.

Seanad amendment agreed to.

Seanad amendment No. 22:

Section 39: In page 30, subsection (9), to delete line 13 and substitute the following:

“(b) the entitlement under *section 45(1)* to appeal the decision.”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 23, 52, 56 and 60 are related and may be discussed together.

Seanad amendment No. 23:

Section 40: In page 31, subsection (1)(a), line 7, to delete “1997,” and substitute “1997, and”.

This is a drafting amendment inserting the word “and” after “1997” to link paragraphs (a) and (b). The remainder of this grouping updates cross-references to other legislation referred to in the Bill. Seanad amendments Nos. 52 and 56 update a legal reference to the Pensions Act and the Unfair Dismissals Act, where new legislation was introduced in 2008 and 2007 respectively. Seanad amendment No. 60 changes the reference in section 70(1)(b) from the “Minister for Enterprise, Trade and Employment” to the “Director of Corporate Enforcement” as I am advised section 15 of the Company Law Enforcement Act 2001 transferred responsibility from the Minister to the director.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 24 to 29, inclusive, 31 and 32 are related and may be discussed together.

Seanad amendment No. 24:

Section 40: In page 31, lines 14 to 18, to delete subsection (2) and substitute the following:

“(2) The Authority may request the Revenue Commissioners to provide it with all such information in the possession or procurement of the Revenue Commissioners, relating to a charitable organisation to which *subsection (1)* applies, as the charitable organisation would be required to provide to the Authority were it making an application under *section 39*.

(3) Notwithstanding any enactment or rule of law, the Revenue Commissioners shall comply with a request under *subsection (2)*.”.

This grouping includes amendments related to the deeming of current CHY holders. Amendment No. 24 to section 40 is a technical amendment. Under the existing working it might be interpreted that the Revenue would be required to provide all the information it holds for each organisation deemed to be registered under section 40. This amendment clarifies that the Revenue will have to provide only information that would normally be required of charities registering under section 39 of the Bill. They would be dealt with in the same way whether they are deemed or registering.

Seanad amendment No. 25 clarifies that the subsection refers to information received by the authority following a request to the Revenue under section 40(2) or a requirement placed by the authority on a charity under section 40(3). Seanad amendments Nos. 26 to 29, inclusive, and 31 are similar drafting amendments which provide that charities which have registered under section 39 and which have been deemed to be registered under section 40 are regarded as exactly the same in legislation. Seanad amendment No. 32 requires the authority to notify in writing a body that is being removed from the register because it has a disqualified trustee. Previously there was no such obligation.

Deputy Michael Ring: As I discussed earlier, the Revenue is independent of the regulator regarding the charities. The Revenue does its job and the regulator does a separate job with charities. Does the Minister propose that if a charity does something wrong there is a statutory provision to remove a charity and deal with its assets?

Deputy John Curran: More or less. In one sense the Deputy has jumped ahead slightly to the next amendment which gives more detail on the grounds on which they might be removed.

[Deputy John Curran.]

Seanad amendment No. 32 is to specify that the body must be notified in writing. The next Seanad amendment No. 32 relates more specifically to the point Deputy Ring is raising.

Seanad amendment agreed to.

Seanad amendment No. 25:

Section 40: In page 31, subsection (5), to delete lines 28 to 30 and substitute the following:

“(5) The Authority shall, as soon as practicable after receiving information pursuant to a request under *subsection (2)* or a requirement under *subsection (3)* in respect of a charitable organisation, enter in the register—”.

Seanad amendment agreed to.

Seanad amendment No. 26:

Section 41: In page 32, subsection 1(a), line 14, to delete “registered” and substitute “registered or deemed to be registered”.

Seanad amendment agreed to.

Seanad amendment No. 27:

Section 41: In page 32, subsection (1)(b), line 17, to delete “registered” and substitute “registered or deemed to be registered”.

Seanad amendment agreed to.

Seanad amendment No. 28:

Section 41: In page 32, subsection (1)(c), line 20, to delete “registered” and substitute “registered or deemed to be registered”.

Seanad amendment agreed to.

Seanad amendment No. 29:

Section 41: In page 32, subsection (2), line 23, to delete “registered” and substitute “registered or deemed to be registered”.

Seanad amendment agreed to.

Seanad amendment No. 30:

Section 43: In page 34, lines 7 to 48, and in page 35, lines 1 to 23, to delete section 43 and substitute the following new section:

“43.(1) Where the Authority, after consultation with the Garda Síochána, is of opinion that a body registered in the register is or has become an excluded body by virtue of its promoting purposes that are—

- (a) unlawful,
- (b) contrary to public morality,
- (c) contrary to public policy,

(d) in support of terrorism or terrorist activities, or

(e) for the benefit of an organisation, membership of which is unlawful,

it shall remove from the register all of the information entered in relation to that body and the body shall thereupon cease to be registered.

(2) Where the name of a charitable organisation is changed in contravention of *section 42(2)*, the Authority shall remove from the register all of the information entered in relation to that organisation and the organisation shall thereupon cease to be registered.

(3) If a registered charitable organisation that is a body corporate is convicted on indictment of an offence, the Authority may remove from the register all of the information entered in relation to that organisation, and that organisation shall, thereupon, cease to be registered.

(4) Where, in relation to a charitable organisation, the Authority is satisfied that there has been a contravention of—

(a) *section 47, 48, 50 or 52*, or

(b) a direction under *section 50 or 51*,

the Authority may remove from the register all of the information entered in relation to that organisation, and that organisation shall, thereupon, cease to be registered.

(5) If a registered charitable organisation fails to comply with a direction of the Authority under *section 53*, the Authority may remove from the register all of the information entered in relation to that organisation, and that organisation shall, thereupon, cease to be registered.

(6) Where the Authority is of opinion that a body registered in the register is not a charitable organisation, it shall apply to the High Court for a declaration that the body is not a charitable organisation.

(7) If the High Court, upon an application under *subsection (6)*, grants a declaration that the body in respect of which the application is made is not a charitable organisation, the body shall thereupon cease to be a registered charitable organisation and the Authority shall remove from the register all of the information entered in relation to that body.

(8) If a charity trustee of a registered charitable organisation ceases to be qualified for the position of charity trustee by virtue of *section 55*, the Authority may apply to the High Court for an order authorising the Authority to remove the charitable organisation from the register, and, upon such an application, the High Court may make such an order if it considers it appropriate in all of the circumstances.

(9) If the High Court makes an order under *subsection (8)*, the Authority shall forthwith remove from the register all of the information entered in relation to that organisation, and that organisation shall thereupon cease to be registered.

(10) A body that, in accordance with this section, has ceased to be registered for the purposes of *section 39* shall not, before the expiration of one year, or such shorter period as the Minister may determine, from the date of its ceasing to be so registered, be eligible to apply to be registered, and the Authority shall not, before such expiration, perform any functions in relation to that organisation under *section 39(6)*.

(11) Where, in accordance with this section, a body ceases to be registered, the Authority shall enter in the register a statement that the body has ceased to be registered and a statement of the reasons therefor.”.

This amendment replaces the original section 42. Although at face value a substantial amendment, it is essentially a presentational amendment proposed on the basis of legal advice. It provides for the circumstances under which a charitable organisation which has applied successfully for entry on the register of charities may be removed from the register by the authority. It ensures the circumstances reflect those applicable to those charities deemed to be registered under section 40. This underlies the principle that charities deemed to be registered and charities which apply and become registered would be regarded equally under the legislation.

Seanad amendment agreed to.

Seanad amendment No. 31:

Section 44: In page 36, subsection (6), line 15, to delete “cease to be” and substitute “cease to be deemed to be”.

Seanad amendment agreed to.

Seanad amendment No. 32:

Section 44: In page 36, subsection (6), line 15, to delete “cease to be” and substitute “cease to be deemed to be”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 33 to 37, inclusive, are related and may be discussed together.

Seanad amendment No. 33:

Section 45: In page 37, subsection (2), line 7, to delete “*subsection (1), (2), (10) or (11) of section 43*” and substitute “*section 43 (other than subsections (7) and (9))*”.

This grouping includes amendments related to the appeals process. Seanad amendment No. 33 is a presentational amendment. Rather than showing a lengthy list of subsections to which the provision does not apply, it shows a much shorter list of subsections to which it applies. Section 45 subsections (3) and (4) set out the circumstances under which a deemed charity that has been removed from the register may appeal the decision. Seanad amendments Nos. 34 and 35 combine those two subsections into a single section for presentational purposes. Seanad amendments Nos. 36 and 37 are very similar. They clarify that the charity appeals tribunal may impose binding conditions on either the authority or the appellant when making its determinations.

Deputy Michael Ring: If a charity is being removed is there an appeals mechanism in place that is independent of the regulator?

Deputy John Curran: Yes. The tribunal may make binding recommendations to the authority or the appellant.

Deputy Michael Ring: So whatever the decision, the parties must accept it.

Deputy John Curran: Absolutely.

Seanad amendment agreed to.

Seanad amendment No. 34:

Section 45: In page 37, subsection (3), lines 12 and 13, to delete all “*subsection (1) or (2) of section 44*” in line 13 and substitute “*section 44 (other than subsections (8) and (10))*”.

Seanad amendment agreed to.

Seanad amendment No. 35:

Section 45: In page 37, lines 17 to 21, to delete subsection (4).

Seanad amendment agreed to.

Seanad amendment No. 36:

Section 45: In page 37, line 36, subsection (7)(b), to delete “subject to such conditions” and substitute “and impose such conditions on the appellant”.

Seanad amendment agreed to.

Seanad amendment No. 37:

Section 45: In page 37, subsection (8), lines 42 and 43, to delete paragraph (b) and substitute the following:

“(b) revoke the notice under *section 44* and impose such conditions on the appellant as the Tribunal may specify, or”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 38, 51, 61 and 73 are related and may be discussed together.

Seanad amendment No. 38:

Section 46: In page 38, subsection (6), line 29, to delete “(3)” and substitute “(2)”.

As the Deputy will be aware, the Bill has been amended considerably since it was introduced into this House, including by the insertion of new sections and subsections. These amendments update or clarify certain cross-references as necessary. These cross-references result from some previous amendments we made. Seanad amendment No. 38 corrects a mis-reference in the subsection. The reference is being corrected to refer to subsection (2), which is the main offence provision under section 48 of the Bill as passed by the Dáil.

Section 55(1) of the Bill as passed by the Dáil lists the circumstances under which a person may be disqualified from being a charity trustee. Seanad amendment No. 51 clarifies that a disqualification under section 55(1) shall not apply where the High Court makes an order that the person may hold the position of charity trustee. However, if any of the circumstances in section 55(1) apply after the making of such an order, the trustee shall, again, be disqualified.

Seanad amendment No. 61 is a redrafting amendment. It clarifies that it applies to a direction given by the authority under section 51(2), unlike the other sections referred to where there is no provision for the authority to give a direction. Seanad amendment No. 73 clarifies the particular subsection of section 91 to which the particular provisions apply where it previously just referred to the section.

Seanad amendment agreed to.

Seanad amendment No. 39:

Section 47: In page 39, subsection (1)(c), line 29, to delete “have been” and substitute “are”.

Seanad amendment agreed to.

Seanad amendment No. 40:

Section 48: In page 41, lines 34 and 35, to delete subsection (6) and substitute the following:

“(6) This section does not apply—

(a) to a charitable organisation that is a company,

(b) to an education body,

(c) to a charitable organisation in respect of a financial year in which its gross income or total expenditure is less than—

(i) €10,000, or

(ii) such greater amount, not exceeding €50,000, as may be prescribed,

or

(d) in relation to a centre for education designated by the Minister under section 10(4) of the Act of 1998.”.

Seanad amendment agreed to.

Acting Chairman: Amendments Nos. 41 to 45, inclusive, are related and may be discussed together.

Seanad amendment No. 41:

Section 50: In page 42, subsection (4), line 17, to delete “Notwithstanding subsection (3), the” and substitute “The”.

Deputy John Curran: This group of technical amendments relates to the audit provisions. Amendments Nos. 41 and 42 are linked. They effect no substantive change to the provision. The reference to subsection (3) is simply being moved within the subsection. This subsection provides that even though a charity may be below the audit threshold designated by the Minister, the authority may direct the charity to have its accounts audited if it considers it appropriate. We discussed that earlier. The existing reference to subsection 50(2) of the Bill as passed by the Dáil is incorrect. It is not possible for a charity to contravene section 50, subsection (2), but it is possible for a charity to contravene section 50, subsection (3) by not having its accounts audited or examined. Subsection (3) is therefore the correct cross-reference and is inserted by amendment No. 43.

Amendments Nos. 44 and 45 are very similar. Amendment No. 44 clarifies that the authority may only seek to recoup expenses incurred where the authority itself directly appoints an auditor and not where the authority directs a charity to appoint an auditor. Similarly, amendment No. 45 makes it an offence for a charity trustee to fail to co-operate with an auditor appointed by the authority under section 50(5) or section 50(6). Previously, it was also an offence for a trustee to fail to co-operate with an auditor appointed by the charity on the direction of the charity under subsection (4). However, it is already an offence under subsection

(12) for a charity or charity trustee to contravene a requirement of the authority under subsection (4), so the original reference in that case was unnecessary.

Deputy Michael Ring: We discussed this previously, so I will agree to these amendments.

Seanad amendment agreed to.

Seanad amendment No. 42:

Section 50: In page 42, subsection (4), line 19, to delete “that subsection” and substitute “*subsection (3)*”.

Seanad amendment agreed to.

Seanad amendment No. 43:

Section 50: In page 42, subsection (6), line 27, to delete “(2)” and substitute “(3)”.

Seanad amendment agreed to.

Seanad amendment No. 44:

Section 50: In page 42, subsection (7), lines 34 and 35, to delete all words from and including “or”, where it secondly occurs, in line 34 down to and including “*subsection (4)*” in line 35.

Seanad amendment agreed to.

Seanad amendment No. 45:

Section 50: In page 43, subsection (11), lines 8 and 9, to delete all words from and including “, or” in line 8 down to and including “*subsection (4)*,” in line 9.

Seanad amendment agreed to.

Seanad amendment No. 46:

Section 50: In page 43, lines 17 and 18, to delete subsection (13) and substitute the following:

“(13) This section does not apply—

(a) to a charitable organisation that is a company,

(b) to an education body,

(c) to a charitable organisation in respect of a financial year in which its gross income or total expenditure is less than—

(i) €10,000, or

(ii) such greater amount, not exceeding €50,000, as may be prescribed,

or

(d) in relation to a centre for education designated by the Minister under section 10(4) of the Act of 1998.”.

Seanad amendment agreed to.

Seanad amendment No. 47:

Section 50: In page 43, subsection (14), to delete lines 23 to 29 and substitute the following:

“(b) in relation to a charitable organisation that

(i) is established in an EEA state, and

(ii) does not have a principal place of business in the State,

a person who is qualified under the law of that EEA state to perform functions the same as or similar to those performable in the State by a person referred to in *paragraph (a)*.”.

Seanad amendment agreed to.

Acting Chairman: Amendments Nos. 48 and 49 are related, as is Deputy Ring’s amendment No. 1 to amendment No. 49.

Seanad amendment No. 48:

Section 52: In page 44, subsection (1), lines 16 to 18, to delete all words from and including “year” in line 16 down to and including “regulations.” in line 18 and substitute “year.”.

Deputy John Curran: Amendments Nos. 48 and 49 as passed by the Seanad, which I am putting before the Dáil today, allow the Minister to prescribe the information to be included in annual reports submitted by charities and set out in more detail what the Minister may prescribe under the regulations in this regard. These amendments already passed by the Seanad provide sufficient flexibility and control with regard to annual reports to be submitted by charities. I do not think it is necessary, as envisaged in Deputy Ring’s amendment, to oblige all charities to declare in their annual reports that they are actually charities or that they are of a voluntary nature and not commercial entities. Under the legislation as already drafted, the authority will have the power to request such statements from individual charities if it is considered necessary. Basically, the provisions of the legislation already ensure that only charities may be registered on the register of charities. To this end, the legislation defines charitable organisations quite explicitly. This definition does not require all charities to be voluntary in nature. Some charities are run by paid professionals.

With regard to Deputy Ring’s concerns about charities becoming commercial entities, section 2, subsection (b)(ii) specifies that the property of a charity must be expended in pursuit of its charitable purposes, except for necessary expenses entailed by the running of a charity. The authority will have extensive control and inspection powers. Therefore, if bodies are on the register they must, under the legislation, fulfil all the criteria for being a charity and have no need to restate this in their annual reports. Furthermore, to ensure that charities on the register do not change or lose their charitable nature or status after they have registered, section 39(10) obliges charities to notify the authority of any changes to the object of the charitable organisation or trust concerned which might affect its charitable status. It would be an offence for charities not to do so, and a person guilty of an offence under the legislation would be liable to hefty fines, substantial prison sentences or both. In these circumstances, I cannot accept Deputy Ring’s amendment.

Deputy Michael Ring: I am disappointed the Minister will not accept my amendment. The reason I tabled this amendment is the concern among the general public about the charities to which they are subscribing. I wished to ensure the transparency, correctness and openness of any organisation with charitable status. We need to clarify what salaries are being paid by charities to their directors, identify whether organisations are acting on a voluntary or a commercial basis, and ensure that if there are changes in status they are notified to the regulator.

People are concerned that some organisations are more businesses than charities and that the charities get very little money from the revenue collected, which goes to pay directors or people collecting on behalf of the charity. That is why I was hoping the Minister would accept my amendment. In this way, at the end of every year we would know what is paid to every director. We want to know about bonuses, salaries and expenses, and how much money is going to the charity itself. I am concerned about this.

Since this Bill was introduced the Minister has agreed to consider many of the concerns expressed by Members on this side of the House, although the Labour Party Members are not here currently, both when the Bill was introduced and on Committee Stage, and he has done so. The Minister brought the Bill to the Seanad and dealt with many of these concerns. I was hoping he would accept this amendment as we want people out there to know that the money collected is going to a charity rather than towards large salaries.

Deputy John Curran: I agree with the sentiments of the Deputy. However, I was conscious of the fact that not all charities are fully voluntary and that some have paid professionals. I take the point made by the Deputy. If the charitable purpose of an organisation changes there is an onus on it to make those known to the authority. Amendment No. 49 provides for the Minister to prescribe the information to be included in the annual report into a new subsection and sets out, in greater detail than had previously been the case, what the Minister may prescribe under the regulations. The Deputy's concern is already dealt with in the legislation and for this reason I cannot accept his amendment.

Seanad amendment agreed to.

Seanad amendment No. 49:

Section 52: In page 44, to delete lines 19 to 26, and substitute the following:

“(2) The Minister may make regulations for the purposes of *subsection (1)*.

(3) Without prejudice to the generality of *subsection (2)*, regulations under that subsection may—

(a) contain different provisions in relation to different classes of information and different classes of charitable organisation,

(b) require that an annual report contain such information (other than information required to be provided in an annual report under *subsection (1)*) as may be specified in the regulations, and

(c) provide that a report referred to in that subsection shall be prepared in such manner as is specified in the regulations.

(4) Subject to *section 48(6)* and *50(13)*, the following shall be attached to an annual report submitted by a charitable organisation in accordance with this section:”.

Deputy Michael Ring: I move amendment No. 1 to Seanad amendment No. 49:

In subsection (3), paragraph (a), after “organisation” to insert the following:

“including a statement on whether the charitable organisation:

(i) is in all respects voluntary and charitable in nature, or

(ii) is in any respect commercial.”.

Amendment No. 1 to Seanad amendment No. 49 put and declared lost.

Seanad amendment agreed to.

Seanad amendment No. 50:

Section 54: In page 45, subsection (1), line 15, to delete “any rule of law” and substitute “any enactment or rule of law”.

Seanad amendment agreed to.

Seanad amendment No. 51:

Section 55: In page 45, subsection (1), line 25, to delete “(2)” and substitute “(3)”.

Seanad amendment agreed to.

Seanad amendment No. 52:

Section 55: In page 45, subsection (1)(f), line 37, to delete “2002” and substitute “2008”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 53, 54 and 55 are related and may be discussed together.

Seanad amendment No. 53:

Section 57: In page 46, subsection (1), line 45, to delete “If a charity trustee” and substitute “A charity trustee”.

Deputy John Curran: These are essentially presentational amendments consequential upon each other. They did not change the subsection in any substantive fashion. It will still be an offence for a charity trustee or employee to comply with a direction from a person not qualified to act as a charity trustee unless the person has reasonable grounds for not knowing that the person was not so qualified.

Seanad amendment agreed to.

Seanad amendment No. 54:

Section 57: In page 46, subsection (1), line 46, to delete “organisation complies” and substitute “organisation who complies”.

Seanad amendment agreed to.

Seanad amendment No. 55:

Section 57: In page 47, subsection (1), lines 5 and 6, to delete all words from and including “the first” in line 5 down to and including “may be,” in line 6.

Seanad amendment agreed to.

Seanad amendment No. 56:

Section 62: In page 49, subsection (3), line 1, to delete “2001” and substitute “2007”.

Seanad amendment agreed to.

Seanad amendment No. 57:

Section 68: In page 53, subsection (1), line 8, to delete “The Authority may, subject to *subsection (2)*” and substitute “Subject to *subsection (2)*, the Authority may”.

Seanad amendment agreed to.

Seanad amendment No. 58:

Section 68: In page 53, to delete lines 13 and 14 and substitute the following:

“(2) A direction under *subsection (1)* shall not be given unless the Authority is of the opinion that—”.

Seanad amendment agreed to.

Seanad amendment No. 59:

Section 68: In page 53, subsection (3), line 28, to delete “charitable organisation” and substitute “charitable organisation or charity trustee”.

Seanad amendment agreed to.

Seanad amendment No. 60:

Section 70: In page 55, subsection (1)(b), lines 15 and 16, to delete “Minister for Enterprise, Trade and Employment” and substitute “Director of Corporate Enforcement”.

Seanad amendment agreed to.

Seanad amendment No. 61:

Section 73: In page 56, subsection (1), line 8, to delete “*section 47, 48, 50, 51 or 52*” and substitute the following:

“*section 47, 48, 50 or 52* or a direction under *section 51 (2)*”.

Seanad amendment agreed to.

Seanad amendment No. 62:

Section 74: In page 57, subsection (4), to delete lines 24 and 25.

Deputy John Curran: The matter of the position of auditors of charities was raised by Senator O’Toole in the Seanad and Deputy Ciarán Lynch in the House on Report Stage. The concerns were that the Bill would allow charity trustees to audit their charities. This was not the Government’s intention. Instead, the aim was to ensure that where independent auditors of charities were party to offences that such auditors would be regarded as charity trustees in terms of having committed an offence under the Bill and could be prosecuted on that basis.

I fully share the view that a charity trustee should not audit his own charity. This is reflected in section 187 of the Companies Act 1990, under which an officer or servant of a company must not also be its auditor. On reflection, I have come to the conclusion that the provision as it previously stood had the potential to place an unreasonable burden on independent auditors

[Deputy John Curran.]

and one that is unnecessary, as auditors are already subject to statutory obligations. I thank Senator O'Toole and Deputy Lynch for their constructive contribution on the issue.

Seanad amendment agreed to.

Seanad amendment No. 63:

Section 76: In page 59, before section 76, to insert the following new section:

“76 —(1) The Minister shall, with the consent of the Minister for Finance provide the Tribunal with such and so many staff as he or she considers appropriate to perform the functions of a secretariat to the Tribunal including staff who while assigned to perform those functions are also assigned to perform similar functions on behalf of one or more other bodies (other than the Authority) established by or under an Act of the Oireachtas.

(2) The Minister shall, with the consent of the Minister for Finance provide the Tribunal with premises in which to perform its functions and, if the Minister and the Minister for Finance consider appropriate, such premises may be premises that are occupied by one or more other bodies (other than the Authority) established by or under an Act of the Oireachtas”.

Deputy John Curran: The amendment emerges from a desire to ensure that the new regulatory regime operates in an efficient way, allowing for the sharing or pooling of resources where possible to ensure value for money and to avoid unnecessary duplication. In this context, it is recognised that there is already in existence a number of appeals structures across several regulatory regimes and that it may be possible for the new charity appeals tribunal to avail of existing resources and facilities in carrying out its statutory role, which would reduce overheads and lead to a more streamlined process. This amendment provides for that possibility and is consistent with the principles of better regulation.

Deputy Michael Ring: The previous amendment referred to auditors not being able to do their own accounts. We do not want this legislation, the regulator and the regulator's office to cost a fortune. We raised this on Second and Committee Stages. We must streamline this area as much as possible, use whatever Government agencies and resources are available and not have the charities or the taxpayer obliged to pick up the tab where that is not necessary. I hope the Minister will streamline it and that the regulator will be instructed when he or she is appointed to ensure that costs are taken into account, particularly in the current climate.

Seanad amendment agreed to.

Seanad amendment No. 64:

Section 89: In page 65, before section 89, to insert the following new section:

“89.—If, in any proceedings brought against a charity trustee for breach of trust, it appears to the court hearing the case that the charity trustee is or may be liable in respect of the breach of trust but that he or she acted honestly and reasonably and that having regard to all of the circumstances of the case he or she ought fairly to be excused for the breach of trust, the court may relieve him or her in whole or in part from his or her liability on such terms as the court deems appropriate.”.

Deputy John Curran: During the passage of the Bill through both Houses I noticed there is great appreciation of the vital role that trustees play in the operation of charities. I am also

aware of the need to protect the interests of trustees of charities. I wish to ensure that they are not made unfairly liable for commitments they enter into in good faith on behalf of charities. I also wish to ensure that those engaged in charity work can undertake the role of trustee without being worried that this role might have negative financial implications for them.

I have already amended the Bill to enable charities to use charitable funds to indemnify trustees against personal losses arising where there they have acted in good faith. In the Seanad, the Opposition Senators welcomed the insurance provision. However, it was considered that there might be a high cost involved in taking out such a policy, particularly where potential liabilities might be considerable. Accordingly, Senators submitted amendments relating to trustee liability. I agreed to reflect on the matter and did so in consultation with the office of the Attorney General. My advice was that a trustee could only be personally liable where there is a breach of the fiduciary relationship by the trustee with the consent of the trustees. Where a trustee acts in good faith in carrying out its business with a body such as a statutory body, there is really no way the trustee would be personally liable.

Nonetheless, to remove doubt, I decided to table an amendment to deal with the issue raised by allowing the court to grant relief to charity trustees from personal liability for a breach of trust, where the trustees acted honestly and reasonably in good faith. I am confident this will offer reassurance to those who act as trustees to charities or who are contemplating such a role.

Deputy Michael Ring: I agree with this amendment. People give their time free to charities. In any organisation people can make mistakes. Nobody should be personally liable if they are doing something in a voluntary capacity. It is not easy at this time to get people to work on behalf of charities. Their home, family or livelihood should not be put at risk if they make a genuine mistake. There should be some insurance coverage from the charity and it should come from the funds. The person should not be out of pocket when they are giving their time, effort and commitment to the charity.

Deputy John Curran: In the legislation there are two specific aspects to cover regarding the welfare of trustees. The concern was raised that trustees could not leave themselves exposed and liable. There is the option of insurance to indemnify them but there is also this new section which relates to trustees who have acted honestly, reasonably and in good faith to ensure that they would not be liable.

Seanad amendment agreed to.

Seanad amendment No. 65:

Section 90: In page 65, before section 90, to insert the following new section:

“90.—Where a charitable organisation is dissolved, the property, or proceeds of the sale of the property, of the charitable organisation shall not be paid to any of the members of the charitable organisation without the consent of the Authority, notwithstanding any provision to the contrary contained in the constitution of the charitable organisation.”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 67, 68 and 69 are related to Seanad amendment No. 66. Seanad amendments Nos. 66 to 69, inclusive, may be discussed together.

Seanad amendment No. 66:

Section 90: In page 66, lines 14 and 15, to delete “exempt or unlawful activity” and substitute “exempt activity, begging or receiving alms”.

Deputy John Curran: These amendments are redrafting and technical amendments, consequential upon each other, that are being inserted on the basis of legal advice. The purpose of the amendments is to clarify that the provisions of the Bill do not apply to begging or receiving alms by individuals.

Seanad amendment agreed to.

Seanad amendment No. 67:

Section 90: In page 66, line 24, to delete “or unlawful”.

Seanad amendment agreed to.

Seanad amendment No. 68:

Section 90: In page 66, lines 26 to 31, to delete all words from and including “1926,” in line 26 down to and including “alms;” in line 31 and substitute the following:

“1926, or

(b) collecting money for a lottery (including a sweepstake) declared by the Gaming and Lotteries Act 1956 not to be unlawful;”.

Seanad amendment agreed to.

Seanad amendment No. 69:

Section 90: In page 67, lines 4 and 5, to delete “collection or exempt or unlawful activity” and substitute the following:

“collection, exempt activity, begging or receiving alms”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendments Nos. 71 and 72 are related to Seanad amendment No. 70. Seanad amendments Nos. 70 to 72, inclusive, may be discussed together.

Seanad amendment No. 70:

Section 91: In page 70, to delete lines 5 to 10 and substitute the following:

(a) a collection box into which money is placed shall bear the number assigned in respect of the collection and specified in the collection permit concerned and shall, unless the Authority otherwise directs as respects the collection concerned, be sealed in such manner as will prevent access to money placed in the box while the seal remains in place;”.

Deputy John Curran: The Bill is designed to enhance the security of both cash and non-cash collections and thus bolster public confidence. To this end, the Bill provided that cash collectors must use a sealed box. This was intended to address the open bucket method, which can give rise to concerns about the security of the collection. However, this gives rise to concerns in the charity sector that were reflected in the Seanad debate. The concern was that the provision did not accommodate collectors giving change to donors where fixed price tokens were sold. Deputy Ring raised this matter late in the debate and I assured him we would try to deal with it. He mentioned Daffodil Day and other collections. It got a further airing in the Seanad and these amendments are the response.

While the Bill is intended to enhance security, it is not intended to unduly hinder collectors or to discourage potential donors from purchasing a token because the collector could not provide change. The approach needed was to allow for exceptions to be made to the sealed box rule without compromising the general principle behind it. I took legal advice on the issue and Seanad amendment No. 70 will allow the authority some discretion in applying the sealed box provision, which is the principle behind these amendments.

With regard to Seanad amendments Nos. 71 and 72, I propose to amend, on the basis of legal advice, the original Government amendment that was made to this subsection in the Seanad. The Street and House to House Collections Act 1962 applies to collections undertaken by both charities and non-charities. In framing amendments relating to collections by charities, it is important that we do not impose obligations on non-charities that they cannot meet. Under the original amendment made in the Seanad, even non-charities would have been required to have their registered number on their collection boxes. However, as only registered charities will be allocated a registered number by the new authority, it would have been impossible for non-charities to meet such a legal requirement. On the basis of legal advice, therefore, I am removing this obligation in the case of non-charities, although they will still be required to have their name displayed on collection boxes.

In addition, the Bill currently provides that charities are required to display the charitable purpose for which the collection is being held on the charity collection boxes and on garments worn by non-cash charity collectors. The sector made representations to the effect that were the charitable purposes to change, for example, were a charity to hold a collection in respect of a natural disaster in one country followed by another collection in respect of another disaster in another country, under the Bill as currently drafted the charity would have to purchase new garments or collection boxes which would give rise to additional costs. I do not wish to impose any additional compliance costs on charities where these can be avoided. The revised amendment No. 71 and amendment No. 72, therefore, remove the requirement to show the name of the particular charitable purpose for which the collection is being held on the charity collection boxes and on garments worn by non-cash charities' collectors respectively, although charities will be still required to display their name and their registered number.

Deputy Michael Ring: I compliment the Minister of State, who is correct. Late in the day this problem arose when we were contacted by a number of charities which were concerned about the sealed boxes. I compliment the Minister of State on introducing the necessary amendment and dealing with it. As he stated, people make a donation and want to get change back. He dealt with it effectively. I support the amendment.

Deputy John Curran: I thank Deputy Ring. In fairness, it was he who initially brought the matter to my attention and I am glad to have been able to deal with it.

Seanad amendment agreed to.

Seanad amendment No. 71:

Section 91: In page 70, to delete lines 19 to 24 and substitute the following:

“(d) a collection box shall bear the name and registered number of the charitable organisation on behalf of which the collection is being made in a prominent and clearly legible manner.”,

Deputy John Curran: I move amendment No. 1 to Seanad amendment No. 71:

[Deputy John Curran.]

Section 91: In paragraph (d), to delete all words after “a collection box shall” and substitute the following:

“(i) in the case of a cash collection on behalf of a charitable organisation, bear the name and registered number of the charitable organisation on behalf of which the collection is being made, and

(ii) in the case of a cash collection on behalf of a body other than a charitable organisation, bear the name of the body on behalf of which the collection is being made,

in a prominent and clearly legible manner.”.

Amendment No. 1 to Seanad amendment No. 71 agreed to.

Seanad amendment No. 71, as amended, agreed to.

Acting Chairman: Seanad amendment No. 72 was already discussed with Seanad amendment No. 70.

Seanad amendment No. 72:

Section 91: In page 70, to delete lines 32 to 40 and substitute the following:

“(i) in the case of a non-cash collection on behalf of a charitable organisation, bears the name and registered number of the charitable organisation in a prominent and clearly legible manner, and”.

Seanad amendment agreed to.

Acting Chairman: Seanad amendment No. 73 was already discussed with Seanad amendment No. 38.

Seanad amendment No. 73:

Section 91: In page 71, line 45, to delete “91” and substitute “91(1)(a)”.

Seanad amendment agreed to.

Seanad amendment No. 74:

NEW SECTION: In page 73, before Schedule 1, to insert the following new section:

“96.—(1) A person who sells a Mass card other than pursuant to an arrangement with a recognised person shall be guilty of an offence.

(2) In proceedings for an offence under this section it shall be presumed, until the contrary is proved on the balance of probabilities, that the sale of the Mass card to which the alleged offence relates was not done pursuant to an arrangement with a recognised person.

(3) In this section—

“Church” means the Holy Catholic Apostolic and Roman Church;

“Mass card” means a card or other printed material that indicates, or purports to indicate, that the Holy Sacrifice of the Mass (howsoever described) will be offered for—

(a) the intentions specified therein, or

(b) such intentions as will include the intentions specified therein;

“priest” means a priest ordained according to the rites of the Church;

“recognised person” means—

(a) a bishop of the Church, or

(b) a provincial of an order of priests established under the authority of, and recognised by, the Church;

“sell” includes, in relation to a Mass card, offer or expose the card for sale or invite the making by a person of an offer to purchase the card.”.

Deputy John Curran: I consider it key to this legislation that organisations that are not charitable in nature should be prevented from presenting themselves to the public as charitable. I want to be sure that donors to charity can be sure that their donation for the benefit of a good cause is not diverted for personal profit. In this context I am very aware of the disquiet that both Deputies and Senators have expressed about those pre-signed mass cards sold in shops and not obtained from or with the consent of the Catholic church.

There was no doubt that the pre-signed mass cards are widely for sale in shops and this practice has given rise to two big concerns. First, there are fears that these mass cards are often being sold on a for-profit basis with perhaps only a small portion of the purchase price, if any, given to the benefit of the priest or church. Second, there is a worry that no mass is ever offered in respect of the intention specified on the card.

Deputies will be glad to know that I have taken on board the concerns expressed to me on this topic and following consultations with the Office of the Attorney General, I am proposing an amendment to the Bill to the effect that anyone who sells mass cards must be able to show that he or she has entered an agreement with the church to do so. I hope this will set people’s minds at rest on the validity and authenticity of such cards.

I consider that this measure, combined with the authority’s power to provide information to the public through the likes of public information campaigns or guidelines, and also the provisions in the Bill that prevent non-charities from holding themselves out as charities, will help people to identify genuine charities from other organisations which are not charitable in nature. The church itself will have an important role to play to ensure the success of this approach and I understand that it is committed to playing its part.

Deputy Ring and I spoke about this in the Dáil on Report and Final Stages. I made a commitment we would continue to discuss it with the Attorney General and this is the amendment that we brought to the Seanad.

Deputy Michael Ring: I tabled an amendment on this on Committee Stage. I cannot recall whether we put it to a vote, but the Minister gave a commitment that he would examine it. He has done that and introduced the necessary amendment, which I welcome.

Since then I received many representations from people who say that what the Minister of State proposes is unconstitutional. I want him to assure the House that he has received advice from the Attorney General that this is not unconstitutional and what he is doing is legal and cannot be open to challenge. I understand he cannot stop anybody from bringing the matter to the High Court and the Supreme Court, as the case may be.

Personally, I cannot be hypocritical. I welcome the amendment. For years people were concerned about this. The church itself was being ripped off. A church report found there were

[Deputy Michael Ring.]

priests who were dead whose signature was being used on mass cards for which money was being collected. People were paying money to have a mass said and that was not happening.

I hope the Minister of State can confirm that he is quite satisfied with the advice that what he proposes is legal and is not open to challenge.

Deputy Aengus Ó Snodaigh: I welcome these amendments to the Bill, but this new section in particular. I apologise for not being here earlier; I was at a committee meeting.

Much needs to be done in this area and, hopefully, this legislation will address the problems of non-charities purporting to be charities. Anybody living in Dublin will know the amount of supposedly charitable organisations who are looking for donations, for clothes or whatever. Hopefully, that will be ended and the charities who are in dire need of the donations will get them. In this case the church would get the money, as intended, so that it can function properly and is not dependent on the State.

People setting themselves up as charities selling mass cards which do not do what they are supposed to do amounts to robbery. I welcome this amendment and the provisions in the end of this Bill to address these shortfalls.

Deputy John Curran: I acknowledge that Deputy Ring highlighted this on a number of occasions, as did many other Deputies. When the Charities Bill was first mooted, every Deputy was aware of issues related to mass cards, the scams that go on and the malpractice. It did not prove easy to effect this change. If it had, we would have accepted amendments earlier.

I am not a legal person, but this Bill, and this section, was drafted with the aid of advice from the Office of the Attorney General. Obviously, I cannot stop a constitutional challenge, but this is not something that a layperson wrote. It came from the highest legal authority in this State. I want to assure Deputies of that.

Seanad amendment agreed to.

Acting Chairman (Deputy Brian O'Shea): Seanad amendment No. 75 is on the substitute list of amendments circulated on 3 February 2009. Seanad amendments Nos. 76 to 83, inclusive, are related. Seanad amendments Nos. 75 to 83, inclusive, will be discussed together.

Seanad amendment No. 75:

SCHEDULE 1: In page 74, line 2, to delete "15" and substitute "20".

Deputy John Curran: I am very conscious that the new charities regulatory authority will face significant challenges. In addition to its broad regulatory and supportive role, the new authority will also be taking on the complex functions of the Office of Commissioners of Charitable Donations and Bequests for Ireland, which is to be dissolved. For this reason the new authority must be able to draw on a wide range of expertise and experience. In view, therefore, of the complex work that will be undertaken by the new authority, on the basis of the advice of the Attorney General, it is proposed to increase the maximum potential membership of the authority to 20.

Amendment No. 75 is intended to ensure that the authority will have available the diverse range of skills necessary to enable it to undertake its broad remit efficiently and effectively. This will also facilitate the authority in forming committees to which specified decision making may be delegated as the Bill provides.

On a related matter in the context of the membership of the authority, the issue of the exclusion of public representatives, and specifically members of local authorities, from the board of the new authority was raised in the Seanad debates. I suppose Deputy Ring is not surprised the Senators raised that particular matter.

However, I seriously reflected on the issue and I can acknowledge the point that people who serve as local authority representatives may well have the skills and experience which could enhance the work of the board of the new authority. Accordingly, I made those changes on Report Stage in the Seanad and amendments Nos. 76 to 83, inclusive, collectively remove the automatic exclusion of members of the local authorities from membership of the authority in paragraph 8 of Schedule 1 and in consequential paragraphs. Of course this does not actually mean that councillors will be appointed to the board of the new authority but it will make councillors, with the relevant experience and interest who may have much to offer the new authority, eligible for appointment.

I commend these amendments to the House.

Deputy Michael Ring: I want to make two points, the first of which relates to the member of the authority. The Minister of State is talking about increasing membership of the authority from 15 to 20. I shall not divide the House today on this, but I hoped that 15 people could do the business necessary in this regard. Fine Gael wanted the Department to implement this rather than a regulator. However, this is the one time we need a regulator and a board of 15 people is sufficient. I know the legislation is very complex as regards this, but I hope it will stay at 15, again given the economic climate.

As regards not excluding local authority members, I support that. Some Senators were very anxious to tell councillors throughout the country that this amendment was accepted by the Minister of State, and in fact I had a good deal of representation from local authority members from all over the country. Some of them thought they would automatically be on the board, given the way the letters were drafted. As someone who has come through the local authority system, I make no apology. If local authority members have the qualifications and the professional background required to be on the board, I see no reason they should be excluded. As the Minister of State has said, there is no guarantee that they will be on the board, but they should not be excluded, no more than a High Court judge or anybody else who might be entitled to serve, if he or she has the qualifications.

I was going to divide the House, but I will accept the amendment, while asking the Minister of State to ensure that the board numbers are kept tight. The cost factor must be kept down. We do not want to see another quango getting out of control and not answerable to anybody.

Deputy John Curran: I know the Deputy will not divide the House, but on a point of clarification, as I said in the Seanad, this is an enabling measure which says the authority could comprise as many as 20 members. That does not mean that it will. It would be remiss of us not to have that provision and have to come back with further legislation. However, it is not the intention that the authority will necessarily have 20 to begin with.

Just to clarify as regards local authority representatives, the legislation specifies clearly the type of experience the people on the new authority would need to have. I did not think it appropriate, however, and saw no specific reason simply being a member of a local authority would automatically exclude somebody, and as a consequence I removed that. The Deputy is right, however. It does not guarantee anybody a position.

Seanad amendment agreed to.

Seanad amendment No. 76:

Schedule 1: In page 76, line 45, to delete “Parliament,” and substitute “Parliament, or”.

Seanad amendment agreed to.

Seanad amendment No. 77:

Schedule 1: In page 77, lines 3 and 4, to delete “or
(d) becomes a member of a local authority,”.

Seanad amendment agreed to.

Seanad amendment No. 78:

Schedule 1: In page 77, line 10, to delete “Parliament,” and substitute “Parliament, or”

Seanad amendment agreed to.

Seanad amendment No. 79:

Schedule 1: In page 77, lines 12 and 13, to delete “or
(d) becomes a member of a local authority,”.

Seanad amendment agreed to.

Seanad amendment No. 80:

Schedule 1: In page 77, lines 17 and 18, to delete “or his or her membership of the local authority”.

Seanad amendment agreed to.

Seanad amendment No. 81:

Schedule 1: In page 77, line 21, to delete “or a member of the local authority concerned”.

Seanad amendment agreed to.

Seanad amendment No. 82:

Schedule 1: In page 77, lines 24 and 25, to delete “or a member of a local authority”.

Seanad amendment agreed to.

Seanad amendment No. 83:

Schedule 1: In page 77, line 26, to delete “or member”.

Seanad amendment agreed to.

Seanad amendments Nos. 1 to 70, inclusive, Seanad amendment No. 71 with an amendment and Seanad amendments Nos. 72 to 83, inclusive, reported.

Acting Chairman: A message shall be sent to Seanad Éireann acquainting it accordingly, and requesting its agreement to the amendment to Seanad amendment No. 71.

Deputy Michael Ring: Before we finish with this Bill I just have a few words for the Minister of State and his staff. I thank the staff for the co-operation they afforded to me and Deputy Wall. If there is something in the legislation that we do not see right now that might affect the charities, the Minister of State gave a commitment as regards a review and said that we could come back to it again, in the event. I ask that we should be allowed to return to the House and make the necessary amendments, should this occur.

A man attended my clinic last Monday, and said that people had called to him the week before looking for a charitable donation. The people were his neighbours and he felt obliged to part with the only €20 he had in the house. I appeal to the public as regards charities. We are living in difficult economic times. People who collect for charities should ensure they are worthy causes. They should not just think up ideas for collecting for charity. People are going through difficult times. Irish people are very decent and will always subscribe when necessary, but they should not be put under pressure.

I thank the Minister of State for his kindness and I must say he did a good job.

Deputy John Curran: This has been complex legislation. We are trying to regulate a system that has been around for a long time and obviously are trying to maintain confidence in the charity sector, with transparency and so forth, without adding undue burden. It is in that context that we realised at an early stage there would be a requirement for a mandatory review in five years' time. It has proven to be very complex. As far as possible we have taken on board as many of the recommendations as we could, from all sides.

I thank my predecessors, the Minister of State, Deputy Noel Ahern and Chief Whip, Deputy Pat Carey, for bringing this long awaited legislation before the House in the first instance. Just mentioning two predecessors and myself in this regard will give an idea of the complexity of the legislation. I also specifically thank Members of the House for their contributions to the debates. Although we have to return to the Seanad for one brief technical amendment, I particularly thank Deputies Ring and Wall for their personal interest in the legislation and for their contributions to the stages that I have led in the House. They have been very constructive and helpful and the Bill reflects a genuine effort at co-operation from all sides.

I am sure Deputy Ring will join me — and Deputy Wall would if he had not left the Chamber already — in thanking the officials of my Department, in particular Mr. Joe Hamill and Mr. Terry Dunne. I do not know whether one is supposed to mention the names of officials in the House, but anyway, I want to say it. Apart from assisting me, they made themselves available to Members on the other side of the House and engaged with the sector as well. In other words, we were bringing forward informed proposals, trying to reflect what the sector wanted and how we could manage it in that regard. They were very hands-on and proactive and I would specifically like to thank them here and have their work recognised.

Deputy Michael Ring: I totally agree with the Minister of State.

Deputy John Curran: We have enhanced the Bill to a considerable extent. Having to come back here with 83 amendments sounds an enormous task, but that was because of the spirit of co-operation. It is somewhat unusual to have so many of our own amendments, but that was to try and accommodate people, as far as possible. The Bill we have passed here today has improved as a result of those changes.

Message from Seanad.

Acting Chairman: Seanad Éireann has passed the Gas (Amendment) Bill 2008, without amendment.

Legal Services Ombudsman Bill 2008: Order for Report Stage.

Minister of State at the Department of Justice, Equality and Law Reform (Deputy Conor Lenihan): I move: "That Report Stage be taken now."

Question put and agreed to.

Legal Services Ombudsman Bill 2008: Report Stage.

Amendment No. 1 not moved.

Amendments Nos. 2 to 6, inclusive, have been ruled out of order.

Amendments Nos. 2 to 6, inclusive, not moved.

Acting Chairman: Amendments Nos. 7, 8 and 9 are related. Amendment No. 10 is an alternative to amendment No. 9. Amendments Nos. 7 to 10, inclusive, will be discussed together.

Deputy Aengus Ó Snodaigh: I move amendment No. 7:

In page 11, between lines 26 and 27, to insert the following:

"(b) including a break-down of the number of persons admitted to practice as barristers or solicitors during that year in terms of gender and socioeconomic background, and".

Amendments Nos. 7, 8 and 10 are self-explanatory. They seek to ensure that the legal profession is reflective of society rather than confined to a single socioeconomic group. In the past, the profession was confined to men but thankfully in recent years the profile of those who practise law has progressed significantly towards gender balance. I do not have the figures to inform me whether the profession is reflective of society but, at approximately 51% of the population, women now outnumber men.

A presumption exists among the general public that the legal profession is aloof from society. This is partly the result of the educational obstacles put in the way of those who depend on inadequate maintenance grants to enter the profession. The legal services ombudsman should be reflective of the general public. I do not suggest major changes but it is logical in this day and age to ensure fair representation of people from working class backgrounds in order to offer a more varied outlook.

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I thank Deputy Ó Snodaigh for his contribution to the Bill. He is in effect seeking a quota system for admissions to both parts of the legal profession. In regard to the gender profile, 46% of practising solicitors and 40% of barristers are women. Moreover, the majority of law graduates from public and private third level institutions are women. The proportion of female graduates in 2003 was 65.4%. The educational requirements of the Law Society and the King's Inns are such that equal opportunity is given to both sexes to enter the legal profession. I do not agree with a quota system in this regard. Over the past several decades, both sexes have been given better opportunities to become barristers and solicitors. The Law Society and the King's Inns have introduced schemes to allow people to take up professional courses by various routes, with the overall result of widening access to the professions among every stratum of Irish society.

I recall during my time as a law student in UCD being given a lecture on Roman law by the former Deputy, Fine Gael Attorney General and expert in constitutional law, J.M. Kelly, in which he made some disparaging remarks regarding the fact that the proportion of females in the class was for the first time almost 50%. He very eloquently stated that the only reason so

many females were studying law was because they wanted to find eligible men. A protest was held as a result of his comments and the remainder of the course in Roman law was boycotted. Thankfully, however, other students and I passed our examinations in the subject. During the 1970s, significant numbers of females began to take up courses in law.

I understand the Deputy's intention but it would be wrong to introduce a quota system, particularly in view of the substantial numbers of females who are now studying law.

Deputy Michael D'Arcy: I am unsure whether I was alive at the time of the incident described by the Minister. I do not agree with the proposal for quotas because the opportunities are now such that people from many different backgrounds can attend public and private law schools to qualify as barristers provided they meet the educational requirements.

Deputy Aengus Ó Snodaigh: I did not suggest quotas solely on the basis of gender representation. I acknowledge the significant changes that have taken place in that regard. My intention was to address the perception to which I referred earlier but I would be happier if another mechanism could be found to ensure the legal profession is more reflective of society. I do not generally favour quotas but they are needed in certain circumstances where imbalances arise. They can be subsequently removed provided the will exists to achieve a balance. In light of the figures set out by the Minister on gender proportions in legal courses, we may in future need to introduce quotas to ensure the adequate representation of males. I hope that will not be required, however.

I will not press the amendment but ask that more be done to address the perception that working class people are not adequately represented in the legal profession. I know many legal professionals from working class backgrounds who encountered major difficulties in pursuing their chosen careers.

Amendment, by leave, withdrawn.

Amendments Nos. 8 to 10, inclusive, not moved.

Acting Chairman: Amendment No. 11 has been ruled out of order.

Amendment Nos. 11 and 12 not moved.

Acting Chairman: Amendments Nos. 13 and 15 to 17, inclusive, have been already discussed with amendment No. 1. I call the Minister to move amendment No. 13.

Deputy Dermot Ahern: I move amendment No. 13:

In page 14, line 33, before "the" to insert "subject to *section 20(2)*,".

I would like to give a rationale in respect of amendments Nos. 13, 15, 16 and 17 as they address some of the issues raised on Committee Stage by Deputy Rabbitte.

The objective of the Government amendments and Deputy Rabbitte's alternative amendments are in effect the same, namely, to exclude invalid, frivolous and vexatious complaints from the calculation of the levy under section 19. The issue is how this objective can best be achieved. Section 20 provides that the detailed provisions for counting and calculating the levy be made by the Minister in regulations to provide for the exclusion of complaints in that section rather than in section 19. Amendment No. 17 provides for the exclusion of complaints falling within the scope of subsection 22(4). The net effect is that frivolous, vexatious and other invalid complaints which the Ombudsman declines to investigate or discontinues investigating cannot be counted for the purpose of calculating the levy.

[Deputy Dermot Ahern.]

Amendments Nos. 13, 15 and 16 are technical cross-referencing amendments consequent on amendment No. 17.

Acting Chairman: As pointed out by the Minister, amendment No. 1 was not moved. Members may at this point put a question to the Minister in respect of amendments Nos. 13, 15, 16 and 17.

Amendment agreed to.

Amendment No. 14 not moved.

Deputy Dermot Ahern: I move amendment No. 15:

In page 15, line 1, to delete “the number (determined in accordance with regulations” and substitute the following:

“subject to *section 20(2)*, the number (determined in accordance with regulations (if any)).”

Amendment agreed to.

Deputy Dermot Ahern: I move amendment No. 16:

In page 15, line 33, before “the” where it firstly occurs to insert “subject to *subsection (2)*,”.

Amendment agreed to.

Deputy Dermot Ahern: I move amendment No. 17:

In page 16, between lines 7 and 8, to insert the following:

“(2) The determination for the purposes of *section 19* of the number of complaints made in relation to barristers and the number of complaints made in relation to solicitors shall exclude any complaint which the Legal Services Ombudsman has decided under *section 22(4)* either not to investigate or to discontinue an investigation thereof.”.

Amendment agreed to.

Amendments Nos. 18 and 19 not moved.

Acting Chairman: Amendments Nos. 20 and 21 are related and will be taken together by agreement.

Deputy Dermot Ahern: I move amendment No. 20:

In page 20, line 16, after “manner” to insert “(including by any informal means)”.

While Deputy Rabbitte’s amendment No. 21 is similar, I will give the rationale in respect of amendment No. 20. Section 23 was examined in the light of the Committee debate on the matter of resolution of complaints by the Ombudsman. I agreed with the views expressed then that there would be value in making reference in the Bill to informal resolution of complaints where appropriate.

In this regard, amendment No. 20 gives statutory guidance to the Ombudsman to make it clear that he may resolve complaints by informal means if appropriate. On Deputy Rabbitte’s

amendment No. 21, we have moved in his direction in meeting the objective of encouraging informal resolution of complaints where appropriate. Amendment No. 20 addresses the situation.

Amendment agreed to.

Amendment Nos. 21 to 26, inclusive, not moved.

Bill, as amended, received for final consideration.

Question proposed: "That the Bill do now pass."

Deputy Dermot Ahern: I thank the Acting Chairman and his staff for facilitating the passing of this Bill. Also, I thank Members opposite for their co-operation. It is hoped the Bill will be passed by the Seanad and will become law in the near future.

Question put and agreed to.

Employment Law Compliance Bill: Second Stage (Resumed).

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

Acting Chairman: Deputy Michael Fitzpatrick was in possession with two minutes remaining when the debate was adjourned. However, he does not wish to speak further on the Bill. I call Deputy Seán Barrett.

Deputy Seán Barrett: The main reason I wish to speak on this legislation is to state my total disagreement in regard to the establishment of another quango. We have a sufficient number of quangos. To the best of my knowledge there are more than 1,000 of them. Every effort is being made, in particular by my party, to put in train procedures to reduce dramatically the number of quangos in existence.

There is no need for a national employment rights authority as suggested in this legislation. Employees rights are already protected by legislation. Also, the Department of Enterprise, Trade and Employment incorporates the old Department of Labour. The Minister of State, Deputy Kelleher, who is present in the House bears responsibility for labour affairs and I have full confidence in his being able to carry out his duties in this regard.

What is needed is not another quango but a proper inspectorate to ensure that those who suffer at the hands of rogue employers obtain their rights under existing legislation, all of which should be catered for by the Department of Enterprise, Trade and Employment.

The Minister stated that the organisation has delivered on the provision of regional cover with offices in Carlow, Dublin, Cork, Sligo and Shannon. Even before this legislation is passed, offices have been set up in Carlow, Dublin, Cork, Sligo and Shannon. What are we doing? We have massive unemployment, people are going out of business every day and other people are taking massive cuts in wages and salaries while we are setting up a quango, the problems associated with which could be dealt with by the Department of Enterprise, Trade and Employment. How did we ever get on without all these quangos? If one puts down a parliamentary question on any of these issues in the future, one will be told the Minister has no responsibility in this area.

We must make up our minds whether we are living in a democracy. Taxpayers do not want this. Public servants are being asked to carry a massive pension levy, some of which will go to

[Deputy Seán Barrett.]

pay unnecessary overheads for offices, staff and all the paraphernalia in five different regions. It is unbelievable. There is no necessity to go ahead with this.

There is no doubt this was dreamt up at the time of the Gama scandal and I am sure it was a deal done between the Government of the day and the social partners to overcome those difficulties. While I do not wish to stand over any rogue employers, there is no necessity for this Bill. I ask the Minister to withdraw the legislation and go back to the drawing board. If existing legislation needs to be strengthened, it should by all means be done. I am sure my party would recognise any solid proposals to come forward in this regard. However, in terms of supporting a quango, the Fine Gael party has no intention of supporting the establishment of the National Employment Rights Authority on a statutory basis, and I am delighted about that.

Not alone will we set up a quango, the Bill from sections 6 to 31, inclusive, deals extensively with its establishment. It refers to the setting up of a director; the establishment of the office; superannuation; terms and conditions of employment; the resignation, suspension, removal and disqualification of director; membership of either House of the Oireachtas, European Parliament or local authority; the acting director; the functions of a director; delegation of functions of the director; ministerial policy directions; obligation to consult with the director; power to engage consultants and advisers — the list goes on. It will be a bonanza of money going out the window.

The next heading is a great one — establishment and functions of the advisory board. Why in God's name do we need an advisory board? It is bad enough setting up the quango. This is another outing like the one we had in the FÁS scenario. It is all to do with jobs for the boys. At a time when we are trying to convince the public to accept sacrifices to get this country back on its feet, we are setting up a quango for which there is no necessity.

The Bill then refers to membership of the advisory board and the terms and conditions of membership. There is a special section on the chairperson of the advisory board and the next sections concern the annual report and information to the Minister; and a strategy statement. What strategy statement could there be in respect of this quango? It then refers to a work programme; accountability of the director before an Oireachtas committee; the director's annual report; disclosure of certain information; co-operation between the director and official agencies. This is great stuff. It continues with regard to disclosure of information relating to offences; prohibition on authorised disclosure of information.

Deputy John Perry: At a time when no one is working.

Deputy Seán Barrett: It then refers to the non-application of the Freedom of Information Act 1997 and the Data Protection Act 1988 to certain records held or created by the director.

It is taking some 26 sections of the Bill to set up this authority. The Minister of State may be in a position where he is forced into this sort of stuff because of previous agreements but I strongly recommend that he go back to the social partners and tell them that if the Government tried to proceed with this, it would be the laughing stock of the country.

We will then tell people about all the red tape involved and who will pay the bills.

Deputy John Perry: It is a good one.

Deputy Seán Barrett: Then, there are all the rights, including a right of access to one's property to gather reports and so on. This authority will have more rights than CAB.

My colleagues beside me are having a good laugh. While I am not sure what it is about, I am sure it is not about the Bill.

Deputy Charlie O'Connor: They would not be laughing at Deputy Barrett.

Deputy John Perry: Certainly not.

Deputy Seán Barrett: I hope all Deputies will see sense. If enough of us express our honest opinion, the Government will withdraw this Bill.

The Bill creates 23 new criminal offences. The authority will be given the power to impose on-the-spot fines on employers without giving them the chance to rectify any problem. Employers could face fines of up to €250,000 for failing to keep adequate records, fines of up to €5,000 for other offences and prison sentences of up to five years. Are we for real? It does not even distinguish between an employer who employs a small number of people and a large employer with 1,000 staff.

Do people understand how difficult it is in this day and age to start one's own small business? It is hard enough to get the finance to do it but we are then imposing all sorts of obligations on a small employer to have notices everywhere about employees' rights and all of that. We are not living in the real world. I want to encourage people to go out and start their own small businesses and, hopefully, expand and give employment to others.

Employers have a moral obligation to be fair and reasonable to any employee — that is taken as read and is as it should be. If some abuse the rights of any employee, there is the Minister of State responsible for a labour affairs and all of the other authorities, including the Rights Commissioner, the Employment Appeals Tribunal, the Equality Tribunal, the Department of Social and Family affairs in regard to pensions, and the Health and Safety Authority. We have all of these bodies but we now want to add another layer on to all of this. People must begin to understand it is difficult with all the red tape to start up a small business and to keep things ticking over.

If people are abusing workers, in particular immigrants to this country, and not giving them a fair crack of the whip, there are sufficient laws in place to deal with them. If the Department of Enterprise, Trade and Employment was to increase the number of inspectors available to investigate issues, that is all that is needed. We do not need five offices in Carlow, Dublin, Cork, Sligo and Shannon. We do not need a quango with a whole structure and a head office with all the trimmings, annual reports and consultants — consultants for what?

This really is an example of how we can lose the run of ourselves in terms of giving commitments to do things. At a time when there was plenty, or people thought there was plenty, it was a luxury nobody really thought about. However, in this day and age, we cannot do that. To talk about putting people in prison for five years or charging them on-the-spot fines of anything up to €250,000 for failing to keep adequate records is to throw out the baby with the bath water. It is extraordinary. The National Employment Rights Authority, NERA, will be able to use powers similar to those of the Garda, the customs authorities and the Competition Authority. It will be able to enter and inspect a workplace, seal it off, and remove documents. It does not require any basis to do so. It can be done on the basis of a complaint. This is not Russia, it is a democracy and people here have rights. The fact that one is an employer does not make one a big bad wolf. We need employers, those who employ one person and those who employ 5,000 people. We should begin to encourage people into this business and cut out half of the red tape already in place, rather than produce more of it.

Some time ago I spoke to a constituent concerning the electrical industry. There is a new section in the Bill dealing with compliance with registered employment agreements in the electrical contracting industry. Will the Minister provide a detailed description of what exactly this means? It is difficult to discern the meaning from reading the Bill. The person who came

[Deputy Seán Barrett.]

to me made a plea for the Minister to do something about another quango, established to collect money and the purpose of which no one seems to know. Section 45, dealing with compliance with registered employment agreements in the electrical contracting industry covers several pages. Will the Minister provide a full, detailed account of its purpose and why it is necessary? It seems that someone thought it would be a bright idea to support another quango.

The main purpose for which I am here this evening is to request that the Minister withdraw the legislation. It is not to condone bad behaviour on the part of any employer against an employee. We should come back down to earth and realise that there is a Civil Service, with top officials who are quite capable and who have worked for years in this area. There have been several very good Ministers of State with responsibility for labour affairs who were elected by the people. They were able to resolve difficulties and problems by encouraging people to discuss them at the negotiating table. There is also the Department of Enterprise, Trade and Employment which can deal with these matters.

All that is necessary is more inspectors. Let us cut out this nonsense of more offices, directors, quangos, reports and consultants, for which there is no justification. Let us examine where it is possible to reduce red tape and encourage more employment. Let us cut out these extra layers of bureaucracy. There are many agencies already in existence which deal with people's rights. It is not the case that we are crying out for additional agencies. Let us be realistic and not discuss shoving people into prison or imposing a fine of €250,000 for not displaying notices. What message does that send out to someone wishing to start a business? It does nothing but encourage small businesses into the black economy.

A small business person running a plumbing, electrical or carpentry business does not have time to keep all the necessary material for no good reason. Such people pay taxes, insurance, social welfare and all the other requirements of an employer. Let them get on with the job rather than create another agency with jobs for various people. Not alone will newly appointed people have a job in the agency, an advisory board with a chairman and board members will also be established in case anyone is left out. There are many of jobs for the boys in the thousand quangos already in existence without creating another one.

Deputy Charlie O'Connor: I welcome the opportunity to make what I suspect will be a brief contribution to the debate and I look forward to saying a good deal more tomorrow. The Minister will no doubt be interested in the contribution of Deputy Seán Barrett. The Deputy is aware that I have admired his work for a long time, and that will not change tonight. However, from listening to his contribution and the relevant and valid points made, the position of the Minister will inevitably be that he is damned if he does, and he is damned if he does not introduce the legislation.

The Minister of State pointed out in his introductory speech that NERA was established on an interim basis following the social partnership agreement Towards 2016. We all understand that this took place against a backdrop of much disquiet about the inadequacy of enforcement of employment law standards. The Minister of State also pointed out that Deputies throughout the House, including me, have raised with him and the Government a range of issues relating to these standards. He made the famous remark that the Government was condemned for having more dog wardens than labour inspectors and his intention was to remedy that situation. In fairness to the Minister of State, he has shown a particular interest in these issues, which is important, as the previous speaker will agree I am sure. The Minister of State must listen to the debate and balance what is right and wrong.

I do not suggest the view is held by Deputy Barrett, but I sense there is a view that with the current economic situation it would be very easy for the Department and its inspectors to blink when certain things occur. However it is important to stress this is not the case. Before I became a Deputy and a public representative I was always in employment, thank God. I was involved in the trade union movement and I bring to politics my experiences in that regard. I can state that I lost my job on three separate occasions. It was always a very dramatic experience for my family and me. That recollection brings home to me the importance of good employment and that workers' rights should always be protected.

The previous contribution formed an interesting part of the wider debate. The Minister of State must try to do what is right and uphold the principles of social partnership. The past two weeks have been difficult for those of us who strongly support social partnership. Many trade union officials have made that point. Despite some comment to the contrary, trade union officials have been discussing events with Fianna Fáil Deputies in the recent past. I have had much interaction with friends in the movement, who have a point of view to express. When I have an opportunity to make a greater contribution to this debate I will support the concept of ensuring that labour laws are always upheld. I believe the intentions of the Minister of State will have broad support. The Minister must make a decision in due course. I listened when he introduced the Employment Law Compliance Bill 2008 and recall hearing that he was open and amenable to the comments of the House and to amendments. I suspect there will be many of these.

7 o'clock

Debate adjourned.

Private Members' Business.

Hospital Services: Motion (Resumed).

The following motion was moved by Deputy James Reilly on Tuesday, 10 February 2009:

That Dáil Éireann:

noting the conclusions of the Teamwork-Howarth Review of Acute Hospital Services in HSE Mid-West which recommended:

- that the current staff complement of three A&E consultants in Limerick must be upgraded to eight in order to allow for a consultant delivered service (which have not been advertised or implemented);
- 135 additional new acute inpatient beds (which are not in place);
- an increase in the number of ambulances (which have not been delivered);
- a high dependency unit in Limerick Regional Hospital (for which planning permission has not yet been sought); and
- the necessary upgrade of the A&E unit in Limerick Regional Hospital (which has not taken place);

and considering that:

- currently between 15 and 30 people are regularly on trolleys for durations in excess of 24 hours in Limerick Regional Hospital;
- the putative cost in the original draft of the report was €380 million and apparently only €6 million is available to implement the changes;

- local GPs in the area have expressed serious concerns about A&E cover and patient safety if this plan goes ahead; and
- the implementation of the HSE Teamwork-Howarth report is unlikely to take place in the current economic climate;

calls on the Government to:

- maintain current A&E services at Ennis and Nenagh hospitals; and
- proceed with the planned upgrade of Ennis and Nenagh hospitals.

Debate resumed on amendment No. 1:

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

- “— strongly endorses the Government’s commitment to patient safety, quality and fairness as the priorities in the delivery of health services throughout the country;
- supports the Government’s view that fairness to patients throughout the country requires that all patients should have access to the appropriate care in the appropriate place at the appropriate time, provided by the appropriate person;
- recognises that the plan to reorganise hospital services in the mid-west is evidenced and in accordance with the principles of patient safety, quality assurance and fairness;
- notes and welcomes the conviction of the Royal College of Surgeons in Ireland that the reforms should continue in the mid-west and elsewhere;
- welcomes the clinical leadership in the mid-west region in the project to deliver better services to patients;
- urges everyone in the health service and public representatives in the region to work together to put patient care first above all other interests;
- welcomes the HSE’s commitment that Ennis, Nenagh and St. John’s Hospitals will deliver additional day surgery and diagnostic services, including CT scanning and that many patients from Clare and North Tipperary who currently have to travel to Limerick will now be able to access these services in their local hospitals;
- welcomes the additional specialist services such as dermatology, neurology and rheumatology which will be available in Ennis and Nenagh Hospitals;
- supports the HSE’s plans to appoint eight additional hospital consultants to enable the delivery of these new services and specialties at Ennis and Nenagh Hospitals;
- welcomes the HSE’s intention to enhance the ambulance service in the mid-west through the deployment of 12 advanced paramedics and increased out-of-hours ambulance cover;
- supports the HSE’s intention to develop a regional critical care service involving the provision of a dedicated new critical care block which will have a total of 40 specialist intensive care, high dependency and coronary care beds and a new emergency theatre;
- recognises the necessity to make capital investment in all four hospitals in the region to support the reconfiguration plans; and

- welcomes the significantly reduced reliance on locum positions to provide services and their replacement with full-time consultant staff for the region which will result from the reconfiguration programme.”

—(Minister for Health and Children).

Acting Chairman (Deputy Brian O’Shea): Deputy Seán Sherlock was in possession and there are ten minutes remaining in this slot.

Deputy Seán Sherlock: We wish to support the motion on the basis that the permutations of the HSE Teamwork-Howarth report for the delivery of care for people in the mid-west will have untold consequences for those who do not live in the region served by Limerick Regional Hospital. In addressing this motion I wish to speak specifically for the southern region, where the national service plan has been published. We have also recently received a document from the HSE stating that new efficiencies to the value of €80 million are sought in its operations. The Teamwork-Howarth report has not been published in the south. Having read the Fine Gael motion and the prescriptions of the Teamwork-Howarth report for the mid-west, I do not doubt that the delivery of services in the combined Munster region, as espoused in this document, will have a negative effect on hospitals in Nenagh, Ennis and Mallow. While I might be accused of being parochial, it is important to note that the hospital in Mallow is like those in Ennis and Mallow, and to address this as a Munster-wide issue.

There has been no politically accountable, coherent analysis of the HSE’s proposals. This is the first time that the House has had an opportunity to properly debate their implications and it is happening on Opposition time. The Government should make time available to debate the issues adequately so that we can go through the implications of these proposals euro by euro, and hospital by hospital.

We have witnessed the erosion by stealth of services at the former county hospital in Mallow. A CT scanner was put in place a few years ago and became operational last year for approximately ten to 15 hours per week, but now runs for between four and six hours per week. Last week, we found out that the ear, nose and throat services will be taken away in one fell swoop. We have also been notified that no children under the age of 16 will be treated within the hospital and that the long-term plan is to replace the accident and emergency unit with a nurse-led minor injuries clinic.

The motion notes that between 15 and 30 people are regularly on trolleys for over 24 hours in Limerick Regional hospital. If services in Mallow are further reduced the same will apply to Cork University hospital. We in the Munster region are arguing for a re-think of the policy. Clinicians who advise me, and the 120 GPs who serve the hospital, say that there should be no diminution in services in Mallow general hospital until the HSE can guarantee that the services are available in Cork University hospital. That is the logic of the argument being applied to Limerick Regional Hospital and to the hospitals in Nenagh and Ennis. There is a complete lack of foresight in the approach to this. Every time I raise the issue with the upper echelons of the HSE management in the southern region, I meet vague answers and lack of specifics.

I do not see how the Minister can dress up the service plan for the southern region as a configuration, or a reconfiguration, because it drives a coach and four through the services being delivered to the catchment areas of Mallow, Ennis and Nenagh. Those who reside in the catchment areas will have to travel further to get into Cork University Hospital and Limerick Regional which will force more people through a narrow bottleneck. The services and capacity do not exist within those hospitals. There is no logic in seeking to further downgrade the satellite hospitals that serve Cork University and Limerick Regional Hospitals. We want a

[Deputy Seán Sherlock.]

proper debate on this and I ask that the Government make time available for it. I appreciate that Fine Gael raised this issue and we support it.

How much time do I have left?

Acting Chairman (Deputy Charlie O'Connor): The Deputy has three minutes and ten seconds.

Deputy Willie Penrose: There is a Ceann Comhairle in the making.

Deputy Emmet Stagg: Every second counts.

Deputy Willie Penrose: The Government will never be stuck while Deputy O'Connor is there.

Deputy John Moloney: He is doing a good job.

Deputy Willie Penrose: The Minister of State at the Department of Community, Rural and Gaeltacht Affairs, Deputy Conor Lenihan, would be delighted.

Acting Chairman: Allow the Deputy to speak without interruption.

Deputy Seán Sherlock: Why are Fianna Fáil Deputies elected by these constituencies allowing this to happen? Why do those Deputies constantly move to blame it on the HSE? Are we to believe that Professor Drumm, by virtue of his management of the HSE, is the *de facto* Minister for Health and Children? Is there no voice on the Government backbenches from the Munster region served by the hospitals at Mallow, Ennis and Nenagh that will call a halt to what the HSE is trying to do? If we proceed with the degradation of services at these hospitals there is no way that hospitals such as Cork University and Limerick Regional will be able to deal with the capacity. That will have untold consequences.

The hospital in Mallow serves over 100,000 people in four counties. I speak to the staff in Cork University hospital and if one visits it on any given day, one will see that the accident and emergency unit cannot cope with the numbers coming through. Why would the Government seek to further diminish services to the satellite hospitals?

We support the motion and believe that if the Government backbenchers who represent constituencies served by the hospitals at Ennis, Nenagh and Mallow have any backbone they will support such motions because in that way they will support the people.

Minister of State at the Department of Foreign Affairs (Deputy Peter Power): I wish to share time with Ministers of State at the Department of Health and Children, Deputies John Moloney and Barry Andrews, and Deputies John Cregan and Michael Lowry by agreement.

Acting Chairman: Is that agreed? Agreed.

Deputy Peter Power: I welcome the opportunity to contribute to the debate on the hospital services in the mid-west. I will concentrate on how the proposed review relates to Limerick City. I strongly believe that the reforms set out in the report are long overdue. Ultimately, they will be good for patient outcomes in Limerick. I also believe that it will not happen overnight and that the change must be incremental. One cannot go from an imperfect system to a perfect system overnight. This means we cannot make this into a political football, and it also means involving all of the stakeholders in the process, which will take some time.

Everyone in this debate agrees on several matters. Best practice in the delivery of medical services is changing in Ireland and abroad. Technology for the delivery of those services is also changing. That means we must not do things the way we did them before and it also means not doing things in the places we did them before. It means doing them in different places with better people who are better able to produce better outcomes. We all agree that the report concludes that if those internationally recognised best practices are implemented, better outcomes will be achieved. We might disagree on how we go along with this journey, but at least that is a good starting point for all of us.

I also welcome the fact that this reform has been led by clinicians, who are the experts on this. It is not necessarily led by politicians, although it is assisted by them. It is essentially led by people such as Dr. Paul Burke and Dr. Cathal O'Donnell, who are both highly respected people. I have met these people on several occasions, and I can say that their sole motivation is the best outcomes for patients. It is not about turf wars and about keeping practices in some hospitals rather than other hospitals. Their motivation is simply the best outcome for patients. Do we accept their good faith and do we work with them in delivering their best expert advice? I say that we should do so.

St. John's Hospital has played a prominent role in recent years in the delivery of services in Limerick. I believe the hospital is well placed strategically to play a prominent role in the emerging infrastructure in the mid west, following on from this report. Consultant appointments to the hospital in recent years have been on the basis of a shared commitment with the regional hospital. In addition, the hospital has participated in joint ventures such as the development of minor injury services in Limerick, and the co-ordination of pathology and radiology services. That is very welcome. The initial discussions that began with the management of the hospital about its contribution have been productive. They are concentrated on providing increased consultant input into the accident and emergency consultant level delivery of services in St. John's Hospital, which is to be welcomed. The possibility of expanding the scope of the minor injury services in the hospital to cover the weekend period is extremely welcome.

The programme of change also includes an expansion in the range of diagnostic facilities, and an expansion of outpatient and day surgery capacity in the smaller hospitals in the region, which includes St. John's Hospital. A reference in the report has been made for a throughput in the hospital of up to 30,000 people per annum, which is very welcome. If this report is ultimately delivered, it will be good for St. John's Hospital and the regional hospital. It will mean a very significant investment in the medical infrastructure in Limerick, an emergency operating theatre in the regional hospital, an expansion of the ambulance service, and a critical new care block in the regional hospital. That is to be welcomed, but it will not happen overnight. Everybody needs to work together and we need to take the best advice from the best people with the right motivation at heart, working to deliver the sort of services that Limerick and the mid west deserve.

Minister of State at the Department of Health and Children (Deputy John Moloney): I am not from the region, so I cannot be accused of being parochial. I rise to support the Minister of State and Deputies from the region who support Government policy. I do so on foot of what I have heard last evening and again tonight. I was here for a similar debate ten years ago, which was about the provision of cancer services. Everything I hear now is a repeat of what happened back then.

One of the Opposition Deputies stated that we should support the people, and I accept that. For five years, I was on the wrong side of the people in my constituency. When it comes to health issues, there is always a concern for politicians that the people may be right, especially when huge crowds gather to explain how wrong we are. It is often important to rely upon

[Deputy John Moloney.]

independent medical advice, especially when we are talking about life and death issues. It is not for me to be critical of anybody who supports a different point of view, but I would like to make a few points.

In the early 1990s I was in the peculiar position of supporting a Fine Gael Minister for Health and Children, Deputy Noonan. He came out with the national cancer strategy and supported Tullamore as opposed to Portlaoise. The issues that are being raised today were raised then. Huge pressure was brought to bear on Opposition Deputies. I do not quote Members when they are not in the House, but I found it difficult to hear the current Minister criticised by the Fine Gael spokesperson on health, when he stated that what had happened in Portlaoise lay directly at her doorstep. The Minister is a much greater political thinker than I am, because she did not want to enter that particular debate. The issue is about the reconfiguration of health services based on the premise of ensuring patient safety in the first instance. The most important part of the debate back then was that by ensuring a critical mass of people presenting to busy clinical hospitals, the consultants would be upskilled therein, which is the same debate today.

The president of the Royal College of Surgeons in Ireland made the point that the college supports this reform. I find it difficult that the current Minister can be accused of creating difficulties in my hospital, because if Deputies from the Fine Gael-led Government of the 1990s had supported their then Minister for Health and Children, the difficulties we have had in Portlaoise in the past two years would never have occurred. We are being accused this evening of not listening to the people, but the reality back then is that had we listened to the independent medical advice that has been given today, we would never have had the sorry situation that occurred in Portlaoise. The centre of excellence would have been in Tullamore and it could not have been used as a political football as it was last night.

I want to go back to the Teamwork Report, which identified the same issues that occurred in Laois and Offaly ten years ago. Some Members of the Opposition, especially Deputy Reilly, might want to forget about them. The Teamwork Report identified a number of significant issues relating to how hospital services in the mid west are organised. The most important part of the report is that the core specialties of general medicine, general surgery, accident and emergency services and critical care are too fragmented. This underpins the strategy involved here and the difficulties that were involved when the national cancer strategy was being rolled out. I must give credit to the Minister, Deputy Harney, for initiating the national cancer strategy that is now working, and now clearly initiating a national cancer strategy for the reconfiguration of hospitals throughout the country. It is a confirmation of the Government's policy of maximising and improving public health, the cost of which is often a little political pain on the ground. In the context of the debate in this House, I would prefer to be on the side of those who support patient safety.

Deputy John Cregan: I welcome the opportunity to make a brief contribution to this important Private Members' debate. There was a time when many public representatives sat on health boards throughout the country. To be fair, when we were members of health boards, we felt obliged to protect our own patches. We felt it was our duty to do so. A change took place when it was felt that politicians should not be involved in making decisions such as that taken by the HSE in this instance. While many of us did not support that move, in fairness it has removed parochialism from the decision-making process. We have entrusted the HSE with the running of the health service and the development of our hospital network. I strongly feel that there is a responsibility on public representatives to ensure that all patients who present themselves at our hospitals enjoy good outcomes. There is an obligation on every Member of

this House to support the development of surgical and emergency medicine. The Government's decision has been made on the basis of the best medical advice possible. The many highly regarded medical personnel who have been involved in making the decision to roll out the new strategy for the mid-west region should be given a chance. Similarly, the report should be given a chance.

All of us are concerned to ensure that the necessary resources are available in Limerick Regional Hospital to cope with additional demand when the new regime is in place. On the basis of what I have seen in the report and heard from the Minister, Deputy Harney, I do not doubt that the resources will be put in place before the system changes. While people are entitled to have genuine concerns, it is important for them to acknowledge the fact that additional resources will be put in place before additional demands are made of Limerick Regional Hospital. I welcome the commitment of the Minister and the HSE to ensuring that the additional resources and support services that are required will be put in place.

I am extremely proud of Limerick Regional Hospital and its staff. I have been in public life for many years. I accept that people have to lie on trolleys for a certain period of time, unfortunately, in hospitals throughout the country. I respectfully suggest that the alternative is to put a sign on the door of each hospital saying, "sorry, we are full". With the best will in the world, we cannot do that. By their nature, hospitals will always have enough patients to fill their beds, regardless of how many they have. It is a difficult situation. As one cannot put a "full house" sign on the door, the next best thing one can do is provide trolleys for people to lie on. We would all prefer if that were not the case. With the exception of such cases, I can count on the fingers of one hand the number of complaints my constituents have made to me about the treatment they have received in Limerick Regional Hospital. The hospital is absolutely second to none. On nights like tonight, we should recognise the contribution the hospital's staff members are making. We often take such matters for granted rather than giving the praise that is deserved.

I will be somewhat parochial by mentioning two recent developments in St. Ita's Hospital in Newcastle West, which is the only hospital in my constituency. The matron and staff of this fine geriatric hospital deserve the height of praise for the manner in which they perform their duties. Fortunately, in recent times, two capital projects at the hospital — a special dedicated Alzheimer's unit and a special dedicated hospice unit, which will operate in conjunction with Milford Hospice — have been sanctioned. I call on the Minister to ensure that these two tremendous facilities are opened at the earliest possible date. I welcome the appointment of a clinical nurse manager at the hospital. I welcome the confirmation that a person is in place to carry out the manager's duties. It is important to drive ahead with the opening of the facilities I have mentioned.

I fully support the Government's amendment to the Fine Gael motion. I understand that the changes at the hospitals mentioned in the motion will be implemented step by step. The hospitals in question, both of which play an important role for the people they serve, will not be closed or downgraded tomorrow.

Minister of State at the Department of Health and Children (Deputy Barry Andrews): I wish to share time with Deputy Lowry.

Acting Chairman: Is that agreed? Agreed.

Deputy Barry Andrews: I welcome the opportunity to speak on this important matter, which is one of the issues to arise in the context of the challenges posed by the national restructuring of the HSE. Many Deputies have highlighted the danger of politicising certain issues, such as

[Deputy Barry Andrews.]

health and crime. It is a common theme. I am a great defender of politics as a profession. The influence of politics in the health system is a positive one. However, there comes a time when we have to acknowledge that the overwhelming weight of clinical evidence and opinion is pointing us in a certain direction. We should be honest enough to accept that our narrow self-interest needs to be put to one side in favour of a greater interest. In this case, a greater interest has been identified by clinical leaders in this area. A similar approach should be taken in other areas of public policy if a clear and strong professional opinion is pointing in a specific direction. It may not suit our personal interests, but greater interests have to be borne in mind. Acknowledging the obligation to show moral leadership on certain issues is at the core of politics.

All of us have been affected in one way or another by this issue. In recent years, we have all seen reconfigurations of hospital services in our local areas. It is painful, difficult and hard to put self-interest to one side, but it is necessitated by the greater interests I have mentioned. Reference has been made to the overwhelming professional opinion in this area. I would like to refer specifically to the comments made by a consultant surgeon in Limerick, Dr. Burke, on “Prime Time” last Thursday night. He agreed with the other 12 surgeons in the area that all acute and emergency surgery should be centralised because that would lead to the provision of a safer and better service. It is clear that Dr. Burke’s comments, along with all the other evidence that has been furnished over recent weeks, point us in one direction only — the configuration of services in this area, as suggested by the HSE. We all have a duty to convince our natural constituencies to follow us on that road.

The Minister, Deputy Harney, reminded the House last night that these proposals were first ventilated almost 40 years ago. The difference now is that we have a Minister who is prepared to tackle the vested interests and face down the narrow self-interest that has unfortunately dogged this country’s health policy for too long. Professor Tom Keane has demonstrated the benefits of centralisation and specialisation. Anybody who has had to avail of this country’s paediatric services will agree that there is no debate in this respect when it comes to paediatric oncology, for example. We all agree that the centralisation of paediatric services is working. People do not mind having to travel to Dublin because they know that one of the best paediatric services in Europe is available at a single location there. That argument has been proven for some time. We now have the political will to match the strong professional opinion that has prevailed for many years.

The Teamwork-Horwath report states that “the core specialties of general medicine, general surgery, A&E and critical care are too fragmented, carry increased risks for patients and staff, and are not sustainable in their present form”. Dr. O’Donnell has said that the extra time taken to get to a specialist service improves survival rates by 25%. As the Minister of State, Deputy Moloney, pointed out, the president of the Royal College of Surgeons in Ireland has added his weight to the argument that substantial reform has to be continued in this area. It has been suggested that the accident and emergency department in Limerick will be unable to cope with the additional demand on it. Statistics show that, in January 2009, the number of people who had to wait for long periods of time in the unit was quite small. They indicate that the department has the capacity to absorb any extra demand that may result from the changes that are being proposed.

In regard to the mid-west, an examination of the number of cases presenting in general reveals that in a six-month period Ennis General Hospital had 28 surgical cases and St. John’s Hospital had only 21. Of the 105 emergency cases requiring treatment in one month in Nenagh, only 12 involved a general anaesthetic. It is clear there is a need for us to change the way we

think about these issues. This debate presents an opportunity for a bipartisan approach to these issues to ensure we have better patient safety and better outcomes for patients.

Deputy Michael Lowry: During my political career I always have been committed to addressing the many and varied problems at Nenagh General Hospital. With others, I have battled long and hard to preserve and protect it over the years. My only motivation and objective was to ensure the provision of the best possible health service for the people of north Tipperary. Health care must be outside politics. It should not be used solely to win votes and enhance reputations. For as long as I can remember, Nenagh General Hospital has struggled to survive.

Health care is an emotive issue and affects people in a deeply personal way. Personal health and well-being is the key priority. What we need is a quality of care that is community focused, addresses the needs of everyone equally and locates the most intensive services in locations where they will be most valuable and widely available.

We have confronted many challenges facing Nenagh General Hospital over the years arising from policy decisions initiated by different Governments under former Ministers for Health such as Barry Desmond, Deputy Hanlon and Deputy Noonan. Nenagh General Hospital has again reached a critical juncture. The decisions we take now will determine whether it has a future.

As a politician, I feel obliged to listen and take notice of the professional medical advice on the structures and procedures that are considered to give the best possible patient care. I have consulted widely with all the important stakeholders. I believe that consultation with senior and experienced medical professionals is the correct way to make informed judgments. The surgeons in the front line, including the head of the Royal College of Surgeons in Ireland, Professor Frank Keane, support the reform of surgical facilities in the mid-west. Senior accident and emergency consultants, such as Cathal O'Donnell and Paul Burke currently working at the coalface in the mid-west, say that the current system operating in small hospitals is costing lives. How can any politician ignore those statements?

Listening to the one-sided debate about Nenagh General Hospital, it would be easy to get the impression that everything is perfect at present. Let me put on record that Nenagh General Hospital in its current configuration has significant problems. Its surgical unit is inadequate for major elective surgery, as it does not have the adequate recovery rooms, intensive care unit and anaesthetic systems required by modern-day medical practice.

The Health Information Quality Authority was established in response to malpractice and systems failure in other hospitals that had disastrous consequences for unsuspecting patients. This same quality authority conducted a hospital-wide audit of Nenagh General Hospital in 2007. The quality authority put Nenagh's management on notice that patient safety and infection prevention standards were not up to an acceptable level within the sterile services structure of the hospital. The sterile services are located within the operating theatre. These operating theatres are in place since 1954. They are outdated as well as structurally and clinically redundant. If they are not demolished and replaced, we will face an order for closure of the current surgical theatres.

Also in 2007, it was recognised at clinical level that Nenagh General Hospital did not have the range or diversity of clinical skills to cope effectively with or manage major trauma. In reaction to this reality a trauma bypass protocol was put in place at the beginning of 2008. Nenagh General Hospital is now bypassed in the case of events such as major car crashes because it is deemed the existing surgical and back-up facilities cannot cope. Under this protocol the paramedics at the scene of an accident or emergency situation were given the discretion

[Deputy Michael Lowry.]

to determine the extent of injuries or condition of the patient and make an instant decision as to which hospital would best meet the medical requirements of that patient.

We hear much talk about the golden hour concept and in that context it also should be realised that under the present system between the hours of 5 p.m. and 8 a.m. radiographers and laboratory technicians are not in the hospital and are only on call. This means there is an inevitable delay of up to one hour when a critically ill patient arrives at the hospital. At present one has to wait for the radiographer or the laboratory technician to be called and arrive at the hospital before an X-ray can be completed or a blood analysis conducted.

In short, I am saying those leading the agitation for the existing system to be retained at Nenagh are misinformed, misguided and putting patient care in jeopardy and the future of the hospital at risk. Retaining the *status quo* at Nenagh without capital investment will lead to stagnation, unsafe standards and ultimate closure.

Nenagh General Hospital needs investment to survive. Without a multimillion euro upgrade of outdated facilities, the hospital has no future in any capacity. If we do not have capital investment, it will close. As a way forward Nenagh Hospital needs to assert itself to the extent of its ability as a centre of excellence in its own right. To this end, it needs a cash injection of millions. When I committed to the support of this Government, I placed priority on the provision of funds for capital projects at Nenagh General Hospital. I sought and received verbal and written commitments from then Taoiseach, Deputy Ahern, later endorsed by the current Taoiseach, Deputy Cowen. These included the provision of two new surgical theatres, a new endoscopy unit and diagnostic centre, together with ancillary facilities and accommodation.

Since the publication of the Teamwork report I have had extensive discussions with the Minister, Deputy Harney. I advised her that the reform suggested to improve the delivery of health services to the people of north Tipperary must be predicated on fully operational and functioning alternative structures being in place. It became apparent during those discussions that there was in existence three separate development plans for Limerick, Ennis and Nenagh. I was understandably concerned that Limerick Regional Hospital's proposed development would be funded, progressed and completed. We could then have a nightmare scenario for north Tipperary whereby the HSE might say that Limerick had the capacity to meet all needs, Nenagh was surplus to requirements and a doomsday decision would be made not to proceed with investment in Nenagh.

To avoid that possibility I secured from the Minister a commitment to commission one overall integrated plan for the mid-west. The Minister gave me a further guarantee that the development of Limerick and Nenagh would take place in conjunction with each other. She also gave a commitment that the capital projects for Nenagh, included in my agreement with the Taoiseach, would be delivered. These multimillion projects such as the new surgical theatres, the endoscopy and diagnostic units will be included for funding under the multiannual capital programme of the Department of Health and Children to be announced in the coming weeks.

The Minister has undertaken to ensure the existing CAT scanner at Nenagh General Hospital will be fully commissioned and staffed. She has committed to a significant enhancement of the ambulance service in the mid-west through an increased out-of-hours ambulance cover. She fully appreciates the crucial role of advanced paramedics in the new structures and has committed to the provision of an adequate number to cover north Tipperary. Day surgery and diagnostic facilities are to be extensively developed and easily accessible.

The Minister has also committed to appoint eight additional hospital consultants to enable the delivery of these new services and specialties in Nenagh and Ennis hospitals. She has made

a commitment to me that primary care teams will also play a major part in the proposed reform of health services in north Tipperary. Currently, two teams are successfully up and running in Roscrea, Borrisokane and Cloughjordan. In Thurles, the development of two primary care teams is well under way. The process will be expedited to provide care teams in Templemore, Nenagh, Ballina and Newport. These are critical to ensure the success of any local health reform and will ensure the people of north Tipperary are treated effectively in their own localities.

A new medical assessment unit will be provided at Nenagh General Hospital. This will be accessible by a GP referral system. What this means in effect is that most of the patients currently treated at Nenagh will continue to be treated there. There will be no reduction in the services provided to the public of north Tipperary requiring medical care. The staff at Nenagh General Hospital are professional, dedicated, caring and committed. I have been assured that under the new proposed reconfiguration all permanent nursing, attendant, porter, cleaning, catering and clerical officer staff will retain their jobs.

The Teamwork report set out to put in place upgraded services to improve patient care and to treat the patient in the most appropriate setting based on the recommendations of medical staff, that is, doctors, nurses, consultants and general practitioners. I am of the firm belief that if the components of this report are not implemented in their totality, there is no future for Nenagh General Hospital and it will be allowed to whittle away and die. The people of north Tipperary know the extent of the my commitment to them and to what is in their best interests. In that respect, this is the correct decision to best serve the interests of the people of my community.

Deputy Noel J. Coonan: I wish to share time with Deputies Joe Carey, Pat Breen and Tom Hayes, if that is in order.

At the outset, I acknowledge the role played by the staff, medical and otherwise, of Nenagh General Hospital and Limerick Regional Hospital. I acknowledge also the emergency services who provide such a fantastic service, in difficult situations, to the people of north Tipperary.

Deputy Lowry provided a list of what we all want in north Tipperary. I share those wishes, going as far back as my time on the health board when a development plan was put forward by the eminent consultant, Mr. Paul Burke, who has been much mentioned in the House. That plan saw a role for the four hospitals in the mid-west in providing a complete service for the entire region. Specific specialised services with a dedicated consultant-led team were to be provided in each hospital in the region.

For Nenagh General Hospital, those would have been neurology, vascular surgery, ENT and cardiovascular surgery. That was to be welcomed. In the development plan drawn up by the health board, of which I was a member, Nenagh General Hospital was put forward also for upgrading of theatres and an endoscopy suite, all the items that Deputy Lowry now promises. That was at the beginning of the Celtic tiger era when Deputy Mary Harney became Minister for Health and Children, Deputy Lowry did not support the Government and Fianna Fáil promised the sun, moon and stars to the people of north Tipperary. Did that party deliver in times of plenty? I put that question to my colleague, the Minister of State at the Department of Health and Children, Deputy Máire Hctor, whom I welcome to the House tonight.

Deputy Máire Hctor: Yes, it did.

Deputy Noel J. Coonan: I am glad she is not at a Labour Party rally tonight. Did the party deliver? It did not. What confidence and trust can the people of north Tipperary now have in Fianna Fáil's ability to deliver, aided and abetted by Deputy Lowry? I say they can have none and I offer an example, although Deputy Lowry has left the House. This time last year, capital

[Deputy Noel J. Coonan.]

funding was planned to provide for a 20-bed stay unit in Borrisokane. Such step-down facilities to get people out of hospital are so important, as we are told in the Teamwork report. On 31 December, this plan was withdrawn in another example of renegeing.

Can we be assured of the funding? The word is that it will be announced presently, as part of a deal by Deputy Lowry, just as the unit for Borrisokane was. We are to believe it will be announced, for sure, and that there will be great drama over it, but will the plan ever go ahead? How long must we wait before it is withdrawn as in the case of Borrisokane?

That is the problem with this report. Deputy Lowry mentioned different consultants and the advice they have given. I, too, have listened to consultants. I have spoken to Mr. Paul Burke and have met him. He said he was quite happy because 80% of the people in the mid-west region were within 35 minutes of Limerick. The 20% who come from north Tipperary and from County Clare did not matter to him. They may live more than 50 miles away and be well over an hour away from Limerick Regional Hospital. Before this year is out, they will matter to Mr. Paul Burke, the HSE and the Minister of State, Deputy Hocht. I know she is concerned about the people but these issues must be addressed and that is not happening.

We have heard about the ambulance service. Deputy Lowry will speak of another deal and say he secured an ambulance base for Thurles. The ambulance personnel there are working in deplorable conditions. What happened to that promise? Why is that not being delivered? The same applies to an ambulance base in Nenagh which was not delivered in times of plenty. The Minister of State has told the House that all will now be implemented at a time when the Government is on its knees, having broken the country and with not a penny left in the banks. Who is coddling whom? One can cod some of the people some of the time, but one cannot cod all the people all the time.

I know Mr. Burke well, but I wish to deal with some of the issues. If Deputy Lowry gets his way, we will have a daycare centre in Nenagh. That is fine, but we will not have a hospital because there will be no surgery in that hospital. Is it not ironic that the Teamwork report states clearly that acute services will be transferred from Nenagh General Hospital to St. John's Hospital in Limerick? Deputy Cregan said no parochial element or politics were involved. We heard it from the Minister of State, Deputy Power. What kind of politics is that? It is not considered good enough to operate on people from north Tipperary in Nenagh General Hospital. Instead they are to be moved to St. John's. The Deputy called out the figures which are less than those in Nenagh. Where is the critical mass we are told is so essential for safety? Of course it is a political matter.

The people of north Tipperary deserve better and the Minister of State knows that. We have our hospital that has served us well, and other generations too, throughout the years. I listened to the Minister for Health and Children, Deputy Mary Harney, last night. She spoke with passion and I admire her for that. She talked about delivering quality medical care, and we all want that. I share that wish with the Minister, but the difference lies in how and where it is provided. We want quality care as it was, and is, provided at present in Nenagh. We want that care to be continued there. What we have we will hold. The premier people of the premier county will rise up and speak and the Minister of State will know this well before the matter is out. She knows the anger that is palpable among the people of north Tipperary about the way they are being treated.

I recently had experience of Nenagh General Hospital. Late on a Saturday night I was brought into the accident and emergency department there. I could not have been treated better. I was stabilised, comforted and diagnosed, and was sent to Limerick Regional Hospital the following Sunday evening for an operation on Monday morning. I will say two things about

that. First, when I got to Limerick on the Sunday night I had to go through the accident and emergency department for an X-ray. By God, I was horrified. It was worse than a Beirut battlefield, with the bodies strewn on the corridor. The trolleys were all used up as were the beds and the chairs. Everything was thrown about everywhere. When I met the professional who was to treat me she told me that, as a public representative, I must take action and do something about the situation. She said that staff could not stand the pressure, which she described as unreal. She had 83 patients to attend to after treating me.

The second reason I mention my experience is because in Nenagh we got such wonderful service. Last night, I listened to the Minister, Deputy Harney. She implied criticism of the four emergency consultants who lead a wonderful emergency department in Nenagh and questioned their professionalism and abilities. When this service was put into Nenagh as a cutback, the same Minister and the same Fianna Fáil Party told us it was the answer to all our needs and our medical requirements in north Tipperary. It is quite a turnabout to hear the Minister imply criticism of professionals, as if they were not doing their job correctly. It is amazing.

The problem here is trust in the Minister and in Fianna Fáil who are hiding behind the HSE concerning the delivery of their promises. A man said recently at a public meeting that if he were fed on Fianna Fáil promises, he would weigh 50 stone. I am fairly overweight but I would surely weigh 50 stone if I were fed on the promises that have been reneged upon by Fianna Fáil. The people cannot trust, and that is the problem with the proposal in front of us. It puts the cart before the horse, closing down the services that are there and have served the community well without putting in place what was promised, and which is unlikely ever to be in place. The only way these promises will ever be put in place will be when Deputy Reilly moves over to the other side of the House. Fine Gael will deliver as it has done in the past.

Deputy Pat Breen: It is time for the Government to end the hypocrisy regarding the future of the 24-hour accident and emergency services at Ennis General Hospital. I support my party's spokesperson on health, Deputy James Reilly, and the position he has taken on this matter. I commend him for bringing this motion before the House.

The Minister for Health and Children, Deputy Harney, stated in this House last night that the reason County Clare people are worried about what will happen when services are removed from Ennis General Hospital is because politicians are telling them that patients will die. That was an outrageous statement for a Minister to make. If the Minister had bothered to come down to meet with the people of County Clare, she would know they are worried about their health and the health of their children. They are also worried about the promises they got from Government politicians in election after election. Government politicians stood on the steps of the O'Connell monument in the square of Ennis promising that Ennis General Hospital was safe, but as soon as the election was over, the promises went out the window.

When former Taoiseach Bertie Ahern breezed into County Clare in 2006 he pledged his support for the hospital to a local journalist. He said:

The hospital is safe. People should be supporting this Government which is investing in this hospital instead of chasing rabbits and hares around Clare.

He even proclaimed that this commitment was written in stone when he said, "I have given this commitment in writing and people should stop beating the drum." The former Taoiseach has plenty of time now for chasing rabbits and hares. I was elected by the people of County Clare and I will never stop beating the drum for them. Sadly, the people of County Clare will pay a high price for the reckless abandonment of pre-election promises by Fianna Fáil and the Green Party.

[Deputy Pat Breen.]

The under-investment in Ennis General Hospital by the Minister's Government over the past ten years is testament to this Government's lack of political will and ability to speak up for the people of County Clare. The management and staff at the Hospital have been starved of resources for years and every request for funding from the Government and the HSE has been met with resistance. In October 2004 this lack of resources prompted the consultants working in Ennis General Hospital to comment in an open letter:

Consultants working within the mid-west region noticed a marked superiority in the resources available to patients presenting to Limerick Regional Hospital compared to Ennis General Hospital. This inequality of access to health care is wrong.

Last night here the Minister said the HIQA report will be published shortly. I hope it will have some comforting news for the Moriarty and Kelly families. They deserve this after their tragic losses. Lessons must be learned, but I hope the Minister will not use this report as a means of closing services at Ennis General Hospital, or even closing the hospital.

I will give an example of something that happened this week in south-east Clare, in Deputy Jan O'Sullivan's constituency. The HSE confirmed that the health centre which was built in Westbury in south-east Clare at a cost of €500,000 will not open due to a shortage of funding. Yet the Teamwork report requires €380 million. This plan to remove services from the hospital from 1 April must be an April Fools' Day joke. As a Councillor I served the people in west Clare, and the area is long and far from Limerick Regional Hospital. I welcome the members of Ennis General Hospital who are here to listen to this debate. The Ennis General Hospital development committee recently tested the "golden hour". It took one hour and 43 minutes to get from Kilbaha in west Clare to Limerick Regional Hospital. Some time ago a constituent of mine from west Clare told me it probably would be easier to phone the undertaker if we are to depend on this level of service.

In the absence of 24-hour accident and emergency services at Ennis General Hospital the ambulance service is expected to deliver mobile emergency care throughout the county. How is it expected to deliver this with the service already operating on a shoe string? On several occasions I have pointed out to the Minister, Deputy Moloney, the over-reliance on on-call services, private ambulances being called in from time to time and the lack of 24-7 cover in Scarrif ambulance station. The Minister has not invested one cent in upgrading the ambulance services. He says he will provide six extra advanced paramedics to cover County Clare. That is totally inadequate. It will not work with shift work and sickness.

This Government has lost touch with the people. Last night a patient was left on a trolley at Ennis General Hospital overnight because Limerick was not able to accept more patients. What will happen after 1 April? Where will the patients go? I urge the Minister to get real. This plan cannot work because the resources are not there. I appeal to the Minister to abandon it. It is time for the Government politicians to end the double-speak on Ennis General Hospital. Last night here my colleague, Deputy Dooley said, "It is incumbent on all of us to ensure that these changes are made without delay." He went on to say, "If the changes are to be successful, they should be supported by investment." Where is the investment? No wonder the people of Clare are confused and worried about what they hear.

There are very few of our colleagues over there tonight, but I invite them to come over here and stand with us in favour of the motion at the end of the night. I ask them to join us, to take one small step across the floor. If they do that it will be a giant step to secure the services at Ennis General Hospital. I invite them to join the people of Clare and Tipperary, and in the

words of the great Munster anthem, “stand up and fight.” They must fight for what is right, for what is in the best interests of the people of Clare and Tipperary, and support this motion.

Deputy Joe Carey: Tonight we are at a crossroads. The signposts are clear. One path leads us to the continuation of 24-hour accident and emergency services at Ennis General Hospital together with the upgrade of that hospital. The other path leads us to the dismantling of County Clare’s accident and emergency services and their replacement with an eight-to-eight nurse-led minor injuries clinic, relying on two paramedics in one car to cover the whole of County Clare and protect the 110,000 people who live there.

Last night I listened to the Minister, Deputy Harney, saying this issue should be removed from politics and be above politics. This is a political decision. We are public representatives, elected by the people to articulate their views and represent them to the best of our ability. I make no apology for that. Since the year 2000, successive Ministers for Health and Children have made political commitments to the people of Clare. These political promises have been made by Deputies Martin, Cowen, Bertie Ahern and every Fianna Fáil Deputy in County Clare. Fianna Fáil political figures from the very top gave commitments that 24-hour accident and emergency services would remain at Ennis General Hospital and that the hospital will receive a €39 million upgrade. This is a political decision.

The Teamwork report does not move Loop Head any closer to Limerick Regional Hospital. It is still 74 miles. The Teamwork report ignores the “golden hour” principle. This is the standard international maximum time limit to treat anyone who has suffered a stroke, a heart attack or who has had an accident. Some 44,000 Clare people will be left outside the golden hour cover if the Minister’s plans go ahead. There are alternative models of providing accident and emergency care to dispersed populations, such as that delivered in the highlands and islands of Scotland. The British NHS was moving to centralise services in Scotland but their Minister for Health recognised that it would not work because it was not safe or right to ask people to travel extreme distances. That Minister had the courage to ignore and reject a centralisation policy and adopted a more appropriate model. The same model operates in Cornwall on the south-west coast of England and closer to home at Downpatrick Hospital.

8 o'clock
The shared factor in each of these examples is that since the year 2003, the NHS has been legally required to consult with patients and the public when any change in health care is proposed. The Minister and the HSE have done their best to conceal the HSE report from the people. GPs in County Clare and Nenagh were not consulted. Nurses were not consulted; nor were the people of County Clare. It is obvious the Minister is determined to provide accident and emergency services on the cheap while dressing them up as a standard of international excellence. This is being done with no consultation and little regard for the people on the ground who so desperately need, want and deserve speedy access to an accident and emergency unit.

Leaving aside the issue of the golden hour, nobody is convinced that any of these improvements can be delivered in Limerick Regional Hospital in such a short space of time. For example, six years ago the Hanly report promised a dramatic improvement in ambulance services, but nothing has happened. In fact, the service has disimproved. We have less capacity now than we did six years ago because an ambulance can carry only one person, and extra ambulances have not been provided. The HSE has failed to address this issue, and it continues to ignore the ambulance crew based in Ennis, who have campaigned for a year to be provided with a simple washing facility. They must clean the ambulances with a bucket and mop, using a tap in the public car park, with people walking in and out through it. The HSE has done nothing about this. How are we expected to believe the Minister will improve ambulance

[Deputy Joe Carey.]

services? The Minister's plans are simply unrealistic. Will the 135 beds promised for Limerick Regional Hospital appear from the sky on 1 April? Will the five additional accident and emergency consultants required wander in off the streets and arrive in a new accident and emergency theatre?

Behind all these reports and planned cuts are real people with real lives and real stories to tell. About a year and a half ago, a good friend of mine — a young man from Ruan — was involved in a farm accident on the outskirts of Ennis, in a place called Larchill. When agitating slurry, he came in contact with the gas and inhaled it. He collapsed, but fortunately there was a man there to raise the alarm. He called the ambulance service and the young man was admitted to Ennis General Hospital. People in the area found out about this accident, concern was expressed, and a mass was held in Ruan. All the people of the area came, and I was there myself. We all prayed for that young fellow. Because of the intervention at Ennis General Hospital, that young man has made a full recovery. He is 100% better. If he had to travel to Limerick by ambulance, that man would be brain-damaged today. That is the real benefit of having an accident and emergency unit in one's locality. It saves lives and improves recovery. With that vital intervention, the young man was saved.

I ask the Minister, Deputy Harney, if she would ask any of her constituents to travel from Dublin to Roscrea for accident and emergency services. That sounds ridiculous, but it is the same distance as that from Loop Head to Limerick Regional Hospital. In recent weeks, sick people have been lying on trolleys for three days in Our Lady of Lourdes Hospital in Drogheda. Surgery has been cancelled as there have been insufficient beds. I ask the Minister not to make the same mistake in the mid-west. I demand the best hospital service for the people of County Clare. That will not be delivered by closing an accident and emergency unit or by transforming Ennis General Hospital into a glorified nursing home. Tonight I appeal to all Members of the House, of every political persuasion, to join in supporting this Fine Gael motion to preserve the vital 24-hour accident and emergency services in Ennis hospital and support its redevelopment.

Deputy Tom Hayes: What is at issue tonight affects not only the people of Nenagh and Ennis but all people living in rural Ireland, no matter from what part of the country they come. In recent years we have been obsessed with the notion that making things bigger automatically means better services. I will draw a comparison which might sound funny. Those of us from rural constituencies will remember the amalgamation of creameries many years ago, and how this was to change the face of rural Ireland. We now see the difficulties the dairy industry is in. In my own constituency of south Tipperary, Mullinahone Co-op, a small unit that was left there on its own, is now probably more efficient than any other unit. I am making that comparison because we are obsessed, in every facet of life, with making things bigger and amalgamating them.

South Tipperary has suffered one of the most divisive events to occur in the health system, the amalgamation of services at Cashel and Clonmel. The debate went on for about 40 years and divided the people and the towns. Ten years ago the two hospitals were amalgamated and the surgical hospital was taken to Clonmel. A great plan was put in place. Now, ten years on, it is proposed to move some of the services to Waterford, including the maternity service. Last Monday the Oireachtas Members for south Tipperary were briefed and told the Teamwork report would be shortly moving south. What is happening in the mid-west region will happen to us. There will be more amalgamations in Wexford, Kilkenny, Waterford and south Tipperary. The people of north Tipperary and Clare are right to stand up and fight every inch of the way. This amalgamation will not bring more efficiencies to the health service. That is our experience. I ask every public representative on all sides of the House to consider what

has happened in south Tipperary. It could have been a good experience but, alas, I do not believe it was. People in Cashel are waiting for services, while some have been put in place. The staff contact me on a regular basis about all the things that have not yet been provided. There is a fear in north Tipperary and Clare that the improvements that have been promised will not occur. There is no confidence that these changes will bring about an improved service. That is what is wrong. To say people will get better services looks good on paper and sounds better. However, the reality is that services have not improved over the years. When we had small hospitals in every town around the country there were better services, and people supported that. That is why I say the Teamwork reports, when their recommendations are put in place, do not necessarily result in a better service.

Minister of State at the Department of Health and Children (Deputy Máire Hctor): Last night and this evening we have heard a range of views about the planned changes in the organisation of hospital services in the mid-west. The Minister, Deputy Harney, noted that the issues being discussed and the reasons advanced for maintaining the *status quo* have changed little over a period of 30 to 40 years. However, there has been a shift in the nature of the debate. We are all now familiar with the expert advice that, where the delivery of complex care is concerned, better outcomes for patients are achieved if this takes place where the necessary staff and equipment is to hand and sufficient volumes of activity take place. Despite what others may suggest, the available evidence also emphasises the need to provide timely emergency care to patients in an appropriate setting and that this leads to lower rates of death, fewer complications and longer life. Therefore, while we may still differ on matters of detail or on how change is to be brought about, I believe that among health professionals and the general population there is recognition that change is necessary and that it will ensure higher quality and more sustainable services for the future. Both the Government and the HSE are committed to a process of change which is incremental, with appropriate consultation and discussion with those affected. The HSE, with Mr. Paul Burke as clinical lead, is working with stakeholders to develop, explain and give effect to the reorganisation plans.

Deputy Joe Carey: He is just telling them what is happening.

Deputy Máire Hctor: It is very important that we explain clearly to the population of the mid-west what the changes will involve and the reasons for them. However, it is equally important that they are not misled as to their nature and purpose. It is sometimes alleged that the Government and the HSE want to “downgrade” smaller hospitals in order to save money. This is not so. It is in nobody’s interest, least of all that of the people living in the mid-west and north Tipperary, that anybody should seek to perpetuate a configuration of acute hospital services which is not sustainable and which will not deliver the best health outcomes for patients.

I am a native of Nenagh; I was born in Nenagh hospital. I will not stand in defiance of professional opinion and the evidence-based policy to achieve greater patient safety. The nature of health service delivery is changing and the direction of future development is towards an increased proportion of diagnosis and treatment taking place on a day or outpatient basis. This is much more convenient for patients and their families as well as much more cost effective. Each of the acute hospitals in the region will continue to have a very significant role as parts of an integrated regional service.

This cannot be implemented without significant investment in Nenagh, Ennis and Limerick hospitals. This Government and Fianna Fáil-led Governments through the years have a history of investment in Nenagh hospital, from coronary care to the extension and to the expanded X-ray and accident and emergency unit.

Deputy Noel J. Coonan: Look at the cat scan. There were only three staff for it.

Deputy Máire Hctor: The Opposition has no record of capital investment compared to this Government.

Deputy Joe Carey: Ennis hospital is on its knees.

Deputy Máire Hctor: We will continue to invest in Nenagh hospital in the future.

While complex and specialist cases will be treated in the regional hospital in Limerick, Nenagh, Ennis and St. John's will see the continued development of day surgery and diagnostic services, such as CT scanning and endoscopy. At present, approximately 700 patients per year from Nenagh and 1,000 from Ennis are referred to Limerick for CT scans. Under the new arrangement, this service will be provided in the local hospitals, which will be more convenient for patients and the general practitioners, who will have direct access to CT referrals.

Deputy Noel J. Coonan: We have heard that promise for the last two years.

Deputy Máire Hctor: Nenagh and Ennis will continue to provide medical care on an inpatient basis and to accept medical admissions from general practitioners out of hours. This service will also come within the scope of a regional structure and arrangements will be in place to facilitate the seamless transfer of patients between the local and regional hospital.

Deputy Joe Carey: That is not happening.

Deputy Máire Hctor: It will mean that patients will be able to quickly access specialist care. These arrangements will be kept under ongoing review to ensure that they are working as intended and that patients are enabled to access the care they need as quickly as possible.

The shortcomings of the existing accident and emergency arrangements in Ennis and Nenagh and the small patient numbers involved have been set out. The restructuring of services will therefore involve full accident and emergency care being provided from the Regional Hospital, Limerick, supported by Ennis and Nenagh which will have medically supervised local emergency centres for non-major emergencies, minor injuries and self-referred medical problems. These will be open for approximately 12 hours per day and will operate under agreed governance structures and protocols. Governance structures are not in place at present in Nenagh and Ennis with regard to the accident and emergency physicians. They are doing a very good job but governance is not in place and that is not sustainable for the future in the interests of patient safety.

I appreciate that people are concerned about services for those who fall seriously ill or are involved in an accident in areas further away from the regional centre in Limerick. The key to quality emergency and trauma management is pre-hospital care that enables life-saving treatment to be provided quickly to patients. Stabilisation can be carried out by advanced paramedics who travel quickly to the patient. Six of these staff, with specially equipped emergency response cars, are being deployed in north Tipperary and six in County Clare in the coming months.

Deputy Joe Carey: There is one car.

Deputy Máire Hctor: Once stabilised, all seriously ill patients should be brought to the major regional hospital without stopping at local hospitals. That is already happening.

There is no recognition from the Opposition of the investment in the new fleet of ambulances which has taken place in the last three years in the mid-west. There has been serious investment in the ambulance fleet.

Deputy Joe Carey: The capacity has gone done.

Deputy Máire Hctor: One would think there was no investment whatsoever if one listened to the Opposition Members.

The general practitioners have shown a certain concern about this issue. A leaflet was recently circulated in the name of the general practitioners but I have discovered that many of the general practitioners in north Tipperary were not consulted and did not authorise the leaflet.

Deputy Jan O'Sullivan: They have not dissociated themselves from it either.

Deputy Máire Hctor: However, I have always been available to and supportive of the general practitioners in north Tipperary. The additional resources which undoubtedly will be needed in the reconfiguration of the hospitals in question will also be needed to support the general practitioners in their work. I will support them in that regard and, indeed, in any other way possible.

Deputy Fergus O'Dowd: I will share time with Deputy Neville and Deputy Reilly. Team work implies that everybody works together; it involves people working to a particular and agreed objective. Most of all, it involves consent, effort and everybody rowing in the same direction, like a rowing boat team in a race, towards the target of better health for everybody. I can offer to the people of the mid-west my experience of the so-called Teamwork report for the north east. The lessons that have been learned there have obviously not been taken on board by the Government.

There is no team work. It is health administration by diktat by people who are not nameless but who are certainly not publicly accountable. There is no transparency about their actions and no knowledge about what is happening. They decide and dictate. There is total chaos in the north east. The so-called team work principle of people working together does not apply there. The Minister for Health and Children, her Department and the HSE have refused to insist on the basic tenet of team work, a principle the Minister enunciated, that no service will be closed down until a better one is in place for the people.

It is quite reasonable and clear that if one has a serious illness that requires specialist knowledge and technology to treat it, one will travel to the ends of the earth to get it. In the north east the smaller hospitals are being closed down, with the services being put into two hospitals, one in Drogheda and one in Cavan. Every day this week in Drogheda there was an average of 20 patients on trolleys. People spend their nights not in hospital beds or rooms but in offices. It is an appalling situation in which people are treated very badly. This is happening while there are vacant beds in other hospitals which could accommodate those patients. They are not being sent there because the HSE Teamwork plan is to close them down. However, it is not putting the replacement services in place.

All the general practitioners, nurses and medical staff in the region have said that the transformation team is not working. I understand four directors appointed by the HSE to assist the Teamwork approach have resigned because they could not fulfil their obligations and provide the services that are so badly needed. Clearly, that is also happening in Clare and north Tipperary. The pressure will be put on Limerick Regional Hospital and it will be unable to cope.

[Deputy Fergus O'Dowd.]

The bottom line is that the Teamwork report is all about stress. It is about doctors complaining. A total of 41 general practitioners in Cavan and Monaghan have written recently to the Minister, Deputy Harney, about this issue. They clearly state that it cannot and will not work under the current arrangements because the Minister is failing to put in place a better, more effective and efficient service to deliver services to patients in the region. The two major hospitals are overcrowded, which is a cause for concern. There is concern about the number of anaesthetists on duty. There have been very serious errors in areas like radiology where people have died as a result of misdiagnosis, and the Minister does not want that to happen in Nenagh, Clare or Limerick.

The key is for the Minister to get her act together. If she is proceeding with a Teamwork report, it should only happen when there is teamwork, when everybody is on board — the nurses, the doctors, the consultants. The problem is that the Minister is working in the dark, is operating by diktat and working in a way in which the consultants are not involved. As a result, there is fiasco and chaos reigning in the hospitals in the north east because of Teamwork.

Our colleagues from the mid-west are clear about their concerns today. It will not get better. It will get worse because the Minister is not providing the investment before she moves the people to the hospitals. Is it any wonder they would be up in arms, worried and concerned?

If the Government wants to be successful, a good Minister for Health and Children will ensure that everybody buys into the process. In that regard a step by step process is better for everybody. One cannot close down services until new services are in place.

I would warn the HSE in the mid-west to look and examine what is happening in the north east, and to fully examine and understand the situation there. If the HSE would have sight of the letters of which the Minister has sight from all of the consultants, the general practitioners, the specialists in the region and the ordinary people, it would understand what a mess the Minister is making of the health service and how upset and how disadvantaged the people in mid-Munster or Clare, in north Tipperary and in Limerick will be as a result of the Minister's appalling and shameful operation of the HSE. A better name for it probably might be the "Hide-and-Seek Executive", especially when one considers the cases where one cannot make contact with the relevant officials. It is the health secrets executive. The Minister cannot get at the truth, cannot get accountability and transparency, and cannot get at the facts. She can never influence those decisions. That is why the Minister has all those people up in arms with her.

Deputy Dan Neville: I would appreciate it if the Acting Chairman would let me know when I have one minute left.

Acting Chairman: I will do so.

Deputy Dan Neville: I wish to join with Deputy Reilly and my Fine Gael colleagues this evening in expressing my deep concern about the proposed rationalisation of hospital services in the mid-west.

The HSE commissioned Horwarth Consulting Ireland and Teamwork Management Services to report on acute hospital services in the mid-west and the report was made publicly available in January of this year. While none of us can argue against best international practice that aims to maximise best clinical outcomes and improve patient safety as outlined in the report, we can argue about the way the Minister and the HSE plan to implement these changes and the potential negative impact they will have on patient care.

As the Minister, Deputy Harney, will be aware, the report clearly identifies a number of preconditions that must be met if the new plan for hospital services in the mid-west is to succeed. These preconditions include significant increases in medical manpower, further development of pre-hospital and primary care services as set out in the Primary Care Strategy 2001 and the development of critical infrastructure requirements including regional centres of excellence in Limerick city.

The purpose of this Private Members' motion is not to oppose reforms that are in the best interests of patients' safety. Its purpose is to remind the Minister of the precondition that must be met before critical hospital services are withdrawn as outlined in her report, and to remind the Minister of the over-riding principle, contained in the report, which states that no acute services will be withdrawn from the current general hospitals until the regional centre of excellence is resourced and ready to deliver that service with reference to international quality standards. Despite this clear recommendation, it seems that the Minister and the HSE plan to set ahead with the withdrawal of the accident and emergency services even though the essential upgrade of facilities in Limerick has not taken place, as well as ambulance, general practitioner and primary care provision.

We are extremely concerned about the provision of ambulance facilities from the Kilmallock area for which we have been pressing for a number of years. Currently there are three hard-working accident and emergency consultants spread across four accident and emergency services in the mid-west. This is contrary to the patient safety best international practice and is unsustainable in the long term. The report commissioned by the HSE strongly recommends that it take prompt action to reduce the current levels of clinical risk and improve patient safety.

Acting Chairman: The Deputy has one minute remaining.

Deputy Dan Neville: I join with my colleague, Deputy Noonan, to pay tribute to the professionalism of the staff of Limerick Regional Hospital. I am proud that my family have been part of this. My sister Mary has been with the Mid-Western Regional Hospital for almost 40 years, my wife Goretti for 30 years.

I wish to pay a special tribute to the staff of St. John's Hospital for their caring for Goretti during her time there in recent years. Likewise I pay tribute to those in the Mid-Western Regional Hospital for their kindness to her. My family, Tom, Maria, Maeve, Danny and I, especially wish to thank Dr. Liam Casserly and the staff for their efforts to save her life on the 25 and 26 January last, and thank them for her peaceful departure on the 27th.

Deputy James Reilly: I thank all my colleagues who have taken part in this debate from all sides of the House.

The motion is clear in its intent. It does not seek to block progress. It seeks to ensure that all necessary arrangements are put in place, as recommended by the HSE's own Teamwork Management Services report, before any decision is made on the downgrading of the accident and emergency departments at hospitals at Nenagh or Ennis. It further calls for the immediate provision upgrades at both hospitals. The report specifically refers to 135 additional new acute inpatient beds, but the Minister last night told us because we are not moving services from Macroom or the services from the maternity hospitals that this will not be necessary.

This is the Minister being selective in her use of quotations. I first refer to the selective quote she takes from the Royal College of Surgeons, whose president favours this plan but who states clearly that it will be dangerous if they are put into overloaded accident and emergency departments. In other words, they do not want it implemented piecemeal fashion, and that is what is happening here.

[Deputy James Reilly.]

I have a copy of the Teamwork Management Services report before me and I will quote from selected sections. It states:

However, consideration must be given to the economies of scale in developing the existing site to provide a modern, ‘fit for purpose’ facility, or whether a new purpose-built regional ‘centre of excellence’ should be developed. The list of reconfiguration/refurbishment . . . is substantial and includes:

- New obstetrics, midwifery and neonatal unit;
- New elective orthopaedics unit;
- New or refurbished A&E;
- New or refurbished critical care unit [the high dependency unit];
- Complete ward refurbishment to infection control standards; and [not instead of]
- New additional in-patient beds, totalling 135.

It will be seen from this that the 135 beds are in addition to obstetrics and orthopaedics, therefore, the Minister is disingenuous in what she stated last night.

While on the subject of maternity and this report, I refer to page 22 of the report where it states:

However, there are well recognised residual risks to mothers as the hospital [St. Munchin’s] is not co-located with adult critical care support services. Furthermore, there is no on-site paediatric cover for babies which poses further risks. Plans are now agreed for a final move of the service to the Regional Hospital Dooradoyle.

However, the Minister told us last night that those plans will not be implemented.

Moving to page 36 of the report, the last paragraph states:

In the meantime [this is critical] until implementation of the new service configuration is completed, put in place transitional support arrangements, in the form of additional temporary medical staffing for Ennis and Nenagh in particular to improve the quality of current services.

Finally, lest there be any doubt about what this report contains, in heightened blue it states:

The over-riding principle is that no acute services will be withdrawn from the current general hospitals until the regional ‘centre of excellence’ is resourced and ready to deliver that service with reference to international quality standards.

I am afraid the Minister, yet again, — as is her want so often to selectively quote from various documents, reframe the truth and present it as something entirely different — has failed. These are additional beds and they need to be put in place.

The report further recommends an increase in the number of ambulances, which the Minister has not been able to guarantee. In fact, on “Prime Time” last week, the cock crowed three times and still she could not give an undertaking that these ambulances would be in place, because there were industrial relations and human resources issues. That is not good enough

for the people of north Tipperary, I say to the Minister of State, Deputy Hoctor, and not good enough for the people of Clare, I say to the Minister of State, Deputy Killeen.

The report demands that a high dependency unit, consisting of 40 beds, be built at Limerick Regional Hospital. Planning permission is not even sought. It calls for an upgrade of the accident and emergency unit at Limerick Regional Hospital, and that has not taken place. It calls for additional accident and emergency consultant staff, to bring the number up from three to eight, yet not a single job has been advertised. It will take from 12 to 18 months to fill those posts. The general practitioners of the region are against it. Each one of them met with Mr. Burke, and not one voted for it. All voted against it because they had no confidence in it, as it is currently being implemented.

The consultants, as referred to last night by the Minister, are becoming increasingly alarmed, particularly at the manner in which this is being implemented. The core of the matter is that the Minister is putting the cart before the horse yet again. The Government wants the people of north Tipperary and Ennis to forego their current service because it believes it is not safe, in favour of a nirvana which has not been put in place. Time and again the Minister has people giving up their current service for a promise of something wonderful to come, and in the gap that ensues people die.

The bottom line here is trust. I said this before and I shall say it again. The people do not trust this Minister, Fianna Fáil, the Government or the HSE to deliver the promises they make. They said there would not be cutbacks and there were. They said they would not hurt patients and they did. This Government promised it would vaccinate our children against cancer, and three months later turned its back on this. In finishing, I ask the Minister to do the right thing.

Amendment put.

The Dáil divided: Tá, 74; Níl, 61.

Tá

Ahern, Michael.
 Ahern, Noel.
 Andrews, Barry.
 Andrews, Chris.
 Ardagh, Seán.
 Aylward, Bobby.
 Blaney, Niall.
 Brady, Áine.
 Brady, Cyprian.
 Brady, Johnny.
 Browne, John.
 Byrne, Thomas.
 Calleary, Dara.
 Carey, Pat.
 Collins, Niall.
 Conlon, Margaret.
 Connick, Seán.
 Coughlan, Mary.
 Cregan, John.
 Cuffe, Ciarán.
 Curran, John.
 Devins, Jimmy.
 Fahey, Frank.
 Finneran, Michael.
 Fitzpatrick, Michael.
 Fleming, Seán.
 Flynn, Beverley.
 Gogarty, Paul.
 Grealish, Noel.

Hanafin, Mary.
 Harney, Mary.
 Haughey, Seán.
 Healy-Rae, Jackie.
 Hoctor, Máire.
 Kelleher, Billy.
 Kelly, Peter.
 Kenneally, Brendan.
 Kennedy, Michael.
 Kirk, Seamus.
 Kitt, Michael P..
 Kitt, Tom.
 Lenihan, Conor.
 Lowry, Michael.
 Martin, Micheál.
 McEllistrim, Thomas.
 McGrath, Mattie.
 McGrath, Michael.
 McGuinness, John.
 Moloney, John.
 Moynihan, Michael.
 Mulcahy, Michael.
 Nolan, M.J..
 Ó Cuív, Éamon.
 Ó Fearghaíl, Seán.
 O'Brien, Darragh.
 O'Connor, Charlie.
 O'Dea, Willie.
 O'Flynn, Noel.

Tá—continued

O'Hanlon, Rory.
 O'Keeffe, Batt.
 O'Keeffe, Edward.
 O'Rourke, Mary.
 O'Sullivan, Christy.
 Power, Peter.
 Power, Seán.
 Roche, Dick.

Ryan, Eamon.
 Sargent, Trevor.
 Scanlon, Eamon.
 Smith, Brendan.
 Treacy, Noel.
 Wallace, Mary.
 White, Mary Alexandra.
 Woods, Michael.

Níl

Allen, Bernard.
 Bannon, James.
 Barrett, Seán.
 Behan, Joe.
 Breen, Pat.
 Broughan, Thomas P..
 Bruton, Richard.
 Burke, Ulick.
 Burton, Joan.
 Byrne, Catherine.
 Carey, Joe.
 Clune, Deirdre.
 Connaughton, Paul.
 Coonan, Noel J..
 Coveney, Simon.
 Crawford, Seymour.
 Creighton, Lucinda.
 D'Arcy, Michael.
 Deasy, John.
 Deenihan, Jimmy.
 Doyle, Andrew.
 Durkan, Bernard J..
 Enright, Olwyn.
 Feighan, Frank.
 Flanagan, Terence.
 Hayes, Brian.
 Hayes, Tom.
 Kehoe, Paul.
 Kenny, Enda.
 Lynch, Ciarán.
 Lynch, Kathleen.

McCormack, Pádraic.
 McEntee, Shane.
 McGinley, Dinny.
 McHugh, Joe.
 McManus, Liz.
 Mitchell, Olivia.
 Morgan, Arthur.
 Naughten, Denis.
 Neville, Dan.
 Noonan, Michael.
 Ó Caoláin, Caoimhghín.
 Ó Snodaigh, Aengus.
 O'Donnell, Kieran.
 O'Dowd, Fergus.
 O'Keeffe, Jim.
 O'Mahony, John.
 O'Shea, Brian.
 O'Sullivan, Jan.
 Penrose, Willie.
 Perry, John.
 Reilly, James.
 Sheahan, Tom.
 Sheehan, P.J..
 Sherlock, Seán.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Upton, Mary.
 Varadkar, Leo.

Tellers: Tá, Deputies Pat Carey and John Cregan; Níl, Deputies Paul Kehoe and Emmet Stagg.

Amendment declared carried.

Question put: "That the motion, as amended, be agreed to."

The Dáil divided by electronic means.

Deputy Paul Kehoe: I note Deputy Timmy Dooley, who spoke so eloquently in favour of the motion last night, is not here. I would like to give him a chance to come into the House to vote in favour of the motion. As a teller, under Standing Order 69 I propose that the vote be taken by other than electronic means.

An Leas-Cheann Comhairle: Deputy Paul Kehoe is a Whip, under Standing Order 69 he is entitled to call a vote through the lobby.

Question again proposed: "That the motion, as amended, be agreed to."

The Dáil divided: Tá, 74; Níl, 60.

Tá

Ahern, Michael.
 Ahern, Noel.
 Andrews, Barry.
 Andrews, Chris.
 Ardagh, Seán.
 Aylward, Bobby.
 Blaney, Niall.
 Brady, Áine.
 Brady, Cyprian.
 Brady, Johnny.
 Browne, John.
 Byrne, Thomas.
 Calleary, Dara.
 Carey, Pat.
 Collins, Niall.
 Conlon, Margaret.
 Connick, Seán.
 Coughlan, Mary.
 Cregan, John.
 Cuffe, Ciarán.
 Curran, John.
 Devins, Jimmy.
 Fahey, Frank.
 Finneran, Michael.
 Fitzpatrick, Michael.
 Fleming, Seán.
 Flynn, Beverley.
 Gogarty, Paul.
 Grealish, Noel.
 Hanafin, Mary.
 Harney, Mary.
 Haughey, Seán.
 Healy-Rae, Jackie.
 Hoctor, Máire.
 Kelleher, Billy.
 Kelly, Peter.
 Kenneally, Brendan.

Kennedy, Michael.
 Kirk, Seamus.
 Kitt, Michael P.
 Kitt, Tom.
 Lenihan, Conor.
 Lowry, Michael.
 McEllistram, Thomas.
 McGrath, Mattie.
 McGrath, Michael.
 McGuinness, John.
 Martin, Micheál.
 Moloney, John.
 Moynihan, Michael.
 Mulcahy, Michael.
 Nolan, M. J.
 Ó Cuív, Éamon.
 Ó Fearghaíl, Seán.
 O'Brien, Darragh.
 O'Connor, Charlie.
 O'Dea, Willie.
 O'Flynn, Noel.
 O'Hanlon, Rory.
 O'Keeffe, Batt.
 O'Keeffe, Edward.
 O'Rourke, Mary.
 O'Sullivan, Christy.
 Power, Peter.
 Power, Seán.
 Roche, Dick.
 Ryan, Eamon.
 Sargent, Trevor.
 Scanlon, Eamon.
 Smith, Brendan.
 Treacy, Noel.
 Wallace, Mary.
 White, Mary Alexandra.
 Woods, Michael.

Níl

Allen, Bernard.
 Bannon, James.
 Barrett, Seán.
 Behan, Joe.
 Breen, Pat.
 Broughan, Thomas P.
 Bruton, Richard.
 Burke, Ulick.
 Burton, Joan.
 Byrne, Catherine.
 Carey, Joe.
 Clune, Deirdre.
 Connaughton, Paul.
 Coonan, Noel J.
 Coveney, Simon.
 Crawford, Seymour.
 Creighton, Lucinda.
 D'Arcy, Michael.
 Deasy, John.
 Deenihan, Jimmy.
 Doyle, Andrew.

Durkan, Bernard J.
 Enright, Olwyn.
 Feighan, Frank.
 Flanagan, Terence.
 Hayes, Tom.
 Kehoe, Paul.
 Kenny, Enda.
 Lynch, Ciarán.
 Lynch, Kathleen.
 McCormack, Pádraic.
 McEntee, Shane.
 McGinley, Dinny.
 McHugh, Joe.
 McManus, Liz.
 Mitchell, Olivia.
 Naughten, Denis.
 Neville, Dan.
 Noonan, Michael.
 Ó Caoláin, Caoimhghín.
 Ó Snodaigh, Aengus.
 O'Donnell, Kieran.

Níl—*continued*

O'Dowd, Fergus.
 O'Keeffe, Jim.
 O'Mahony, John.
 O'Shea, Brian.
 O'Sullivan, Jan.
 Penrose, Willie.
 Perry, John.
 Reilly, James.
 Shatter, Alan.

Sheahan, Tom.
 Sheehan, P. J.
 Sherlock, Seán.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Upton, Mary.
 Varadkar, Leo.

Tellers: Tá, Deputies Pat Carey and John Cregan; Níl, Deputies Paul Kehoe and Emmet Stagg.

Question declared carried.

Adjournment Debate.

Hospital Services.

Deputy Mattie McGrath: I thank the Leas-Cheann Comhairle for allowing me to raise this serious matter. I believe a death notice for South Tipperary General Hospital has appeared in the form of an information document dated 29 January 2009 on the modernisation of acute services for the hospital group south-east. A short few years ago, St Joseph's County Medical and Maternity Hospital, Clonmel was renamed South Tipperary General Hospital at great expense and inconvenience to take account of the amalgamation with Our Lady's County Surgical Hospital, Cashel.

South Tipperary General Hospital under the new guise of modernisation of acute services will lose its identity and become part of a recognised, or possibly unrecognised, group — it will become a statistic in the HSE plan. Lest anyone forget or needs reminding, the HSE is about saving lives, not saving money. The situation in regard to South Tipperary General Hospital and the proposed reconfiguration of hospital services within the south-east, and its impact, is a matter of grave concern to the constituents of Tipperary South and to myself.

The implementation of the transformation programme as required by the national services plan will commence, we are told, in March 2009 with the development of a steering group for the modernisation of acute hospital services for the HSE group south-east. The steering group will have a membership initially comprised of four clinical directors — one from each hospital — and a hospital manager. The role of the steering group will be to supposedly agree and plan for a re-configuration model of acute hospital care for the hospital group south-east, make recommendations on service delivery issues and oversee the implementation of the modernisation programme. A project manager will support the planning and implementation phases of the programme and the planning phase will be completed by September 2009.

I am concerned that we have too many programme managers within the HSE and too few frontline staff. Under the HSE plan for the modernisation of services, the so-called aims of discussion are as follows: understanding and clarification of challenges, as if we did not know already; having a shared understanding of the need for change; a shared understanding of what we must do and how we should go about it; and timelines — all fancy jargon adopted by the HSE. However, what we have is no two-way dialogue, completely one-way traffic, a tunnel

vision on behalf of the HSE and its management and no proper, meaningful consultations with the extremely hard-working and dedicated staff at Clonmel.

As I said, the death notice for South Tipperary General Hospital has appeared in the form of this information document, dated 29 January 2009, with its fancy title concerning the modernisation of acute services for the hospital group. I am totally opposed to these new plans to remove out-of-hours services or accident and emergency services after 7 p.m., as well as the removal of maternity services and all acute hospital services. This would mean that never again would a child be born in Tipperary, which is unacceptable, particularly when we have a top quality maternity service with large numbers of deliveries each year.

While I have no issue with centres of excellence, as with speakers on another debate today, I believe we must have centres of excellence in place before we attempt to remove services. A radical change in the direction of health care policy is needed in the Department of Health and Children and the Health Services Executive. Democratic accountability must return to the Minister and services must return to our local hospitals. There must be a health care system which truly places the patient first and which is capable of meeting the needs of our communities. I remain committed to fight might and main to keep all services in South Tipperary General Hospital.

Minister of State at the Department of Health and Children (Deputy Mary Wallace): I thank Deputy Mattie McGrath for raising this important issue. The Government is committed to ensuring the delivery of the best quality health services possible, in an effective and efficient way. Ensuring patient safety is of paramount importance, such that people can have confidence in the care they receive and can expect the best possible outcomes. Patient safety and quality must be prioritised and services organised and managed from that perspective. In addition, services should be available, as far as possible, close to where people live.

Currently, South Tipperary General Hospital provides acute services for a catchment population of some 135,000 people in South Tipperary and the bordering areas of North Tipperary and west County Waterford. Since acute hospital services in South Tipperary were amalgamated in South Tipperary General Hospital in January 2007, following the transfer of accident and emergency, general surgery and oncology services from Our Lady's Hospital, Cashel, service delivery arrangements have been much enhanced and have proved beneficial for both patients and health service staff in the area.

We are all now familiar with the expert advice that, where the delivery of complex care is concerned, better outcomes for patients are achieved if this takes place where the necessary staff and equipment is all to hand and sufficient volumes of activity take place. The available evidence also emphasises the need to provide timely emergency care to patients in an appropriate setting and that this leads to lower rates of death, fewer complications and longer life.

It is important to appreciate that the nature of health service delivery is changing and that the direction of future development is towards an increased proportion of diagnosis and treatment taking place on a day or outpatient basis. For example, much computerised tomography, CT, scanning and endoscopy work can be undertaken in local hospitals. This is a good deal more convenient for patients and their families, as well as being much more cost-effective.

The HSE's national service plan for 2009 contains a commitment to develop in the south east an overall framework for reconfiguration of all services in the hospital network. The HSE is at present developing its plans to advance this work. This task is at a relatively early stage. The Government is committed to a process of change which is incremental, involving appropriate consultation and discussion with health professionals, service users and other interests.

[Deputy Mary Wallace.]

I assure Deputy Mattie McGrath and the House that any proposed changes emerging from the process in the south east will be the subject of consultation. The HSE has already prepared the information document to which Deputy McGrath referred dealing with the modernisation of acute services in the region which will be a helpful input to the work ahead.

Whatever configuration of services is ultimately decided upon, the Minister is confident that South Tipperary General Hospital and each of the other acute hospitals in the region will continue to play a valuable and significant role in the delivery of an integrated regional health service. I thank Deputy Mattie McGrath for raising this important issue.

Visa Applications.

Deputy John Perry: I wish to share time with Deputy Noel O'Flynn. I welcome the opportunity to raise an issue of some practical significance to the country and the economy. Ireland has a practical and developing relationship with Taiwan within the framework of its overall policy position on relations with countries in the region. Many European countries have established a well-staffed representative office in Taiwan as a fundamental part of the policy to develop economic trade there, while also developing a relationship with China. The staffing of these offices ranges from five people for Austria and Belgium, to 29 for Germany and as many as 53 for the United Kingdom and 55 for France. In addition, the European Union has a large office in Taiwan with more than 50 staff.

Ireland should upgrade the scale and scope of its presence in Taiwan as the foundation stone upon which better economic and social relations can be built. Taiwan encourages freedom of movement internationally. Based on the spirit of the 1944 Chicago convention on international civil aviation, Taiwan has granted visa exemption to 38 countries, including 24 of 27 EU member states. Ireland is one of 27 European countries currently enjoying a 30-day visa-exempt entry arrangement into Taiwan, a privilege it has enjoyed since 2003.

Visa exemption is a powerful means to enhance trade relations. Total annual trade between Ireland and Taiwan stands at approximately €1 billion, of which almost €250 million is accounted for by Taiwan's imports from Ireland. Taiwan is one of the world's most robust economies and is the world's sixteenth largest economy. Its trade surplus is quite substantial and its foreign reserves are among the world's largest. Ireland is not reaching its potential for trade with Taiwan. In the current international economic climate and at a time when our economy is in decline and needs all the support and stimulus available, the impetus must surely be for Ireland to take the initiative and further develop trade links.

Visa exemption is a powerful means by which to enhance the tourism trade. Some 260,000 Taiwanese travel to Europe each year. Surveys in Taiwan indicate this number would be considerably higher were it not for prohibitive visa regimes. Following the introduction of a visa waiver scheme for Taiwan nationals visiting Japan in 2005, tourist numbers visiting Japan rose by 30%. Taiwan people that travel overseas are generally quite wealthy and have proven to be valuable tourists who contribute strongly to the host country. Visa-free entry to Ireland would attract an increasing number of Taiwan tourists visiting Europe and the UK. If Ireland lifted its visa barrier and could attract a small percentage of visitors to Europe, it would be a substantial gain for the tourist industry in view of visitor purchasing power.

Now is the time to take the initiative on the tourism front. Following the UK announcement of a six-month visa-free entry system, Taiwanese interest in visiting the UK has soared. Tour operators are now introducing a whole range of new travel packages. This is a great potential source of new and immediate revenue. A visa waiver to visit Ireland would certainly attract a proportion of Taiwanese visitors to the UK to also visit Ireland.

In the area of education the difficulties for students attaining an entry visa imposes a particular handicap on any student considering visiting Ireland. That the existing entry requirements into the UK are a good deal easier than attaining a visa to come to Ireland is evident from the fact that some 8,500 students from Taiwan travel to the UK every year, and make a contribution of more than £1 billion to the UK economy. Increasing the international student market should be a key short-term objective for the educational sector. Travelling Taiwanese students are well educated, highly motivated and adequately financed. They should become a key market for our educational institutions. However, we are a good deal behind our main competitors in this market, and with the introduction of a new six-month visa-free entry in the UK, Ireland is now in danger of being completely excluded from this market. Time is of the essence in this issue. We must avail of the window of opportunity and act now.

Deputy Noel O'Flynn: The cold war is over between the People's Republic of China and the Republic of China, Taiwan. The political question has been put aside, as President Ma stated during a visit by Deputies to Taiwan last August. Taiwan is investing heavily in The People's Republic of China in such areas as tourism. As Deputy Perry stated, we seem to be falling behind other EU countries. Some €40 billion in goods and services is exported from the EU to Taiwan each year. Germany is the largest exporter and we export €250 million. As Deputy Perry indicated, we import €750 million which is an imbalance.

It is time to organise an official trade mission to Taiwan. I call on the Minister of State at the Department of Enterprise, Trade and Employment, Deputy John McGuinness, to consider putting this proposal to the Government. We should explain to the Chinese ambassador that we subscribe to the one China policy. However, it should be possible to have Taiwan as one of our trading partners, as is the case in all other EU countries. We should carry on more business in Taiwan. We should beef up the number of staff from the Department of Foreign Affairs staff in Taiwan; at present, there is only one staff member in place. I support the visa proposal. Some nine students from Taiwan are studying in Ireland. It is almost impossible to get a visa, but there are just less than 7,132 studying in England. English is our second language. Taiwanese people seek to come to Ireland, but we must make it easier to do so. I welcome the move in the UK this week of providing a clear visa with no restrictions for people travelling to Taiwan for six months.

All universities in the country are open for business. I recently brought Representative Lee to University College Cork where the president of the college said that it was open for business and wanted the students because they are worth €35,000 each to this economy every year.

Deputy Mary Wallace: In March 2007 the UK introduced a visa waiver test to assess the effectiveness of its visa regime. Travel to the UK from every country outside of the EEA and Switzerland was measured against a range of criteria, including illegal immigration, crime and security concerns. In July 2008 the results of this test were assessed and the UK then entered into a six month period of dialogue with the countries concerned to consider what steps might be taken to address the issues arising.

Following the end of that period, the Home Office announced on Monday 9 February 2009 that the UK had decided to impose a visa requirement on nationals of Bolivia, Lesotho, South Africa, Swaziland and Venezuela and had decided to lift the visa requirement for Taiwanese passport holders for short visits of less than six months. This waiver is due to take effect from 3 March 2009.

It is worth noting that the visa regime in the UK operates differently from the Irish regime in so far as all persons other than EU, EEA and Swiss nationals are required to obtain an entry visa or pre-entry clearance for stays in the UK for periods in excess of six months,

[Deputy Mary Wallace.]

regardless of the purpose of journey. This will continue to be the case for Taiwan even after the visa waiver is introduced. In contrast, the Irish system operates on the basis that, depending of his or her nationality, the visitor is either visa required or not, irrespective of the length of his or her stay or its purpose.

The net result of the change in the UK is that students coming for university courses or other educational programmes lasting more than six months will continue to require visas but those coming for shorter periods will not. Tourists and others coming on short visits will also be exempted.

The existence of a visa requirement should not be a significant impediment to genuine visitors. On the contrary its purpose is to separate the credible applications from the rest and the establishment of dedicated Irish visa offices in a number of countries has yielded significant benefits in this regard.

In the light of the common travel area, however, it is important that the Irish and British visa lists cohere in all practical respects to the extent warranted by immigration concerns. To this end, Ireland must take serious account of any alterations in the UK regime. The implications of the UK decision to introduce new visa requirements for nationals of Bolivia, Lesotho, South Africa, Swaziland and Venezuela are being examined particularly in the light of the likelihood of persons who would fail the UK test seeking to enter via Ireland. On the other side, full and immediate consideration will be given the issue of Taiwan and to whether a relaxation of the current regime is desirable based on the approach now being followed by our UK colleagues.

I understand that this process will be completed before the coming into force of the new UK arrangements. Section 17 of the Immigration Act 2004 sets out the purposes for which the Minister can make a visa order, *inter alia*, ensuring the integrity of the immigration system and for reciprocal immigration arrangements with other states.

Private Rented Accommodation.

Deputy Catherine Byrne: I thank the Minister for Social and Family Affairs for coming to the House this evening. I accept that rent supplement can be beneficial to people who are living in private rented accommodation and cannot provide for the full cost out of their own pocket. I question, however, the quality of accommodation provided in the private rented sector.

I have seen many properties in Dublin South-Central, where people are receiving rent supplement but are forced to live in totally sub-standard flats and houses. Many landlords receive large sums of money but do not maintain their properties properly.

I recently visited a flat in Inchicore where a young mother is living with her three young children. As soon as the door opened I met a strong damp smell. There was mould growing on the wall, and even though the woman has three children she has no access to a back garden. I insisted that the local authority inspect the flat, which it did but following receipt of the report the landlord carried out only minor repairs after many weeks of requests. This landlord is not answerable for the state of the inadequate accommodation for which he receives more than €1,000 per month.

It has also come to my attention that it is over five years since some private rented accommodation in my area was last inspected. There are many landlords with more than one property. In one case in my area the landlord receives on average €10,000 per week from the Department of Social and Family Affairs for properties which are in an appalling condition.

Rent supplement is allocated by the Minister's Department but is paid out by the community welfare officer. The officer, however, is not obliged to check out the accommodation before granting rent allowance. I cannot comprehend how money is being handed over without anyone in authority knowing what they are paying for.

The Department of Social and Family Affairs has stated in the past that accommodation occupied by rent supplement tenants should at least meet minimum housing standards but this is not being enforced. The Department has also stated that responsibility for setting and enforcing housing standards rests with the local authorities.

It is about time that people came into the real world and did something to make landlords accountable for the standard of housing they put up for rent. There must be regular inspections and the blame cannot and should not be shifted from one Department to the next. It is simply not acceptable that neither the Department nor the Health Service Executive, HSE, carries out inspections before substantial sums of money are handed over to landlords.

Many tenants are so desperate to find accommodation that they do not see the hidden problem until they move in. Some are afraid to complain to their local authority. In many cases their landlords evict them if they do.

In these challenging economic times the Minister needs to look for value for money. The Department of Social and Family Affairs should enforce its rules and require full accountability for the millions of euro being paid out on rent supplement each year. The Government must put in place a new system to require landlords who rent out private accommodation to meet basic hygiene and housing standards.

The average weekly rent supplement payment at the end of 2007 was €128.43, and €125.87 at the end of 2008. In 2008, the Department of Social and Family Affairs spent €441 million on rent supplement for 74,000, up from 60,000 in 2007, 20,000 of whom reside in Dublin, which cost €392 million. At the end of 2008, 31,343 households were in receipt of rent supplement for 18 months or more. Is it not true that rent supplement is designed to be a short-term income support scheme? Keeping people on rent supplement long term does not make much sense.

There has to be a better way to channel State funds into helping people live in acceptable conditions. The rental accommodation scheme, RAS, which Dublin City Council introduced is moving along quickly and helps the long-term needs of those moving on from rent supplement. More than 780 landlords in Dublin have signed up to the scheme but this is only a drop in the ocean. The restrictions of the scheme make them reluctant to sign up.

There are thousands of vacant apartments in Dublin city. It is time for the local authorities, together with the relevant Ministers, to examine the possibility of making some of these vacant units available to people who need them.

There are 327,000 people on the live register and we hear of more redundancies each day. With such a dramatic increase in numbers on the dole, the demand for social and affordable housing, and rent supplement is going to sky-rocket. That is why it is so important for the Minister for Social and Family Affairs to act now to address the rent and housing crisis and prevent thousands of euro of taxpayers' money being handed over to line the pockets of many greedy landlords, and to facilitate the many young people living in poor sub-standard conditions with young families and no access to decent accommodation.

Minister for Social and Family Affairs (Deputy Mary Hanafin): I thank Deputy Byrne for raising this issue and for acknowledging the importance of the scheme, the amount of money spent on it and the people who benefit from it. It is administered on behalf of the Department of Social and Family Affairs by the community welfare service of the Health Service Executive,

[Deputy Mary Hanafin.]

HSE. It is expected that accommodation occupied by rent supplement tenants should at least meet minimum housing standards. Given the availability of much more rented accommodation now tenants have much more flexibility in moving and finding better accommodation. That should challenge landlords to ensure that they are meeting the relevant standards.

Responsibility for setting and enforcing housing standards rests with the local authorities. Under legislative provisions introduced by the Department in 2006 and 2007, the HSE can decide that a rent supplement may not be payable where it has been notified by a housing authority regarding non-compliance with housing standards. Where a notification of non-compliance with standards is received from a housing authority in respect of an existing tenant, guidelines recommend that a community welfare officer discuss the situation with the tenant and take whatever action he or she decides is necessary in the best interests of the tenant. The objective is to ensure that substandard accommodation does not come within rent supplement.

The purpose of rent supplement is to provide short-term income support to eligible tenants living in private rented accommodation, whose means are insufficient to meet their accommodation costs and who do not have accommodation available to them from any other source. The HSE must be satisfied that accommodation funded under the rent supplement scheme is reasonably suited to the residential and other needs of the claimant. Where the HSE becomes aware of accommodation or blocks of accommodation which appear to be sub-standard, it notifies the local authority and it may advise prospective tenants at those premises that rent supplement will not be paid in respect of those tenancies. Details of rent supplement tenancies are provided to local authorities via the Department of the Environment, Heritage and Local Government on a quarterly basis, and this information sharing assists in enforcing housing standards.

The arrangements are aimed at improving the standards of accommodation which rent supplement tenants occupy and support the local authority in meeting their responsibilities on housing standards. The HSE has indicated that notifications of substandard accommodation received from local authorities have resulted in rent supplement being terminated or the refusal of rent supplement where it was not already in payment.

The Government has approved measures to update minimum standards regulations for rental accommodation. The new regulations took effect from 1 February 2009 and apply in their entirety to all new, first time lettings. There is a four year phasing-in period for existing properties to allow time to comply with some of the more onerous provisions, such as the installation of dedicated sanitary facilities in each rental unit. Successful enforcement of the regulations is critical and this responsibility rests with local authorities. Local authority inspectors inspect rental properties for the purpose of ensuring they comply with the regulations. Where a property does not comply, they engage in a series of sanctions against a landlord, up to and including prosecution in the District Court.

The Department is committed to working with and supporting the Department of the Environment, Heritage and Local Government and local authorities in meeting their responsibilities for enforcing housing standards.

Special Educational Needs.

Deputy Kathleen Lynch: It would have been far more appropriate if the Minister for Education and Science were here to take this matter on the Adjournment, because it is such a serious issue. I was glad to see the Minister for Social and Family Affairs take Deputy Catherine Byrne's matter. However, I know that the Minister of State, Deputy Wallace, has much experience in this area and I appreciate her coming here tonight.

During the debate on class sizes a few months ago, virtually every Deputy from the Government side began by saying that they came from classes with more than 30 pupils, and that it did them no harm. In fact, one Member stated that he came from a class of 42 pupils. We all know people who came out of those classes who did not quite make it because the type of supports were not there to ensure that they performed to the best of their ability. Today's announcement by the Minister for Education and Science — who considers himself to be one of the tough guys in the Cabinet — against a group of defenceless, vulnerable children is the most despicable cut of all. These children have a learning disability. This means that they cannot learn at the same rate as other children in school for which reason support teachers and special classes are put in place. We all know the children involved, because we meet them everyday on the street, they are our neighbours' children, they are in school with our children or grandchildren. For an hour a day or an hour a week, they go to a class where they get intensive personalised teaching.

By giving these children support, it will ensure they at least have a chance to learn to read, write and be numerate. If that special support is removed, we will ensure they come out of school without any of those skills. These skills are necessary to survive in today's world.

We did not always have these children in mainstream schools. We used to have a bus that came into the community every morning, picked them up on each street and went to a special school when it was full. Those children were not seen anymore until they came back that night. The parents of those children campaigned, walked the streets and lobbied us until they got the type of support that was necessary in order to ensure their children could go into mainstream education. They knew what they were talking about, because it was not just about education, but about the socialisation of children with a learning disability. It was about ensuring that they made friends in school that lasted them through their lives. It was about ensuring that they mixed with their peers and that they were not ghettoised into special schools.

When these children moved into mainstream education, the structure of special schools was dismantled, because there no longer was any need for it. Therefore, there is no choice for these children. They are in mainstream education without the supports they need to stay there, but there is no way back for them because the special schools no longer exist. It is outrageous that this attack is occurring on the most vulnerable of our people. A republic is not about fine speeches, but about actions. If this action is what the Government will be judged on, it is an appalling action. The National Council for Special Education has commissioned a report on special classes, and it has not yet come back with it, but the structure has been destroyed. These children will now be left floundering next September. I am seriously disturbed at this action, and I hope that it can be overturned by next September. It is an appalling decision for any Government to make.

Deputy Mary Wallace: I am glad the Deputy has raised this matter, because it provides us with an opportunity to clarify a few issues. I will take the Adjournment matter this evening on behalf of the Minister for Education and Science, which is about the decision of the Department to suppress a number of mild general learning disability classes in primary schools.

A total of 128 classes are being suppressed in 119 schools, and a total of 534 children are enrolled in these classes at the moment. Allocations to schools typically increase or decrease depending on pupil enrolment. In the case of classes for mild general learning disability, the normal pupil-teacher ratio that applies is 11 to one. However, the Department allows for a small reduction in this number and permits schools to retain a teaching post where it has a minimum of nine pupils in the class. In the case of 128 classes in 119 schools, the number of pupils dropped below this minimum. Therefore, these schools are no longer entitled to the teaching posts in these classes. The 119 schools from whom the teaching posts are now being

[Deputy Mary Wallace.]

removed received allocations under the general allocation model of teaching support. These schools have therefore been resourced for the categories of pupils in question. I must point out that eight of these classes had no such pupils, ten had only one and more than half of them had five pupils or fewer.

Some 3,000 schools that do not have special classes for pupils with mild general learning disability still meet the needs of these children through mainstream classes and the use of their general allocation teaching resources. Furthermore, some schools in recent years voluntarily disbanded such classes and mainstreamed the pupils with the associated loss of the mild special class post. Some 80 of the 119 schools already have reduced class sizes under DEIS or previous disadvantage schemes. Some 17 of those schools will get an additional post when the pupils in question are divided among mainstream classes. Essentially, the loss of a teaching post from the mild class will be offset by the addition of a post to maintain the lower class size to which such schools are entitled as a consequence of their disadvantage categorisation. The pupils from the 128 classes in question will be placed in mainstream classes and will receive support from their class teacher. Those in disadvantaged schools with reduced pupil-teacher ratios will benefit from small class sizes. As Deputy Lynch suggested, all schools will benefit from the support that is available to them through the schools general allocation model. As I have already said, primary schools that do not have classes for children with mild general learning disabilities cater for such pupils from within the general allocation model.

In recent years, there has been an unprecedented investment in the provision of supports to children with special needs. In our schools, approximately 19,000 adults are working solely with children with special needs. There are over 8,000 resource and learning support teachers in our schools. There were just 2,000 such teachers in 1998. Over 1,000 other teachers support children in the special schools that continue to operate throughout the country. The 76 classes for children with mild general learning disabilities in which there are nine or more children are to be retained. I emphasise that priority will continue to be given to provision for children with special educational needs. As I said earlier, the establishment of classes for children with mild general learning disabilities predates many of the developments in special education policy over recent years. The general allocation model now offers us a system for supporting schools that have children with high incidence special needs. I hope my clarification has been of assistance to Deputy Lynch. I thank her for raising this issue on the Adjournment tonight.

Deputy Kathleen Lynch: I thank the Minister of State.

The Dáil adjourned at 9.40 p.m. until 10.30 a.m. on Thursday, 12 February 2009.

Written Answers.

The following are questions tabled by Members for written response and the ministerial replies as received on the day from the Departments [unrevised].

Questions Nos. 1 to 16, inclusive, answered orally.

Questions Nos. 17 to 63, inclusive, resubmitted.

Questions Nos. 64 to 72, inclusive, answered orally.

Food Labelling.

73. **Deputy Noel J. Coonan** asked the Minister for Agriculture, Fisheries and Food if he has submitted new proposals to the EU regarding the introduction of national food labelling legislation; and if he will make a statement on the matter. [4986/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Minister for Health & Children has overall responsibility for the general food labelling legislation. Under the general labelling Directive (2000/13/EC), the place of origin of the foodstuff must be given only if its absence might mislead the consumer to a material degree. The European Commission is currently undertaking a major review of all food labelling legislation. In this context the Commission has prepared draft revised labelling regulations and these are being discussed at Council Working Party level in Brussels. These draft regulations will be submitted to the EU Council of Health ministers during 2009.

Notwithstanding the outcome of the current review on origin labelling my Department has taken steps to try to introduce origin labelling for meats other than beef, which is already subject to specific legislation since September 2000.

Regarding the labelling of poultry meat, there are EU Regulations, which provide for the labelling of unprocessed poultry meat at retail level. The Regulations require such poultry meat to be labelled with the information regarding class, price, condition, registered number of slaughterhouse or cutting plant and, where imported from a Third Country, an indication of country of origin.

My Department, in conjunction with the Department of Health and Children, drafted regulations that would require the country of origin to be indicated on pigmeat, poultry and sheepmeat. This was notified to the EU Commission in December 2007 as required by legislation. The Commission was not prepared to adopt the draft regulations in their present format on

[Deputy Brendan Smith.]

the grounds that the proposed legislation is not in compliance with EU food labelling regulations. The Commission's main contention is that only harmonised rules with EU-wide applicability may be applied to food labelling other than in exceptional circumstances. In March, the EU Commission delivered a negative opinion on the regulations but afforded Ireland an opportunity to provide further information in support of them. In the meantime, the Department provided additional details including the current misleading labelling practices and evidence of consumers' desire for country of origin labelling. However the EU Standing Committee on the Food Chain and Animal Health formally adopted the negative opinion in December 2008.

We will continue to pursue this issue in conjunction with Department of Health and Children, at EU level in the context of the current review. In the meantime products carrying the Bord Bia quality assurance label provide consumers with assurance on product origin.

Dairy Sector.

74. **Deputy Richard Bruton** asked the Minister for Agriculture, Fisheries and Food his views on the difficulties facing dairy producers due to a collapse in prices for dairy products; the measures he will introduce to support the industry; and if he will make a statement on the matter. [4974/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The dairy sector is facing a period of market volatility across the globe at present resulting from supply/demand disequilibrium in international markets. Having reached record high levels in 2007 and early 2008, dairy product prices and producer prices also peaked in that time. Since then international dairy product prices have fallen back considerably, although the average Irish producer price for 2008 was similar to the 2007 price. Indications are that markets will remain weak in the first half of 2009 and it looks like being a challenging year for the dairy sector.

During the Health Check negotiations I argued very strongly in favour of keeping critical market instruments in place and using them effectively. These support measures can now be used to respond to price volatility in the current market situation and will help support the dairy sector in Ireland. The wisdom of that approach is now evident and the retention of the intervention system for butter and SMP, as well as the Private Storage Scheme for butter, can now be utilised for the benefit of the entire sector. Indeed, in view of the market difficulties, I made clear to Commissioner Fischer Boel that the activation of the full range of supports would help to restore confidence and put a floor under current market prices. The Commission initially responded by commencing the 2009 butter private storage scheme two months early. Then, on January 15th, the Commissioner announced further measures to assist the dairy sector. These included a commitment under the Intervention system to purchase more than the fixed quantities of butter (30,000 tonnes) and Skimmed Milk Powder (109,000 tonnes) if the market situation requires it. In addition, she announced the reintroduction of export refunds for butter, milk powders and cheese and these were reinstated at the milk management committee meeting on 22nd January. Irish operators can now avail of these refunds and my Department will continue to examine the position and urge the Commission to set the refunds at an appropriate level to support the dairy sector.

While we are facing short-term uncertainty, analysis shows that the long-term outlook is bright. The main international forecasting organisations predict global growth in wealth and population in the medium term. This will present new opportunities for quality producers like Ireland, and all areas of the dairy sector can expect to reap the rewards. One of the major challenges in the medium term will be to ensure that Irish farming and the agri-food sector is

at the heart of an evolving high-value food market, which is focused on quality and innovation. This is at the core of Government strategy, evidenced by the National Development Plan 2007-2013, AgriVision 2015 and the Partnership Agreement Towards 2016.

As part of this overall strategy, my Department provided funding of €114 million towards investment in dairy processing. A total of 19 capital investment projects were approved and awarded Government grant assistance under the Fund, which will generate an estimated capital spend of €286 million at full production. The purpose of the Fund is to increase the efficiency of the main dairy outputs by supporting the upgrading of plant and buildings. This will assist operators in capturing new business in global markets and in developing new valued added products.

In the meantime, I will continue to monitor developments in the dairy sector closely and intervene again with the Commissioner as the market situation evolves.

Departmental Schemes.

75. **Deputy Damien English** asked the Minister for Agriculture, Fisheries and Food if young farmer's installation aid or early retirement scheme applications received after 14 October 2008 have been processed; and if he will make a statement on the matter. [4998/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Young Farmers' Installation Scheme and the Early Retirement Scheme were suspended for new applications on 14 October 2008 due to budgetary constraints. Applications for these schemes received in my Department since 14 October 2008 have not been processed.

76. **Deputy Joe Carey** asked the Minister for Agriculture, Fisheries and Food if he will introduce measures to support the sheep sector; his views on introducing a ewe payment scheme; and if he will make a statement on the matter. [4980/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The sheep sector already benefits significantly from the main schemes operated by my Department. Sheep farmers receive an estimated annual:

€126 million from the Single Farm Payment,

€60 million under the Disadvantaged Areas Scheme and

€84 million under REPS.

In addition to this support and following the Sheep Strategy Report, a number of other measures have also been put in place to further assist the sector.

Additional support to the sheep sector is being considered in light of the outcome of the recent CAP Health Check. One of my primary objectives in the Health check negotiations was to get access to unspent funds within the EU's agriculture budget for use by Member States with a wide range of discretion. This was achieved in the final deal and, as a result, Ireland will receive additional funds amounting to approximately €7m in 2009 (from the national reserve) and €29m in subsequent years.

I am currently considering how these funds can best be used to develop Irish agriculture within the terms laid down in the EU regulations. As part of this process I asked for and received submissions from four farm organisations. The proposals made include a top-up to the SFP for sheep farmers, a hogget ewe premium, a sheep maintenance payment for all ewes, and a dairy income support scheme linked to milk quota volume.

[Deputy Brendan Smith.]

Some of these proposals are linked to suggestions for the use of €120m additional modulation funds, also arising from the Health Check, on which a separate consultation process is underway, and to which different EU rules apply. The closing date for these submissions is 16 February, and therefore it is not yet possible to indicate the range of proposals in this case.

All submissions received will be examined carefully, and will be a useful input to the decisions on these matters, which I expect to announce in the near future.

Food Labelling.

77. **Deputy John Deasy** asked the Minister for Agriculture, Fisheries and Food his views on the fact that legislation currently being prepared at an EU level will not be sufficient in safeguarding the food industry here from loopholes in food labelling legislation; and if he will make a statement on the matter. [4994/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Minister for Health & Children has overall responsibility for the general food labelling legislation. Under the general labelling Directive (2000/13/EC), the place of origin of the foodstuff must be given only if its absence might mislead the consumer to a material degree. The European Commission is currently undertaking a major review of all food labelling legislation. In this context the Commission has prepared draft revised labelling regulations and these are being discussed at Council Working Party level in Brussels. These draft regulations will be submitted to the EU Council of Health ministers during 2009.

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There is also the issue where a primary product can enter Ireland and be processed in some way thereby allowing it to be branded, as an Irish product, this is known as "substantial transformation" This terminology originates in WTO, CODEX and EU Legislation governing the EU Custom Code and therefore can only be amended at EU level. I have been concerned that this arrangement could, in certain circumstances, be used to mislead the consumers as to

the origin of the raw materials used in certain products. This was one of the principal points made to the European Commission in the context of our request for their approval of our proposed national arrangements.

We will continue to pursue this issue in conjunction with Department of Health and Children, at EU level in the context of the current review. We are pressing for the inclusion of a requirement to indicate the origin of primary ingredients in finished products. In the meantime products carrying the Bord Bia quality assurance label provide consumers with assurance on product origin.

Animal Diseases.

78. **Deputy P. J. Sheehan** asked the Minister for Agriculture, Fisheries and Food his views on the health status of cattle, sheep, pigs and poultry here; if he has quantified the losses to agriculture arising from the implications of non-regulated disease conditions on farms here; and if he will make a statement on the matter. [5043/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): In general, Ireland's national herd covering all farm species meets very high health standards and very good progress has been made in recent years in dealing with regulated diseases such as BSE and Brucellosis. However, less progress has been made in relation to non-regulated diseases. While the losses to agriculture arising from these latter diseases vary from farm to farm and are not easily quantifiable, it is accepted that less than optimal animal health leads to inefficiencies in production resulting in reduced quantity and poorer quality of farm output, thus reducing the competitive position of individual farmers, their incomes and the agri-food industry generally.

My Department has been actively progressing an initiative to further improve the health of the national herd and flock for many years and this was given added impetus by the inclusion in the Programme for Government of a commitment to introduce a herd health initiative to deal with non-regulated diseases. To advance these objectives, I recently launched Animal Health Ireland which aims to improve overall animal health standards, thereby enhancing on-farm productivity and securing improved profitability for farmers through a coordinated national approach to animal health.

The main priority of Animal Health Ireland will be to identify and prioritise non-regulated disease conditions that impact negatively from both a financial and disease perspective on Irish livestock, excluding those already covered by regulation. It will be managed by a Steering Group that will act as the Board of the organisation. I recently appointed Mr Mike Magan as chairman of the interim Steering Group whose other members comprise individuals with skills and competencies such as livestock farming, veterinary science, agricultural economics and international marketing. The Steering Group will report to a Stakeholders Group which will be representative of farming bodies, dairy co-ops and service providers and will have overall responsibility for the strategic direction, structure and financing of the organisation. The organisation will have a small number of Executive staff who will be responsible for implementing agreed strategies and I have assigned a number of executive staff to the new organisation for an interim period. Future arrangements for the Steering Group, staffing and organisation of the body, will be a matter for the industry.

Fishing Quota.

79. **Deputy Tom Sheahan** asked the Minister for Agriculture, Fisheries and Food the decision process whereby the allocation of the 2009 increase in mackerel quota was allocated; and if he will make a statement on the matter. [4951/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The representatives of the polyvalent (multi-purpose) vessels in the Irish fleet sought an increased share of Ireland's mackerel quota for 2009, while the representatives of the Refrigerated Salt Water (RSW) fleet, based in the north-west opposed any increase in the share for the polyvalent vessels. The background to the situation is that the allocation arrangements were last revised in 2001. Since 2001 the polyvalent vessels have had an allocation of 7,000 tonnes of mackerel from Ireland's quota. This 7,000 tonnes represented 10% of the Irish quota when the arrangements were put in place in 2001. In all years, except 2002, the Irish mackerel quota has fallen well below the 2001 level (as low as 46,000 in 2005) and the allocation to the polyvalent vessels has remained at the set level of 7,000 tonnes. The cuts in the quota each year were borne in total by the RSW Pelagic segment vessels. In 2009 the mackerel quota has been increased to 66,068 tonnes which remains below the 2001 quota when the share out arrangement was last determined.

In the context of the representations made in relation to the share out of mackerel, Minister Killeen organised a meeting with all interested parties on 26th of November to hear the case for (i) a continuation of the current arrangements and (ii) for granting to the Polyvalent fleet an increased share of the 2009 mackerel quota. Strong and comprehensive presentations were made at that meeting by the Irish South and West Fish Producers Organisation (IS&WFO) and the Killybegs Fishermen's Organisation (KFO) in respect of both proposals. Following the meeting, the Minister requested clarification and additional information from both parties, which were received.

Minister Killeen examined the cases made and considered in detail the issues arising. Following this full consideration, Minister Killeen decided to introduce new arrangements for the share out of mackerel for 2009 and future years. Under the new arrangements, the polyvalent segment will be allocated 13% of the mackerel quota. For 2009 this will involve a total allocation of 8,562 tonnes for the polyvalent fleet rather than the 7,000 tonne set allocation in place heretofore. This allocation for 2009 involves a 22.3% increase for the polyvalent segment.

It is important to note that the mackerel quota is of substantial importance to the north-west based pelagic industry which is completely dependent on pelagic fish stocks, such as mackerel and do not have any access to whitefish, prawn and other stocks which are available to the polyvalent vessels. As the mackerel quota is a set quantity for Ireland any increase in the allocation to the polyvalent fishing vessels must be at the expense of those vessels in the RSW Pelagic vessels and accordingly changes in allocation arrangement must take account of the importance of fishing in both the south — west and the north — west and balance the interests of both communities.

Grant Payments.

80. **Deputy Olwyn Enright** asked the Minister for Agriculture, Fisheries and Food his plans to alleviate hardship caused to farmers in the Shannon Callow region from Shannon Harbour to Lismagh, County Offaly who are affected by a severe shortage of fodder due to extensive summer flooding in this area; and if he will make a statement on the matter. [4733/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I am keenly aware of the problems encountered by farmers as a consequence of the bad weather, particularly the harvesting of forage and cereal crops in 2008.

In recognition of these problems, I wrote to the Commissioner for Agriculture and Rural Development, Ms Fischer Boel, seeking approval for the early payment of the 2008 Single Payment. My request was for advance payment at a rate of 50%, payable from 16 October 2008.

The reason for my request was based on the very adverse weather conditions being experienced in Ireland.

I am pleased to say that the European Commission responded favourably and the advance payment of 50% of the Single Payment effective issued from 16 October. I believe that these advance payment went some way in alleviating the difficulties faced by farmers due to the exceptional weather conditions. The balance of Single Farm Payments issued in early December.

Proposed Legislation.

81. **Deputy Olivia Mitchell** asked the Minister for Agriculture, Fisheries and Food when he expects to publish the animal health and welfare Bill; and if he will make a statement on the matter. [5024/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): A good deal of work has been undertaken on drafting the Animal Health and Welfare Bill which gives effect to a number of commitments in the area of animal health and welfare contained in the Programme for Government. In particular, the Bill will amend and consolidate previous legislation to reflect the changed disease status of our animals and update existing legislation, to ensure that the welfare of all animals, including non-farm animals, is properly protected and that penalties for offenders are increased significantly. The proposed legislation will also provide for the consolidation of responsibility for the welfare of all animals within my Department.

My officials have met with a wide range of organisations that made submissions on the draft Bill following the public consultation process initiated by me last year. This element of the process provided an opportunity for parties to elaborate on their respective submissions. Drafting of the bill is now continuing taking account of the further comments received.

Rural Environment Protection Scheme.

82. **Deputy Michael D. Higgins** asked the Minister for Agriculture, Fisheries and Food the number of farmers who have applied for the nitrates derogation who have applied for REPS 4; and if he will make a statement on the matter. [4879/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The new REPS 4 scheme allows grassland farmers to apply for REPS even if they are operating above the general limit of 170 kgs of organic nitrogen per hectare laid down in the Nitrates Directive, provided that they apply for a nitrates derogation. In 2008, 603 REPS 4 farmers applied for a derogation.

I welcome the fact that more intensive farmers are joining REPS, as it means that our most productive farming is being carried out within a framework of prescribed environmental standards.

Foreshore Licences.

83. **Deputy Jim O’Keeffe** asked the Minister for Agriculture, Fisheries and Food if he will confirm that use can be made of valuers from the private sector in respect of foreshore applications arising from the difficulties in the Valuation Office supplying a valuation service for same; and if he will make a statement on the matter. [4400/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Following confirmation by the Valuation Office that it would not be in a position to supply a valuation service in respect of activities on State foreshore, my Department sought approval from the Department of Finance for the use of valuers from the private sector. A number of applications for foreshore consents currently on hand cannot be progressed without valuation. The Department

[Deputy Brendan Smith.]

of Finance has now given my Department sanction to obtain the services of valuers from the private sector subject to conditions. These conditions and procedural issues are currently being examined as a matter of urgency. I expect my Department will be in a position to engage the necessary valuers shortly.

Common Agricultural Policy.

84. **Deputy Niall Collins** asked the Minister for Agriculture, Fisheries and Food the discussions there have been at the EU Agricultural Council regarding the future of the CAP post 2013. [4933/09]

89. **Deputy Pádraic McCormack** asked the Minister for Agriculture, Fisheries and Food the position regarding his consultations at an EU level with regard to changes to the Common Agricultural Policy post 2013; and if he will make a statement on the matter. [5016/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 84 and 89 together.

A first policy debate on the future of the CAP after 2013 took place at the informal meeting of Agriculture Ministers in Annecy in September last. In the initial debate, there was general agreement on the global context in which policy thinking must be developed. All the ministers present were concerned about global food security, increasing environmental pressures and the impact of climate change; factors which have been reflected in recent food price volatility. While a large majority of Member States favoured maintaining a strong EU agriculture policy, there were differences in emphasis from different Member States.

The French Presidency took the discussion forward at a specially convened Council in November 2008 at which it presented a series of draft conclusions for discussion by Ministers. The draft brought together aspirations on a number of broad challenges and generally understood principles on future CAP policy. It took on board the commitments made in the final Health Check negotiations to further simplification and to address the differing levels of direct payments between Member States. It also pledged that the conclusions were without prejudice to discussions on the Financial Perspectives. Unanimous agreement could not be reached on the conclusions put forward by the Presidency and they were therefore agreed as Presidency, rather than Council, conclusions.

The Czech Presidency has signalled that its main priority will be to continue discussions on the future of the CAP including an examination of direct payments with a particular focus on the differences between Member States and the system of payments.

My own view, which I have expressed at meetings of the Council and bilaterally to my Ministerial colleagues, is that we must maintain a strong agricultural production base in the European Union in the future to take account of the challenges ahead in meeting increased demands for food. Any reduction in food production in the EU would be taken up elsewhere where less efficient production systems exist and would result in a heavier carbon footprint. We must also undertake food production and distribution in a manner that is sustainable in all its dimensions — economically, socially and environmentally.

There will be major challenges ahead from climate change, increased competition on world and EU markets, the financial crunch and other factors. We must ensure that we have the capacity to cope with the challenges and fully exploit the opportunities as they emerge. To do so our whole sector, from farm to fork, must be highly efficient and competitive. It must also

be innovative, producing the products that changing consumer tastes demand, and it must be relentlessly focused on quality and safety.

To achieve these objectives, there is a continuing need for an active and appropriately resourced European agricultural policy.

That policy needs to recognise the role that a cohesive agriculture & rural development policy can play in addressing future energy needs, addressing environmental concerns and providing a secure and sustainable food supply in Europe.

Proposed Legislation.

85. **Deputy Terence Flanagan** asked the Minister for Agriculture, Fisheries and Food if he plans to introduce legislation to deal with the difficulties facing the fishing industry with regard to the criminal offence system and the need for the introduction of a system of administrative sanctions; and if he will make a statement on the matter. [5004/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The EU Commission has now brought forward proposals for a new European Fisheries Control system which allows for the application of administrative action or criminal proceedings in conformity with national law.

The possibility of introducing administrative sanctions for fisheries offences in Ireland was comprehensively considered, including an examination of practices in other Member States, at the time of the passage of the Sea Fisheries and Maritime Jurisdiction Bill through the Oireachtas.

The position taken by the Minister at that time was based on legal advice from the Attorney General. I consider that under this new EU Commission proposal there is a possibility of introducing administrative sanctions and a penalty points system for Irish vessels and I have sought legal advice to determine if the current EU Commission proposal could accommodate their introduction here in Ireland.

It is worth noting that the proposal from the EU Commission envisages penalties up to a maximum of €600,000 for repeated serious infringement and under the penalty point system the suspension of a fishing licence for prolonged periods, and even the permanent withdrawal of a licence. These penalties are substantially higher than the level provided for in Irish legislation.

Aquaculture Licences.

86. **Deputy Brian O'Shea** asked the Minister for Agriculture, Fisheries and Food the average waiting period for persons seeking a licence for aquaculture; and if he will make a statement on the matter. [4887/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Fisheries (Amendment) Act, 1997, as amended, governs the granting, renewal, amendment or revocation of aquaculture licences.

In considering an application for an aquaculture licence, including an application to renew an aquaculture licence, the licensing authority must consider:

- the potential impacts on safety and navigation,
- the ecological impacts on wild fisheries, natural habitats, flora and fauna,
- the suitability of the waters,

[Deputy Brendan Smith.]

- the other beneficial uses of the place or waters,
- the likely effects on the economy of the area, and
- the statutory status under European legal frameworks of the area under application.

This process involves consultation with a range of scientific and technical advisers as well as various statutory consultees.

Applications are also subject to public consultation whereby any interested person or body may make submissions or observations on any licence application.

The process also involves publication of Ministerial decisions on applications and allowing a one month period for appeal of any decision. Any such appeal must then be considered by the independent Aquaculture Licences Appeals Board.

The timeframe for reaching a determination in respect of applications will vary depending on location, species, scale and intensity of production, culture method, statutory status of sites, potential visual impact, access route and frequency of access to sites, other activities in the area etc. This does not include consideration of any submissions or observations raised during the public consultation period.

In the circumstances it is not possible to indicate a specific timeframe for the processing of such applications.

Departmental Schemes.

87. **Deputy Joe Carey** asked the Minister for Agriculture, Fisheries and Food his plans to reintroduce the early retirement scheme and the installation aid for young farmers scheme; and if he will make a statement on the matter. [4805/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Young Farmers' Installation Scheme and the Early Retirement Scheme were suspended for new applications on 14 October 2008 due to budgetary constraints. I have no proposals to re-open the schemes.

EU Directives.

88. **Deputy John O'Mahony** asked the Minister for Agriculture, Fisheries and Food if, in view of the clear difficulties governing the spreading of slurry, which is regulated by calendar date, rather than actual weather conditions, if he has plans to introduce a more environmental and farmer friendly regime; and if he will make a statement on the matter. [5034/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Nitrates Regulations (SI No. 378 of 2006) are a matter for the Minister for the Environment, Heritage and Local Government in the first instance. The objective of the Regulations is to protect water quality and the various provisions are designed to control the management of fertilisers, including the timing, method of application and maximum amounts that may be applied, in order to prevent fertiliser losses to water.

The EU Nitrates Directive requires Member States' Action Programmes to include rules regarding periods when the land application of certain types of fertilisers is prohibited. Therefore the Nitrates Regulations had to specify prohibited periods during which fertilisers may not be applied to land. The purpose of these prohibited periods is to ensure that fertilisers are not applied at times of the year when crops are not growing and not able to use them, and when there is a high risk of those fertilisers finding their way into waters instead. Outside of these

prohibited periods, fertilisers may be applied to land provided that weather and ground conditions are suitable and that any buffer zones, as specified in the Regulations, are respected.

The contents of the Regulations made by the Minister for the Environment, Heritage and Local Government were the subject of extensive consultation with stakeholders, including the farming bodies, and were finalised following a long period of negotiation with the EU Commission. At the conclusion of this process, the Nitrates Regulations (SI No. 378 of 2006) were made by the Minister for the Environment, Heritage and Local Government in 2006 to further implement the EU Nitrates Directive.

The provisions in relation to landspreading, including the dates of the prohibited periods, are fundamental measures in meeting the objectives of the Directive, which is to protect waters against pollution from agricultural sources. Ireland's Nitrates Action Programme (Nitrates Regulations) is subject to review, with a new Action Programme to be published by the Minister for the Environment, Heritage and Local Government by 30.6.2010. This publication will be preceded by a consultation process, during which there will be opportunity for all stakeholders to comment on the current Programme and its implementation by means of the Nitrates Regulations.

Question No. 89 answered with Question No. 84.

Grant Payments.

90. **Deputy Johnny Brady** asked the Minister for Agriculture, Fisheries and Food if he will quantify the benefits to the horticulture, livestock marts and small meat sectors in his pre-Christmas 2008 grant aid announcement. [4926/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): In December 2008 I announced details of a grant-aid package of €16.7 million under my Department's capital investment scheme for the marketing and processing of agricultural products. The grant-aid will benefit 66 enterprises and is expected to contribute to an actual investment on projects in the region of €70 million across the horticulture, livestock marts and small meat sectors.

These investments will help to improve the competitiveness and added-value of agricultural products through improved processing facilities as well as improving storage, handling and marketing facilities at 'near farm' enterprises. The geographic spread of the beneficiaries will generate significant economic activity throughout the country over the next few years and will create significant employment during the construction stage of the new facilities. In addition to improving the competitiveness of Irish agriculture the investments will ensure that the Irish public has on-going access to the freshest, locally grown food in the interests of public health and well-being.

In the Horticulture sector, the grant aid is targeted at 13 projects which are primarily investing in developments required by the multiple retailers, so as to ensure a continued outlet for growers' produce. As well as improving viability and profitability within the sector, the investments will raise quality and environmental standards, develop value added lines, expand markets, improve labour productivity and increase marketable yield.

In the Livestock Marts sector, the 22 investments being supported will impact positively on the environment by providing marts with adequate slurry storage and treatment facilities. In a number of cases the grant aid will assist in improving current procedures within the existing mart premises and contribute to the health status of animals being sold through the marts.

In the Small Meat sector, which includes small slaughterhouses and low throughput meat establishments, 31 projects are being supported which will assist food business operators in the

[Deputy Brendan Smith.]

sector to improve efficiency, add quality and value to products, produce new and innovative products and develop new markets.

Common Agricultural Policy.

91. **Deputy Bernard Allen** asked the Minister for Agriculture, Fisheries and Food the way unused CAP funds will be dispensed; when funds are expected to be made available; and if he will make a statement on the matter. [4966/09]

98. **Deputy Ruairí Quinn** asked the Minister for Agriculture, Fisheries and Food the number of submissions received by his Department on how the CAP Health Check funds should be spent; the sector within the farming community which accounted for the largest number of submissions; and if he will make a statement on the matter. [4902/09]

122. **Deputy Bobby Aylward** asked the Minister for Agriculture, Fisheries and Food his plans for the use of unused funds from Ireland's single farm payment ceiling. [4943/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 91, 98 and 122 together.

One of my primary objectives in the Health check negotiations was to get access to unspent funds within the EU's agriculture budget for use by Member States with a wide range of discretion. This was achieved in the final deal and, as a result, Ireland will receive additional funds amounting to approximately €7m in 2009 (from the national reserve) and €29m in subsequent years.

I am currently considering how these funds can best be used to develop Irish agriculture within the terms laid down in the EU regulations. As part of this process I asked for and received submissions from four farm organizations. The proposals made include a top-up to the SFP for sheep farmers, a hogget ewe premium, a sheep maintenance payment for all ewes, and a dairy income support scheme linked to milk quota volume.

Some of these proposals are linked to suggestions for the use of €120m additional modulation funds, also arising from the Health Check, on which a separate consultation process is underway, and to which different EU rules apply. The closing date for these submissions is 16 February, and therefore it is not yet possible to indicate the range of proposals in this case.

All submissions received will be examined carefully, and will be a useful input to the decisions on these matters, which I expect to announce in the near future.

Rural Environment Protection Scheme.

92. **Deputy Liz McManus** asked the Minister for Agriculture, Fisheries and Food the number of REPS 4 farmers who have applied for the mixed grazing supplementary measure; and if he will make a statement on the matter. [4884/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Out of 12,773 farmers who have applied for REPS 4 (including those whose applications have been received since the 2008 closing date of 15 May), 935 farmers have applied for the mixed grazing supplementary measure.

World Trade Negotiations.

93. **Deputy Billy Timmins** asked the Minister for Agriculture, Fisheries and Food the position

regarding the latest communications with EU officials in respect of impending WTO negotiations; and if he will make a statement on the matter. [5044/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The current position in regard to the WTO negotiations is that talks are stalled following the failure to reach agreement at the Ministerial meeting last July and the decision to defer indefinitely a second Ministerial meeting planned for last December. The World Economic Forum at Davos last month provided no new momentum for the negotiations and the next key event will be the G20 meeting in London in April.

Against that background I, my officials and my colleagues in Government have continued to pursue Ireland's interests in the negotiations with the Commission and other Member States at every opportunity at co-ordination meetings in Geneva, at the Article 133 Committee in Brussels and at the recent meeting of Trade Ministers. We have also recently written once again to the Commission in relation to the particular difficulties arising from the current market access proposals, and we are awaiting a response.

Food Industry.

94. **Deputy Paul Kehoe** asked the Minister for Agriculture, Fisheries and Food if he will provide a progress report on the marketing initiatives which have been introduced by An Bord Bia internationally to protect Ireland's market share of the global food industry; and if he will make a statement on the matter. [5012/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Bord Bia has a comprehensive set of marketing and promotional programmes in place. These programmes are target driven and have been developed in consultation with key stakeholders in the Irish food industry.

The UK will continue to be Ireland's single largest export market and a major priority for exporters. While Bord Bia will continue its marketing activities in the UK, however other Eurozone markets offer the prospect of new opportunities and more stability in the light of recent exchange rate volatility. Bord Bia has a comprehensive set of promotional programmes and services to assist Irish food and drink companies build additional business in Euro zone countries. Bord Bia research has prioritised key target markets in Euro zone countries for prepared foods and identified opportunities for cheese and dairy ingredients as the dairy sector continues to seek out new markets. The recent establishment by Bord Bia of a full-time presence in Shanghai, servicing the Asian region, and the relocation of the US office to New York reflect continued growth potential in these regions.

In order to facilitate the full return to normal exports of Irish pigmeat, Bord Bia has also put in place a Market Recovery Campaign to build on the reassurances already provided to customers since the product recall. The campaign will include a customer reassurance programme, bilateral veterinary meetings in selected markets within Europe where appropriate, a trade communications programme to position the capability of the Irish pigmeat sector and initiatives to maximise international market access for Irish pigmeat products.

Farm Waste Management.

95. **Deputy Seymour Crawford** asked the Minister for Agriculture, Fisheries and Food when farmers will be awarded the outstanding farm waste management grants; his views on the fact that farmers entered into agreement with their banks in good faith that payments would be made according to the charter of farmers rights; and if he will make a statement on the matter. [4785/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Farm waste Management Scheme was introduced by my Department in March 2006 in order to assist farmers meet the additional requirements of the Nitrates Directive and closed for the receipt of payment claims on 31 December 2008. Almost 17,400 payment claims remain to be processed in 2009 and my Department is continuing to carry out inspections on completed work carried out under the Scheme.

Last week, the Government took a number of decisions on the overall Expenditure Control and Economic Strategy that included the funding for the Farm Waste Management Scheme and arrangements for payment of grant aid on a phased basis. My Department is in discussion with the Department of Finance on the implications for the Department's Vote and the details that will be published in the Revised Estimates Volume next month.

96. **Deputy David Stanton** asked the Minister for Agriculture, Fisheries and Food the number of applications for the farm waste management scheme which are awaiting processing; when he expects his Department to pay the outstanding grants; the budget available for same; and if he will make a statement on the matter. [5049/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The deadline for completion of work and the submission of claims for grant payment under the Farm Waste Management Scheme expired on 31 December 2008 although applicants were permitted to submit certain supporting documentation up to 9 January 2009. Almost 17,400 payment claims remain to be processed to payment stage under the Scheme in 2009. The Book of Estimates provides €125 million for the Scheme in 2009.

Last week, the Government took a number of decisions on the overall Expenditure Control and Economic Strategy that included the funding for the Farm Waste Management Scheme and arrangements for payment of grant aid on a phased basis. My Department is in discussion with the Department of Finance on the implications for the Department's Vote and the details that will be published in the Revised Estimates Volume next month.

Animal Diseases.

97. **Deputy Eamon Scanlon** asked the Minister for Agriculture, Fisheries and Food the status of Ireland in regards to brucellosis. [4936/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Brucellosis is now at a historically low level in Ireland. The last confirmed case was disclosed in April 2006. If no case of Brucellosis is disclosed between now and March 2009, my Department will apply to the EU Commission for Official Brucellosis Free status in April 2009. At that stage, I would envisage a relaxation of some of the programme's control measures which will reduce the burden on farmers of testing and movement controls. However, given the nature of the disease and as Brucellosis continues to exist in Northern Ireland, we will be adopting a cautious approach to reducing controls and any reduction will be phased over a number of years and will be based on an assessment of the risks involved.

I must emphasise that any new outbreaks of the disease between now and April next could jeopardise the attainment of officially free status. Consequently, I would urge all involved to continue to comply with the control and testing arrangements that remain in place and to exercise caution when sourcing replacement female animals.

Question No. 98 answered with Question No. 91.

Rural Environment Protection Scheme.

99. **Deputy Kathleen Lynch** asked the Minister for Agriculture, Fisheries and Food the main problems that have occurred on REPS 4 plans that have been sent back to farmers; and if he will make a statement on the matter. [4883/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Checking of REPS 4 applications to the standard required in EU Regulations requires extensive administrative checks including cross-checking REPS applications against the Department's land and animal databases.

The detailed examination of plans has revealed a number of issues requiring further assessment. These include:

- the presentation of biodiversity options and the other mandatory area based undertakings.
- the reconciliation of areas claimed for payment under REPS 4 and the Single Payment Scheme.
- the compliance of planned use of chemical and organic nutrients with stringent national legislation as well as with optimum farming practices.

The first payments for 2008 REPS 4 applications issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made as applications are cleared.

Sheep Sector.

100. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food if, in view of the Aylward Report, he has plans to introduce a sheep welfare scheme; and if he will make a statement on the matter. [4955/09]

149. **Deputy Pat Rabbitte** asked the Minister for Agriculture, Fisheries and Food when a package for the sheep sector will be finalised; and if he will make a statement on the matter. [4903/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 100 and 149 together.

Additional support to the sheep sector is being considered in light of the outcome of the recent CAP Health Check. One of my primary objectives in the Health check negotiations was to get access to unspent funds within the EU's agriculture budget for use by Member States with a wide range of discretion. This was achieved in the final deal and, as a result, Ireland will receive additional funds amounting to approximately €7m in 2009 (from the national reserve) and €29m in subsequent years.

I am currently considering how these funds can best be used to develop Irish agriculture within the terms laid down in the EU regulations. As part of this process I asked for and received submissions from four farm organisations. The proposals made include a top-up to the SFP for sheep farmers, a hogget ewe premium, a sheep maintenance payment for all ewes, and a dairy income support scheme linked to milk quota volume.

Some of these proposals are linked to suggestions for the use of €120m additional modulation funds, also arising from the Health Check, on which a separate consultation process is

[Deputy Brendan Smith.]

underway, and to which different EU rules apply. The closing date for these submissions is 16 February, and therefore it is not yet possible to indicate the range of proposals in this case.

All submissions received will be examined carefully, and will be a useful input to the decisions on these matters, which I expect to announce in the near future.

Pigmeat Sector.

101. **Deputy Dara Calleary** asked the Minister for Agriculture, Fisheries and Food the level of EU support provided following the pork dioxin incident in December 2008. [4928/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The EU has agreed two measures with potential total support of €35.7 million. The first measure allows temporary storage of 30,000 tonnes of product for up to 6 months at a potential cost of €15 million. The second measure allows support of €20.7 million to the costs of the disposal scheme adopted following the dioxin incident.

Milk Quota.

102. **Deputy John Cregan** asked the Minister for Agriculture, Fisheries and Food the consequences of the CAP health check for milk quotas between 2009 and 2015. [4938/09]

103. **Deputy John Cregan** asked the Minister for Agriculture, Fisheries and Food if he is satisfied that milk quotas here are sufficient to prepare for the end of milk quotas in 2015. [4939/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 102 and 103 together.

The CAP Health Check agreement last November represented a very positive outcome for the Irish dairy sector, and the milk quota elements of the final package will be particularly beneficial to milk producers in this country.

It was agreed that quotas will be increased by 1% per year for the next five years, commencing on 1 April 2009. This increase comes on top of the 2% increase already implemented in 2008. In addition, there will be an adjustment to the butterfat correction mechanism in 2009 that will generate the equivalent of a further 2% increase in the national quota. Taking all of these together, there will be a cumulative increase in Ireland's quota by 2014 of 9.3%, or almost 500 million litres, compared to 2007.

I believe the agreed combination of quota increases and butterfat correction allows Ireland to prepare properly for quota abolition in 2015. I say this for two reasons. The first is that our additional production potential places us in a position to derive the maximum possible benefit from the quota increases over the next five years. The second is that my efforts to encourage greater efficiency at producer and processor levels will continue so that maximum added value from the quota increases can be achieved and the Irish dairy sector will continue to be well-placed to compete on international dairy markets into the future.

Milk Prices.

104. **Deputy Eamon Gilmore** asked the Minister for Agriculture, Fisheries and Food the reason the price supports he welcomed under the CAP health check have failed to support milk prices; the minimum milk price at which he expected these supports to sustain; and if he will make a statement on the matter. [4876/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Common Agricultural Policy contains various market support measures for the dairy sector. The initial CAP Health Check proposals had planned to abolish or weaken most of these. During the negotiations I argued very strongly in favour of keeping critical market instruments in place and using them effectively. These support measures can now be used to respond to price volatility in the current market situation and will help support the dairy sector in Ireland.

Dairy product prices reached record high levels in 2007 and early 2008 and producer prices also peaked in that time. Most CAP market instruments were suspended as they were not necessary at that time. Since then international dairy product prices have fallen back considerably, although the average Irish producer price for 2008 was only marginally down on the 2007 price. Indications are that markets will remain weak in the first half of 2009 and I made clear to Commissioner Fischer Boel that a range of supports would help to restore confidence and put a floor under market prices.

The Commission initially responded by commencing the 2009 butter private storage scheme two months early. Subsequently, on January 15th the Commissioner announced further measures to assist the dairy sector. These included a commitment under the Intervention system to purchase more than the fixed quantities of butter (30,000 tonnes) and Skimmed Milk Powder (109,000 tonnes) if the market situation requires it. In addition, she announced the reintroduction of export refunds for butter, milk powders and cheese and these were reinstated at the milk management committee meeting on 22nd January. Irish operators can now avail of these refunds and my Department will continue to examine the position and urge the Commission to set the refunds at an appropriate level to support the dairy sector.

The activation of these measures will take some time to influence commercial markets and stimulate demand for dairy products. It should be noted that market measures alone will not be sufficient. Dairy farmers incomes are comprised of the market price paid for milk and direct income support from the EU. Market forces have a major influence on the price paid for milk. World market prices determine the returns received by dairy processors and these in turn are reflected in the price paid to farmers. In essence, farm gate prices normally reflect the returns from international markets of dairy product sales. Therefore, nobody can predict precisely what the minimum or maximum milk price will be as it is determined by market forces.

While we are facing short-term uncertainty, analysis shows that the long-term outlook is bright. Global growth in wealth and population will provide opportunities for quality producers like Ireland, and all areas of the dairy sector can expect to reap the rewards. In the meantime, I will continue to monitor developments in the dairy sector closely and intervene again with the Commissioner as the market situation evolves.

Pigmeat Sector.

105. **Deputy Emmet Stagg** asked the Minister for Agriculture, Fisheries and Food if compensation from public funds to be paid out to pigmeat processors is for pork actually born, fed and reared here; and if he will make a statement on the matter. [4910/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The product recall scheme provides assistance in respect of eligible product manufactured from pigs slaughtered in Ireland between 1 September and 6 December 2008. A case has been made for other products manufactured in Ireland and that were affected by the product recall to be considered for assistance. These would include products containing both Irish and imported pigmeat and products made here using solely imported pigmeat that, at the time of the recall, could not be

[Deputy Brendan Smith.]

segregated satisfactorily to facilitate its sale. My Department is currently considering the position of such products.

Organic Farming.

106. **Deputy Seán Sherlock** asked the Minister for Agriculture, Fisheries and Food the organic food producing promotion initiatives planned for 2009; the estimated cost of these initiatives; and if he will make a statement on the matter. [4905/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The main organic food promotion event this year will be National Organic Week, which will be held for the fifth year in a row this September. The National Organic Awards will take place in conjunction with National Organic Week.

Bord Bia, in collaboration with Bord Iascaigh Mhara, have invited a number of organic companies to exhibit at Biofach, the World Organic Trade Fair in Nuremberg later this month. This export driven initiative was one of the actions outlined in the Organic Marketing Plan 2006-2009. Biofach is the largest and most important trade event for organic food in the international calendar. The objective of this initiative is to increase the profile of indigenous Irish organic products on the international stage.

Bord Bia are also facilitating a number of non-exhibiting Irish food companies to attend this Trade Fair to show them at first hand the scale of the development of the organic sector worldwide. I would be hopeful that their attendance will encourage the development of a range of new innovative organic products. This in turn could lead to increases on the supply side in Ireland in line with my Department's Organic Farming Production Plan 2008-2012 launched last year.

The total cost to my Department of these initiatives will be in the region of €300,000.

Food Safety Standards.

107. **Deputy Ruairí Quinn** asked the Minister for Agriculture, Fisheries and Food his views on proposals for a statutory imposed code of conduct governing the relationship between supermarkets and their suppliers following the pork dioxin scare; and if he will make a statement on the matter. [4901/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I have no role in relation to contractual relationships between retail buyers and their suppliers. The Competition Authority, established under the 2002 Act has a role in relation to ensuring that markets operate freely and this includes the retail sector.

Fishing Industry Development.

108. **Deputy Niall Blaney** asked the Minister for Agriculture, Fisheries and Food if he is satisfied with the outcome of the December 2008 EU Fisheries Council. [4924/09]

131. **Deputy Niall Blaney** asked the Minister for Agriculture, Fisheries and Food if he will quantify the value of the increased quota secured at the December 2008 EU Fisheries Council. [4925/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 108 and 131 together.

The package of measures agreed at the December 2008 EU Fisheries Council were in my opinion the best possible deal available to Ireland in what were very challenging circumstances.

The main elements of the package include an increase of 5% in the value of quotas available to Ireland from €194m to €200m and the successful defence of the Hague Preferences against determined opposition from some Member States.

The EU Commission's proposals for complete closure of all whitefish fisheries in the waters off Donegal were successfully renegotiated and agreement was reached on a package of measures which both delivers strong conservation measures for the cod, whiting and haddock stocks in decline while facilitating the continuation of important fishing activities for the Irish fleet in the area. In addition, the Council established effort limits under the EU Cod Recovery Plan Regulation (Council 1342/2008) for the Irish Sea and for the waters off Donegal. I appreciate that the introduction of these new conservation measures are a challenge and I have established a Steering Group involving the Federation of Irish Fishermen (FIF), the Department and agencies to provide support to the industry in relation to the practical implementation of these new measures.

Bovine Disease Controls.

109. **Deputy Seán Connick** asked the Minister for Agriculture, Fisheries and Food the benefit to farmers of the recent decision to raise the testing age for BSE to 48 months. [4945/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): As the Deputy will be aware since my appointment as Minister I consistently requested the EU Commission to raise the age for BSE Testing in the light of the on-going reduction in case numbers and the ages of confirmed cases. Consequently, I warmly welcomed the decision to raise the testing age of both animals slaughtered for human consumption as well as emergency slaughtered and fallen animals from 30 to 48 months. This came into effect on the 1st January 2009.

The costs associated with BSE testing of cattle being slaughtered for human consumption at meat plants are for the most part, borne by the industry. Consequently, most of the savings arising from the reduced level of testing at these locations will accrue to the industry including farmers. It is estimated that the number of cattle to be tested will fall by about 400,000 a year and will result in annual savings of more than €8 in testing costs.

This decision also enhances Ireland's standing abroad and is a vindication of the position I advocated when I identified the increase in the minimum age for BSE testing as a priority.

Grant Payments.

110. **Deputy Ciarán Lynch** asked the Minister for Agriculture, Fisheries and Food the number of REP scheme two farmers paid in 2008; the amount of money paid to them; and if he will make a statement on the matter. [4881/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): In 2008, €9,759,552.12 was paid to 2,140 participants in REPS 2.

Farm Waste Management.

111. **Deputy Thomas P. Broughan** asked the Minister for Agriculture, Fisheries and Food the expected end date for the completion of inspections under the farm waste management scheme; and if he will make a statement on the matter. [4870/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Almost 17,400 payment claims remain to be processed to payment stage under the Farm Waste Management Scheme in 2009. It is not possible at this stage to provide a date for the completion of all farm inspections required to be carried out under the Scheme.

However, my Department will endeavour to ensure that these inspections are completed within the shortest time possible and has introduced revised arrangements to expedite the process.

112. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the number of farmers in County Roscommon who are awaiting payment of the farm waste management grant; the value of outstanding payments; and if he will make a statement on the matter. [4742/09]

128. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the number of farmers in County Leitrim who are awaiting payment of the farm waste management grant; the value of outstanding payments; and if he will make a statement on the matter. [4743/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 112 and 128 together.

The information requested by the Deputy will be forwarded to him as soon as possible.

Aquaculture Licences.

113. **Deputy Jan O’Sullivan** asked the Minister for Agriculture, Fisheries and Food the breakdown of the number of aquaculture licence applications received and granted for the years 2003 to 2008; and if he will make a statement on the matter. [4889/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The information requested by the Deputy is shown in the following table.

	2003	2004	2005	2006	2007	2008
Number of aquaculture licence applications received	58	70	73	68	38	26
Number of aquaculture licences granted	23	38	34	25	10	1
Number of Aquaculture licences granted by Aquaculture Licences Appeals Board	2	9	3	1	3	0

The figures provided do not include renewal, assignment, revocation, amendment or review of licences. Licences issued by the Aquaculture Licences Appeals Board follow on from appeals of decisions made by the Minister.

In considering an application for an aquaculture licence, including an application to renew an aquaculture licence, the licensing authority must consider:

- the potential impacts on safety and navigation,
- the ecological impacts on wild fisheries, natural habitats, flora and fauna,
- the suitability of the waters,
- the other beneficial uses of the place or waters,

- the likely effects on the economy of the area, and
- the statutory status under European legal frameworks of the area under application.

This process involves consultation with a range of scientific and technical advisers as well as various statutory consultees. Applications are also subject to public consultation whereby any interested person or body may make submissions or observations on any licence application. The process also involves publication of Ministerial decisions on applications and allowing a one month period for appeal of any decision. Any such appeal must then be considered by the independent Aquaculture Licences Appeals Board.

The reduction in the number of new licences issued in 2008 arises from the need for full compliance with the requirements of EU legislation and in particular the EU Habitats and Birds Directives.

My Department is working actively with the National Parks and Wildlife Service of the Department of the Environment, Heritage and Local Government and the EU Commission to agree future procedures to ensure that all applications for aquaculture licences are fully compliant with the requirements of the EU Birds and Habitats Directives. €1.46 million has been set aside specifically to support compliance of fisheries and aquaculture with respect to activities in Natura 2000 sites.

Reaching early agreement with the EU Commission on how to enable licences to be issued in Natura 2000 sites in compliance with the Birds and Habitats Directives is a very high priority for my Department.

Grant Payments.

114. **Deputy Kathleen Lynch** asked the Minister for Agriculture, Fisheries and Food the number of REP scheme three farmers paid in 2008; the amount of money paid to them; and if he will make a statement on the matter. [4882/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): In 2008, €301,303,772.78 was paid to 44,325 participants in REPS 3.

Rural Environment Protection Scheme.

115. **Deputy Ciarán Lynch** asked the Minister for Agriculture, Fisheries and Food the number of farmers he expects to participate in REP scheme three and REP scheme four by the 15 May 2009 single farm payment deadline; and if he will make a statement on the matter. [4880/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I expect 46,376 REPS 3 participants to be in the scheme on 15 May 2009. There are currently 12,773 applicants for REPS 4, made up of 10,773 who submitted applications and farm plans by 15 May 2008, another 1,546 who submitted farm plans after 15 May 2008 under the special arrangement agreed with the European Commission for farmers in REPS 2 with contracts terminating in 2008 after 15 May, and finally 454 who are not in the latter category but have applied since 15 May 2008.

Grant Payments.

116. **Deputy Róisín Shortall** asked the Minister for Agriculture, Fisheries and Food if a series of staggered payments over 2009 to 2010 will be introduced for the 17,000 farmers who are awaiting payment under the farm waste management scheme; and if he will make a statement on the matter. [4908/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The deadline for completion of work and the submission of claims for grant payment under the Farm Waste Management Scheme expired on 31 December 2008 although applicants were permitted to submit certain supporting documentation up to 9 January 2009.

Last week, the Government took a number of decisions on the overall Expenditure Control and Economic Strategy that included the funding for the Farm Waste Management Scheme and arrangements for payment of grant aid on a phased basis. My Department is in discussion with the Department of Finance on the implications for the Department's Vote and the details that will be published in the Revised Estimates Volume next month.

Fisheries Protection.

117. **Deputy Dinny McGinley** asked the Minister for Agriculture, Fisheries and Food the details of the newly imposed restrictions on the whitefish fishing fleet in the north west, with particular emphasis on the limited number of days at sea; the implications for the fishing and the livelihood of those involved; the measures he proposes adopting to alleviate these hardships; and if he will make a statement on the matter. [4741/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The EU Fisheries Councils in November and December 2008 adopted a new Cod Recovery Plan, as set out in Council Regulation (EC) No. 1342/2008 and Annex IIa of the 2009 TAC and Quota Regulation (EC) No 43/2009. These Regulations are applicable to the fishing fleets of all Member States fishing with specified fishing gears in the relevant sea areas. Under these Regulations, Ireland and other relevant Member States are required to introduce and implement a licensing regime to manage its allocation of fishing effort — days at sea limits in areas VIa (north west of Ireland) and VIIa (the Irish Sea) for vessels using specified gear types.

At the December Council, the EU Commission's proposals for complete closure of all whitefish fisheries in the waters off Donegal were successfully renegotiated and agreement was reached on a package of measures which both delivers strong conservation measures for the cod, whiting and haddock stocks in decline while facilitating the continuation of important fishing activities for the Irish fleet in the area.

Following consultations with representatives of the Irish fishing industry, the Department introduced a pilot system of authorisations and allocations of fishing effort for the period 1 February 2009 to 30 April 2009.

I appreciate that the introduction of these new conservation measures are a challenge and I have established a Steering Group involving the Federation of Irish Fishermen (FIF), the Department and agencies to provide support to the industry in relation to the practical implementation of these new measures. The effort allocations already made were done on a pilot basis only and I am happy to make amendments where proposed by the Federation of Irish Fishermen (FIF) within the legal framework that has been established.

Fishing Quota.

118. **Deputy Tom Sheahan** asked the Minister for Agriculture, Fisheries and Food if his attention has been drawn to the concerns that the distribution of the 2009 increase in mackerel quota is not equitable; and if he will make a statement on the matter. [4952/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The representatives of the polyvalent (multipurpose) vessels in the Irish fleet sought an increased share of Ireland's mackerel quota for 2009, while the representatives of the Refrigerated Salt Water (RSW) fleet,

based in the north-west opposed any increase in the share for the polyvalent vessels. The background to the situation is that the allocation arrangements were last revised in 2001. Since 2001 the polyvalent vessels have had an allocation of 7,000 tonnes of mackerel from Ireland's quota. This 7,000 tonnes represented 10% of the Irish quota when the arrangements were put in place in 2001. In all years, except 2002, the Irish mackerel quota has fallen well below the 2001 level (as low as 46,000 in 2005) and the allocation to the polyvalent vessels has remained at the set level of 7,000 tonnes. The cuts in the quota each year were borne in total by the RSW Pelagic segment vessels. In 2009 the mackerel quota has been increased to 66,068 tonnes which remains below the 2001 quota when the share out arrangement was last determined.

In the context of the representations made in relation to the share out of mackerel, Minister Killeen organised a meeting with all interested parties on 26th of November to hear the case for (i) a continuation of the current arrangements and (ii) for granting to the Polyvalent fleet an increased share of the 2009 mackerel quota. Strong and comprehensive presentations were made at that meeting by the Irish South and West Fish Producers Organisation (IS&WFO) and the Killybegs Fishermen's Organisation (KFO) in respect of both proposals. Following the meeting, the Minister requested clarification and additional information from both parties, which were received.

Minister Killeen examined the cases made and considered in detail the issues arising. Following this full consideration, Minister Killeen decided to introduce new arrangements for the share out of mackerel for 2009 and future years. Under the new arrangements, the polyvalent segment will be allocated 13% of the mackerel quota. For 2009 this will involve a total allocation of 8,562 tonnes for the polyvalent fleet rather than the 7,000 tonne set allocation in place heretofore. This allocation for 2009 involves a 22.3% increase for the polyvalent segment.

It is important to note that the mackerel quota is of substantial importance to the north-west based pelagic industry which is completely dependent on pelagic fish stocks, such as mackerel and do not have any access to whitefish, prawn and other stocks which are available to the polyvalent vessels. As the mackerel quota is a set quantity for Ireland any increase in the allocation to the polyvalent fishing vessels must be at the expense of those vessels in the RSW Pelagic vessels and accordingly changes in allocation arrangement must take account of the importance of fishing in both the south — west and the north — west and balance the interests of both communities.

Common Agricultural Policy.

119. **Deputy Bobby Aylward** asked the Minister for Agriculture, Fisheries and Food the manner in which he estimates the CAP Health Check will be worth €170 million to farmers here. [4942/09]

155. **Deputy Seamus Kirk** asked the Minister for Agriculture, Fisheries and Food the value of the CAP Health Check to farmers here. [4941/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 119 and 155 together.

The deal I secured for Irish farmers in the Health Check negotiations was a very good one in very challenging circumstances. In terms of additional payments to farmers, the deal itself is worth over €90 million over the coming years. This money arises as a result of the agreement secured by Member States to utilise unspent Single Farm Payment funds. Heretofore these funds could not be accessed because of the complex rules surrounding the Single Payment arrangements. In addition, the increase in milk quotas will deliver an estimated €100 million

[Deputy Brendan Smith.]

worth of additional milk production by the year 2014. This was an outstanding achievement by any standards considering the alignment of forces on the Council.

Special Areas of Conservation.

120. **Deputy Mary Upton** asked the Minister for Agriculture, Fisheries and Food when management plans will be implemented in all coastal special areas of conservation where this contributes to the delay in the issuing of aquaculture licences; and if he will make a statement on the matter. [4913/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department is in consultation with the National Parks and Wildlife Service of the Department of the Environment, Heritage and Local Government and the EU Commission to agree future procedures to ensure that all applications for aquaculture licences are fully compliant with the requirements of the EU Birds and Habitats Directives. €1.46 million has been set aside specifically to support compliance of fisheries and aquaculture with respect to activities in Natura 2000 sites.

It is a matter in the first instance for the Minister for the Environment, Heritage and Local Government to establish the conservation measures which he considers appropriate, in respect of special areas of conservation designated under the European Communities (Natural Habitats) Regulations, 1997 (S.I. No. 94 of 1997) including, if necessary, management plans.

Fishing Industry Development.

121. **Deputy Jan O'Sullivan** asked the Minister for Agriculture, Fisheries and Food the recommendations from the Cawley report which have been implemented; and if he will make a statement on the matter. [4890/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I regard the Strategy for a Restructured, Sustainable and Profitable Irish Seafood Industry 2007-13 (The Cawley Report) as the blueprint for the development of the seafood sector going forward.

An implementation group, the Seafood Strategy Implementation Group (SSIG) was set up in 2007 under the chairmanship of Dr Noel Cawley. It is comprised of stakeholders from all sectors of the industry as well as representatives from the relevant state agencies and from my Department.

This group is charged with overseeing and driving the implementation of the recommendations contained in the Cawley Report. Substantial progress has been made on a number of fronts, including the current decommissioning scheme which was one of the key recommendations of the Cawley Report. A total of 45 vessels have accepted offers. €21m was spent in 2008 with an estimated €16m to be spent in 2009. A significant economic benefit currently estimated at some €22m will accrue to the remainder of the fleet from the redistribution of the prawn and whitefish catch previously taken by the decommissioned vessels.

Other progress includes; developing marketing opportunities for Irish seafood, work on the establishment of the Seafood Development Centre, publication of a draft lobster management plan, establishment of the Step Up Programme to incentivise consolidation and prioritise support for the development of seafood businesses, ongoing development of an industry focused Environmental Management System for the wild-capture seafood sector, encouraging use of environmentally friendly and fuel-efficient fishing by way of grant aid, increased training opportunities in the sea fisheries, aquaculture and shore-based sectors.

The Cawley Report recommendations and their indicated funding are underpinned by the National Development Plan (NDP) 2007 — 2013.

I am confident that, with the buy in and participation of the key stakeholders in the implementation process, progress will continue to be made and the goals set out in the Cawley Report will be achieved.

Question No. 122 answered with Question No. 91.

Farm Retirement Scheme.

123. **Deputy Róisín Shortall** asked the Minister for Agriculture, Fisheries and Food the number of transfers of active farm holdings registered with his Department for the years 2007, 2008 and 2009 for persons retiring from farming; the breakdown of the number of those transfers which were between family members and to non-family members; and if he will make a statement on the matter. [4907/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The following table shows a breakdown of applications received under the Early Retirement Scheme in 2007 and 2008 by farm holdings transferred to family members and non-family members.

Early Retirement Scheme	Transfers to family members	Transfers to non-family members
2007	91	48
2008	211	116

Most of these transfers were by lease. Definitive transfers of holdings were as follows:

Early Retirement Scheme	Definitive transfers to family members	Definitive transfers to non-family members
2007	31	2
2008	72	2

The scheme in question was introduced on 6 June 2007 and was suspended for new applications with effect from 15 October 2008.

Dairy Sector.

124. **Deputy Seymour Crawford** asked the Minister for Agriculture, Fisheries and Food the steps he has taken at EU level to help underpin the dairy sector; if he is satisfied that such steps will be sufficient to allow farmers make a profit during 2009; his views on the situation whereby the USA is buying in product into storage at Government level at a time when they are objecting to such a structure at a European level; and if he will make a statement on the matter. [4784/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Dairy product prices reached record high levels in 2007 and early 2008 and producer prices also peaked in that time. Since then international dairy product prices have fallen back considerably, although the average Irish producer price for 2008 was similar to the 2007 price. Indications are that markets will remain weak in the first half of 2009 and I made clear to Commissioner Fischer Boel that a range of supports would help to restore confidence and put a floor under market prices. The Commission initially responded by commencing the 2009 butter private storage scheme two months early. Subsequently, on January 15th the Commissioner announced further measures

[Deputy Brendan Smith.]

to assist the dairy sector. These included a commitment under the Intervention system to purchase more than the fixed quantities of butter (30,000 tonnes) and Skimmed Milk Powder (109,000 tonnes) if the market situation requires it. In addition, she announced the reintroduction of export refunds for butter, milk powders and cheese and these were reinstated at the milk management committee meeting on 22nd January. Irish operators can now avail of these refunds and my Department will continue to examine the position and urge the Commission to set the refunds at an appropriate level to support the dairy sector.

Dairy farmers incomes are comprised of the market price paid for milk and direct income support from the EU. Market forces have a significant and increasing influence on the price paid for milk. World market prices determine the returns received by dairy processors and these in turn are reflected in the price paid to farmers. In essence, farm gate prices normally reflect the returns from international markets of dairy product sales.

Irrespective of the position adopted by the US or others, the reintroduction of exports refunds to support the dairy market in the EU is fully compatible with our WTO obligations. While we are facing short-term uncertainty, analysis shows that the long-term outlook is bright. Global growth in wealth and population will provide opportunities for quality producers like Ireland, and all areas of the dairy sector can expect to reap the rewards. In the meantime, I will continue to monitor developments in the dairy sector closely and intervene again with the Commissioner as the market situation evolves.

Grant Payments.

125. **Deputy Joe Costello** asked the Minister for Agriculture, Fisheries and Food the percentage of farmers due a REP scheme four payment who have been paid to date; and if he will make a statement on the matter. [4874/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Of the 12,319 farmers who are eligible for 2008 REPS 4 scheme payments, 10,773 applied before the 15 May 2008 and a further 1,546 applied under the special arrangement agreed with the EU Commission for REPS 2 plans terminating in 2008 whereby farmers with plans terminating on or before the 31 August had to lodge their application by 15 May 2008 and a full plan by 31 July 2008, and those terminating after 31 August 2008 and up to 30 November 2008 had to lodge their application by 15 May 2008 and a full plan by 31 October 2008.

To date 2,063 REPS 4 payments have either issued or are scheduled for payment.

Dairy Sector.

126. **Deputy Joe Costello** asked the Minister for Agriculture, Fisheries and Food the initiatives he has taken and will take to secure an appropriate level of price support for the dairy sector in order to prevent a situation in 2009 in view of the fact that the support granted to date has had no impact on market prices; and if he will make a statement on the matter. [4875/09]

152. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the steps in view of the crises in the dairy industry here and the recent decision by the EU Commission to reactivate dairy export refunds, he will take to secure sufficient refunds for Irish dairy exports on to the world market; and if he will make a statement on the matter. [4954/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 126 and 152 together.

Dairy farmers incomes are comprised of the market price paid for milk and direct income support from the EU. Market forces have a significant and increasing influence on the price paid for milk. World market prices determine the returns received by dairy processors and these in turn are reflected in the price paid to farmers. In essence, farm gate prices normally reflect the returns from international markets of dairy product sales.

Dairy product prices reached record high levels in 2007 and early 2008 and producer prices also peaked in that time. Since then international dairy product prices have fallen back considerably, although the average Irish producer price for 2008 was similar to the 2007 price. Indications are that markets will remain weak in the first half of 2009 and I made clear to Commissioner Fischer Boel that a range of supports would help to restore confidence and put a floor under market prices. The Commission initially responded by commencing the 2009 butter private storage scheme two months early. Subsequently, on January 15th the Commissioner announced further measures to assist the dairy sector. These included a commitment under the Intervention system to purchase more than the fixed quantities of butter (30,000 tonnes) and Skimmed Milk Powder (109,000 tonnes) if the market situation requires it. In addition, she announced the reintroduction of export refunds for butter, milk powders and cheese and these were reinstated at the milk management committee meeting on 22nd January. Irish operators can now avail of these refunds and my Department will continue to examine the position and urge the Commission to set the refunds at an appropriate level to support the dairy sector.

It is too soon yet to expect these initiatives to have made any significant impact on the international markets. However, I will continue to monitor developments in the dairy sector closely and intervene again with the Commissioner as the market situation evolves.

North-South Ministerial Council.

127. **Deputy Margaret Conlon** asked the Minister for Agriculture, Fisheries and Food the outcome of the recent North-South Ministerial Council sectoral meeting. [4935/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): This meeting had to be cancelled because the DUP Minister scheduled to attend was delayed at Heathrow Airport.

Question No. 128 answered with Question No. 112.

Food Safety Standards.

129. **Deputy Joanna Tuffy** asked the Minister for Agriculture, Fisheries and Food if he will review the entire inspection regime following the pork dioxin scare to ensure inspectors are working in areas of greatest risk; and if he will make a statement on the matter. [4911/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): As I indicated to the Joint Oireachtas on Agriculture I am establishing a review group with representatives from my Department, the Department of Health and Children and other state agencies concerned, to examine all aspects of the dioxin incident and to make recommendations as to the future policy in this area. Dr. P. Wall, associate professor of Public Health at UCD, has agreed to chair the group.

Rural Environment Protection Scheme.

130. **Deputy Eamon Scanlon** asked the Minister for Agriculture, Fisheries and Food the provision being made in his Department's vote for REP scheme in 2009. [4937/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The provision in my Department's vote for REPS in 2009 is €355 million.

Question No. 131 answered with Question No. 108.

Agricultural Exports.

132. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food his projections, proposals and conclusions for the development and expansion of the agri-food sector over the next five years with particular reference to the need to enhance, encourage, improve and create the proper competitive economic environment for Irish food exports on world markets; and if he will make a statement on the matter. [4915/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Irish agri-food and fisheries sector is operating in a global market that is experiencing significant challenges and unprecedented change and at the same time providing significant long term opportunities. Despite the well documented challenges in the global market, I believe that this indigenous industry has the potential to boost export returns and approach €10 billion in annual export revenues by 2011, as has been targeted by Bord Bia. The strongest growth potential exists in dairy, prepared foods, beef, alcoholic beverages and seafood sectors.

The role of my Department and its agencies is to assist this industry to maximise the return from these opportunities. A number of strategic initiatives have been taken to help the agri-food sector achieve its potential including capital investment schemes for the food processing sectors, fisheries, innovation and research and development.

Addressing the industry's capacity to compete successfully at home and overseas has assumed a new urgency and my belief is that a new development plan for the period to 2020 is required to maintain the impetus gained from the Agri-Vision 2015 strategy. My Department has already started the preparatory work on this plan which is focusing on the opportunities arising from a growing international food and energy crop markets, the challenges from the global economic downturn, currency fluctuations, climate change and the critical issue of competitiveness.

Grant Payments.

133. **Deputy Jim O'Keeffe** asked the Minister for Agriculture, Fisheries and Food the status of applications under the farm improvement scheme which were made before the closing date of 31 October 2007 but which have not been processed; and if he will make a statement on the matter. [4401/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Farm Improvement Scheme was introduced by my Department in July 2007 with funding of €79 million as agreed under the 2006 Partnership Agreement, Towards 2016, and was suspended on 31 October 2007 as applications received had reached this level of funding. The applications received under the Scheme are being processed by my Department up to the level of funding available.

Agricultural Exports.

134. **Deputy Brian O'Shea** asked the Minister for Agriculture, Fisheries and Food the steps he is taking to promote new exports to mainland Europe in view of the fact that there is little prospect of sterling recovering enough to compensate exporters here; and if he will make a statement on the matter. [4886/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Bord Bia, under the aegis of my Department, is the State agency responsible for market development of food, drink and horticulture. In addition to specific allocations for quality assurance measures and healthy eating initiatives, Bord Bia has a marketing and promotional budget for 2009 of €20m. This has enabled Bord Bia to implement a comprehensive set of promotional programmes and tailored services to assist Irish food and drink companies build additional business in Europe.

In addition, an inter-Departmental Market Access Group comprising representatives from the Departments of Foreign Affairs and Enterprise, Trade and Employment, An Bord Bia, Enterprise Ireland and Bord Iascaigh Mhara is currently engaged in a co-ordinated effort to identify potential market opportunities for the full range of Irish food and beverages, prioritisation of market initiatives and broader access issues.

Animal Diseases.

135. **Deputy Margaret Conlon** asked the Minister for Agriculture, Fisheries and Food his plans to progress the herd health initiative. [4934/09]

144. **Deputy Noel Treacy** asked the Minister for Agriculture, Fisheries and Food the function of Animal Health Ireland, which he formally launched recently. [4931/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 135 and 144 together.

My Department has been actively progressing an initiative to improve the health of the national herd and flock for many years and this was given added impetus by the inclusion in the Programme for Government of a commitment to introduce a herd health initiative to deal with non-regulated diseases. To advance these objectives, I recently launched Animal Health Ireland which aims to improve overall animal health standards, thereby enhancing on-farm productivity and securing improved profitability for farmers through a coordinated national approach to animal health. The main stakeholders are fully supportive of this initiative and have agreed to financially support it.

The function of Animal Health Ireland (AHI) will be to:

- develop effective national plans for action in the area of unregulated disease
- coordinate and prioritise research projects and initiatives in respect of action programmes undertaken
- build upon and coordinate the national infrastructure that will enable industry, at all levels, to take appropriate and effective action.

My Department will meet some initial costs of AHI and will provide a small number of Executive staff to assist the interim Steering Group, currently being chaired by Mr Mike Magan. This Group, which has been selected on the basis of competencies, will oversee the initiative and a Stakeholders Group comprising representatives of the organisations that are co-financing it will in turn oversee the Steering Group. Work has commenced on the administrative arrangements to be put in place to support AHI, which will operate independently of my Department.

Animal Health Ireland represents a significant change from the long-established Government-led model that has characterised animal health policy to date in Ireland. AHI provides a unique opportunity to develop an improved understanding of current practices and future trends in international best practice in the area of herd health and affords those organisations — including farmers, producers, processors, and support/advisory service — actively participat-

[Deputy Brendan Smith.]

ing in the project to build on the significant resources, informational infrastructure, capabilities and expertise already available within the range of organisations. And following on from that, developing a national strategy to take appropriate action in the area of non-regulatory animal health which in effect will allow industry to a large extent shape its own future.

Bovine Diseases.

136. **Deputy Seán Connick** asked the Minister for Agriculture, Fisheries and Food the number of cases of BSE here in 2008. [4944/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The number of confirmed BSE cases here was 23 in 2008 which represents a continuation of the trend of falling numbers of cases since 2002 when there were 333 cases.

Farm Safety.

137. **Deputy Seán Sherlock** asked the Minister for Agriculture, Fisheries and Food his plans to promote the importance of health and safety on farms in 2009 in view of the fact that 21 people lost their lives on farms in 2008, which was 11 more than in 2007; and if he will make a statement on the matter. [4906/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I am very concerned with the level of farm safety on our farms. Last year 21 people died on Irish farms and this year to-date 3 people have died on Irish farms. I strongly support the work of the Health and Safety Authority (HSA), which is the national body in Ireland with responsibility for securing health and safety at work.

In 2002 the Farm Safety Partnership Advisory Committee was established. This Committee is made up of representatives from the Department of Agriculture, Fisheries and Food, Teagasc, HSA and other farming groups and supports and co-ordinates the majority of research and promotional activities in relation to farm safety. Throughout 2008 this Committee developed a Farm Safety Action Plan for the period 2009-2012, which was launched by my colleague Mr. Billy Kelleher T.D., Minister for Labour Affairs, in December 2008. This Plan sets out ambitious goals and actions to raise national awareness of occupational safety and health in agriculture and to reduce fatalities and accidents on Irish farms.

I fully support the HSA in the implementation of this new Farm Safety Action Plan 2009-2012 and my Department has committed to:

- Include a link on DAFF's website to the "Farm Safety Section" of the Health and Safety Authorities website.
- Ensure that Rural Environment Protection Scheme (REPS) training courses will address farm safety issues as they arise under particular REPS Measures.
- Incorporate appropriate health and safety aspects in DAFF's farm building specifications when they are being drafted/revised.
- Support farm safety week/month and to issue timely press statements on a relevant topic to highlight the need for health and safety awareness in agriculture.

Grant Payments.

138. **Deputy Dara Calleary** asked the Minister for Agriculture, Fisheries and Food the value of REP scheme payments by his Department in December 2008. [4929/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): A total of €57,705,655.80 was paid to REP scheme participants in December 2008.

Live Exports.

139. **Deputy Joan Burton** asked the Minister for Agriculture, Fisheries and Food the arrangements he will put in place to ensure live exporters can continue to get livestock cleared for export on a Saturday in view of the fact that the live export trade is important to calf and weanling producers and must be protected and that live exporters are experiencing difficulties regarding the clearance of livestock for export on Saturdays due to the suspension of overtime in his Department; and if he will make a statement on the matter. [4873/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I am fully aware of the importance of the live export trade to Irish farmers and exporters. My Department has provided the necessary services to facilitate the live export trade on Saturdays at the export assembly locations. Nevertheless and in line with all services being provided by Government Departments, it is essential that the required service is provided in the most cost effective and efficient manner and in a way that enables exporters meet Saturday sailing schedules. Against this background, my Department is currently reviewing all aspects of this service. While this review is under way, my Department continues to provide necessary services on Saturdays at existing export assembly locations, as heretofore.

Animal Welfare.

140. **Deputy Noel Treacy** asked the Minister for Agriculture, Fisheries and Food the level of support his Department provides to voluntary animal welfare organisations. [4930/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Since 1995, my Department has made ex-gratia payments to animal welfare organisations to assist in their work in the direct delivery of animal care and welfare services. Initially, these payments were made from residual funds in my Department's Vote at the end of each year. However, specific provisions for this purpose have been included in my Department's Estimates in recent years. Ex gratia funding is intended only as a contribution to the overall costs of these largely voluntary organisations, which operate throughout the country in both urban and rural areas.

The level of support provided in recent years is as follows:

Year	Total Amount	Number of organisations funded
	€m	
2005	1.206	86
2006	1.221	94
2007	1.479	107
2008	1.250	110

Farm Waste Management.

141. **Deputy Thomas P. Broughan** asked the Minister for Agriculture, Fisheries and Food when payments will commence under the farm waste management scheme to the 17,400 farmers awaiting grant aid in view of the serious cash flow implications for farmers; and if he will make a statement on the matter. [4871/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The deadline for completion of work and the submission of claims for grant payment under the Farm Waste Management Scheme expired on 31 December 2008 although applicants were permitted to submit certain supporting documentation up to 9 January 2009.

Last week, the Government took a number of decisions on the overall Expenditure Control and Economic Strategy that included the funding for the Farm Waste Management Scheme and arrangements for payment of grant aid on a phased basis. My Department is in discussion with the Department of Finance on the implications for the Department's Vote and the details that will be published in the Revised Estimates Volume next month.

Aquaculture Development.

142. **Deputy Willie Penrose** asked the Minister for Agriculture, Fisheries and Food if his attention has been drawn to the potential future employment prospects of aquaculture or fish farming which, according to the Food and Agriculture Organisation of the United Nations, is currently the fastest growing sector in the world; the action he is taking to harness this potential for job creation; and if he will make a statement on the matter. [4900/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The considerable potential of the Irish aquaculture sector to create wealth and jobs in coastal communities has been recognised by the Government for some time. The Seafood Strategy, Steering a New Course — Strategy for a Restructured, Sustainable and Profitable Irish Seafood Industry 2007-2013, identifies a much bigger role for aquaculture in meeting the increasing demand for seafood and sets down a number of recommendations that will deliver significant development and expansion of the aquaculture sector. That strategy has been translated into a series of detailed actions and schemes and these have been incorporated in the non co-funded Fisheries Operational Programme 2007-2013.

A provision of €5m. has been made in my Department's Vote to support Aquaculture development in 2009. It is planned to roll out a number of actions to assist the development of aquaculture and draw down the available funds in the near future.

Farm Waste Management.

143. **Deputy Joan Burton** asked the Minister for Agriculture, Fisheries and Food if he will put in place special arrangements to ensure all receipts are returned to farmers by the end of February 2009 under the farm waste management scheme in order that they can claim back their VAT; and if he will make a statement on the matter. [4872/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Invoices/receipts submitted by farmers for the purposes of grant payments under the Farm Waste Management Scheme are available on request from the Department's local AES offices.

Question No. 144 answered with Question No. 135.

Food Safety Standards.

145. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food if he is satisfied that imported gas flushed chicken fillets comply fully with the stringent health and safety food production regulations governing the chicken fillets produced here; and if he will make a statement on the matter. [4956/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Chicken fillets produced within the EU are subject to the same health and safety requirements regardless as to their origin. For poultry products imported from outside the EU these must come from plants approved under the European Union veterinary inspection regime and having equivalent standards as that within the EU. There is a set of inspection procedures in place to ensure compliance with the relevant requirements.

Rural Development.

146. **Deputy Johnny Brady** asked the Minister for Agriculture, Fisheries and Food the impact for Ireland of the recent announcement of the European Commission to provide additional funding for rural development. [4927/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Under the European Economic Recovery Plan the EU Commission has proposed that an amount of €1.5 billion should be made available to all Member States in their Rural Development Programmes via the European Agricultural Fund for Rural Development (EAFRD). One third of this amount (€0.5 billion) is proposed to be spent on new challenges related operations, being climate change adaptation and mitigation, renewable energies, water management, biodiversity, innovation measures relating to these areas and the restructuring of the dairy sector. The remaining two thirds (€1 billion) is proposed to be allocated to developing broadband internet infrastructure in rural areas.

It is particularly important to me that Ireland should receive a fair share of these funds, reflecting our traditionally high spend on rural development measures. I am also anxious to ensure that there should be reasonable flexibility allowed to Member States in how these funds are used within the rural development programme, which includes some of our largest agricultural schemes.

The Recovery Plan is still under negotiation within the Community and the outcome of this process and the potential amount available for Irish agriculture will not be known for some time.

Grant Payments.

147. **Deputy Michael D. Higgins** asked the Minister for Agriculture, Fisheries and Food the reason REP scheme four payments were not paid in 2008 and have been delayed until now; and if he will make a statement on the matter. [4878/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): REPS 4 is a measure under the current Rural Development Programme 2007-13 and is subject to different EU Regulations from the preceding versions of REPS. Under REPS 4, all payments are to be made in just two instalments. The first payment, of 75%, can be made only when all administrative checks on all 2008 applications for REPS 4 and the Single Payment Scheme are completed. These include checks on areas and on the plan details and the controls have to satisfy stringent EU regulatory and audit requirements.

Many REPS 4 plans have been prepared using eREPS, the electronic planning system approved and funded by my Department. The information on these plans is in computerised format and it was necessary to develop an appropriate computer based control system for checking these plans. This was a lengthy process and the system was only available from late autumn. However a substantial minority of plans submitted this year were not prepared using

[Deputy Brendan Smith.]

eREPS. Administrative checks on these have to be done manually and are extremely time-consuming.

An effect of industrial action in my Department's local offices last year was that this process was delayed. In these circumstances my Department sought some flexibility from the European Commission which would have allowed payment of those REPS 4 cases which had been fully cleared, but the Commission were not prepared to allow this. The first payments for 2008 REPS 4 applications issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made as applications are cleared.

Rural Development.

148. **Deputy Pat Rabbitte** asked the Minister for Agriculture, Fisheries and Food if the €17 million in modulation funds to come available in 2009 to 2010 will be targeted toward mountain areas in view of the fact that ewe numbers have fallen from 4.75 to 2.7 million; and if he will make a statement on the matter. [4904/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Under the Health Check agreement modulation funds of approximately €120m will be allocated to Ireland's Rural Development Programme over a four year period beginning in 2010. This funding may only be spent on measures addressing the new and ongoing challenges of climate change adaptation and mitigation, renewable energies, water management, biodiversity, innovation measures relating to these areas and the restructuring of the dairy sector.

Ireland's Rural Development Programme will be revised during 2009 to incorporate both the additional funding and the new measures. I am currently considering how these funds can best be used to develop Irish agriculture within the terms laid down in the EU regulations. As part of this process I have asked for submissions from the rural development stakeholders and the closing date for these submissions is 16 February 2009. All submissions received will be examined carefully, and will be a useful input to the decisions on these matters, which I expect to announce in the near future.

Question No. 149 answered with Question No. 100.

Agricultural Imports.

150. **Deputy Eamon Gilmore** asked the Minister for Agriculture, Fisheries and Food the breakdown on the level of beef and dairy imports into Ireland by quantity and country of origin; and if he will make a statement on the matter. [4877/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Central Statistics Office is responsible for the collection of statistics in relation to imports and trade in products of animal origin. The last full calendar year for which information is available from the CSO is 2007. The following tables therefore cover 2007 and for dairy products the period up to August 2008 and in the case of beef, the period up to up to October 2008.

The following should be noted:

In certain cases the record of import may include the re-import of Irish products that were originally the subject of an export from this country.

The information available for imports from EU Member States does not differentiate between products originating in the EU country and those originating in third countries that may already be in free circulation within the Community.

Imports of Beef from Non-EU countries (tonnes)

	2007	2008 ¹
	tonnes	tonnes
Argentina	146	2
Barbados	2	2
Bosnia & Herzegovina	1	1
Brazil	5,446	669
Chile	48	
China	73	
India		2
Mellila	1	1
Norway	40	
Thailand	25	
Uruguay		372
Totals	5,782	1,049

¹to end October 2008.

Imports of Beef from EU countries (tonnes)

	2007	2008 ¹
	tonnes	tonnes
Austria	4	4
Belgium	67	296
Germany	579	1171
Denmark	275	742
Spain	176	314
France	879	685
UK	17,734	15,752
Italy	63	72
Ireland	468	224
Lithuania	1	352
Luxembourg		1
Latvia	9	9
Netherlands	3,568	3,112
Northern Ireland	536	447
Poland	35	374
Portugal	4	
Totals	24,398	23,555

¹to end October 2008.

[Deputy Brendan Smith.]

Imports of Dairy Products from EU countries (tonnes)

	2007	2008 ¹
	tonnes	tonnes
Austria	1,006	1,351
Belgium	15,626	10,602
Czech Republic	5	
Germany	17,598	15,450
Denmark	1,234	1,529
Estonia	1	
Spain	1,367	588
Finland	2,176	1,902
France	15,354	11,232
UK	90,496	71,889
Greece	376	180
Hungary	568	420
Italy	267	2,057
Lithuania	1,676	947
Luxembourg	30	46
Latvia	314	60
Malta	5	139
Netherlands	10,291	7,425
Poland	877	1,416
Portugal	775	472
Sweden	806	710
Northern Ireland	272,782	179,185
Ireland	15,539	1,732
Totals	449,169	309,332

¹to end August 2008.

Imports of Dairy Products from Non-EU countries (tonnes)

	2007	2008 ¹
	tonnes	tonnes
Argentina	2	
Australia	1	
Canada	31	46
Switzerland	331	180
China	4	3
Iceland	3	
Israel	31	43
Kenya	4	1
Libya		12
Malaysia	33	
Norway	1	
Nigeria	2	1
New Zealand	180	156

	2007	2008 ¹
	tonnes	tonnes
Philippines	3	
Singapore	11	
Thailand	4	2
Turkey	1	
Taiwan	245	169
USA	1073	67
Totals	1960	680

¹to end August 2008.

Source: CSO.

Aquaculture Development.

151. **Deputy Willie Penrose** asked the Minister for Agriculture, Fisheries and Food if his attention has been drawn to the fact that aquaculture in Scotland alone is 50 times the size of that in Ireland while the Norwegians produce as much in one week as Ireland produces in a year despite the ideal conditions for aquaculture here; and if he will make a statement on the matter. [4899/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): With regard to the farming of Atlantic salmon, the facts are that Ireland turned out just less than 10,000 metric tonnes in 2007, the Scottish industry produced some 170,000 metric tonnes (about 17 times more than Ireland) and the Norwegians produced approximately 770,000 metric tonnes.

It should be noted that the Irish aquaculture industry also has a substantial shell fish farming component, which neither the Scotland nor Norway have. Ireland's shell fish farmers produce between 45,000 to 50,000 metric tonnes of high quality mussels and oysters annually and new species of shell fish like abalone and scallops are also being farmed in increasing volumes.

The considerable potential of the Irish aquaculture sector to create wealth and jobs in coastal communities has been recognised by the Government for some time. The Seafood Strategy, *Steering a New Course — Strategy for a Restructured, Sustainable and Profitable Irish Seafood Industry 2007-2013*, identifies a much bigger role for aquaculture in meeting the increasing demand for seafood and sets down a number of recommendations that will deliver significant development and expansion of the aquaculture sector. That strategy has been translated into a series of detailed actions and schemes and these have been incorporated in the non co-funded Fisheries Operational Programme 2007-2013.

A provision of €5m. has been made in my Department's Vote to support Aquaculture development in 2009. It is planned to roll out a number of actions to assist the development of aquaculture and draw down the available funds in the near future.

Question No. 152 answered with Question No. 126.

Grant Payments.

153. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the details of the negotiations he, his Department officials or Department of Finance officials are engaged in with Irish banks regarding moneys due to farmers under the farm investment scheme, the farm waste management scheme and REP scheme four; if he accepts the clear contractual

[Deputy Michael Creed.]

obligation on him to honour these commitments in a timely manner; and if he will make a statement on the matter. [4953/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Insofar as commitments have been entered into by my Department, the liabilities arising will be met subject, of course, to such verification as may be required to ensure that the claimants have complied with the terms and conditions of the schemes. The timing of payment is subject to the provision of adequate funding on the Vote for my Department. Last week, the Government took a number of decisions on the overall Expenditure Control and Economic Strategy that included the funding for the Farm Waste Management Scheme and arrangements for payment of grant aid under that scheme on a phased basis. My Department is in discussion with the Department of Finance on the implications for the Department's Vote and the details that will be published in the 2009 Revised Estimates Volume next month.

I have arranged to meet the Irish Banks tomorrow to discuss with them how those farmers who are due their Farm Waste Management grants, which are guaranteed by the State, might be facilitated.

Departmental Expenditure.

154. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food if he is satisfied regarding the adequacy of the budgetary provisions of his Department to meet in full and without restrictions all commitments and liabilities including those projected to the end of 2009; and if he will make a statement on the matter. [4916/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Estimate for my Department is prepared to provide for liabilities that are expected to arise in the year in question. A substantial element of the funding in the Vote for my Department each year is provided for demand led schemes that are subject to variables such as farmer up-take and the rate at which approved projects are completed which in turn is influenced by market and economic conditions. The nature of many schemes and the potential liability is that there is always a degree of uncertainty about the final outturn. The situation in relation to 2009 was complicated further by the fact that the Budget was presented by the Minister for Finance in the context of very careful consideration by Government of the allocation of scarce resources in the context of the national economic and fiscal situation.

Against this background, a particular difficulty has arisen in relation to the funding for the Farm Waste Management Scheme in 2009. In addition to the general situation I have outlined, other factors which had an influence on the preparation of the 2009 Estimate were the closing date for the scheme, the adverse weather conditions which impeded construction work, the credit shortage and deterioration in market conditions as well as the fact that the Government provided a Supplementary Estimate of €195 million for the Scheme prior to the Budget in order to meet liabilities arising under the Scheme. In these circumstances, €125 million was provided for the Scheme in the 2009 Budget. In the above context and given that a large number of claims were submitted before the expiry of the deadline for the completion of work, including over 14,000 claims in December, this funding is inadequate to meet the claims on hands.

Last week, the Government took a number of decisions on the overall Expenditure Control and Economic Strategy that included the funding for the Farm Waste Management Scheme and arrangements for payment of grant aid on a phased basis. My Department is in discussion

with the Department of Finance on the implications for the Department's Vote and the details that will be published in the Revised Estimates Volume next month.

Question No. 155 answered with Question No. 119.

Foreshore Licences.

156. **Deputy Liz McManus** asked the Minister for Agriculture, Fisheries and Food when he will introduce legislation to resolve planning issues relating to offshore wind generation; the remit of any proposed legislation; and if he will make a statement on the matter. [4563/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department has responsibility for foreshore functions under the Foreshore Acts 1933 to 2005. When considering applications under the Foreshore Acts, including offshore energy projects, the role of my Department is to ensure the protection of the environment and the sustainability of developments on the foreshore. Foreshore consents for offshore wind developments already granted from 2002 to date allow for the installation of at least 1512 megawatt (MW) of offshore wind capacity. In addition possible Foreshore consents for offshore wind projects currently at both the application and the pre-application stage have the potential to deliver an additional 1900 MW.

A consolidation and streamlining of the Foreshore Acts has been under consideration for some time. This is intended to provide a modern, effective and integrated legal framework for the management of the State's foreshore estate in the future. Preparation of these proposals will take account, among other things, of the EU Public Participation Directive, the principles in the EU Recommendation on Integrated Coastal Zone Management, the outcome of the EU Maritime Green Paper, the EU Marine Strategy Directive and the EU Roadmap on Maritime Spatial Planning.

The Government decided on 2 October 2007 that responsibility for certain foreshore licensing functions under the Foreshore Act 1933 including in respect of all energy related developments would transfer to the Department of the Environment, Heritage and Local Government. My Department is currently putting in place the necessary arrangements to ensure the efficient and effective transfer of the appropriate legislation and associated functions.

In the interest of efficiency and effectiveness it is considered appropriate that the review of the Foreshore Acts should await the completion of the transfer of the relevant elements of the Foreshore functions to the Department of the Environment, Heritage and Local Government. My Department will continue to work closely with the Department of the Environment, Heritage and Local Government in the context of progressing the various elements required to develop the appropriate coastal zone legislative and management framework. In the meantime legislation will be brought forward very shortly to give effect to the transfer of the relevant functions to the Minister for the Environment, Heritage and Local Government.

157. **Deputy Simon Coveney** asked the Minister for Agriculture, Fisheries and Food his plans to introduce legislation to update and fast-track the planning process to facilitate large-scale offshore wind generation projects. [4601/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department has responsibility for foreshore functions under the Foreshore Acts 1933 to 2005. When considering applications under the Foreshore Acts, including offshore energy projects, the role of my Department is to ensure the protection of the environment and the sustainability of devel-

[Deputy Brendan Smith.]

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A consolidation and streamlining of the Foreshore Acts has been under consideration for some time. This is intended to provide a modern, effective and integrated legal framework for the management of the State's foreshore estate in the future. Preparation of these proposals will take account, among other things, of the EU Public Participation Directive, the principles in the EU Recommendation on Integrated Coastal Zone Management, the outcome of the EU Maritime Green Paper, the EU Marine Strategy Directive and the EU Roadmap on Maritime Spatial Planning.

The Government decided on 2 October 2007 that responsibility for certain foreshore licensing functions under the Foreshore Act 1933 including in respect of all energy related developments would transfer to the Department of the Environment, Heritage and Local Government. My Department is currently putting in place the necessary arrangements to ensure the efficient and effective transfer of the appropriate legislation and associated functions.

In the interest of efficiency and effectiveness it is considered appropriate that the review of the Foreshore Acts should await the completion of the transfer of the relevant elements of the Foreshore functions to the Department of the Environment, Heritage and Local Government. The necessary arrangements to give effect to the transfer of the Foreshore functions are at a very advanced stage.

Redundancy Payments.

158. **Deputy Richard Bruton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the reason a statutory redundancy payment to a person (details supplied) in Dublin 3, which would not be paid by the company, has been so long delayed; and if she will make a statement on the matter. [5141/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The Redundancy Payments Section of my Department with responsibility for the administration of the Redundancy Payments Scheme referred this matter in November 2008 to the Scope Section of the Department of Social and Family Affairs for further clarification as to entitlement under insurable criteria. My Department is awaiting the outcome of this referral in order to proceed with the processing of this claim and I have asked my officials to renew efforts to elicit a response in this case.

Work Permits.

159. **Deputy Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of work permits granted to US citizens for each year since 1998 to date in 2009. [5122/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The figures requested by the Deputy are set out in the following table.

Employment Permits Issued to US citizens from 1998 to 2009 (up to 9/2/2009)

	New	Renewals	Issued
2009	47	7	54
2008	736	131	867
2007	815	391	1,206
2006	606	438	1,044
2005	577	479	1,056
2004	535	410	945
2003	600	371	971
2002	474	319	793
2001	719	255	974
2000	817	243	1,060
1999	598	299	897
1998	998	443	1,441

Redundancy Payments.

160. **Deputy Ciarán Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment the time normally taken to process applications for statutory redundancy; and if she will make a statement on the matter. [5169/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Up until mid 2008, our customer service targets for processing correctly completed redundancy claims were, in order of priority: four-six weeks for statutory redundancy lump sum claims to employees whose employers failed to pay the statutory entitlement; six weeks where claims were correctly submitted online, hard copy printed down correctly signed and sent in by employer; 10+ for manual claims sent in by employers. By and large these targets were met.

In mid-2008, there was a surge in the number of claims received in Redundancy Payments, such that by the end of the year there had been an increase of 59.9% over 2007. At that time, customer service targets had slipped as staff were unable to cope with such a massive increase in claim numbers. Actual targets being achieved were, in order of priority: 6-8+ weeks for statutory lump sum payments to employees whose employers had failed to pay the statutory entitlement; 12+ weeks for correctly submitted online claims, hard copy printed down correctly signed and sent in by employer; 16+ for manual claims sent in by employers.

I have allocated additional new staff to the Redundancy Payments Section in recent weeks and work has commenced on clearing the backlog, while pressing ahead with the payment of statutory redundancy lump sums to those employees whose employers have failed to pay their entitlements. However, the number of claims continues to rise.

Revised customer service targets are currently being established and the staffing level within the section is being closely monitored with a view to ensuring that claimants get the best possible service at, what is for them, a very difficult time.

Work Permits.

161. **Deputy Denis Naughten** asked the Tánaiste and Minister for Enterprise, Trade and Employment when the rules regarding the issue of work permits were last reviewed; her plans in the current economic environment to review these rules; the number of non-renewal work

[Deputy Denis Naughten.]

permits which have been issued in the past six months of 2008 and to date in 2009 in each employment category; and if she will make a statement on the matter. [5179/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Since 2004, Irish labour market policy has been to ensure that general labour and skills needs are met from within the workforce of the European Union. For strategic skills/labour shortages in designated occupations in key economic sectors such as healthcare, information technology and financial services, Government policy is to issue employment permits for the employment of non-EEA nationals for specific vacancies and in response to employer demand. The various schemes that give effect to such policies were introduced under the Employment Permits Act, 2006.

Currently employment permit holders constitute approximately 1.5% of the total labour force. Given that our current employment permit arrangements were designed to be vacancy-driven, the numbers of permit applications and consequent numbers of permits issued over the last six months have been showing a consistent downward trend.

I am currently having our employment permit arrangements reviewed to ensure their ongoing relevance to the needs of the Irish labour market. The numbers of non-renewal permits issued from July 2008 to date, by permit type and economic category, are set out in the following tables.

New First Time Permits Issued from 1 July 2008 to 7 February 2009 by permit type and economic sector

Economic Sector	New Permits Issued
<i>Green Card</i>	786
Information Technology	270
Healthcare	239
Services	80
Financial Services	79
Manufacturing	31
Construction	24
Transport	22
Education	16
Research	12
Retail	5
Sport	3
Government	2
Catering	1
Entertainment	1
Legal Services	1
<i>Work Permit</i>	1,121
Healthcare	302
Services	171
Information Technology	153
Agriculture and Fisheries	138
Sport	73
Catering	50
Education	50

Economic Sector	New Permits Issued
Financial Services	44
Manufacturing	24
Construction	21
Entertainment	21
Transport	20
Research	17
Domestic	12
Retail	10
Tourism	10
Government	3
Legal Services	2

New First Time Permits Issued from 1 July 2008 to 7 February 2009 by permit type and economic sector

Economic Sector	New Permits Issued
<i>Spousal/Dependant</i>	<i>803</i>
Services	217
Healthcare	215
Catering	107
Retail	76
Information Technology	41
Manufacturing	38
Tourism	25
Domestic	19
Agriculture and Fisheries	18
Financial Services	15
Education	14
Construction	8
Transport	4
Entertainment	2
Research	2
Government	1
Sport	1
<i>Intra-company Transfer</i>	<i>251</i>
Information Technology	88
Manufacturing	72
Financial Services	34
Services	25
Construction	20
Retail	4
Entertainment	2
Healthcare	2
Tourism	2
Government	1
Research	1

[Deputy Billy Kelleher.]

Economic Sector	New Permits Issued
<i>Training</i>	46
Information Technology	39
Manufacturing	3
Services	2
Construction	1
Financial Services	1

Local Employment Service.

162. **Deputy Róisín Shortall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the catchment area assigned to each of the local employment services in Dublin. [5248/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): Details of the catchment area assigned to each of the Local Employment Services is set out in the following table:

	Catchment Area
Ballyfermot LES	Ballyfermot
Canals LES	Kilmainham Islandbridge Drimnagh Inchicore Bluebell
Dublin Inner City Partnership (DICP)	St Andrews Resource Centre deals with Inner South East Dublin South West Inner City deals with Inner South West Dublin Inner City Renewal Group deals with Inner North East Dublin North West Inner City deals with Inner North West Dublin
Southside LES	Loughlinstown Ballybrack Shankill Hillview Whitechurch Sandyford Ballyogan Dun Laoghaire Blackrock
Kimmage, Walkinstown, Crumlin, Drimnagh LES (KWCD)	Dublin 12 Part of Dublin 6 and 6W (Harolds Cross, Mount Jerome Side)
Tallaght LES	All South Side of Naas Road East of Walkinstown Roundabout (Rathfarnham, Whitechurch, Saggart and Bohernabreena)

	Catchment Area
Clondalkin LES	Clondalkin, Palmerstown, Lucan, Newcastle (recent change).
Ballymun	Dublin 11 and parts of Dublin 9
Blanchardstown	Abbotstown, Blakestown, Coolmine, Corduff, Delwood, Mulhuddart, Roselawn, Tyrrelstown
Finglas/Cabra	Dublin 7 and Dublin 11
Northside	Dublin 17, parts of Dublin 5 and Dublin 13

Ministerial Appointments.

163. **Deputy Charles Flanagan** asked the Minister for Finance if, in respect of the five members of the board of Anglo Irish Banks who tendered their resignations prior to the recent nationalisation of the bank, any of the five currently serve on other State boards; and if he will make a statement on the matter. [5100/09]

Minister for Finance (Deputy Brian Lenihan): I am assuming that the Deputy is referring to the five members of the board who resigned on 19 January 2009.

Ms Anne Heraty is a non-executive director in Bord na Móna, is also a board member of Forfás and is the Chairperson of the Expert Group on Future Skills Needs. Mr. Gary McGann is the Chairman of the Dublin Airport Authority.

To the best of my knowledge, Mr. Michael Jacob, Mr. Ned Sullivan and Ms Noel Harweth do not currently sit on State boards.

Appointments to the board of a State Body are generally made by the Minister with responsibility for the Body in question, usually subject to the consent of the Minister for Finance. The arrangements for such appointments are normally set out in legislation establishing the State Body.

EU Funding.

164. **Deputy Enda Kenny** asked the Minister for Finance if he will directly facilitate a meeting with the Special European Union Programmes Body and the North-South Ministerial Council with a view to securing SEUPB funding for ferry services (details supplied) that will generate significant tourism revenue for the Exchequer in the coming years; and if he will make a statement on the matter. [5120/09]

169. **Deputy Joe McHugh** asked the Minister for Finance if he will facilitate a meeting of the North-South Ministerial Council with the Special European Union Programmes Body regarding the Lough Foyle and Lough Swilly ferries in view of the fact that it was stated in Dáil Éireann on 4 February 2009 that the issue has no home Department; and if he will make a statement on the matter. [5164/09]

Minister for Finance (Deputy Brian Lenihan): I propose to take Questions Nos. 164 and 169 together.

I should firstly point out that, in relation to the evaluation and selection of projects, the SEUPB is bound to follow the structures and processes set out in the Operational Programme, as approved by the European Commission, which provides 75% funding for the entire INTERREG IVA Programme. In this regard, individual project applications are a matter for the relevant Project Steering Committees of the INTERREG IVA Programme. The SEUPB

[Deputy Brian Lenihan.]

has a role on such Steering Committees, through the Joint Technical Secretariat, which chairs the meetings and which provides relevant project assessments. The Deputy will be aware that the North South Ministerial Council (NSMC) has no direct function in relation to the assessment of individual project applications.

The Special EU Programmes Body (SEUPB) is the Managing Authority for the Peace III and INTERREG IVA EU-funded cross-border Programmes. The INTERREG IVA Programme 2007-2013 has allocated indicative budgets to various themes, whose eligible area comprises of Northern Ireland, the Southern border counties and western Scotland. This includes a Tourism theme, which has an allocation of €30 million, and a Rural Development theme, which has an allocation of €10 million. I understand that, while the Tourism theme is currently closed for applications and most of its budget has already been committed in principle, the Rural Development theme will be open for applications later in the year and that this may offer an opportunity for funding of the type mentioned by the Deputies. I understand that the Body is open to discuss the application process with any eligible applicant or anyone acting on their behalf.

Estimates for Public Services.

165. **Deputy Seán Sherlock** asked the Minister for Finance when the revised Estimates for public services 2009 will be published; and if he will make a statement on the matter. [5142/09]

Minister for Finance (Deputy Brian Lenihan): It is intended that the Revised Estimates for Public Services 2009 will be published in mid-March this year.

Tax Code.

166. **Deputy Pat Breen** asked the Minister for Finance if there are plans to review the introduction of the air travel tax; and if he will make a statement on the matter. [5150/09]

175. **Deputy Pat Breen** asked the Minister for Finance further to Parliamentary Question No. 205 of 11 November 2008, if he has plans to review the air travel tax in view of the announcement by a company (details supplied) to reduce its services at Shannon Airport; and if he will make a statement on the matter. [5149/09]

Minister for Finance (Deputy Brian Lenihan): I propose to take Questions Nos. 166 and 175 together.

I announced in Budget 2009 that an air travel tax will come into force in respect of passengers departing from Irish airports on and from 30 March 2009. A general rate of €10 per passenger will apply, with a lower rate of €2 for shorter journeys.

The Finance (No. 2) Act 2008 confirms the introduction of an air travel tax from 30 March 2009. However, I took account of concerns raised by the regional airports particularly those on the western seaboard. The lower rate of €2 will apply to departures from any Irish airport where the destination is 300 km or less from Dublin airport. This means that all Irish departures to locations such as Manchester, Liverpool and Glasgow will be subject to the €2 rate. We currently face significant financial challenges and the air travel tax is an important revenue raising measure.

Ireland is not unique in regard to applying a tax on air travel. A number of countries within the EU apply similar taxes including, the UK, France and the Netherlands, as do Australia and New Zealand. The proposed rates for the Irish air travel tax are not unreasonable both for shorter and longer journeys, when compared to rates in other countries.

It should be recognised that tourists will only be subject to the tax on their return journey. The additional €10 or €2 in the context of a much larger purchasing decision involving travel, hotel expenditures etc. should not have much of an effect on tourist numbers. I appreciate the airline industry continues to go through a difficult period. However, this difficult trading period has, in addition to weak world economic activity, been largely driven by a massive spike in oil prices. Oil prices have now halved from the all-time high prices experienced earlier in the year.

I tried to be as fair as possible in looking at areas for additional tax revenues. It is also worth noting that fuel used by commercial airlines is completely exempt from tax, so it is a sector that already has considerable preferential treatment. I have no plans to review the air travel tax.

Pension Provisions.

167. **Deputy Joe McHugh** asked the Minister for Finance the proportion of salaries the new pension related levies apply to; if it is applicable to tax free allowances; and if he will make a statement on the matter. [5162/09]

168. **Deputy Joe McHugh** asked the Minister for Finance if the new pension levy is tax deductible; if the income levies introduced by him in winter 2008 are tax deductible; and if he will make a statement on the matter. [5163/09]

Minister for Finance (Deputy Brian Lenihan): I propose to take Questions Nos. 167 and 168 together.

The new public service pension related deduction will apply to the remuneration received by a public service employee at the rates announced on 3 February 2009.

Public Servants paying the new pension contribution will be treated for tax purposes in the same way as those making pension contributions in the private sector. Contributions will be deducted from gross pay by employers before income tax, PRSI and health levies are calculated. Thus, pension contributions will be effectively relieved of tax at the marginal rate.

The income levy on the other hand is payable on gross pay, before account is taken of pension contributions or capital allowances.

Question No. 169 answered with Question No. 164.

170. **Deputy Mattie McGrath** asked the Minister for Finance the position regarding the pension levy; if income that is not pensionable will be exempt from this levy. [5103/09]

Minister for Finance (Deputy Brian Lenihan): The pension related deduction announced on 3 February 2009 will realise a payroll saving of €1.35 billion in a full-year and €1.12 billion in 2009. The deduction will apply to all remuneration. Certain income that is not pensionable, for example, overtime earnings, will be subject to the deduction.

National Lottery Funding.

171. **Deputy Mary Upton** asked the Minister for Finance the way the funding from the national lottery is apportioned to each sector of the budget for each of the previous five years in tabular form; if he will further break these figures down by subhead; and if he will respond directly to the Deputy. [5115/09]

Minister for Finance (Deputy Brian Lenihan): Appendix 1 of the Revised Estimates for Public Services 2004 shows the allocation of National Lottery funding to subheads in the Votes of Government Departments for 2004. A similar breakdown of expenditure which was part-

[Deputy Brian Lenihan.]

funded by the proceeds of the National Lottery is given in Appendix 1 of the Revised Estimates for Public Services for each of the years 2005, 2006, 2007 and 2008 (copies of these appendices are set out below).

Since 2005, subheads which had previously been funded completely by the proceeds of the National Lottery are now partly funded by such proceeds. As the Lottery funds are treated as an item of non-tax revenue, it is not possible to indicate the percentage of Lottery funding contained in any individual subhead. The National Lottery contribution to the funding of all subheads part-funded from the Lottery in the years 2005 to 2008 is as follows:

Year	€m
2005	210.5
2006	200.0
2007	230.0
2008	265.0

Appendix 1: NATIONAL LOTTERY ALLOCATIONS

Vote/Subhead	2003 Provisional Outturn			2004 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
6. <i>Office of the Minister for Finance</i> L. — Charitable Lotteries Fund	7,618	—	7,618	7,618	—	7,618
25. <i>Environment, Heritage and Local Government</i>						
B.3 — Grant-in-aid Fund for Task Force on Special Housing Aid for the Elderly	—	11,536	11,536	—	11,599	11,599
B.4 — Communal Facilities in Voluntary Housing Schemes	—	1,900	1,900	—	2,069	2,069
E.2 — Grant-in-aid for An Chomhairle Oidhreachtia (Heritage Council)	1,971	5,077	7,048	2,000	5,100	7,100
<i>Subtotal:—</i>	1,971	18,513	20,484	2,000	18,768	20,768
26. <i>Education and Science.</i>						
B.1 — Grant-in-aid Fund for general expenses of Adult Education Organisations	800	—	800	822	—	822
B.9 — Grant-in-aid Fund for general expenses of youth and sport organisations and other expenditure in relation to youth activities	27,121	—	27,121	28,624	—	28,624
B.10 — Grants to Colleges providing courses in Irish	1,177	—	1,177	1,185	—	1,185
B.11 — Publications in Irish	66	—	66	66	—	66
B.14 — Grant-in-aid Fund for general expenses of Cultural, Scientific and Educational Organisations	272	—	272	263	—	263
<i>Subtotal:—</i>	29,436	—	29,436	30,960	—	30,960
27. <i>An Roinn Gnóthaí Pobail, Tuaithe agus Gaeltachta</i>						
C. — Íocaíocht le Ciste na Gaeilge	2,326	—	2,326	2,675	—	2,675
K. — Grants for Community and Voluntary Service	26,922	—	26,922	27,309	—	27,309
<i>Subtotal:—</i>	29,248	—	29,248	29,984	—	29,984

Appendix 1: NATIONAL LOTTERY ALLOCATIONS — *continued*

Vote/Subhead	2003 Provisional Outturn			2004 Estimate		
	Current €000	Capital €000	Total €000	Current €000	Capital €000	Total €000
<i>33. Health and Children</i>						
B.7 — Grants to Health Agencies and other similar organisations	10,193	—	10,193	10,478	—	10,478
J.2 — Building, Equipping and Furnishing of Health Facilities	—	2,539	2,539	—	2,539	2,539
<i>Subtotal:—</i>	<i>10,193</i>	<i>2,539</i>	<i>12,732</i>	<i>10,478</i>	<i>2,539</i>	<i>13,017</i>
<i>35. Arts, Sport and Tourism</i>						
C.1 — Grants for sporting bodies and the provision of sports and recreational facilities	98	61,000	61,098	—	63,597	63,597
C.4 — Irish Sports Council — General Assistance to Sports Organisations and other expenditure in relation to Organisations and other expenditure in relation to sports activities (Grant-in-Aid)	26,597	—	26,597	29,000	—	29,000
D.10 — Grants to An Chomhairle Ealaíon	11,249	2,000	13,249	17,008	3,500	20,508
<i>Subtotal:—</i>	<i>37,944</i>	<i>63,000</i>	<i>100,944</i>	<i>46,008</i>	<i>67,097</i>	<i>113,105</i>
<i>36. Defence</i>						
X. — Coiste an Asgard	657	—	657	693	—	693
<i>Total:—</i>	<i>117,067</i>	<i>84,052</i>	<i>201,119</i>	<i>127,741</i>	<i>88,404</i>	<i>216,145</i>

Appendix 1: NATIONAL LOTTERY ALLOCATIONS

Vote/Subhead	2004 Provisional Outturn			2005 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
6. <i>Office of the Minister for Finance</i>						
L. — Payments to the Promoters of certain Charitable Lotteries	7,618	—	7,618	7,730	—	7,730
25. <i>Environment, Heritage and Local Government</i>						
B.3 — Fund for Task Force on Special Housing Aid for the Elderly	—	11,599	11,599	—	11,947	11,947
B.4 — Communal Facilities in Voluntary Housing Schemes	—	2,069	2,069	—	2,131	2,131
E.2 — Grant for An Chomhairle Oidhreachtia (Heritage Council)	2,000	5,100	7,100	2,050	5,270	7,320
	2,000	18,768	20,768	2,050	19,348	21,398
<i>Subtotal:—</i>						
26. <i>Education and Science.</i>						
B.1 — Grant-in-aid Fund for general expenses of Adult Education Organisations	822	—	822	848	—	848
B.9 — Grant-in-aid Fund for general expenses of youth and sport organisations and other expenditure in relation to youth activities	28,622	—	28,622	33,889	—	33,889
B.10 — Grants to Colleges providing courses in Irish	1,151	—	1,151	1,209	—	1,209
B.11 — Publications in Irish.	66	—	66	69	—	69
B.14 — Grant-in-aid Fund for general expenses of Cultural, Scientific and Educational Organisations	254	—	254	269	—	269
	30,915	—	30,915	36,284	—	36,284
<i>Subtotal:—</i>						
27. <i>Community, Rural and Gaeltacht Affairs</i>						
C. — Payments to Ciste na Gaeilge	2,741	—	2,741	3,362	—	3,362
K. — Grants for Community and Voluntary Service	29,964	—	29,964	32,026	—	32,026
	32,705	—	32,705	35,388	—	35,388
<i>Subtotal:—</i>						

Appendix 1: NATIONAL LOTTERY ALLOCATIONS — *continued*

Vote/Subhead	2004 Provisional Outturn			2005 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
<i>35. Arts, Sport and Tourism</i>						
C.1 — Grants for sporting bodies and the provision of sports and recreational facilities	—	80,704	80,704	—	61,926	61,926
C.4 — Irish Sports Council — General Assistance to Sports Organisations and other expenditure in relation to Organisations and other expenditure in relation to sports activities (Grant-in-Aid)	29,000	—	29,000	32,573	—	32,573
D.10 — An Chomhairle Ealaíon (Grant-in-Aid)	17,008	3,500	20,508	19,412	3,588	23,000
	46,008	84,204	<i>Subtotal:—</i> 130,212	51,985	65,514	<i>117,499</i>
<i>36. Defence</i>						
Y. — Coiste an Asgard (Grant-in-Aid).	693	—	693	1,123	—	1,123
<i>39. Health and Children</i>						
B.2 — Grants to Health Agencies and other similar organisations	3,536	—	3,536	3,722	—	3,722
<i>40. Health Service Executive</i>						
B.11 — Grants to Health Agencies and other similar organisations	6,942	—	6,942	7,018	—	7,018
C.2 — Building, Equipping and Furnishing of Health Facilities	—	2,539	2,539	—	2,539	2,539
	6,942	2,539	<i>Subtotal:—</i> 9,481	7,018	2,539	<i>9,557</i>
Grand Total:—	130,417	105,511	235,928	145,300	87,401	232,701

Appendix 1: EXPENDITURE PART-FUNDED BY THE NATIONAL LOTTERY*

Vote/Subhead	2005 Provisional Outturn			2006 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
<i>6. Office of the Minister for Finance</i>						
L. — Payments to the Promoters of certain Charitable Lotteries	7,730	—	7,730	8,618	—	8,618
<i>25. Environment, Heritage and Local Government</i>						
B.3 — Task Force on Special Housing Aid for the Elderly	—	11,948	11,948	—	17,012	17,012
B.4 — Communal Facilities in Voluntary Housing Schemes	—	2,240	2,240	—	2,445	2,445
E.1 — Grant for An Chomhairle Oidhreachtia (Heritage Council)	3,717	5,270	8,987	3,862	7,108	10,970
<i>Subtotal:—</i>	<i>3,717</i>	<i>19,458</i>	<i>23,175</i>	<i>3,862</i>	<i>26,565</i>	<i>30,427</i>
<i>26. Education and Science.</i>						
B.1 — Grant-in-aid Fund for general expenses of Adult Education Organisations	848	—	848	891	—	891
B.9 — Grant-in-aid Fund for general expenses of Youth Organisations and other expenditure in relation to youth activities	33,885	—	33,885	36,728	—	36,728
B.10 — Grants to Colleges providing courses in Irish	1,134	—	1,134	1,175	—	1,175
B.14 — Grant-in-aid Fund for general expenses of Cultural, Scientific and Educational Organisations	254	—	254	269	—	269
— <i>Publications in Irish</i>	<i>69</i>	<i>—</i>	<i>69</i>	<i>—</i>	<i>—</i>	<i>—</i>
<i>Subtotal:—</i>	<i>36,190</i>	<i>—</i>	<i>36,190</i>	<i>39,063</i>	<i>—</i>	<i>39,063</i>
<i>27. Community, Rural and Gaeltacht Affairs</i>						
C. — Payments to Ciste na Gaeilge	3,352	—	3,352	4,354	100	4,454
K.1 — Grants for Community and Voluntary Programmes	14,000	—	14,000	11,548	—	11,548
L.1 — Local and Community Development Programmes	70,396	—	70,396	74,381	—	74,381
<i>Subtotal:—</i>	<i>87,748</i>	<i>—</i>	<i>87,748</i>	<i>90,283</i>	<i>100</i>	<i>90,383</i>

Appendix 1: EXPENDITURE PART-FUNDED BY THE NATIONAL LOTTERY* — continued

Vote/Subhead	2006 Provisional Outturn			2007 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
<i>35. Arts, Sport and Tourism</i>						
C.1 — Grants for sporting bodies and the provision of sports and recreational facilities	—	56,782	56,782	—	62,724	62,724
C.3 — Irish Sports Council (Grant-in-Aid)	34,425	—	34,425	40,914	—	40,914
D.7 — An Chomhairle Ealaíon (Grant-in-Aid)	62,645	3,588	66,233	68,640	3,670	72,310
	97,070	60,370	157,440	109,554	66,394	175,948
<i>36. Defence</i>						
Y. — Coiste an Asgard (Grant-in-Aid)	1,123	—	1,123	749	—	749
<i>39. Health and Children</i>						
B.2 — Grants to Health Agencies and other similar organisations	3,722	—	3,722	3,815	—	3,815
<i>40. Health Service Executive</i>						
B.11 — Grants to Health Agencies and other similar organisations	7,018	—	7,018	7,193	—	7,193
C.2 — Building, Equipping and Furnishing of Health Facilities	—	2,539	2,539	—	2,539	2,539
	7,018	2,539	9,557	7,193	2,539	9,732
<i>Subtotal:—</i>	244,318	82,367	326,685	263,137	95,598	358,735

*The total expenditure of €326.685 million in 2005 was financed by €210.5 million from the National Lottery; the balance was funded by the Exchequer. In 2006, estimated total expenditure of €358.735 million will be financed by €200 million from the National Lottery and the balance by the Exchequer.

Appendix 1: EXPENDITURE PART-FUNDED BY THE NATIONAL LOTTERY*

Vote/Subhead	2006 Provisional Outturn			2007 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
<i>6. Office of the Minister for Finance</i>						
L. — Payments to the Promoters of certain Charitable Lotteries	8,618	—	8,618	8,618	—	8,618
<i>25. Environment, Heritage and Local Government</i>						
B.1.14 — Communal Facilities in Voluntary Co-Operative Housing Schemes	—	2,624	2,624	—	2,700	2,700
B.2.4 — Private Housing Grants	—	63,011	63,011	—	66,221	66,221
E.1 — Grant for An Chomhairle Oidhreacht (Heritage Council)	3,862	5,526	9,388	4,485	7,315	11,800
<i>Subtotal—</i>	<i>3,862</i>	<i>71,161</i>	<i>75,023</i>	<i>4,485</i>	<i>76,236</i>	<i>80,721</i>
<i>26. Education and Science.</i>						
B.1 — Grant-in-aid Fund for general expenses of Adult Education Organisations	891	—	891	929	—	929
B.9 — Grant-in-aid Fund for general expenses of Youth Organisations and other expenditure in relation to youth activities	36,693	—	36,693	42,617	—	42,617
B.10 — Grants to Colleges providing courses in Irish	1,228	—	1,228	1,256	—	1,256
B.14 — Grant-in-aid Fund for general expenses of Cultural, Scientific and Educational Organisations	229	—	229	230	—	230
— <i>Publications in Irish</i>						
<i>Subtotal:—</i>	<i>39,041</i>	<i>—</i>	<i>39,041</i>	<i>45,032</i>	<i>—</i>	<i>45,032</i>
<i>27. Community, Rural and Gaeltacht Affairs</i>						
C. — Payments to Ciste na Gaeilge	4,251	—	4,251	4,352	100	4,452
K.1 — Grants for Community and Voluntary Programmes	11,145	—	11,145	26,548	—	26,548
L.1 — Local and Community Development Programmes.	71,972	—	71,972	81,500	—	81,500
<i>Subtotal:—</i>	<i>87,368</i>	<i>—</i>	<i>87,368</i>	<i>112,400</i>	<i>100</i>	<i>112,500</i>

Appendix 1: EXPENDITURE PART-FUNDED BY THE NATIONAL LOTTERY* — continued

Vote/Subhead	2006 Provisional Outturn			2007 Estimate		
	Current €000	Capital €000	Total €000	Current €000	Capital €000	Total €000
<i>35. Arts, Sport and Tourism</i>						
C.1 — Grants for sporting bodies and the provision of sports and recreational facilities	—	55,053	55,053	—	49,250	49,250
C.3 — Irish Sports Council (Grant-in-Aid)	40,914	—	40,914	54,025	—	54,025
D.7 — An Chomhairle Ealaíon (Grant-in-Aid)	71,140	11,170	82,310	75,000	5,000	80,000
	<i>Subtotal:—</i>	<i>66,223</i>	<i>178,277</i>	<i>129,025</i>	<i>54,250</i>	<i>183,275</i>
<i>36. Defence</i>						
Y. — Coiste an Asgard (Grant-in-Aid)	749	—	749	879	—	879
<i>39. Health and Children</i>						
B.2 — Grants to Health Agencies and other similar organisations	3,757	—	3,757	3,903	—	3,903
<i>40. Health Service Executive</i>						
B.11 — Grants to Health Agencies and other similar organisations	6,344	—	6,344	7,358	—	7,358
C.2 — Building, Equipping and Furnishing of Health Facilities	—	—	—	—	2,539	2,539
	<i>Subtotal:—</i>	<i>6,344</i>	<i>6,344</i>	<i>7,358</i>	<i>2,539</i>	<i>9,897</i>
	Total:—	137,384	399,177	311,700	133,125	444,825

*The total expenditure of €399,122 million in 2006 was financed by €200 million from the National Lottery; the remainder was funded by the Exchequer. In 2007, estimated total expenditure of €444.825 million will be financed by €205 million from the National Lottery and the remainder by the Exchequer

Appendix 1: EXPENDITURE PART-FUNDED BY THE NATIONAL LOTTERY*

Vote/Subhead	2007 Provisional Outturn			2008 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
6. <i>Office of the Minister for Finance</i>						
K. — Payments to the Promoters of certain Charitable Lotteries	8,618	—	8,618	8,618	—	8,618
25. <i>Environment, Heritage and Local Government</i>						
B.1.14 — Communal Facilities in Voluntary Co-Operative Housing Schemes	—	1,922	1,922	—	3,000	3,000
B.2.4 — Private Housing Grants	—	67,342	67,342	—	69,221	69,221
G.1 — Grant for An Chomhairle Oldhreachta (Heritage Council)	4,485	9,051	13,536	5,529	7,874	13,403
	4,485	78,315	82,800	5,529	80,095	85,624
<i>Subtotal:—</i>						
26. <i>Education and Science.</i>						
B.1 — Grant-in-aid Fund for general expenses of Adult Education Organisations	929	—	929	959	—	959
B.9 — Grant-in-aid Fund for general expenses of Youth Organisations and other expenditure in relation to youth activities	42,617	—	42,617	43,733	—	43,733
B.10 — Grants to Colleges providing courses in Irish	1,178	—	1,178	1,256	—	1,256
B.14 — Grant-in-aid Fund for general expenses of Cultural, Scientific and Educational Organisations	230	—	230	235	—	235
— <i>Publications in Irish</i>						
	44,954	—	44,954	46,183	—	46,183
<i>Subtotal:—</i>						
27. <i>Community, Rural and Gaeltacht Affairs</i>						
B.1 — Supports for Community and Voluntary Sector	18,500	—	18,500	26,047	—	26,047
B.3 — Local and Community Development Programmes	82,869	—	82,869	83,450	—	83,450
F.1 — Payments to Ciste na Gaeilge	4,058	214	4,272	4,365	1,000	5,365
	105,427	214	105,641	113,862	1,000	114,862
<i>Subtotal:—</i>						

Appendix 1: EXPENDITURE PART-FUNDED BY THE NATIONAL LOTTERY*— continued

Vote/Subhead	2007 Provisional Outturn			2008 Estimate		
	Current	Capital	Total	Current	Capital	Total
	€000	€000	€000	€000	€000	€000
<i>35. Arts, Sport and Tourism</i>						
C.1 — Grants for sporting bodies and the provision of sports and recreational facilities	—	49,882	49,882	—	56,000	56,000
C.3 — Irish Sports Council (Grant-in-Aid)	54,025	—	54,025	57,631	—	57,631
D.7 — An Chomhairle Ealaíon (Grant-in-Aid)	77,000	6,000	83,000	77,102	5,000	82,102
	<i>Subtotal:—</i>	55,882	<i>186,907</i>	<i>134,733</i>	61,000	<i>195,733</i>
<i>36. Defence</i>						
Y. — Coiste an Asgard (Grant-in-Aid)	879	—	879	803	—	803
<i>39. Health and Children</i>						
B.2 — Grants to Health Agencies and other similar organisations	3,901	—	3,901	3,985	—	3,985
<i>40. Health Service Executive</i>						
B.11 — Grants to Health Agencies and other similar organisations	7,702	—	7,702	7,513	—	7,513
C.2 — Building, Equipping and Furnishing of Health Facilities	—	2,539	2,539	—	2,539	2,539
	<i>Subtotal:—</i>	2,539	10,241	7,513	2,539	<i>10,052</i>
	<i>Total:—</i>	136,950	443,941	321,226	144,634	465,860

*The total expenditure of €443,941 million in 2007 was financed by €230 million from the National Lottery; the remainder was funded by the Exchequer. In 2008, estimated total expenditure of €465.860 million will be financed by €250 million from the National Lottery and the remainder by the Exchequer.

172. **Deputy Mary Upton** asked the Minister for Finance the percentage of subheads' funding (details supplied) which were accounted for by national lottery money in each of the previous five years in tabular form; and if he will make a statement on the matter. [5117/09]

Minister for Finance (Deputy Brian Lenihan): The tabular statement requested by the Deputy is as follows.

	Percentage funded by the National Lottery in 2004
C1 Grants for Sporting Bodies and the Provision of Sports and Recreational Facilities	100%
C3 Irish Sports Council — Administration and General Expenses	Nil
C4 Irish Sports Council — General Assistance to Sports Organisations and other Expenditure in relation to Sports Activities	100%
D9 The Arts Council	Nil
D10 The Arts Council	100%

From 2005, subheads which had previously been funded completely by the proceeds of the National Lottery are now partly funded by such proceeds.

As the Lottery funds are treated as an item of non-tax revenue, it is not possible to indicate the percentage of Lottery funding contained in any individual subhead.

Eircom Staff.

173. **Deputy David Stanton** asked the Minister for Finance if employees of Eircom, formerly known as Telecom Éireann, are regarded as public servants; and if he will make a statement on the matter. [5118/09]

Minister for Finance (Deputy Brian Lenihan): As the Deputy is aware, Telecom Éireann was floated on the Stock Exchange as a private limited company in July 1999 and renamed Eircom. It is now in the private sector and employees are employees of Eircom, although staff from the former Department of Posts and Telegraphs may retain certain limited terms and conditions of employment under the Postal and Telecommunication Services Act 1983 and the Postal and Telecommunications Services (Amendment) Act 1999 that derive from their previous employment in that Department.

Sports Sponsorship.

174. **Deputy Joan Burton** asked the Minister for Finance if, in view of the nationalisation of Anglo-Irish Bank, it is intended to proceed with the sponsorship of the Anglo-Irish Novices Hurdle at the Cheltenham Festival 2009; the amount of sponsorship involved; if it is intended to provide corporate hospitality at the meeting in connection with the race; if so the cost involved; and if he will make a statement on the matter. [5119/09]

Minister for Finance (Deputy Brian Lenihan): Anglo Irish Bank is being run on an arms length commercial basis. Accordingly, normal commercial decisions, which include decisions on corporate sponsorship, are a matter for the Board of Anglo.

Notwithstanding this I am informed that Anglo is not sponsoring the Novice Hurdle at Cheltenham this year, nor will there be any corporate sponsorship.

Question No. 175 answered with Question No. 166.

Tax Code.

176. **Deputy Brian Hayes** asked the Minister for Finance the number of primary and post primary schools which have obtained charitable status from the Revenue Commissioners since the scheme was first introduced; the amount of revenue which the schools in question were able to obtain as a result of donations and other fund-raising events; if the information will be provided for each year since the scheme was introduced; and if he will make a statement on the matter. [5180/09]

Minister for Finance (Deputy Brian Lenihan): I am assuming that the “scheme” referred to in the Deputy’s question is the scheme of tax relief for donations to eligible charities and other approved bodies under section 848A of the Taxes Consolidation Act 1997.

The position is that all primary and post primary schools providing education based on a programme prescribed or approved by the Minister for Education and Science automatically qualify as approved bodies for the purposes of this scheme.

The precise arrangements for allowing tax relief on donations varies depending on whether the donor is a PAYE taxpayer, a person who is subject to self-assessment or a company. For a PAYE donor, the relief is given on a “grossed up” basis to the eligible charity or approved body, as the case may be, rather than by way of a separate claim to tax relief by the donor. The claim for refunds is made by the eligible charity or approved body. In the case of a self-assessed donor, that individual claims the relief and there is no grossing up arrangement. In the case of a company, it will claim a deduction for the donation as if it were a trading expense.

I am informed by the Revenue Commissioners that, because of the different arrangements for claiming the relief it is not possible to provide the detailed information sought by the Deputy. However, the following table sets out the refunds of tax made by Revenue to primary and post primary schools relating to qualifying donations made — by individual PAYE donors only — in 2006, 2007 and 2008:

Year	Number of Schools	Donations by PAYE Donors	Tax Refunds Made
		€m	€m
2006	91	2.70	1.65
2007	122	3.04	1.96
2008	145	3.24	1.99

Public Contracts.

177. **Deputy Seán Fleming** asked the Minister for Finance if he will supply a copy of the guidelines or other documentation that have been issued to public bodies regarding pre-qualification criteria to be used by them in respect of public contracts; the way it should be applied in respect of turnover and the recourse contractors have other than raising it with the public body concerned to have particular pre-qualification rules amended to allow a greater number of competent contractors to be considered for projects; and if he will make a statement on the matter. [5277/09]

Minister for Finance (Deputy Brian Lenihan): All suitability assessment guidance has been made available on my Department’s website www.constructionprocurement.gov.ie to anyone to download. As this guidance is freely available no documentation has been specifically issued to public bodies regarding pre-qualification criteria to be used by them.

The application of turnover limits is a matter for individual contracting authorities to determine. Under EU law, the rules require that such limits must be proportionate to the size, complexity and nature of the relevant project, and they must also be transparent and non-discriminatory. Appropriate turnover levels should be set to enable contracting authorities establish a sufficient number of competent contractors who have the capacity to carry out the work to be included on a tender list.

Under EU law contracting authorities are obliged on request to inform unsuccessful tenderers of decisions reached in relation to these tenders. However, where firms are dissatisfied with the administration of public procurement procedures by contracting authorities, they can have recourse to the Irish courts or can register a complaint with the EU Commission.

Hospital Services.

178. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the provision currently made for in-patients in the Mid-West Regional Hospital who require speech therapy and occupational therapy, particularly those who are recovering from a brain injury or infection; if there are plans to have such therapists in-situ in the hospital; and if she will make a statement on the matter. [5065/09]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

Accident and Emergency Services.

179. **Deputy Jan O'Sullivan** asked the Minister for Health and Children if hospitals have a facility to allow patients to pay their accident and emergency bills by credit card; if not, the reason for same; her views on whether such a facility would save time and money in the issuing and posting of bills and receipts; her other proposals to reduce paperwork and administrative costs in the health services; and if she will make a statement on the matter. [5076/09]

196. **Deputy Thomas P. Broughan** asked the Minister for Health and Children the reason patients cannot pay accident and emergency charges via a credit card; if she has plans to facilitate the paying of accident and emergency charges by credit card in view of the cost savings that could be accrued by not having to then bill each patient; and if she will make a statement on the matter. [5172/09]

Minister for Health and Children (Deputy Mary Harney): I propose to take Questions Nos. 179 and 196 together.

As this is a service issue it has been referred to the HSE for direct reply.

Health Service Staff.

180. **Deputy Jan O'Sullivan** asked the Minister for Health and Children her plans to amend legislation to differentiate between physiotherapists and physical therapists; and if she will make a statement on the matter. [5077/09]

Minister for Health and Children (Deputy Mary Harney): The Health and Social Care Professionals Act 2005 provides for the establishment of a system of statutory registration for 12 health and social care professionals, including physiotherapists. This new system of statutory registration will apply to the 12 professions regardless of whether they work in the public or private sector or are self-employed and is the first time that fitness to practise procedures will be put in place for these professionals on a statutory basis. The structure of the system of

[Deputy Mary Harney.]

statutory registration will comprise a registration board for each of the professions to be registered, a Health and Social Care Professionals Council with overall responsibility for the regulatory system and a committee structure to deal with disciplinary matters. While the proposed system of statutory registration applies, in the first instance to 12 health and social care professions, the legislation empowers the Minister for Health and Children to include, on the basis of specific criteria, additional health and social care professions in the regulatory system by regulation over time, as appropriate.

The first step in the implementation of the system was the establishment of the Health and Social Care Professionals Council, launched in March 2007. The Council has now recruited a Chief Executive Officer in May of last year and is currently putting in place a suitable organisational structure. The Council has examined which professions from within the designated 12 are most suitable for early registration and has decided to appoint the first two of 12 statutory Registration Boards, provided for under the Act. The Social Workers Registration Board and the Physiotherapists Registration Board are the first two registration boards prioritised for registration initially, to be completed by early 2009.

The Health and Social Care Professionals Act, 2005 provides for the protection of the title 'physiotherapist' for use by those professionals who will qualify for registration with the Physiotherapists Registration Board. There is an additional issue for consideration regarding the possible protection of the title 'physical therapist' via regulation for use by those professionals who will be registered with the Physiotherapists' Registration Board. This issue will be considered by the Health and Social Care Professionals Council during the course of establishing the Physiotherapist Registration Board. In line with the provisions of the Health and Social Care Professionals Act, the Minister will consult with the Physiotherapists Registration Board and other appropriate organisations in regard to the protection of variant titles under the Act.

Health Services.

181. **Deputy Paul Kehoe** asked the Minister for Health and Children the reason a person (details supplied) has been removed from the care of a facility; and if she will make a statement on the matter. [5088/09]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): As this is a service matter it has been referred to the HSE for direct reply.

Tobacco Products.

182. **Deputy Paul Kehoe** asked the Minister for Health and Children the proposed regulations to be brought forward regarding provisions for the sale of tobacco products; and if she will make a statement on the matter. [5089/09]

Minister of State at the Department of Health and Children (Deputy Mary Wallace): The Public Health (Tobacco) (Registration) Regulations 2009 (S.I. No. 41 of 2009) and the Public Health (Tobacco) (Self Service Vending Machines) Regulations 2009 (S.I. No. 42 of 2009) were finalised last week and will be available on my Department's website this week. The Public Health (Tobacco) (Retail Signs) Regulations 2009 provide for the sign to be displayed at a premises where tobacco products are sold by retail are currently being finalised and will be available shortly. The draft Public Health (Tobacco) (Product Information) Regulations 2008 were required to be notified to the European Commission and cannot be finalised before 24 March. However I can provide the Deputy with a copy of the draft regulation if required.

Medical Cards.

183. **Deputy Richard Bruton** asked the Minister for Health and Children if she has issued regulations or guidelines to set out the way different assets, shareholdings, shares in private companies, unit funds with income rolled up and so on, should be treated in deciding the gross income for persons over 70 years in the medical card means test. [5094/09]

Minister for Health and Children (Deputy Mary Harney): Under the Health Act 2008, automatic entitlement to a medical card for persons aged 70 or over ceased on 31 December 2008, and with effect from 1 January 2009, the income thresholds for entitlement to a medical card for those aged 70 or over is €700 (gross) per week (€36,500 per year) for a single person and €1,400 (gross) per week (€73,000 per year) for a couple.

Under the over 70s medical card scheme, from 1 January 2009 any savings and similar investments up to €36,000 (single)/€72,000 (couple) will be disregarded and only interest from savings or similar investments above these figures will be considered as income for means testing purposes. The relevant portion of savings and similar investments will be assessed on the income calculated at a notional interest rate, based on the prevailing interest rates at the time of application. The Health Service Executive's (HSE) Central Application Unit will review the notional rate on a quarterly basis.

Alternatively, where an applicant wishes to have the actual interest from savings/investments considered, then the HSE will apply this approach and use the most beneficial option in favour of the applicant, subject to submission of the appropriate certificates from the relevant institutions. In the case of "longer term" investment accounts, where the interest is only applied at the end of a fixed period, if the applicant so wishes, the HSE will only take account of the interest earned on the date the investment matures.

Income will not be imputed from property (whether a family home, a holiday home or any other property) for means testing purposes, unless it is rented and only the net rental income will be included as income. The income to be assessed will be the gross income, less any cost necessarily incurred associated with the rental of the property and such cost may include insurance premia, loan/mortgage repayments, maintenance etc.

The above information relating to the assessment of savings and investments under the over 70s medical card scheme is available on my Department's website at www.dohc.ie and I have also asked the HSE to ensure that it is available on its website (www.hse.ie). Persons can also contact their local HSE office or the HSE "infoline" at 1850-24-1850 for further information. The HSE has also prepared detailed assessment guidelines for staff in relation to the over 70s medical card scheme.

Hospital Waiting Lists.

184. **Deputy Martin Ferris** asked the Minister for Health and Children when a person (details supplied) in County Kerry who has been told that they must wait for another nine months for an operation at Cappagh Hospital, Dublin, may expect to be treated. [5104/09]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

Patients waiting more than three months on a surgical waiting list may qualify for treatment under the National Treatment Purchase Fund. It is open to the person in question or anyone acting on their behalf to contact the Fund directly in relation to their case.

Health Services.

185. **Deputy Martin Ferris** asked the Minister for Health and Children when a person (details supplied) in County Kerry will receive the orthodontic treatment for which they have been waiting since 2004. [5105/09]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

Cancer Screening Programme.

186. **Deputy Deirdre Clune** asked the Minister for Health and Children the funding she has committed towards the development of the breast cancer services at the South Infirmity Victoria University Hospital in Cork prior to and since its establishment in 1992; and if she will make a statement on the matter. [5109/09]

Funding began to be allocated specifically for cancer services in 1997, following the publication of Cancer Services in Ireland: A National Strategy in 1996. Since 1997, records show that the following funding was allocated to South Infirmity Victoria University Hospital (SIVUH) in respect of symptomatic breast disease services:

2001: €508,000 approximately (IR£400,000);

2002: €130,000;

2003: €500,000.

In addition, all costs for those medical consultants who have joint appointments with SIVUH and BreastCheck are met by the National Cancer Screening Service (NCSS). The NCSS advises that SIVUH sessional costs for these consultants equate to €271,000 per annum, while the non-pay cost element is €650,000 per annum.

The Interim Director of the National Cancer Control Programme has advised that planning is underway for the transfer of symptomatic breast cancer services from SIVUH to Cork University Hospital (CUH) later this year. Funds have been allocated for refurbishment works in CUH to facilitate this transfer.

187. **Deputy Deirdre Clune** asked the Minister for Health and Children the reasoning behind her decision to establish BreastCheck on a site adjacent to the South Infirmity Victoria Hospital Cork; and if she will make a statement on the matter. [5110/09]

188. **Deputy Deirdre Clune** asked the Minister for Health and Children the funding she has committed towards the establishment of the BreastCheck unit in Cork; and if she will make a statement on the matter. [5111/09]

Minister for Health and Children (Deputy Mary Harney): I propose to take Questions Nos. 187 and 188 together.

The decision to locate BreastCheck in the South Infirmity Victoria Hospital was made by the National Breast Screening Board in early 2002 as part of the planning for the national extension of BreastCheck. Following a decision to site regional units in Cork and Galway, the Board engaged with the former Southern Health Board (SHB). On the advice of the Chief Executive Officer of the SHB, the South Infirmity Victoria Hospital was selected as the host hospital for the Southern Screening Unit. I understand that this advice was the result of consultations within the SHB.

The capital costs associated with the establishment of the Southern Unit totalled €10,287,000, comprising:

	€
Construction	5,718,000
Imaging and other equipment	2,634,000
Mobile Units	1,935,000

Screening commenced at the Unit on 4 December 2007. Approximately 12,000 women were screened in the Southern Region in 2008.

189. **Deputy Deirdre Clune** asked the Minister for Health and Children the funding she has made available to relocate breast cancer services from the South Infirmity Victoria University Hospital to the Cork University Hospital; and if she will make a statement on the matter. [5112/09]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the Health Service Executive for direct reply.

Hospital Waiting Lists.

190. **Deputy Seán Sherlock** asked the Minister for Health and Children if he will expedite an outpatient appointment in respect of a person (details supplied) in County Cork who is on the orthopaedic knee waiting list for almost a year; and if she will make a statement on the matter. [5143/09]

Minister for Health and Children (Deputy Mary Harney): The management of out-patient waiting lists is a matter for the HSE and the individual hospitals concerned. I have, therefore, referred the Deputy's question to the Executive for direct reply.

Care of the Elderly.

191. **Deputy James Reilly** asked the Minister for Health and Children the number of beds in long stay homes and hospitals for the elderly which the Health Service Executive plan to close in 2009; the number of beds being closed in each home, the locations which it is planned to close; the number of beds which will remain at the end of 2009; and if she will make a statement on the matter. [5159/09]

Minister of State at the Department of Health and Children (Deputy Máire Hocht): As the overall operation and capacity of beds in long stay homes and hospitals for the elderly is a service matter, this has been referred to the Health Service Executive for direct reply.

Nursing Home Accommodation.

192. **Deputy James Reilly** asked the Minister for Health and Children the number of additional or replacement long stay nursing home beds currently under construction; the number of the additional or replacement long stay nursing home beds currently under construction which will be commissioned in 2009; and if she will make a statement on the matter. [5160/09]

Minister of State at the Department of Health and Children (Deputy Máire Hocht): The provision of services for older people is a priority for Government. A commitment has been made to provide 860 additional public long-stay beds for older people under the Fast-Track

[Deputy Máire Hctor.]

Initiative and these are in the process of being put in place. Older people have also been specifically highlighted in the Social Inclusion Priority of the National Development Plan 2007-2013.

The latest information from the HSE indicates that 704 additional beds and 492 replacement beds will become operational during 2009. This includes beds being provided under the Capital Plan and beds being provided under the Fast-Track Initiative.

In terms of the number of beds currently under construction, I have asked the HSE to provide detailed information directly to the Deputy.

Nursing Homes Repayment Scheme.

193. **Deputy James Reilly** asked the Minister for Health and Children the number of applications received under the nursing home repayment scheme; the number of applicants issued offers to date; the number of appeals made against offers; the number of appeals decided; the number of appeals which have received an increased offer; the number of appeals officers employed by the scheme; the number of payments made to date; the cost of same; the cost of administering the scheme; the average waiting time to process an application; the number of applications that have yet to be decided upon; when the scheme will complete its work; and if she will make a statement on the matter. [5168/09]

Minister for Health and Children (Deputy Mary Harney): The Health Service Executive (HSE) has responsibility for administering the health repayment scheme in conjunction with the appointed scheme administrator KPMG/McCann Fitzgerald.

Since the commencement of the scheme almost 35,000 applications have been received by the Scheme Administrator. Over 33,000 of these applications have been concluded which has resulted in excess of 19,500 offers being made to date. Payments have issued to over 16,000 claimants with a value totalling in excess of €353m. In the region of 1,600 applications remain to be determined. The vast majority of the remaining offers will issue by the end of April 2009. The Health Repayment Scheme Appeals Office is an independent office established to provide an appeals service to those who wish to appeal the decision of the Scheme Administrator under the Health (Repayment Scheme) Act 2006. Two Appeals Officers have been appointed to consider appeals. Up to 30 January 2009 the Health Repayment Scheme Appeals Office had received 5,220 appeals, of which 1,385 relate to appeals made against amount offers to claimants. The Appeals Office has issued 2,806 appeal decisions and of these appeal decisions, 184 decisions have resulted in an increased offer to claimants and 242 decisions have resulted in an initial offer to claimants. The total cost of administering the Scheme to the end of January 2009 was €21m which includes payments made to the Scheme Administrator, HSE administrative costs, Appeals Office costs, legal fees and probate costs.

Health Services.

194. **Deputy Seán Ó Fearghail** asked the Minister for Health and Children her views on correspondence regarding services in respect of a child (details supplied) in County Meath; if domiciliary care allowance will be approved in respect of this child; if a medical card will be provided for them; if the other services requested will be provided within a reasonable time-frame; and if she will make a statement on the matter. [5170/09]

Minister of State at the Department of Health and Children (Deputy John Moloney): The provision of a Domiciliary Care Allowance, a medical card and specialist health services is a

matter for the Health Service Executive. I have arranged for the Deputy's questions to be referred to the Health Service Executive for direct reply.

Hospital Staff.

195. **Deputy Thomas P. Broughan** asked the Minister for Health and Children the number of nurse vacancies that are currently unfilled at Beaumont Hospital, Dublin; when these critical positions will be filled; and if she will make a statement on the matter. [5171/09]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

Question No. 196 answered with Question No. 179.

Health Services.

197. **Deputy Simon Coveney** asked the Minister for Health and Children when approval will be received from the Health Service Executive national director of estates to proceed further with the development of the Carrigaline Health Centre, County Cork. [5181/09]

Minister for Health and Children (Deputy Mary Harney): As the Deputy's question relates to service matters it has been referred to the HSE for direct reply.

Hospital Accommodation.

198. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children the health and safety grounds on which the decision was made to close a 19 bed unit at St Patrick's Hospital in Waterford; if a report exists detailing these grounds; if so, if she will publish the report; and if she will make a statement on the matter. [5249/09]

Minister of State at the Department of Health and Children (Deputy Máire Hctor): I understand that there has been ongoing concern regarding health and fire safety issues associated with the unit at St. Patrick's Hospital, Waterford, a HSE facility. This unit is the last remaining ward on an upper floor of the hospital. Due to these fire and safety issues it is not viable to continue to accommodate patients in this area of the hospital nor is it viable to refurbish the ward to meet required standards. However, as this is a service matter it has been referred to the Health Service Executive for direct reply.

Hospitals Building Programme.

199. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children her plans to build a new 50 bed unit at St Patrick's geriatric care hospital in Waterford; the stage such plans are at; if funding is available; the timeframe the Health Service Executive is working to; and if she will make a statement on the matter. [5250/09]

Minister for Health and Children (Deputy Mary Harney): In drawing up its capital programme, the Health Service Executive is required to prioritise the capital infrastructure projects to be progressed within its overall capital funding allocation under the National Development Plan, taking account of the NDP targets for division of capital investment between the Acute and Primary, Community and Continuing Care programmes.

The Executive is finalising its capital proposals and consultation is ongoing between the HSE and my Department. Details on individual projects will not be known until such time as the capital plan for 2009 is approved.

Smoking Ban.

200. **Deputy Brian O'Shea** asked the Minister for Health and Children if she will review her decision not to initiate the process of imposing a ban on smoking in vehicles transporting children under 16 years of age (details supplied); and if she will make a statement on the matter. [5256/09]

Minister of State at the Department of Health and Children (Deputy Mary Wallace): Last July, I announced that further provisions of the Public Health (Tobacco) Acts 2002 and 2004 are to be commenced from 1 July 2009. From that date there will be no advertising or display of tobacco products in retail outlets and tobacco products must be stored in a closed container. There will be tighter controls on the operation of vending machines and anyone wishing to sell tobacco products must register with the Office of Tobacco Control. The implementation of these important measures, which are aimed at protecting both children and adults from the dangers of tobacco consumption, are my key tobacco control priorities for 2009.

The harmful effects of exposure to cigarette smoke are well known as is the fact that such exposure is particularly dangerous in enclosed spaces (including motor cars). Parents and others with responsibility for the welfare of children have a particular responsibility to ensure that such exposure does not take place. The issue of introducing a ban on smoking in cars in which children under 16 years of age are being transported, will be kept under review.

Health Services.

201. **Deputy Joanna Tuffy** asked the Minister for Health and Children if she will expedite an application for three additional home care hours for a person (details supplied) in County Dublin; the reason for the delay in processing the application; and if she will make a statement on the matter. [5292/09]

Minister of State at the Department of Health and Children (Deputy Máire Hctor): As this is a service matter it has been referred to the Health Service Executive for direct reply.

Homeless Persons.

202. **Deputy Bernard J. Durkan** asked the Minister for Health and Children the number of young homeless persons sleeping rough at present; the number who slept rough on 3 February 2009 during the snow; if there was vacant accommodation available on that night; if any effort is being made to ensure the availability of adequate accommodation to meet the needs of those sleeping rough or homeless; and if she will make a statement on the matter. [5295/09]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): As this is a service matter it has been referred to the HSE for direct reply.

Refugee Statistics.

203. **Deputy Denis Naughten** asked the Minister for Justice, Equality and Law Reform the number of programme refugees to be accepted by Ireland in 2009; and if he will make a statement on the matter. [5084/09]

Minister of State at the Department of Justice, Equality and Law Reform (Deputy Conor Lenihan): I take it that the Deputy is referring to the Government's Decision of November 2005 to accept 200 persons per year for resettlement.

My Office is currently working with the International Organisation for Migration (IOM) and the United Nations High Commissioner for Refugees (UNHCR) to arrange for the transfer to

Ireland of 198 refugees accepted for resettlement in Ireland under the 2008 Quota. Their arrival has been delayed for logistical reasons.

My Office is also very actively involved in supporting the local authorities and service providers at both national and local level as they prepare to receive and integrate these refugees into the local community. No decision has yet been taken in regard to the 2009 programme.

Departmental Expenditure.

204. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the annual cost of providing security to former officer holders; and the number of office holders involved. [5133/09]

205. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if former Taoisigh and former Ministers are entitled to a State car; the duration for which they are entitled after leaving office; the cost to the State annually; the former Houses of the Oireachtas office holders, judges or other State servants who are entitled to and avail of the facility; and the duration for which each of these offices holders has availed of the State car and accompanying driver. [5134/09]

214. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the number of gardaí assigned to former Houses of the Oireachtas office holders; if they are drivers or on static duty; and the number of office holders involved. [5132/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I propose to take Questions Nos. 204, 205 and 214 together.

Among former Office Holders, only former Taoisigh and former Presidents are provided with State cars pursuant to a long standing arrangement.

In my reply to Parliamentary Question No. 586 of 27 January 2009, I outlined the costs associated with providing State cars to the former Office holders concerned. For operational and security reasons it is not Garda policy to disclose the number of gardaí detailed for specific duties over any specific period of time.

Citizenship Applications.

206. **Deputy Phil Hogan** asked the Minister for Justice, Equality and Law Reform when a decision will be made in respect of naturalisation for a person (details supplied); and if he will make a statement on the matter. [5066/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): Officials in the Citizenship Section of my Department inform me that the application from the person referred to in the Deputy's Question is nearing completion and I will be making a decision on it in the very near future.

207. **Deputy Paul Kehoe** asked the Minister for Justice, Equality and Law Reform if a person (details supplied) can apply for citizenship; and if he will make a statement on the matter. [5073/09]

208. **Deputy Paul Kehoe** asked the Minister for Justice, Equality and Law Reform the process involved for an Australian citizen living in Australia who is married to an Irish citizen who wants to apply for full citizenship here; the process they need to go through to obtain Irish citizenship; and if he will make a statement on the matter. [5086/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I propose to take Questions Nos. 207 and 208 together.

The Irish Nationality and Citizenship Act, 1956, as amended, provides that the Minister may, in his absolute discretion, grant an application for a certificate of naturalisation provided certain statutory conditions are fulfilled. In the case of a non-national applicant who is the spouse of an Irish citizen, those conditions are that the applicant must — be of full age, be of good character, be married to the Irish citizen for a period of not less than three years, be in a marriage recognised under the laws of the State as subsisting, be living together as husband and wife with the Irish spouse, have had a period of one year's continuous residency in the island of Ireland immediately before the date of the application and, during the four years immediately preceding that period, have had a total residence in the island of Ireland amounting to two years, intend in good faith to continue to reside in the island of Ireland after naturalisation, have made, either before a Judge of the District Court in open court or in such a manner as the Minister, for special reasons allows, a declaration in the prescribed manner, of fidelity to the nation and loyalty to the State.

It is open to the person concerned to lodge an application for a certificate of naturalisation with my Department if and when they are in a position to meet the statutory requirements applicable at that time.

209. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the number of applications for citizenship from US citizens granted in each year since 1998 to date in 2009. [5121/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Irish Naturalisation and Immigration Service that the statistics requested by the Deputy are not compiled in such a manner as to provide data on the granting of naturalisation by country of origin.

Garda Deployment.

210. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the number of gardaí stationed in Blanchardstown, Dublin 15; and if that is an increase on the same period in 2008. [5128/09]

211. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the number of community gardaí in Blanchardstown, Dublin 15. [5129/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I propose to take Questions Nos. 210 and 211 together.

I have been informed by the Garda Commissioner that the personnel strength of Blanchardstown Garda Station on 31 December 2007 and 31 December 2008, the latest date for which figures are readily available, was 180 and 193 respectively. This represents an increase of 13 members, or 7% in the period in question. While the number of Gardaí attached to the Community Policing Unit in Blanchardstown Garda Station on 31 December 2008 was 24, all Gardaí have responsibility, inter alia, to be involved in Community Policing issues as and when they arise. As with any organisation, on any given day, the strength of Blanchardstown Garda Station may fluctuate due, for example, to retirements, resignations etc. It is the responsibility of the Garda Commissioner to allocate personnel throughout the Force taking everything into account. The situation will be kept under review and when additional personnel next become

available the needs of Blanchardstown Garda Station will be fully considered within the overall context of policing requirements throughout the country.

212. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the breakdown of the number of gardaí at each Garda station (details supplied) in Dublin on 31 January 2009 and each of the past five years; and if they are community gardaí, detectives, traffic gardaí or other. [5130/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I have been informed by the Garda Commissioner that the personnel strength of Crumlin, Sundrive Road, Kilmainham, Kevin Street, Pearse Street, Irishtown, Ballyfermot, Ronanstown, Terenure, Tallaght, Rathmines and Clondalkin Garda Stations on 31 December 2004 to 31 December 2008, the latest date for which figures are readily available, was as set out in the following table:

Station	31/12/04	31/12/05	31/12/06	31/12/07	31/12/08
Crumlin	87	87	98	108	104
Sundrive Road	65	65	73	78	81
Kilmainham	81	81	87	87	87
Kevin Street	119	122	127	139	151
Pearse Street	252	253	260	268	275
Irishtown	57	56	54	56	60
Ballyfermot	81	80	88	87	95
Ronanstown	82	88	92	87	85
Terenure	91	97	98	101	110
Tallaght	173	167	178	181	193
Rathmines	72	70	76	75	73
Clondalkin	76	81	92	104	91

I have been further informed by the Garda Commissioner that the number of Community Gardaí attached to these stations on 31 December 2005 to 31 December 2008, the latest date for which figures are readily available, was as set out in the following table:

Station	31/12/05	31/12/06	31/12/07	31/12/08
Crumlin	4	4	5	6
Sundrive Road	4	6	6	6
Kilmainham	5	7	9	13
Kevin Street	7	7	18	31
Pearse Street	11	13	33	19
Irishtown	3	2	2	4
Ballyfermot	14	9	9	9
Ronanstown	13	12	12	9
Terenure	7	6	6	5
Tallaght	20	22	24	27
Rathmines	3	3	3	3
Clondalkin	16	11	11	11

Figures for Community Gardaí and the Garda Traffic Corps for 2004 are not readily available. The Deputy will also be aware that for operational and security reasons it is not Garda policy to disclose the number of Gardaí detailed for some specific duties.

[Deputy Dermot Ahern.]

The Garda Traffic Corps are assigned on a Divisional basis rather than a station basis. The DMR South, DMR South Central and DMR West patrol the areas referred to by the Deputy. The personnel strength of the DMR South, DMR South Central and DMR West Garda Traffic Corps on 31 December 2005 to 31 December 2008 was as set out in the following table:

Division	31/12/05	31/12/06	31/12/07	31/12/08
DMR South	19	20	22	16
DMR South Central	17	28	25	22
DMR West	18	20	20	20

The Deputy will appreciate that, as with any large organisation, on any given day personnel strengths of individual divisions, districts and stations may fluctuate due, for example, to promotions, retirements and transfers.

It is the responsibility of the Garda Commissioner to allocate personnel throughout the Force taking all relevant factors into account. In that regard, the needs of the Garda Stations referred to by the Deputy will be fully considered by the Commissioner within the overall context of the needs of Garda Stations throughout the country.

213. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if community gardaí are on static guard duty at Farmleigh House, Phoenix Park, Dublin; and the number of gardaí on duty at that location. [5131/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Garda Commissioner that members of Community Policing Units are not utilised on duties at Farmleigh House. For operational and security reasons it is not Garda policy to disclose the number of Gardaí detailed for specific duties over any specific period of time.

Question No. 214 answered with Question No. 204.

Decentralisation Programme.

215. **Deputy Denis Naughten** asked the Minister for Justice, Equality and Law Reform, further to Parliamentary Question No. 87 of 4 December 2008, the grade which is under subscribed; the timetable envisaged for completion of this decentralisation project; and if he will make a statement on the matter. [5157/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I refer the Deputy to my reply to Question No. 87 on 4 December 2008. It should not be assumed from the figures provided that this decentralisation project will ultimately be undersubscribed. The filling of the remaining posts will essentially only arise when the permanent accommodation is in place, at which time a trawl of those applicants on the Central Applications Facility who originally listed the Property Registration Authority in Roscommon as a 2 to 10 preference will be carried out. New applicants for Roscommon, first preference or otherwise, since September 2004 will also be taken into account at that stage.

Planning permission has been granted for the new permanent offices in Roscommon for the Property Registration Authority. The Office of Public Works, who are responsible for providing the accommodation, are liaising with the successful tenderer in relation to the preparation of working drawings. It is anticipated that the permanent accommodation will be available for occupation around mid-2010.

Closed Circuit Television Systems.

216. **Deputy Joe Costello** asked the Minister for Justice, Equality and Law Reform if he will ensure that there is sufficient closed circuit television coverage to deter crime in Sheriff Street, Dublin; and if he will make a statement on the matter. [5165/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Garda authorities that there is a Town Centre CCTV Camera located at the junction of Commons Street/Sheriff Street. This camera is monitored from central locations in Dublin. There are an additional nine (9) Garda CCTV cameras located in the general Sheriff Street area. The Garda authorities are currently considering the installation of a further two (2) cameras for the Lower Sheriff Street area.

I am further advised that the area is subject to regular patrols by uniformed and plain-clothes members of An Garda Síochána, on foot, mountain-bike and mobile patrols, including the Community Policing Unit, which has eight (8) members specifically allocated to this area. The area is also patrolled by the District Detective and Drug Units, with additional patrols conducted by the Divisional Crime Task Force and Traffic Corps personnel.

Asylum Applications.

217. **Deputy Ciarán Lynch** asked the Minister for Justice, Equality and Law Reform the status of a person (details supplied) in County Cork; and if he will make a statement on the matter. [5167/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): The person concerned applied for asylum on 29 November 2006. 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 June 2007, 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 submitting written 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. In addition, she was notified of her entitlement to apply for Subsidiary Protection in the State in accordance with the European Communities (Eligibility for Protection) Regulations, 2006 (S.I. No. 518 of 2006). The person concerned submitted an application for Subsidiary Protection in the State 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.

In the event that the Subsidiary Protection application is refused, the case file of the person concerned, including all representations submitted, will then be 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. When this latter consideration has been completed, the case file of the person concerned is passed to me for decision.

Court Procedures.

218. **Deputy Thomas P. Broughan** asked the Minister for Justice, Equality and Law Reform the number of warrants currently outstanding in the Coolock garda district, Dublin 1, as of 4

[Deputy Thomas P. Broughan.]

February 2009; the number of warrants in each category which are outstanding; and if he will make a statement on the matter. [5173/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Garda Authorities that the following table shows the number of bench, committal and penal warrants outstanding in the Coolock Garda District as of 8 February, 2009.

Given the enormous transaction level in the District Courts, it is inevitable that, at any given time, there will be a significant number of bench warrants awaiting execution. It should also be borne in mind that the vast majority of outstanding penal and bench warrants relate to unpaid fines for minor infractions of the law and not convictions arising from violent crime. I am assured by the Garda authorities that An Garda Síochána give priority to the execution of warrants against those that they believe to be involved in serious crime.

I am further informed that the Garda authorities are committed to strengthening the warrants enforcement process. The issue of the execution of warrants, and bench warrants in particular, has been raised by the Garda Commissioner with each Regional Assistant Commissioner and a range of measures, aimed at reducing the number of warrants on hand, have been identified and are being implemented. These measures include the re-assignment of additional Gardaí to this function and the appointment of Inspectors with responsibility for execution of outstanding warrants. The position is being closely monitored by senior Garda management and consideration will be given, at an organisational level, to introducing further measures to address the issue if necessary.

In addition, I intend to seek Government approval for a Fines Bill which will provide for the payment of fines by instalment and an improved means of assessing the capacity of a person to pay a fine. As so many warrants relate to financial penalties, these proposals should result in a smaller number of warrants being issued and so reduce pressure on the system. I am also looking at other legislative measures in this area.

I can assure the Deputy that the operation of the warrants system will continue to be monitored, particularly with a view to making whatever changes may be necessary to improve its operation.

Number of Warrants outstanding in the Coolock Garda District on 8 February, 2009*

Warrant Type	Number outstanding
Bench warrant	534
Penal warrant	3,306
Committal warrant	142

*Figures are operational and liable to change.

Asylum Applications.

219. **Deputy Denis Naughten** asked the Minister for Justice, Equality and Law Reform the number of asylum seekers in direct provision accommodation in 2007, 2008 and forecast for 2009; the budget for direct provision accommodation in 2007, 2008 and for 2009; and if he will make a statement on the matter. [5175/09]

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. At 31 December, 2007 the

RIA was providing accommodation for 6,625 persons; at 31 December 2008 the figure was 7,002; and at 31 January 2009, the figure was 7,053. Due to the number and nature of the variables affecting the demand for RIA accommodation, it would not be possible to forecast future accommodation levels in 2009 with any degree of accuracy. Expenditure on RIA accommodation services in 2007 was €83.262m; in 2008 this was €91.472m. The budget provision for 2009 stands at €70.892m.

Garda Recruitment.

220. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the number of members of the Garda reserve recruited to date; the stations to which they have been allocated; and the number in each of those stations. [5189/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I have been informed by the Garda Commissioner that the number of Reserve Gardaí that have graduated/been attested from the Garda College during the years 2006, 2007 and 2008 is as set out in the following table: Number of Probationer Reserve Gardaí who graduated since 2006

Divisions	2006	2007	2008
Carlow/Kildare		6	9
Cavan/Monaghan		3	3
Clare		1	5
Cork City	7	11	12
Cork North		5	1
Cork West			4
DMR East		4	4
DMR N.C.	11	12	
DMR North		18	21
DMR S.C.	13	25	
DMR South		10	10
DMR West		20	12
Donegal		1	4
Galway West	4	9	5
Kerry			1
Laois/Offaly			5
Limerick		14	3
Longford/Westmeath		3	6
Louth/Meath		8	10
Mayo		8	6
Roscommon/Galway East			5
Sligo/Leitrim	1	6	3
Tipperary		4	3
Waterford/Kilkenny		13	4
Wicklow/Wexford		6	1
Total	36	187	137

Additionally, 111 Garda Reserve trainees have been recruited and an intake of approximately 50 further Reserve trainees is expected this month. The personnel strength of the Garda Reserve as at the 31st of January 2009 was 327 Reserve Gardaí allocated to the following stations :

[Deputy Dermot Ahern.]

Station	Number	Station	Number
Anglesea Street	11	Kilkenny	6
Arklow	1	Kilmainham	4
Ashbourne	1	Letterkenny	5
Athlone	1	Longford	1
Balbriggan	3	Lucan	7
Ballina	3	Macroom	1
Ballyfermot	3	Malahide	1
Baltinglass	1	Mayfield	3
Balymun	6	Midleton	3
Bandon	1	Monaghan Town	4
Blackrock	5	Mullingar	6
Blanchardstown	11	Naas	3
Bray	3	Navan	2
Bridewell	6	Nenagh	1
Cahir	1	New Ross	1
Carlow	5	Newbridge	2
Carrick On Shannon	1	Pearse St	17
Carrick-On-Suir	1	Portlaoise	1
Castlebar	8	Raheny	4
Cavan Town	3	Rathfarnham	3
Celbridge	1	Rathmines	2
Clonakilty	1	Ronanstown	1
Clondalkin	3	Roscommon	3
Clonmel	2	Santry	4
Clontarf	4	Sligo	6
Coolock	6	Store St	6
Crumlin	3	Sundrive Rd	2
Donnybrook	4	Swords	4
Drogheda	7	Tallaght	2
Dun Laoghaire	4	Terenure	3
Dundalk	5	Thurles	1
Ennis	9	Tipperary Town	1
Enniscorthy	1	Togher	4
Fermoy	2	Tralee	2
Finglas	4	Tramore	2
Fitzgibbon Street	5	Trim	1
Galway	18	Tuam	2
Gorey	1	Tullamore	4
Gurrabraher	6	Watercourse Rd.	3
Henry Street	10	Waterford	9
Howth	3	Westport	3
Kells	1	Wexford	1
Kevin Street	5	Whitehall	2
Kildare	3	Wicklow	1

Emigrant Support Services.

221. **Deputy Finian McGrath** asked the Minister for Foreign Affairs if he will actively support the undocumented Irish in the USA and encourage the Australian model as a priority. [5064/09]

Minister for Foreign Affairs (Deputy Micheál Martin): The Government attaches the highest importance to resolving the plight of our undocumented citizens in the United States.

In the absence, to date, of comprehensive immigration reform in the US, we have actively pursued a bilateral approach in this area, aimed at reforming our overall immigration arrangements with the United States and facilitating greater legal migration between the two countries. The approach has had three core objectives; a reciprocal Working Holiday Agreement (now operational); new bilateral arrangements to provide reciprocal long term working visas (known as E3s); and a solution for our undocumented.

The second objective, the provision of long term working visas similar to the E3 Visas available to Australian citizens, has already formed the basis for detailed discussions with senior Member of Congress over the past twelve months. Ideally, the undocumented would be able to avail of the proposed visa scheme. However, if that is not possible — as many of our key contacts have already advised — then their best prospect for a solution lies with comprehensive immigration reform.

The Deputy will wish to note that the E3 visa scheme for Australian citizens, put in place in 2005 as a result of a free-trade agreement between the US and Australia, is targeted at highly skilled graduates and is not open to undocumented Australians. If an identical scheme were to be introduced for Ireland, it would be of little benefit to our undocumented citizens.

Finding a solution for the undocumented will remain an important priority for the Government. In taking up the issue with the new US Administration and Congress, we are building on the extensive work on behalf of the undocumented that the Government has carried out over recent years with many of those now within the Administration, and in cooperation with the Irish Lobby for Immigration Reform, to which we have provided funding of \$235,000 since 2006.

The Taoiseach, I and other members of Government will use the unique opportunity afforded by the St. Patrick's Day celebrations in the US to engage the new Administration at the very highest level on this issue.

Overseas Development Aid.

222. **Deputy Denis Naughten** asked the Minister for Foreign Affairs the steps he is taking to ensure value for money with the overseas development aid budget; and if he will make a statement on the matter. [5083/09]

Minister of State at the Department of Foreign Affairs (Deputy Peter Power): As Minister of State with responsibility for our overseas aid budget, I am deeply conscious of the need to ensure value for money and impact on the ground in terms of poverty reduction.

I can assure you that the aid programme has in place a comprehensive programme of appraisal, planning, audit, and evaluation to ensure that funds are spent effectively and benefit the most vulnerable and poorest people of the countries in which we and our partners operate.

Our systems seek to maximise aid effectiveness and poverty impact, and ensure value for money. Proposals are appraised by Irish Aid staff using a number of different criteria, including

[Deputy Peter Power.]

quality of intended impact, sustainability, cost effectiveness and efficiency in the use of resources.

The Irish Aid strategic and annual business planning processes have a strong results focus which identifies specific results against which Irish Aid programmes are measured and evaluated. Programmes are continually monitored and assessed by both staff in the field and at headquarters to ensure that they are achieving results and that intended objectives and goals are being accomplished. External reviews are also conducted as necessary.

Irish Aid expenditure is subject to rigorous accounting, evaluation and audit controls. Programmes are regularly audited and evaluated by independent audit firms and by Irish Aid's Evaluation and Audit Unit. The Unit's work is also examined by my Department's independent Audit Committee. These evaluations provide assurance that funds are used for the purposes intended and have a particular focus on poverty outcomes and value for money.

Emigrant Support Services.

223. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs the number of embassy staff involved in lobbying the US Congress in relation to the undocumented Irish in the US and the need to protect Ireland's economic interests; and if he will make a statement on the matter. [5123/09]

Minister for Foreign Affairs (Deputy Micheál Martin): The Embassy in Washington is comprised of the Ambassador and nine diplomatic staff who are dedicated to promoting and protecting Ireland's interests in the United States. Full attention is given to our economic interests and to the needs of Irish citizens, particularly those who are undocumented. Our Consulates General in New York, Boston, Chicago and San Francisco also engage actively on both issues on a daily basis. A total of ten officers are based at these Consulates. The economic work of our Missions is conducted in close consultation with the IDA, Enterprise Ireland, Tourism Ireland, Bord Bia and other agencies.

I can assure the Deputy that our network of Missions in the US will continue to attach the highest priority to promoting Ireland's economic interests and will avail of every opportunity to urge that a solution be found for our undocumented citizens.

224. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if consideration has been given or the work which has been carried out to date on drawing up a bilateral agreement with the USA to help regularise the undocumented Irish in the USA and the undocumented Americans here and to address the future immigration issues between both countries. [5124/09]

Minister for Foreign Affairs (Deputy Micheál Martin): The Government attaches the highest importance to resolving the plight of our undocumented citizens in the United States.

In the absence, to date, of comprehensive immigration reform in the US, we have actively pursued a bilateral approach in this area, aimed at reforming our overall immigration arrangements with the United States and facilitating greater legal migration between the two countries. The approach has had three core objectives; a reciprocal Working Holiday Agreement (now operational); new bilateral arrangements to provide reciprocal long term working visas (known as E3s); and a solution for our undocumented.

The second objective, the provision of long term working visas similar to the E3 Visas available to Australian citizens, has already formed the basis for detailed discussions with senior Member of Congress over the past twelve months. A bilateral programme on long term work-

ing visas would represent a very significant step in the reform of our immigration arrangements with the US. The Deputy may wish to be aware, however, that the E3 visa arrangements for Australian citizens are not open to their undocumented in the US.

The third objective, finding a solution for the undocumented, remains an important priority for the Government. Ideally, the undocumented would be able to avail of the proposed E3 bilateral visa. However, if that is not possible — as many of our key contacts have already advised — then their best prospect for a solution lies with comprehensive immigration reform.

Immigration remains a divisive issue in the US Congress, and making progress in this area will continue to be challenging. In taking up the issue with the new US Administration and Congress, however, we are building on the extensive work on behalf of the undocumented that the Government has carried out over recent years with many of those now within the Administration, and in cooperation with the Irish Lobby for Immigration Reform, to which we have provided funding of \$235,000 since 2006.

The Taoiseach, I and other members of Government will use the unique opportunity afforded by the St. Patrick's Day celebrations in the US to engage the new Administration at the very highest level on this issue. I am not aware of any significant concerns in relation to undocumented US citizens in Ireland.

225. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if consideration has been given to setting up a dedicated Irish lobby group, involving supporters of Ireland, US based Irish business people and officials from his Department and the Department of Enterprise, Trade and Employment, with the aim of lobbying for Irish interests on Capital Hill. [5125/09]

Minister for Foreign Affairs (Deputy Micheál Martin): Ireland and the United States enjoy close political, economic and cultural relations. 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. We enjoy in particular an excellent working relationship with the bi-partisan Friends of Ireland in Congress, chaired by Congressman Richie Neal, who continue to provide invaluable assistance and support to us on many issues.

The Government attaches the highest importance to strengthening and developing this unique relationship, including through the work of the Irish Embassy in Washington. The close cooperation between our two countries is underpinned by the network of relations with Members of Congress and their staff maintained by the Embassy and our Consulates in the United States. The Ambassador and his colleagues attach the greatest priority to their work in this area and coordinate closely with their counterparts in Enterprise Ireland, the IDA and other State agencies.

We are also fortunate to benefit from the experience and expertise of the members of the Taoiseach's Economic Advisory Group which was established in 1992 to engage corporate leaders in America to promote Ireland as an investment location and to respond to Irish American leaders' willingness to be identified with Irish issues. The Group has been a source of invaluable counsel and advice over the years, and the Government is extremely grateful for the significant contribution made by its distinguished members.

Reflecting the constantly changing character of the relationship, the Taoiseach last July initiated a review of Ireland/US relations with a view to ensuring that these are developed in the optimal manner. That work is well advanced and the Government will be considering the outcome of the review in the coming weeks.

Sports Funding.

226. **Deputy Mary Upton** asked the Minister for Arts, Sport and Tourism if money from the national lottery was used to fund a project (details supplied) in County Dublin; if so, the amount in each of the previous five years; and if he will make a statement on the matter. [5116/09]

Minister for Arts, Sport and Tourism (Deputy Martin Cullen): The Government is providing €191m of exchequer funding towards the redevelopment of the Lansdowne Road Stadium. None of this money is from the proceeds of the National Lottery.

227. **Deputy Tom Hayes** asked the Minister for Arts, Sport and Tourism when the sports capital grants will be released for 2009; the amount expected to be allocated for south Tipperary in 2009; and if he will make a statement on the matter. [5114/09]

Minister for Arts, Sport and Tourism (Deputy Martin Cullen): Under the sports capital programme, which is administered by my Department, funding is allocated to sporting and community organisations at local, regional and national level throughout the country. Since 1998, over €725 million has been allocated to over 7,400 projects across the country. As I announced in the House recently no decision has been taken about the timing of future rounds of the Programme.

Under the Programme, the level of funding to each county, including Tipperary, for local projects is on the basis of a pro-rata distribution of the available funding on the basis of the population as set out in the 2006 census of population conducted by the Central Statistics Office, subject to the number, nature and quality of applications received for each county. The level of allocations therefore to successful local applicants in each county in recent years was primarily determined by the overall level of allocations available under the Programme in those years for local clubs and the population of the county.

Departmental Bodies.

228. **Deputy Olivia Mitchell** asked the Minister for Community, Rural and Gaeltacht Affairs the reason that there is no requirement for bodies such as Comhaltas Ceoltóirí Éireann to publish annual accounts in view of the fact that they are in receipt of millions of euro in public money annually; if he is has satisfied himself and taxpayers that public money received by this organisation is spent in accordance with best practice; and if he will make a statement on the matter. [5154/09]

Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív): I understand that Comhaltas Ceoltóirí Éireann (CCÉ) is on the list of organisations published by the Revenue Commissioners as being eligible for charitable tax exemptions. Under the law as it stands at present, CCÉ, as a voluntary non-profit organisation which is not a limited company, is not covered by the requirements of the Companies Act 1963, as amended, to publish accounts. The Deputy will be aware that the Charities Bill, which it is anticipated will be enacted in the current parliamentary session, provides that any organisation eligible for charitable tax exemptions on the day the relevant provisions of the legislation are commenced will be automatically deemed to be entered onto a proposed new Register of Charities. All charities on the Register will be required to submit an annual activity report to the proposed new Charities Regulatory Authority. All charities will also be required to keep proper books of accounts and the vast majority of charities will be required to submit an annual statement of accounts to the new Authority. Both the annual activity report and the annual statement of

accounts submitted by charities will be accessible by the public on the Register via the internet, which will greatly enhance transparency and accountability across the charities sector.

With regard to the public funding provided to CCÉ, the position is that the organisation is required to submit an annual business plan to my Department, as well as audited accounts. These are assessed each year in the context of the decision-making process in relation to the grant assistance for current purposes to be provided in the forthcoming year. I understand that appropriate assessment processes are also applied by the Department of Arts, Sports and Tourism in relation to the capital funding provided by that Department. In addition, my Department has commissioned an independent review of the funding to CCÉ with a view to providing assurances from an audit and accountability point of view that the organisation's Regional Development Programme is being implemented appropriately and effectively; that public funds are being used appropriately and subject to adequate controls; and that there is adherence to normal requirements in relation to tax compliance, recruitment and procurement. The review will be finalised shortly.

Social Welfare Benefits.

229. **Deputy Seán Sherlock** asked the Minister for Social and Family Affairs the waiting period for the processing of payment in respect of jobseeker's benefit and jobseeker's allowance in her Department's branch offices in Mallow, Fermoy, Cobh, Youghal and Midleton, County Cork; and if she will make a statement on the matter. [5144/09]

230. **Deputy Seán Sherlock** asked the Minister for Social and Family Affairs the number of applications for jobseeker's benefit and jobseeker's allowance awaiting processing for payment at each of her Department's offices in Mallow, Fermoy, Midleton, Youghal and Cobh, County Cork. [5145/09]

231. **Deputy Seán Sherlock** asked the Minister for Social and Family Affairs the number of additional clerical staff who will be deployed to her Department's offices in Mallow, Fermoy, Midleton, Youghal and Cobh, County Cork to deal with the increased number of applications for jobseeker's benefit and jobseeker's allowance due to the economic downturn; and if she will make a statement on the matter. [5146/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): I propose to take Questions Nos. 229 to 231, inclusive, together.

The total number of jobseeker claims awaiting a decision at Mallow, Fermoy, Midleton, Youghal and Cobh local offices as at 1st February 2009 and the average processing time for claims decided in January 2009 are provided in the following table. The offices listed in the questions, with the exception of Cobh, are Branch Offices.

Unlike Social Welfare Local Offices that are staffed by civil servants, Branch Offices are operated by private individuals under a contract for service. Branch managers, under their contract for service, must provide for sufficient clerical assistance to allow for the efficient performance of the work of the office. However, the decisions on branch office claims are made in the parent Local Office.

Decisions for Mallow and Fermoy Branch Offices are made in Mallow Control Office which also decides claims for Macroom Branch Office. Decisions for Midleton and Youghal Branch Offices are made in Carrigaline Local Office which also decides claims for the Carrigaline area and for Bandon, Clonakilty and Kinsale Branch Offices. Following a recent staffing review four additional staff are being assigned to Carrigaline Local Office but due to the limited

[Deputy Mary Hanafin.]

accommodation in the Carrigaline office these staff are being based in the Regional Office in the Marina in Cork city.

The overall performance in any individual local office in processing claims can be adversely affected by a wide variety of factors; including increased inflow of claims, staff vacancies and the duration of such vacancies and the turnover of staff in the office.

The Department has put a range of measures in place to deal with the extra workload arising from the increase in the Live Register. These include:

- additional posts assigned;
- use of temporary staff to fill vacancies pending the appointment of permanent staff;
- extension of temporary staff contracts in certain offices;
- increased overtime;
- prioritisation of work;
- process improvement initiatives.

These measures are being reviewed on a continuous basis.

Claims awaiting a decision 1 February 2009

Average time to decide (weeks) January 2009

Office	Jobseekers Benefit		Jobseekers Allowance	
	Claims Awaiting decision	Average weeks to decision	Claims Awaiting decision	Average weeks to decision
Mallow	302	5.54	180	6.60
Cobh	13	0.98	24	2.47
Fermoy	198	3.69	144	5.45
Midleton	347	4.39	267	8.87
Youghal	94	2.67	151	6.72

232. **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. [5166/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): An application for disability allowance by the person concerned was disallowed by a Deciding Officer of the Department on 26 August 2008 following a review by a Medical Assessor who considered him to be medically unsuitable for the allowance.

He appealed this decision and, in the context of this appeal, he was examined on 21 October 2008 by a different Medical Assessor who also expressed the opinion that he was medically unsuitable for disability allowance.

I am informed by the Social Welfare Appeals Office that the case has now been referred to an Appeals Officer who proposes to hold an oral hearing. The person concerned will be informed when arrangements have been made. The Social Welfare Appeals Office is an office

of the Department that is independently responsible for determining appeals against decisions on social welfare entitlements.

Defence Forces Strength.

233. **Deputy Jack Wall** asked the Minister for Defence his plans to reduce the number of civilian posts in the Defence Forces; his further plans to change the specification of a particular post (details supplied) in County Kildare; and if he will make a statement on the matter. [5294/09]

Minister for Defence (Deputy Willie O’Dea): There are no plans at present to reduce the number of civilian posts in the Defence Forces. However, in view of recent budgetary developments, it is anticipated that, for the time being, recruitment of civilian employees will only take place in exceptional circumstances.

This Department is in the process of recruiting a civilian clerk for the Combined Vehicle Base Workshops, Defence Forces Training Centre. The person selected for the position will be a civilian employee of this Department. A detailed job description for the position in question will be drawn up by this Department in consultation with local military management. There are no plans at present to take on any other civilian clerks in the Defence Forces Training Centre.

Building Regulations.

234. **Deputy Jan O’Sullivan** asked the Minister for the Environment, Heritage and Local Government if there is an obligation on general practitioners for their practice premises to be wheelchair accessible; and if he will make a statement on the matter. [5078/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): Part M of the Building Regulations, dealing with Access for People with Disabilities, applies to all new buildings and extensions to or material alterations of existing buildings to which the public have access and which commenced on or after 1 June 1992.

Part M requires adequate provision to be made to enable people with disabilities to safely and independently access and use a building. It also requires that, if sanitary conveniences are provided in a building, adequate facilities are made for people with disabilities. Technical Guidance Document M provides guidance on how to comply with the requirements of Part M.

Compliance with the Regulations is primarily the responsibility of the owner or builder of a building. Responsibility for enforcement of the Regulations rest with the 37 local Building Control Authorities.

Water and Sewerage Schemes.

235. **Deputy Dan Neville** asked the Minister for the Environment, Heritage and Local Government the position regarding the sewerage scheme in respect of Bruff, County Limerick; if his Department received a submission from Limerick County Council’s preliminary report of the scheme; and if he will make a statement on the matter. [5358/09]

242. **Deputy Dan Neville** asked the Minister for the Environment, Heritage and Local Government the position regarding the provision of an upgraded sewerage scheme at Dromcollogher, County Limerick; and if Limerick County Council has submitted its preliminary report to the scheme. [5246/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): I propose to take Questions Nos. 235 and 242 together.

[Deputy John Gormley.]

The combined Dromcollogher, Hospital, Pallasgreen and Bruff Sewerage Scheme is included for funding in my Department's Water Services Investment Programme 2007-2009.

Further consideration is being given to Limerick County Council's Preliminary Report for the scheme following receipt of additional information from the Council in December 2008.

Social and Affordable Housing.

236. **Deputy Jack Wall** asked the Minister for the Environment, Heritage and Local Government the number of applicants currently on social housing waiting list for a local authority (details supplied) in County Kildare; the number of applicants on the housing list for each of the past three years; the amount allocated to the local authority in respect of its social housing allocation for each of the past three years to include the 2009 allocation; and if he will make a statement on the matter. [5092/09]

237. **Deputy Jack Wall** asked the Minister for the Environment, Heritage and Local Government the number of applicants currently on the social housing waiting list for a local authority (details supplied) in County Kildare; the number of applicants on the housing list for each of the past three years; the amount allocated to the local authority for its social housing allocation for each of the past three years to include the 2009 allocation; and if he will make a statement on the matter. [5095/09]

238. **Deputy Jack Wall** asked the Minister for the Environment, Heritage and Local Government the number of applicants currently on the social housing waiting list for a local authority (details supplied) in County Kildare; the number of applicants on the housing list for each of the past three years; the amount allocated to the local authority in respect of its social housing allocation for each of the past three years to include the 2009 allocation; and if he will make a statement on the matter. [5096/09]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): I propose to take Questions Nos. 236 to 238, inclusive, together.

The number of households on a local authority's waiting list continuously fluctuates as households on the list are allocated housing and new households apply for housing support. My Department does not hold information on waiting lists.

However, a statutory assessment of housing need is carried out every three years by all housing authorities in accordance with the terms of the Housing Act 1988. The most recent assessment of need took place in 2008, information on which is available on my Department's website at www.environ.ie, including a breakdown of the net need figure by housing authority. Also available on the Department's website are details of allocations for Kildare County Council and Athy Town Council for the years up to 2008.

With regard to allocations for 2009, my Department is due to meet the housing authorities in March as part of the annual Housing Action Plan review process. Following this, 2009 allocations for the social housing investment programme will be finalised and I expect to be in a position to announce these allocations in early April. Newbridge Town Council is not a housing authority and so does not receive an allocation for social housing.

Local Authority Elections.

239. **Deputy Jan O'Sullivan** asked the Minister for the Environment, Heritage and Local Government if a sitting town councillor who is a craft worker for a local authority and whose

work category has not changed since they stood in the last local elections is entitled to run for that town council in the forthcoming elections; and if he will make a statement on the matter. [5099/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley):

The provisions governing local authority membership and local authority employment are set out in sections 13 and 161 of the Local Government Act 2001. Under section 13 of the Act, a person employed by a local authority who is not the holder of an employment designated by order under section 161 is disqualified from being elected or co-opted to, or from becoming a member of, a local authority.

The employments designated under section 161 of the Act are those employments whose maximum salary, on the last date for receipt of nominations at a local election, does not exceed the maximum salary of a Clerical Officer in the local authority service. Therefore, employees whose maximum salary is above that of a Clerical Officer may not stand at a local election.

Water Quality.

240. **Deputy Michael Creed** asked the Minister for the Environment, Heritage and Local Government if he will clarify the powers available to local authorities under section 12 of the Environmental Protection Agency Act 1992, Section 296 of the Fisheries (Consolidation) Act 1959 and Section 28 of the Local Government (Water Pollution Act) 1977 in respect of water quality and sampling; if in this context he will clarify the proposed additional powers which he proposes for local authorities under the Draft European Communities (Good Agricultural Practice of Waters) Regulations 2008; his views on whether these inspections duplicate those carried out by Department of Agriculture, Fisheries and Food officials under the existing nitrate directive regulations; and if he will make a statement on the matter. [5126/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley):

These Acts provide for a range of powers in relation to the protection of the environment. Section 13 of the Environmental Protection Agency Act confers powers on an authorised person to, *inter alia*, enter premises, take samples and inspect documents. Section 296 of the Fisheries (Consolidation) Act 1959 relates to the powers of an authorised person in the context of protecting salmonid fisheries.

Primary responsibility for the protection of water quality is assigned to local authorities under the Local Government (Water Pollution) Acts and section 28 of the 1977 Act, confers powers on an authorised person, including powers of entry and inspection. Local authorities operate under the general supervision of the EPA regarding the performance of their functions in relation to environmental protection.

A number of additional powers are to be given to local authorities under the proposed revisions to the European Communities (Good Agricultural Practice for Protection of Waters) Regulations and these proposed revisions also provide for enhanced cooperation between local authorities and the Department of Agriculture, Fisheries and Food in this area.

Housing Aid for the Elderly.

241. **Deputy John O'Mahony** asked the Minister for the Environment, Heritage and Local Government when moneys will be allocated to local authorities in respect of the housing aid for old people, the housing adaption grant and the mobility aids grant; and if he will make a statement on the matter. [5174/09]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): Local authorities will be notified of their capital allocations for 2009 in respect of the Housing Adaptation Grant Schemes, following the publication of the Revised Estimates for Public Services 2009.

Question No. 242 answered with Question No. 235.

Local Authority Housing.

243. **Deputy Caoimhghín Ó Caoláin** asked the Minister for the Environment, Heritage and Local Government, further to Parliamentary Question No. 1105 of 27 January 2009, his views on whether the European Central Bank interest rate cut of 0.5% announced on 15 January 2009 will be passed on in full to local authority mortgage holders; and if he will make a statement on the matter. [5251/09]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): In general, following consideration by its Board, the rates charged to local authority borrowers are normally adjusted by the Housing Finance Agency (HFA) in line with movements in European Central Bank (ECB) rates. The Agency recently notified local authorities of its decision to pass on, in full, the 0.5% decrease announced by the ECB in January. The effective rate for local authority borrowers from 1 March 2009 will therefore be 3% — a cumulative rate decrease since October 2008 of 2.25%.

244. **Deputy Jimmy Deenihan** asked the Minister for the Environment, Heritage and Local Government the date he provided authorisation to Kerry County Council to purchase land for housing at Castleinch, Listowel, County Kerry; the amount of loan approved; and if he will make a statement on the matter. [5254/09]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): Sanction for a loan of €5.6 million in respect of land acquisition in Castleinch, Listowel was provided to Kerry County Council on 7 August 2008.

Planning Issues.

245. **Deputy Jimmy Deenihan** asked the Minister for the Environment, Heritage and Local Government the date he issued guidelines to local authorities on the building of houses on flood plains; and if he will make a statement on the matter. [5255/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): Draft Guidelines for Planning Authorities on the Planning System and Flood Risk Management were issued for public consultation in September 2008. The draft Guidelines are aimed at ensuring a more consistent, rigorous and systematic approach to flood risk assessment and management in the planning system. The draft guidelines state that: development in areas at risk of flooding, particularly flood plains, should be avoided unless there are wider sustainability grounds that justify appropriate development and where the risk can be reduced or managed to an acceptable level; a sequential approach must be adopted to flood risk management when assessing the location of new development based on avoidance, reduction and mitigation of flood risk; flood risk assessment must be incorporated into the process of making decisions on planning applications and planning appeals.

A total of 39 submissions were received on foot of the consultation process and these are currently being considered by my Department, in conjunction with the OPW, with a view to finalising the guidelines shortly.

Harbours and Piers.

246. **Deputy Martin Ferris** asked the Minister for Agriculture, Fisheries and Food if a licence has been granted to commence dredging at Arklow Harbour, County Wicklow. [5147/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Arklow Harbour Commissioners applied in February 2007 for a Dumping at Sea permit to facilitate dredging at Arklow Harbour and the application was circulated to my Department's consultees in the normal way. My Department was advised by the Marine Institute that the results of a chemical analysis of samples from the proposed area to be dredged showed high levels of contamination, principally from Copper and Zinc, and that the material was not suitable for direct disposal at sea.

The Marine Institute has held direct discussions with the consultant engineers acting for Arklow Harbour Commissioners with a view to arriving at a possible solution to the current difficulties. However, the Marine Institute has advised my Department that it continues to have concerns regarding the disposal of contaminated spoil arising from dredging at Arklow Harbour.

At a meeting held on 19 June 2008 between the Harbour Commissioners, the Marine Institute and an official of my Department, the Commissioners agreed to re-examine the proposal to dredge the harbour having regard to the issues raised in relation to the contaminated sediment. This examination will include consideration of appropriate alternative dredging and disposal methods in order to ensure safe disposal of the dredged material. When that examination has been completed, my Department, in conjunction with its specialist advisors, will assess any revised proposal submitted in relation to dredging of the harbour.

It is not possible to say at this stage what the eventual outcome of this application will be and the need to consider disposal options other than by Dumping at Sea cannot be ruled out.

Afforestation Programme.

247. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the way his Department will meet its planting targets in view of proposals to reduce grant aid for forestry projects; if he will review these proposals in view of the financial consequences of failing to reduce CO₂ emissions here; and if he will make a statement on the matter. [5285/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): This Government remains committed to the maintenance of an active and substantial forestry programme, evidenced by the almost €125 million that has been allocated to the forestry subhead for 2009. Over €100 million of this allocation has been assigned to the afforestation programme, which is in line with the financial commitment given to forestry in 2008.

There have been no reductions in either the levels of establishment grants or annual premiums payable under the Afforestation Scheme for 2009. The Scheme is fully operational and my officials are accepting and processing both applications for approval to plant and applications for the appropriate grant payments. I am satisfied that afforestation remains an attractive land use alternative for landowners given the grant and premium payments currently in place.

Indeed, the current suite of Afforestation Grant and Premium Schemes is the most financially attractive package made available in the history of forestry in Ireland. The establishment grant covers 100% of the planting costs, while the annual forestry premium is payable to farmers for 20 years. Under the Forest Environment Protection Scheme (FEPS), landowners can receive a

[Deputy Brendan Smith.]

premium of up to €200 per hectare, over and above their forestry premium, should they choose to participate in the scheme, which promotes the establishment of high nature value forestry.

The Forest Service of my Department remains dedicated to the task of promoting and supporting a robust afforestation programme in order, among other things, to utilize the carbon benefits of Irish forests. Irish forests planted since 1990 sequestered 1.7 million tonnes of carbon dioxide in 2008. It is estimated that this will increase to between 4.1 and 5.0 million tonnes by 2030, depending on the rate of afforestation. The Government remains committed to working towards the achievement of this target.

Grant Payments.

248. **Deputy Bobby Aylward** asked the Minister for Agriculture, Fisheries and Food when payment of grant under the farm waste management scheme will issue to a person (details supplied) in County Kilkenny. [5067/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. A decision will be made in respect of the application as soon as possible.

249. **Deputy Bobby Aylward** asked the Minister for Agriculture, Fisheries and Food when payment of a farm waste management grant will issue to a person (details supplied) in County Kilkenny. [5068/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. A decision will be made in respect of the application as soon as possible.

250. **Deputy John Perry** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Sligo will receive their REP scheme four payment; if he will ensure payment as soon as possible; and if he will make a statement on the matter. [5070/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): REPS 4 is a measure under the current Rural Development Programme 2007-13 and is subject to EU Regulations which require detailed administrative checks on all applications to be completed before the first payments issue. The first payments for 2008 REPS 4 applications issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made as applications are cleared.

Queries have arisen during the administrative checks on the plan of the person named and it is currently under further examination.

251. **Deputy John Perry** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Sligo will receive their REP scheme four payment and their organic grant payment; and if he will make a statement on the matter. [5071/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): REPS 4 is a measure under the current Rural Development Programme 2007-13 and is subject to EU Regulations which require detailed administrative checks on all applications to be completed before the first payments issue. The first payments for 2008 REPS 4 applications issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made as applications are cleared.

Queries have arisen during the administrative checks on the plan of the person named and it is currently under further examination.

My Department has no record of an application by the person named either for the Organic Farming Scheme or for the Scheme of Grant Aid for the Development of the Organic Sector.

Fishing Fleet.

252. **Deputy Tom Sheahan** asked the Minister for Agriculture, Fisheries and Food the reason days at sea restrictions have been placed on white fish fishermen who operate in box 6A in view of commitments given to these fishermen before Christmas 2008; and if he will make a statement on the matter. [5080/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The EU Fisheries Councils in November and December 2008 adopted a new Cod Recovery Plan, as set out in Council Regulation (EC) No. 1342/2008 and Annex IIa of the 2009 TAC and Quota Regulation (EC) No 43/2009. These Regulations are applicable to the fishing fleets of all Member States fishing with specified fishing gears in the relevant sea areas. Under these Regulations, Ireland and other relevant Member States are required to introduce and implement a licensing regime to manage its allocation of fishing effort-days at sea limits in areas VIa (north west of Ireland) and VIIa (the Irish Sea) for vessels using specified gear types.

At the December Council, the EU Commission's proposals for complete closure of all white-fish fisheries in the waters off Donegal were successfully renegotiated and agreement was reached on a package of measures which both delivers strong conservation measures for the cod, whiting and haddock stocks in decline while facilitating the continuation of important fishing activities for the Irish fleet in the area.

Following consultations with representatives of the Irish fishing industry, the Department introduced a pilot system of authorisations and allocations of fishing effort for the period 1 February 2009 to 30 April 2009.

I appreciate that the introduction of these new conservation measures are a challenge and I have established a Steering Group involving the Federation of Irish Fishermen (FIF), the Department and agencies to provide support to the industry in relation to the practical implementation of these new measures. The effort allocations already made were done on a pilot basis only and I am happy to make amendments where proposed by the Federation of Irish Fishermen (FIF) within the legal framework that has been established.

Grant Payments.

253. **Deputy Paul Kehoe** asked the Minister for Agriculture, Fisheries and Food the status of the application under the farm waste management scheme for a person (details supplied); when payment will be made; and if he will make a statement on the matter. [5093/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. A decision will be made in respect of the application as soon as possible.

254. **Deputy Martin Ferris** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Kerry will receive their farm waste management grant. [5106/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named is an applicant for grant-aid under the Farm Waste Management Scheme. A decision will be made in respect of the application as soon as possible.

255. **Deputy Martin Ferris** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Kerry will receive their farm waste management grant. [5107/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named is an applicant for grant-aid under the Farm Waste Management Scheme. A decision will be made in respect of the application as soon as possible.

256. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Roscommon will receive their REP scheme four payment; the reason for the delay; and if he will make a statement on the matter. [5127/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department has no record of a REPS 4 application for the person named.

257. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be awarded a REP scheme four. [5135/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): REPS 4 is a measure under the current Rural Development Programme 2007-13 and is subject to EU Regulations which require detailed administrative checks on all applications to be completed before the first payments issue. The first payments for 2008 REPS 4 applications issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made as applications are cleared.

Queries have arisen during the administrative checks on the plan of the person named and it is currently under further examination.

Foreshore Licences.

258. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food the guidelines being used to review and decide on applications for offshore energy licences; if these guidelines are adequate to consider the complex nature of the offshore energy operations; and if a group is investigating the improvement of the review procedure and guidelines in respect of applications for offshore energy licences. [5139/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The construction of an offshore electricity generating station on the foreshore is governed by the Foreshore Acts 1933 to 2005. When considering applications under the Foreshore Acts, including offshore energy projects, the role of my Department is to ensure the protection of the environment and the sustainability of developments on the foreshore. Applications for offshore electricity generating stations are subject to Environmental Impact Assessment and the views are sought from in excess of 100 consultees, both statutory and non statutory.

Applications are subject to a two month public consultation phase, advertised both locally and nationally. The application is assessed within the Department and by the Marine Licence Vetting Committee, which comprises of a number of professionals, suitably qualified to assess the application. When it has been determined that all the issues in the consultation process have

been properly addressed, the application is sent to the Minister for a decision as to whether the lease should be granted.

A consolidation and streamlining of the Foreshore Acts has been under consideration for some time. This is intended to provide a modern, effective and integrated legal framework for the management of the State's foreshore estate in the future. Preparation of these proposals will take account, among other things, of the EU Public Participation Directive, the principles in the EU Recommendation on Integrated Coastal Zone Management, the outcome of the EU Maritime Green Paper, the EU Marine Strategy Directive and the EU Roadmap on Maritime Spatial Planning.

The Government decided on 2 October 2007 that responsibility for certain foreshore licensing functions under the Foreshore Act 1933 including in respect of all energy related developments would transfer to the Minister for the Environment, Heritage and Local Government. My Department is currently putting in place the necessary arrangements to ensure the efficient and effective transfer of the appropriate legislation and associated functions.

In the interest of efficiency and effectiveness it is considered appropriate that the review of the Foreshore Acts should await the completion of the transfer of the relevant elements of the Foreshore functions to the Department of the Environment, Heritage and Local Government.

My Department will continue to work closely with the Department of the Environment, Heritage and Local Government in the context of progressing the various elements required to develop the appropriate coastal zone legislative and management framework. In the meantime legislation will be brought forward very shortly to give effect to the transfer of the relevant functions to the Minister for the Environment, Heritage and Local Government.

Grant Payments.

259. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Cork will receive payment under the farm waste management scheme; and if he will make a statement on the matter. [5252/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named is an applicant for grant-aid under the Farm Waste Management Scheme. A decision will be made in respect of the application as soon as possible.

260. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Cork who is an applicant under the REP scheme four will receive their first REP scheme payment; and if he will make a statement on the matter. [5253/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): REPS 4 is a measure under the current Rural Development Programme 2007-13 and is subject to EU Regulations which require detailed administrative checks on all applications to be completed before the first payments issue. The first payments for 2008 REPS 4 applications issued in the last week of January to those whose applications required no correction following the administrative checks. Further payments continue to be made as applications are cleared.

Queries have arisen during the administrative checks on the plan of the person named and it is currently under further examination.

World Trade Talks.

261. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the

[Deputy Bernard J. Durkan.]

position regarding the World Trade Organisation; the extent of recent developments; the expected impact on Irish and European food producers; and if he will make a statement on the matter. [5296/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The current position in regard to the WTO negotiations is that talks are stalled following the failure to reach agreement at the Ministerial meeting last July and the decision to defer indefinitely a second Ministerial meeting planned for last December. The World Economic Forum at Davos last month provided no new momentum for the negotiations and the next key event will be the G20 meeting in London in April.

All in all the prospects for agreement are uncertain and therefore it is premature to forecast the expected impact on Irish and European food producers. On the one hand, the new administration in the US, upcoming elections in India, changes in EU Commissioners and the changed economic situation militate against agreement being reached. On the other hand there is the determination of the WTO DG Lamy and a number of WTO members to reach agreement. On balance, it is difficult to see serious negotiations restarting until later this year and any conclusion in 2009.

Against that background I, my officials and my colleagues in Government continue to pursue Ireland's interests in the negotiations with the Commission and other Member States at every opportunity at coordination meetings in Geneva, at the Article 133 Committee in Brussels and at the recent meeting of Trade Ministers. We want an agreement that is balanced within and between the various negotiating pillars, that delivers real benefits to Ireland and that does not sacrifice our agriculture sector.

Greenhouse Gas Emissions.

262. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the action he proposes to take to ensure that national, European or other policy strategies, arising from global warming or climate change proposals, do not negatively impact on the agri-sector with particular reference to reducing the bovine herd and the need to preserve and develop the national and European food producing sectors; and if he will make a statement on the matter. [5297/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Government fully supports the EU commitments to reduce overall greenhouse gas emissions to at least 20% below 1990 levels by 2020, and to scale up this reduction to as much as 30%, as part of a new global climate change agreement when other developed countries make comparable efforts. The Government also supports the commitment to increase the share of renewables in energy use to 20% by 2020, including a 10% biofuel target.

While it is recognised, both nationally and at EU level, that delivering emissions reductions in the agriculture sector will be difficult, it is also clear that any policy leading to a significant reduction in Irish cattle numbers, as a means of achieving emissions reductions, would be simply counter-productive in terms of reducing global greenhouse gas emissions. Any fall in Irish beef and dairy output would simply be replaced on European and global markets, most likely, by food from countries where production systems are far less sustainable and where the carbon footprint of that food is significantly higher than food produced in Ireland.

Ireland's pasture based food production system is very efficient in terms of emissions per unit of food produced and offers the optimal means of safe, sustainable, high-quality food production.

Globally, the consumption of meat and dairy products is expected to increase significantly by 2050. In the interests both of global food security and of the pursuit of important market opportunities, the ability of the EU agriculture and food sector to respond to these developments needs to be encouraged and protected. In that context, I will continue to press for the policy strategies needed to ensure that we meet our climate change goals in ways that are consistent with national objectives for our agricultural sector and rural economy.

Food Industry.

263. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the extent to which his Department has monitored the growth of food exports throughout world markets; the degree to which new markets are being established where existing markets have been lost; if he has a particular strategy to address any issues arising; and if he will make a statement on the matter. [5298/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Bord Bia closely monitors food exports and has recently published a Strategy to boost food exports for the period 2009-2011. The strategy sets out the Bord's six key priorities to be addressed including enhancing the industry's position on its home market to capitalise on the potential for growth and expansion of exports with a particular emphasis on the Eurozone markets.

My Department in conjunction with the industry, the Department of Foreign Affairs and Bord Bia continues to pursue the opening up of markets. A Meat Market Group was established in 2007 to ensure market for Irish meat to non-EU markets. The main barrier had been the restrictions imposed by countries as a result of BSE and efforts to remove remaining restrictions has met with considerable success. The Saudi Arabian and South African markets were re-opened in 2007 while, more recently, the Philippines and Israel have lifted their restrictions. Efforts are continuing to regain access to other markets such as Japan, which continues to restrict for BSE related reasons, and Russia, whose restrictions are related to the recent dioxin incident.

Building on the ongoing work of the Meat Market Access group an inter-Departmental Group chaired by my Department and comprised of representatives from the Departments of Foreign Affairs and Enterprise, Trade and Employment, An Bord Bia, Enterprise Ireland and Bord Iascaigh Mhara has also been established and is currently engaged in a coordinated effort to identify potential market opportunities for the full range of Irish food and beverages, prioritisation of market initiatives and broader access issues.

Food Safety Standards.

264. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the extent to which all imported food and food products are checked and tested here to ensure compliance with national and European health and traceability standards; if he can give an assurance that no such products are exempt from such tests or scrutiny; the action he proposes to take to address this issue; and if he will make a statement on the matter. [5299/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department is responsible for the operation of EU controls on imports of products of animal origin and fresh fruit and vegetables under its service contract with the FSAI and in compliance with Community rules for the hygiene of food and feed.

The EU rules stipulate that food products of animal origin imported from an EU source must be from approved food business establishments and be accompanied to destination by a

[Deputy Brendan Smith.]

commercial document or a health certificate signed by an official veterinarian of the competent authority of the Member State of origin.

In the case of importation from third countries products of animal origin for human consumption must have originated in a country approved by the EU for trade in such products, have been produced in an approved establishment (with the exception of honey), be appropriately labelled and transported and must be accompanied by a veterinary health certificate in accordance with the models laid down by Community legislation. Consignments from third countries must be landed at an EU approved Border Inspection Post (BIP) approved by the Food and Veterinary Office of the EU (FVO) for veterinary checks. In co-operation with Customs services my Department undertakes a range of checks on imported consignments including documentary, identity and physical including the sampling of imported products for analysis under national residue monitoring programmes and EU safeguard measures.

The scope of products of animal origin coming under these requirements are set out under Commission Decision No. 2007/275/EC11 Official Journal of the European Communities No. L116 of 4.5.2007 which also provides for an exemption from border inspection in the case of certain composite and specified food products comprising processed low risk processed animal products and plant products. Details of the products are set out in the Decision. Such products must comply with public health requirements for their placing on to the market. Consignments of animal products must remain under Customs control until the BIP has authorised entry into the EU.

Any imports failing to comply with these veterinary control checks may be detained for further examination. Where non-compliance is established they are returned to the exporting country or destroyed. Where there are risks to animal and public health, and in cases of animal disease outbreaks, the Community adopts safeguard measures that ban or restrict imports from affected countries or areas until the risks have been removed.

The FVO monitors and inspects each Member State's controls on Food Safety including the operation of BIPs to ensure the conditions for import and placing of animal products on to the market, as provided under the harmonized legislation, are being correctly applied.

Imported fruit and vegetables are checked for compliance with EU marketing standards. Apart from quality criteria these standards also set down strict provisions regarding labelling, including country of origin. There are currently 36 specific marketing standards. Regulation (EC) No 1221/2008 will, with effect from 1 July 2009, reduce the number of specific standards to ten but all fruit and vegetables will be required to satisfy the EU's general marketing standard. Controls on the import of food of non-animal origin comes under the responsibility of the Health and Safety Executive.

Irish Horseracing Industry.

265. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food his proposals for the future development of the sporting horse industry; and if he will make a statement on the matter. [5300/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Responsibility for the development of the sport horse industry rests mainly with Horse Sport Ireland, an organization established in 2007 in accordance with the proposals outlined in The Dowling Report (July 2006). Horse Sport Ireland, working with its affiliate organizations, is putting in place policies, practices and plans that will lead to the sustainable development of a vibrant sport horse sector in this country. It aims to lead the Irish Sport Horse sector to achieve and maintain world class

standards in the areas of breeding, sport, and the provision of leisure riding opportunities. I believe this will strengthen the sport horse sector, bringing a new common purpose to future development and will lead to greater organizational efficiencies within the sport horse sector resulting in an enhancement of Ireland's standing in the sport.

In co-operation with Horse Sport Ireland my Department provides a range of horse breeding improvement grants from NDP funds, which are focused on quality, to encourage farmers to breed marketable non-thoroughbreds such as Irish Draughts, Irish Sport Horses, Piebald and Skewbald Horses, Kerry Bog, Connemara and other ponies. Funds have also been provided for the marketing and promotion of such horses and for the development of the sport horse sector.

Fishing Industry Development.

266. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the steps he has taken or proposes to take at European Union level to minimise the impact of over fishing in Irish coastal waters with consequences for the fishing community; if he will impress upon his EU colleagues the necessity to recognise that those who contributed most to the depletion of the stocks should be restricted adequately to allow stocks to recover; and if he will make a statement on the matter. [5301/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Since taking up the Agriculture Fisheries and Food portfolio in June 2008, it has been highlighted to me very forcefully by the Federation of Irish Fishermen that it is essential to have in place a level playing field on control across the EU.

The EU Commission estimates that 88% of EU stocks are over-exploited and Scientists have recommended closure of 19% of fisheries. These are shocking statistics and should make us all pause and take stock of the serious situation facing the industry across Europe. Each December we agree the TACs and quotas for the following year taking account of the scientific advice available, but where we are failing, I believe, is that these limits are not being respected and there is persistent overfishing well in excess of quota across Member States.

The EU Court of Auditors report in December 2007 highlighted this problem and identified substantial control failures across Member States. On foot of the Court of Auditor findings, the Commission has brought forward a proposal to strengthen fisheries control across the EU. The Commission's proposals for a new control system are aimed at tackling overfishing. The main themes of their new approach follow.

There should be a new common approach to control and inspection. This involves a strong focus on inspections on shore based links in the supply chain whereby the owner of the fish must be able to produce documents proving that the product was caught in conformity with the rules and that it observes a principle of product traceability. It involves using best practices such as risk analysis, concentrating control on problematical fisheries and periods. It also involves the use of new technologies to ensure the maximum effective delivery.

There should be promotion of a culture of compliance with the rules. This involves a proposal for dissuasive and harmonised sanctions whereby a list of infringements is established together with a minimum fine applicable in all Member States. It also involves a points based system which may lead to the suspension of a fishing licence or its permanent withdrawal.

There should be promotion of enhanced co-operation between Member States involving systematic exchange of information involving a common website where all relevant information and control data is available to the control authorities of all Member States, the Commission and the Community Fisheries control Agency. The proposal also strengthens the Commission's

[Deputy Brendan Smith.]

powers to guarantee common implementation of the Regulations and to intervene in case of poor application of control measures on the ground.

I am, in principle supportive of these measures. I am convinced that if we do not have a common approach to fisheries control across the EU it is grossly unfair to fishermen and will result, despite all our best efforts in Ireland, in the further decline and eventual closure of the fisheries that our fleet rely upon for their economic survival.

It is important to remember that I and my predecessors as Ministers for Fisheries pushed strongly for a level playing field on control. As a coastal state with responsibility for protecting some of the richest fishing ground in the EU and with a fishing industry almost completely dependent on sustainable fish stocks in our own waters, it is of the highest priority that there are effective control regimes in place across all Member States.

Our own industry here in Ireland strongly believe that they are on their own in being subject to controls, and that operators in some other countries are not detected or when they are, that they face low penalties. I consider that this new proposal offers the best opportunity to introduce a level playing field on control.

I will be seeking certain amendments to the provisions where the provisions are excessive or impractical. I will in particular be seeking strong powers for coastal Member States to effectively police waters under their control. I firmly believe that we must seize this opportunity to put a stop to illegal fishing which will if left unchecked destroy fish stocks and the livelihoods of coastal communities around our coast dependent on fishing.

Food Security.

267. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food if, unilaterally or together with his European Union colleagues, he has put in place or will put in place adequate measures to ensure European food security, continuity and consistency of supply adequate to meet the demands of the EU for the foreseeable future, having particular regard to the need to ensure self sufficiency in the course of the current turbulent global economic situation; and if he will make a statement on the matter. [5302/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): According to the European Commission's latest statistics, the EU's overall trade in agricultural produce is fairly close to balance with its total trade of almost €153 billion in 2007, split between imports of €77.4 billion and exports of €75.1 billion. Broadly speaking, the EU is a net importer of raw products such as tropical products, certain fruit and vegetables and oils/oilseeds while it is a net exporter of more processed products such as food preparations and beverages. It currently has a surplus of dairy products, whilst trade in livestock and cereal products is in balance.

European food security and agricultural production issues are dealt with through the Common Agricultural Policy (CAP), which is constantly evolving to meet the demands of increased globalisation and competitive EU and world commodity markets. The 2003 reforms of the CAP, with the introduction of the decoupling of direct payments under the Single Payment Scheme, allowed farmers to respond to the demands of the market and effectively meet consumers' needs.

Ireland is a very significant net food exporter and is self sufficient in terms of the majority of agricultural commodities. Latest statistics from the CSO indicate that Ireland is 675% self sufficient in terms of beef and over 230% self sufficient in terms of meat production (beef/sheepmeat/pigmeat/poultry) in overall terms. A similar situation exists for dairy products

where Ireland produces significantly higher quantities of butter and cheese than is required domestically.

Pigmeat Sector.

268. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food his plans for the development and expansion of the pork and bacon industry on home and export markets with particular reference to maintaining existing outlets and establishing new markets and the need to establish clear recognition of a quality Irish product; if he is satisfied that he has established adequate traceability and health check procedures to ensure the quality and customer confidence required on world markets; and if he will make a statement on the matter. [5303/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Teagasc has prepared a development strategy for the Irish pig industry, which identifies the issues facing the sector and makes certain recommendations. The ‘Pig Industry Strategy Steering Group’, which includes representation from my Department and all sectors of the industry, has been established for the purpose of furthering those recommendations. This group will identify, prioritise and promote actions needed to ensure a viable sustainable future for the pig sector.

Following on from the dioxin issue, Bord Bia plans a number of relevant marketing and promotion initiatives. On the Irish market a series of promotional campaigns are planned. These will commence this month and will focus on building awareness and loyalty to the Bord Bia Quality Mark. These will underline the quality of Irish pigmeat and will communicate its origin.

A customer reassurance programme will be carried out in export markets. This that will entail continued direct Bord Bia contact with customers, placing key information about the Irish pigmeat industry in context and demonstrating the integrity of Irish health controls, a trade communications programme designed to position the capability of the Irish pigmeat sector and the safety and quality measures in place to influence key decision makers in the retail, foodservice and manufacturing sectors and a programme to maximise international market access for Irish pigmeat products. This will involve communications activities designed to build confidence among national authorities and opinion formers in markets based around Ireland’s health controls.

On the issue of traceability, the current position is that traceability of pork at slaughter and after is on the basis of production batch. The Department is in consultation with the EU about the possible potential to improve pork traceability so as to reduce the impact in the event of future recalls.

Sheep Sector.

269. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food his plans for the future development of the lamb industry with particular reference to retaining existing export markets, establishing and developing new outlets and ensuring recognition abroad for a quality Irish product; and if he will make a statement on the matter. [5304/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Approximately 70% of Irish sheepmeat production is exported, mainly to the high-value EU market. Traditionally, France has been the major export market for Irish lamb and in 2008 it accounted for more than 50% of Irish sheepmeat exports. The French market, however, has been in decline due to a fall in consumption and demand. Also, Irish sheepmeat is facing strong competition on the French market from the UK due to a weakened sterling and from New Zealand, which con-

[Deputy Brendan Smith.]

tinues to build up its presence of chilled lamb on the EU market. However, the effect of the decline in exports to France has been lessened by increased exports to other markets. Exports to Sweden and Denmark have increased significantly in recent years.

The number of new potential markets for Irish lamb is limited due to the relatively high cost of the meat and to cultural factors, as lamb is not widely eaten in many countries of Eastern Europe. As a result, promotional efforts are being targeted at maintaining and developing existing markets, including the home market. In relation to providing the customer with a quality assured product, the Bord Bia operated Lamb Quality Assurance Scheme, which was established in 2007, now has 7000 participants and it is hoped to increase that number this year.

State Laboratories.

270. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the degree to which full laboratory facilities for the equine industry are available here; the degree to which samples are currently sent abroad; if it is intended or expected to provide the full range of facilities here; and if he will make a statement on the matter. [5305/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The Veterinary Laboratory Service of the Department of Agriculture Fisheries and Food provides a broad range of Pathology and Microbiology based tests (in particular, those associated with the diagnosis of scheduled diseases) for equines in Ireland. Samples for testing for the scheduled diseases — Dourine, Glanders and Equine Piroplasmiasis — are sent abroad by exporting agencies for testing. This procedure is considered to be more economical than setting up tests for such scheduled diseases in the DAFF laboratories. A number of private laboratories provide testing facilities for the equine industry also.

271. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food if he is satisfied that all traceability, animal feed testing and the testing of all elements of the food chain can be carried out with minimum delay through the laboratory facilities available here; the degree to which such samples are referred to overseas laboratories; the reason for such referrals; when he expects the full range of facilities to be available here; and if he will make a statement on the matter. [5306/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): A comprehensive array of laboratory tests are provided in the DAFF Laboratories to comply with regulatory requirements relating to testing of food and feed. Generally, turn-around times for test results comply with what has been agreed with the laboratory's customers. When it is more cost-effective (eg due to the need for sophisticated laboratory facilities), samples have been submitted to appropriate laboratories abroad for testing. Increasing the range and depth of testing carried out in the laboratory divisions is a continual aim of the laboratory service.

Tests for dioxins in feed are currently being validated at the Department of Finance's Laboratory at Backweston and should be available in the near future.

Beef Industry.

272. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food his plans for the future development and expansion of the beef industry with particular reference to maintaining existing and developing new export markets; and if he will make a statement on the matter. [5307/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My plans for the development of the beef sector can be summarised as follows: advanced processing methods and product development; sophisticated and targeted marketing; efficient farm production with quality assurance; and better scientifically based animal breeding.

Ireland produces over 0.5 million tonnes of beef annually, over 90% of which is exported. More than 50% of these exports go to the UK with some 40% going to high-value Continental EU markets. This outcome has been achieved by the delivery of a high-quality, competitively-priced product together with effective marketing and promotion by both Bord Bia and the industry. The value of Irish beef exports in 2008 was almost €1.69 billion, an increase of over 7% on the previous year.

The immediate prospects for Irish beef exports remain positive. A continuing supply deficit in the EU market is predicted as production will only account for 90% to 95% of consumption. This shortfall offers Irish beef producers an opportunity to further consolidate their position in this market. Potential importers such as Brazil and Argentina are limited in what they can do because of either health or export restrictions. However, the impact of exchange rate developments will be important, particularly in relation to the UK and, given the economic recession, a continuing switch to lower value cuts in key markets.

One consequence of the shift towards the internal EU market over recent years has been a decline in amounts available for export to international markets. Nevertheless, third country markets continue to provide an important alternative outlet for Irish beef and I will continue my efforts to ensure that as many of these markets as possible are open to our exports. The re-opening of markets in Saudi Arabia and South Africa in 2007 and, more recently, in the Philippines and Israel demonstrates that our BSE controls are working effectively. Work on opening other markets is continuing and a Market Access Group supports our efforts in this regard.

Notwithstanding these favourable factors, we cannot afford to be complacent. The development of non-price strategies is fundamental to meeting evolving market challenges. Consequently, and in line with the Agri-Vision 2015 Action Plan, a number of policy initiatives have been developed and enhanced.

Amongst these are the Animal Welfare Scheme for Suckler Herds and the Beef Quality Assurance Scheme. The Animal Welfare Scheme collects genetic data from suckler farms around Ireland for analysis by ICBF. This will expedite the genetic improvement of, and add significant value to, the national beef herd by allowing farmers to select the most profitable breeding animals for their farms.

The Beef Quality Assurance Scheme, which is administered by Bord Bia, plays a vital role in reassuring consumers that they are purchasing a safe, quality product, fully traceable across the production system from 'farm to fork'. Funding is also continuing for the beef breed improvement programmes being progressed by ICBF with major advances expected through the use of sophisticated science and technology in this field.

With a view to developing markets, Bord Bia is implementing a marketing strategy for Irish beef for the period 2008 to 2013 based on the overriding principles of differentiating and re-positioning Irish beef. This strategy is focused on the key characteristics of Irish beef — traditional grass based production, full traceability and quality assurance — and the targeting of high-value niche markets.

Finally, I should mention the Beef Forum. This was established to examine the beef sector and to identify the opportunities and challenges facing it, thus allowing a framework for future development to be set out. I believe that all these measures, combined with our high level

[Deputy Brendan Smith.]

of food safety standards, will best position the Irish beef sector to maintain and improve its competitiveness in EU and international markets.

Educational Disadvantage.

273. **Deputy Jan O'Sullivan** asked the Minister for Education and Science if he will address the problems that will arise for a school (details supplied) in Dublin 24 which was classified as disadvantaged and which has more than 300 students who have come to it from a DEIS primary or who live in a DEIS area but which is not included in the DEIS programme; if he will allow the school to retain its home school community liaison teacher, its disadvantaged teaching post and its book and disadvantaged grants; and if he will make a statement on the matter.

[5069/09]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): The school to which the Deputy refers is among a number of schools that were judged by an independent identification process in 2005 not to have a sufficient level of disadvantage among their pupils to warrant their inclusion in DEIS (Delivering Equality of Opportunity in Schools), the Action Plan for Educational Inclusion. The next identification process is scheduled to be held at the end of the current DEIS programme which runs from 2005-2010. There will not be an opportunity before this to be included in the current DEIS programme of supports.

A review mechanism was put in place in 2006 to address the concerns of schools that did not qualify for inclusion in DEIS but regarded themselves as having a level of disadvantage which was of a scale sufficient to warrant their inclusion in the programme. The review process operated under the direction of an independent person, charged with ensuring that all relevant identification procedures were properly followed in the case of schools applying for a review. The review was concluded and the results were notified to schools in August 2006. The school in question did not apply for a review at that time.

Following the introduction of DEIS, a commitment was given, as a concessionary measure, to Non DEIS schools in receipt of resources under pre-existing schemes, that they would retain a level of support in line with their size and disadvantage levels for the duration of the DEIS Initiative. Given the current volatile and challenging economic climate, difficult decisions had to be made in Budget 2009 in order to contain public sector spending. One of these decisions was to advance the withdrawal of such supports from non DEIS schools to the beginning of the next school year.

The main focus of Social Inclusion measures will be to retain resources in DEIS schools. There is a need to focus targeted resources on the schools in most need and this approach is in line with the broad thrust of the recommendations of the Comptroller and Auditor General which are set out in his report on Primary Disadvantage of 2006, which recommended that my Department should focus its educational disadvantage measures on those schools serving the most disadvantaged communities.

Schools Building Projects.

274. **Deputy Paul Kehoe** asked the Minister for Education and Science the progress made for a new school building in respect of a school (details supplied); and if he will make a statement on the matter. [5087/09]

Minister for Education and Science (Deputy Batt O'Keeffe): The proposed building project for the school to which the Deputy refers is at an advanced stage of architectural planning. The progression of all large scale building projects from initial design stage through to construc-

tion phase, including this project, 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 this project at this time.

Schools Refurbishment.

275. **Deputy Paul Kehoe** asked the Minister for Education and Science when a school (details supplied) will receive funding for emergency works to be carried out; if he will confirm if this application is being dealt with; and if he will make a statement on the matter. [5091/09]

Minister for Education and Science (Deputy Batt O'Keeffe): My Department received an application for emergency funding from the school in question. This application is currently under consideration and a decision will be reached very shortly. The school authorities will be notified of the outcome as soon as possible.

School Transport.

276. **Deputy Jack Wall** asked the Minister for Education and Science the position of a request for school transport in respect of persons (details supplied) in County Kildare; and if he will make a statement on the matter. [5097/09]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): Under the terms of my Department's Post Primary School Transport Scheme, a pupil is eligible for transport if s/he resides 4.8 kilometres or more from her/his local post primary education centre, that is, the centre serving the catchment area in which s/he lives. Pupils who are eligible for transport to the education centre in the catchment area in which they reside may avail of 'catchment boundary' transport to an education centre in another catchment area provided spare seats are available on the school bus.

In general, such tickets are allocated on a "first come first served" basis. The family should liaise with the Transport Liaison Officer in Co. Kildare VEC in relation to the availability of catchment boundary tickets.

Departmental Funding.

277. **Deputy Jan O'Sullivan** asked the Minister for Education and Science the progress made in the context of his meetings with the Church of Ireland Board of Education on addressing the problems created for Protestant and other minority religious schools following changes in budget 2009; and if he will make a statement on the matter. [5098/09]

Minister for Education and Science (Deputy Batt O'Keeffe): The Deputy will be aware that I met with representatives of the Church of Ireland Board of Education, led by Archbishop John Neill, on 13 November last. The meeting provided me with an opportunity to explain at first hand the context for the budget changes that were of concern to the Bishops and the schools serving the Church of Ireland and other minority churches. In the course of the meeting, I confirmed my budget day announcement that the funding provided through the Protestant Block grant was being continued by the Government. I explained that against a backdrop of a difficult economic and fiscal situation I had to take decisions that impacted on the staffing and the range of funding grants to schools generally. The decision to cease paying certain grants to the Protestant fee charging schools, that were not paid to other fee charging schools, has to be viewed in that wider context.

[Deputy Batt O’Keeffe.]

It was inevitable in the difficult financial circumstances that the education budget for 2009 could not be totally spared from the need to curtail expenditure but it is important to reiterate again that the Protestant Block Grant which in the current school year amounts to €6.25 million will continue to be available and 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. Historically this payment covers capitulation, tuition and boarding grants and is distributed through the Secondary Education Committee established by the Churches concerned.

I fully appreciate the concerns that were expressed to me about the needs of the dispersed minority population and the particular need to sustain schools in the Protestant tradition that are directly serving that dispersed population in particular areas of the country. In that regard, I expressed my willingness at the meeting to respond positively to any proposals that might be made to my Department that would enable the available funding to be focused and adjusted to more effectively meet the twin objectives of access for individuals and sustaining the dispersed schools that they wish to attend. The Bishops indicated that they would reflect on how the funding I am continuing to make available might best be deployed to meet the needs of their schools.

My Department has not received, as yet, any proposals from the Church of Ireland Board of Education. However, further meetings can be scheduled at any point to develop and build on what I believe was a useful and constructive discussion.

Higher Education Grants.

278. **Deputy Willie Penrose** asked the Minister for Education and Science the reason a person (details supplied) in County Westmeath, who is in receipt of an education grant, has not been awarded the top up grant; and if he will make a statement on the matter. [5102/09]

Minister for Education and Science (Deputy Batt O’Keeffe): To qualify for the Special Rate of maintenance grant, an applicant must qualify for the ordinary maintenance grant in respect of the 2008/09 academic year. In addition, total reckonable income must not exceed a specified amount, which is €20,147 in the 2007 tax year. On the operative date, 31st December 2007 for the 2008/09 academic year, the reckonable income must include one of the eligible long-term Social Welfare payments prescribed under the scheme.

The decision on eligibility for third level grants is a matter for the relevant assessing authority — i.e. the local authority or VEC. These bodies do not refer individual applications to my Department except, in exceptional cases, where, for example, advice or instruction regarding a particular clause in the relevant scheme is required.

If an individual applicant considers that she/he has been unjustly refused a maintenance grant, or that the rate of grant awarded is not the correct one, she/he may appeal, in the first instance, to the relevant local authority or VEC. Where an individual applicant has had an appeal turned down, in writing, by the relevant local authority or VEC, and remains of the view that the body has not interpreted the schemes correctly in his/her case, an appeal form outlining the position may be submitted by the applicant to my Department.

Schools Refurbishment.

279. **Deputy Paul Kehoe** asked the Minister for Education and Science the status of the application from a school (details supplied) for emergency works; and if he will make a statement on the matter. [5155/09]

Minister for Education and Science (Deputy Batt O’Keeffe): An application for emergency funding from the school in question is currently under consideration and a decision will be reached shortly. The school authorities will be notified of the outcome as soon as possible.

School Management.

280. **Deputy Paul Kehoe** asked the Minister for Education and Science when a decision will be made with regard to the management structure in respect of a school (details supplied); and if he will make a statement on the matter. [5156/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The management structure for the proposed new school to which the Deputy refers is under consideration in my Department and a decision will be taken in this matter in due course.

School Staffing.

281. **Deputy P. J. Sheehan** asked the Minister for Education and Science if his attention has been drawn to the situation in a school (details supplied) in County Cork; and if he will make a statement on the matter. [5177/09]

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 public expenditure and to ensure sustainability in the long run. In this respect Education, while protected to a much greater extent than most other areas of public expenditure, could not be totally spared. The various impacts at school level were included in the Budget day announcements. Even with the budget measures in place there will still be a significantly increased borrowing requirement in 2009.

The staffing schedule for the 2009/2010 school year, Primary Circular 0002/2009, has been published on my Department’s website at *www.education.ie* and my officials have written to all schools to notify them in this regard. The schedule is a transparent and clear way of ensuring that schools are treated consistently and fairly and know where they stand. Under a system that allocates additional teachers at different step points under a common schedule it is a fact of life that one single pupil change in enrolment can cause a school to lose or gain a teacher. In recent years when improvements were being made to the staffing schedule it was also the case that there were winners and losers depending on individual enrolment profiles. If I were to change the staffing schedule to allow the schools that are due to lose a teacher to retain that teaching post I would be treating them differently from other schools with the exact same number on the rolls and I do not propose to do so.

I have a responsibility to ensure that whatever the overall level of allocation the system for allocating teachers to schools is transparent and fair where everyone knows where they stand and each school knows that it is getting the same number of mainstream class teachers as the school up the road with similar enrolment. The system should not create anomalies or operate on the basis that one or more schools should be treated differently to others.

The allocation process includes appellate mechanisms under which schools can appeal against the allocation due to them under the staffing schedules. 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 Refurbishment.

282. **Deputy Billy Timmins** asked the Minister for Education and Science the position regard-

[Deputy Billy Timmins.]

ing work required for repair of sewerage works; if funding is available for this repair at a school (details supplied) in County Wicklow; and if he will make a statement on the matter. [5178/09]

Minister for Education and Science (Deputy Batt O’Keeffe): My Department makes grants available to schools for works required as a result of unforeseen emergencies of a capital nature that may arise during the school year. It is open to the school in question to apply to my Department for such grant aid. Any application received will be assessed and the school authorities advised of the outcome.

Departmental Funding.

283. **Deputy Brian Hayes** asked the Minister for Education and Science the amount invested each year to date in the programme for research in third level institutions; the level of investment to be allocated in 2009; and if he will make a statement on the matter. [5182/09]

284. **Deputy Brian Hayes** asked the Minister for Education and Science the amount invested each year to date in the strategic innovation fund; the level of investment to be allocated in 2009; and if he will make a statement on the matter. [5183/09]

285. **Deputy Brian Hayes** asked the Minister for Education and Science the number of projects which have been funded each year to date under the programme for research in third level institutions and the Strategic Innovation Fund; and if he will make a statement on the matter. [5184/09]

286. **Deputy Brian Hayes** asked the Minister for Education and Science the breakdown of the third level institutions funded under the programme for research in third level institutions and the Strategic Innovation Fund each year to date; the amount allocated in each case; and if he will make a statement on the matter. [5185/09]

287. **Deputy Brian Hayes** asked the Minister for Education and Science if a progress review has been undertaken in relation to the programme for research in third level institutions or the Strategic Innovation Fund; and if he will make a statement on the matter. [5186/09]

Minister for Education and Science (Deputy Batt O’Keeffe): I propose to take Questions Nos. 283 to 287, inclusive, together.

The Programme for Research in Third Level Institutions (PRTLTI) was introduced in 1998 and projects with a total value of €865 million have been approved to date under the four cycles of the programme. A call for proposals in relation to the fifth cycle of the programme, which I announced in January with funding of €300 million, has issued. The PRTLTI is the most significant research programme supported by the Department. It supports the building of strategic institutional research capacity, enabling the establishment of research centres and facilities, and joint research programmes and national initiatives.

The objectives of the programme are:

- To enable a strategic and planned approach by third-level institutions to the long-term development of their research capabilities, consistent with their existing and developing research strengths and capabilities and national goals.
- To promote the development of high quality research capabilities in third-level institutions, so as to enhance the quality and relevance of graduate output and skills.

- Within the framework of these objectives, to provide support for outstandingly talented individual researchers and teams within institutions and the encouragement of co-operation between researchers both within the institutions and between institutions having particular regard to the desirability of encouraging inter-institutional co-operation within the two parts of the binary system and within Ireland, the EU and internationally.

In 2004 an international Assessment Committee undertook a comprehensive review of the PRTL. The impact assessment concluded that the programme had very positive impacts on institutional strategic planning, inter-institutional co-operation and on the quality of research being produced in Ireland. It endorsed the essential link between research and teaching and learning, and considered the programme to be ambitious and far-sighted and vital to underpinning the development of the research system in higher education. Preparations are underway for a further impact assessment of the programme to be conducted this year.

The Strategic Innovation Fund (SIF), which was introduced in 2006, is a major catalyst in bringing about substantial change and quality improvement in our higher education institutions, and promoting system-wide collaboration that draws on all institutions collective strengths. The strength of the Irish higher education system, which consists of a relatively large number of institutions with diverse missions, will only be fully realised through institutional collaboration. Projects approved under the Fund are aimed at institutional reform, enhancing teaching and learning, improving access and life long learning and enabling the development of fourth level activity.

SIF was designed:

- To enhance the delivery of core activities of education and research, through effective and creative institutional and inter-institutional collaboration and including, where necessary, appropriate internal restructuring and rationalisation efforts;
- To support enabling measures to prepare for the expansion and development of post-graduate education (including expansion and development of graduate schools), including both intra- and inter-institutional collaboration;
- To support innovation and quality improvement in teaching and learning, including enhanced teaching methods, programme restructuring, modularisation and e-learning; and
- To support access, retention and progression both at individual institutional level and through inter-institutional, sectoral and inter-sectoral collaboration.

In accordance with the terms of the National Development Plan, the impact of the SIF will be reviewed in 2010 to inform the assessment of policy in this area. The detailed project and institutional information sought by the Deputy is being compiled and will be supplied to the Deputy shortly.

Departmental Circulars.

288. **Deputy Brian Hayes** asked the Minister for Education and Science the number of circulars produced by his Department each year for the past five years; if such circulars were printed and posted to schools, if so, the cost of doing so each year for the past five years; and if he will make a statement on the matter. [5187/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The number of circulars produced by my Department for the past five years are as follows:

[Deputy Batt O’Keeffe.]

Year	Number
2004	135
2005	111
2006	166
2007	111
2008	115

For the years in question circulars were printed and posted to schools, VEC’s and Third Level Institutions. The vast majority of these circulars were printed in the Department. The amount spent by my Department on posting circulars to schools etc. cannot be separated from the overall cost of postage including bulk postage issued from my Department. My Department’s total expenditure on bulk postage, which is the general means of distributing circulars etc, for the years in question is as follows:

Year	€
2004	1,313,203.75
2005	1,458,607.33
2006	1,652,104.16
2007	1,546,530.87
2008	1,655,664.61

This figure includes the cost of posting a variety of materials to schools and teachers including circulars, payslips (approximately 2.1 million payslips are issued annually), publications, etc. It should also be noted that my Department agrees on occasion to circulate relevant materials produced by other organisations to schools, and that therefore the postage cost given above does not exclusively relate to material emanating from my Department.

My Department regularly reviews its postage arrangements with a view to achieving maximum value for money. In this regard, my Department introduced a system of regular bulk mailings to schools in order to avail of discounted rates and to minimise postal costs. In addition, the rollout of the Department’s Online Claims System, which enables schools to submit claims electronically to the Department, has resulted in a reduction in postage costs at both Department and school level of approximately €500,000 per annum. In a further effort to reduce the costs of printing and distribution of publications in 2009 it is now corporate policy within my Department that all publications will be web based and will only be printed and distributed by post in exceptional circumstances.

Higher Education Grants.

289. **Deputy Brian Hayes** asked the Minister for Education and Science the progress made by his Department in introducing changes to the streamlining of the maintenance grant supports system as envisaged by the Student Support Bill 2008; when it is expected changes to the system will take effect; and if he will make a statement on the matter. [5188/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The Student Support Bill, which was published in February 2008 provides the legislative framework for the reform of the administration of student grants and the amalgamation of the existing four student grant schemes into a single unified scheme which will be provided for by way of regulation.

The Bill is part of an overall programme of legislative and administrative reform, which will facilitate the introduction of significant service level improvements in the administration of student grants, providing for greater consistency of application, improved client accessibility and timely delivery of grants to those who need them most. It will include guaranteed time-frames for the assessment of grants, an independent appeals procedure and more efficient arrangements for handling applications and making payments.

This new, significantly more customer-oriented system of administration will provide for a more simplified and accessible applications system, much greater speed and consistency in processing student grant applications, more transparency and accountability in the awarding of grants and regular, on-time EFT payments for students.

The Bill concluded Second Stage in the Dáil on the 30th April 2008 and it is anticipated that it will progress to Committee Stage shortly. A number of amendments are currently being considered, arising from a review of the Bill following the Second Stage debate and further consultations since publication.

The passage of the Bill will facilitate progress on the two other significant pillars of this project, the development of a single unified grant scheme and consolidation of the administration of student grants into the VEC sector. The Department is working closely with the IVEA and other relevant stakeholders to develop the new administrative structures required to support more efficient and effective delivery of the new unified grants scheme.

School Accommodation.

290. **Deputy Charles Flanagan** asked the Minister for Education and Science if he will enumerate which towns and villages in County Laois are being considered by the developing areas unit of his Department; and if he will make a statement on the matter. [5245/09]

Minister for Education and Science (Deputy Batt O’Keeffe): As the Deputy will be aware, the main emphasis in 2008 was on providing sufficient school places in developing areas such as Portlaoise, as well as delivering improvements in the quality of existing primary and post-primary school accommodation throughout the country. In this context, a new 8 classroom school was provided in September 2008 for Gaelscoil Portlaoise. A new 16 classroom school was constructed for Portarlinton Convent National School. Construction has also commenced on a new 8 classroom school for Emo.

A new 8 classroom school for the Convent of Mercy in Borris in Ossory was included in my announcement of 23rd January, to proceed to tender and construction. In Mountrath, a new Community School catering for 650 pupils commenced construction in July 2008. It is envisaged that it will be ready for occupation in September, 2009.

As part of the first Bundle of PPP projects, two post-primary schools catering for 850 pupils each will be built in Portlaoise. These projects which are on the one site will accommodate St. Mary’s CBS and Scoil Chríost Rí. The Forward Planning Section of my Department is currently identifying the areas throughout the country where significant additional accommodation will be required at primary and post-primary level in the medium to long term. Factors under consideration include population growth, demographic trends, current and projected enrolments, recent and planned housing developments and capacity of existing schools to meet demand for places. Those areas identified that require additional capacity will be addressed in the context of my Department’s Multi-Annual School Building and Modernisation Programme.

291. **Deputy Simon Coveney** asked the Minister for Education and Science the full costs of renting prefabs for all schools in Cork City and county who do so; the length of time these schools have been renting prefabs; and if he will make a statement on the matter. [5290/09]

Minister for Education and Science (Deputy Batt O’Keeffe): Currently there are 282 pre-fabricated units being rented by 116 schools in Cork city and County. The total annual rental cost amounts to €4 million. Rental of these units commenced as follows:

Year	
2008/9	46
2007/8	93
2006/7	60
2005/6	27

The rental of the remaining units commenced during the period 1999 to 2005.

In general, the Department approves the purchase or rental of prefabricated classrooms based on need at the time of application. Local school managements then organise their class numbers, year on year, to achieve the optimum local efficiencies. In all cases school managements are required to seek 3 tenders to achieve value for money before approval is given to rent, with the lowest suitable tender being approved.

The demand for additional accommodation in schools has risen significantly over the last number of years, with the appointment of 6,000 extra teachers in the primary sector alone since 2002. In considering the need to provide extra resource and other teachers to schools in recent years, the Government could have decided to make children wait until permanent accommodation could be provided. However, it was decided to prioritise the placement of the extra teachers into schools as soon as possible.

The Permanent Accommodation Scheme was introduced in 2003 to reduce the need for prefabs. It was designed to give value for money in terms of providing permanent accommodation in place of prefabs, where an accommodation need was likely to exist for a considerable length of time. Since its introduction, over €100m has been allocated to schools under the scheme and it has resulted in the provision of an additional 625 classrooms and 275 resource rooms in schools around the country, thereby reducing the demand for prefabs.

It will continue to be necessary for prefabricated accommodation to be provided because competing priorities mean that it will not always be possible to have a permanent accommodation solution in place in a short time-frame.