



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

*Thursday, 12 February 2009.*

Suspension of Member ... ..	625
Requests to move Adjournment of Dáil under Standing Order 32 ... ..	626
Order of Business ... ..	627
Legal Practitioners (Qualification) (Amendment) Bill 2007: Leave to Withdraw ... ..	643
Recapitalisation of Allied Irish Banks and Bank of Ireland: Motion ... ..	643
Ceisteanna — Questions	
Minister for Foreign Affairs	
Priority Questions ... ..	694
Other Questions ... ..	704
Adjournment Debate Matters ... ..	711
Adjournment Debate	
Brewery Closure ... ..	712
Hospital Services ... ..	714
Public Transport ... ..	716
Social Welfare Benefits ... ..	718
Questions: Written Answers ... ..	721

# DÁIL ÉIREANN

---

*Déardaoin, 12 Feabhra 2009.*  
*Thursday, 12 February 2009.*

---

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

---

*Paidir.*  
*Prayer.*

---

## **Suspension of Member.**

**An Ceann Comhairle:** Before coming to the Order of Business I must deal with a postponed division relating to the suspension of a Member. On Wednesday, 11 February 2009, on the question, “That Deputy Róisín Shortall be suspended from the service of the Dáil”, a division was claimed and, in accordance with Standing Order 62, that division must take place now.

Question put.

The Dáil divided: Tá, 75; Níl, 65.

Tá

Ahern, Dermot.  
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.  
Conlon, Margaret.  
Connick, Seán.  
Coughlan, Mary.  
Cregan, John.  
Cuffe, Ciarán.  
Cullen, Martin.  
Curran, John.  
Dempsey, Noel.  
Devins, Jimmy.  
Fahey, Frank.  
Finneran, Michael.  
Fitzpatrick, Michael.  
Fleming, Seán.  
Flynn, Beverley.  
Gogarty, Paul.  
Gormley, John.  
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, Brian.  
McEllistram, Thomas.  
McGrath, Mattie.  
McGrath, Michael.  
McGuinness, John.  
Mansergh, Martin.  
Martin, Micheál.  
Moloney, John.  
Moynihan, Michael.  
Mulcahy, Michael.  
Nolan, M. J.  
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.

## Tá—continued

O'Sullivan, Christy.  
Power, Peter.  
Power, Seán.  
Roche, Dick.  
Ryan, Eamon.  
Sargent, Trevor.

Smith, Brendan.  
Treacy, Noel.  
Wallace, Mary.  
White, Mary Alexandra.  
Woods, Michael.

## Níl

Bannon, James.  
Barrett, Seán.  
Behan, Joe.  
Breen, Pat.  
Broughan, Thomas P.  
Burke, Ulick.  
Burton, Joan.  
Byrne, Catherine.  
Carey, Joe.  
Clune, Deirdre.  
Connaughton, Paul.  
Coonan, Noel J.  
Costello, Joe.  
Coveney, Simon.  
Crawford, Seymour.  
Creed, Michael.  
Creighton, Lucinda.  
D'Arcy, Michael.  
Deenihan, Jimmy.  
Doyle, Andrew.  
Durkan, Bernard J.  
English, Damien.  
Enright, Olwyn.  
Feighan, Frank.  
Flanagan, Terence.  
Gilmore, Eamon.  
Hayes, Brian.  
Higgins, Michael D.  
Hogan, Phil.  
Howlin, Brendan.  
Kehoe, Paul.  
Kenny, Enda.  
Lynch, Ciarán.

Lynch, Kathleen.  
McCormack, Pádraic.  
McEntee, Shane.  
McGinley, Dinny.  
McGrath, Finian.  
McHugh, Joe.  
McManus, Liz.  
Mitchell, Olivia.  
Morgan, Arthur.  
Naughten, Denis.  
Neville, Dan.  
Noonan, Michael.  
Ó Caoláin, Caoimhghín.  
O'Donnell, Kieran.  
O'Dowd, Fergus.  
O'Keeffe, Jim.  
O'Mahony, John.  
O'Shea, Brian.  
O'Sullivan, Jan.  
Perry, John.  
Rabbitte, Pat.  
Ring, Michael.  
Shatter, Alan.  
Sheahan, Tom.  
Sheehan, P. J.  
Sherlock, Seán.  
Shortall, Róisín.  
Stagg, Emmet.  
Stanton, David.  
Timmins, Billy.  
Tuffy, Joanna.  
Upton, Mary.

Tellers: Tá: Deputies Pat Carey and John Cregan; Níl: Deputies Emmet Stagg and Paul Kehoe.

Question declared carried.

### 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 Joan Burton:** I seek the adjournment of the Dáil under Standing Order 32 to discuss the following specific and important matter of public interest, requiring urgent attention, namely, the need for the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Mary Coughlan, to make a full statement on reports of the imminent and possibly major job losses at S.R. Technics and to outline the steps she proposes to take to ensure that the maximum possible number of jobs is saved. In view of the importance of this issue, I hope the Ceann Comhairle will agree to my request.

**Deputy Seymour Crawford:** I seek the adjournment of the Dáil under Standing Order 32 to discuss a matter of urgent national and local importance, namely, the proposal by the Govern-

ment and the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, to pay the remaining unpaid farm waste management scheme grants in instalments, thereby treating farm families in a completely different, unfair and unjust way in comparison to their colleagues who have been paid in full already under the same scheme. It is essential that the legal aspects of this proposal be dealt with in full because a very large number of such farmers already have committed this grant funding to the banks.

**Deputies:** Hear, hear.

**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.

### **Order of Business.**

**The Tánaiste:** It is proposed to take No. 9b, motion re planned recapitalisation of Allied Irish Bank and Bank of Ireland. It is proposed, notwithstanding anything in Standing Orders, that the proceedings on No. 9b shall, if not previously concluded, be brought to a conclusion at 3.30 p.m. today and the following arrangements shall apply: the speech of a Minister or Minister of State and of the main spokespersons for the Fine Gael Party, the Labour Party and Sinn Féin, who shall be called upon in that order, shall not exceed 20 minutes in each case; the speech of each other member called upon shall not exceed 10 minutes in each case; Members may share time; a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed 15 minutes.

**An Ceann Comhairle:** There is one proposal to be put to the House. Is the proposal for dealing with No. 9b agreed?

**Deputy Finian McGrath:** On a point of order, will the Independent Deputies be allowed to participate in this debate?

**An Ceann Comhairle:** If it is possible. I cannot be certain, but will try to allow that.

**Deputy Kathleen Lynch:** The Department will need a script.

**Deputy Enda Kenny:** This is not agreed. We are not here to play games. There is €7,000 million on the line and the first person who should be here is the Taoiseach.

**Deputies:** Hear, hear.

**Deputy Enda Kenny:** His absence is noted. This morning I listened to the Minister for Finance, who speaks with his usual authority. Other authorities said the airwaves were buzzing with negativity yesterday, not because of the reaction to the Government's decision, but as a reaction to the Government's incompetence in handling this.

I object to the Government's proposal. This was originally to be statements. After pressure from this side of the House and others it was changed to a motion. We are expected to come in here today and have statements for ten minutes and a response from some Minister of State for 15 minutes at the end. A number of very serious questions need to be answered. The first is whether the Government has confidence in the management of Irish Life & Permanent, which appears to have colluded with Anglo Irish Bank to the deception of shareholders and given misleading information on deposit strength. This is a very serious matter given that it is a covered institution guaranteed by the Irish State. Does the Government have confidence in the management of Irish Life & Permanent as a covered institution?

[Deputy Enda Kenny.]

The announcement by the Minister for Finance that he had not read the section of the report on Anglo Irish Bank is a black mark against him and the fact that the Financial Regulator was forced to resign because he knew about the loans from Anglo Irish Bank should lead the Minister to step down from his position as a patriotic gesture. However, the Fianna Fáil members do not do that. They do not read their brief and the recommendations, and they will continue on with business as usual.

The Minister for Finance chaired the Cabinet meeting that dealt with the nationalisation of Anglo Irish Bank. I do not want to know any Cabinet secrets and the Minister is not free to divulge them. However, in the preparation for that meeting the normal procedure is for Cabinet members to receive a memo on the major decisions to be made. These are circulated electronically. Did the Department of Finance prepare a memo on the nationalisation question and did it include the information on the extent of the loans to Anglo Irish Bank from Irish Life & Permanent and how the money was moving?

**An Ceann Comhairle:** This is not Question Time.

**Deputy Enda Kenny:** To comply with the Ceann Comhairle's patience, I propose that instead of No. 4, that the Minister or Minister of State shall be called upon to make a statement for 15 minutes, we should have 90 minutes of questions and answers at the end of these statements. This way Members from all sides of the House can have the Minister for Finance, the Tánaiste and preferably the Taoiseach, who did not read this report either, appear before the House and answer questions that are fundamental to the financial security of our State, given our fragile position. If the Government does not have confidence in Irish Life & Permanent, whether or not any other regulatory authority was involved, it is a matter of the utmost State importance.

**An Ceann Comhairle:** That is a matter for the debate. The Deputy has made his point.

**Deputy Enda Kenny:** I propose that there be 90 minutes at the end of this for questions and answers.

**Deputies:** Hear, hear.

**Deputy Eamon Gilmore:** I join Deputy Kenny in objecting to the arrangements the Government proposes for this debate. There should be an opportunity for questions to the Minister and answers from him on this issue before the debate is concluded. This debate should not conclude today. At the very least it should continue tomorrow. An opportunity should be given to every Member of this House who wants to contribute to this debate to do so. The arrangements proposed will allow for two speakers from the Labour Party in addition to our spokesperson to contribute to this debate.

The Taoiseach should be here, Thursday or not. This is a very different Thursday because of what is before us. This sum of €7 billion is the single biggest expenditure of public money this House has ever been asked to consider. It is four times what the two banks concerned together were worth at the close of business yesterday evening. It is five times the amount of money the Government wants to raise in the proposed pension levy. It is 1,000 times the amount it would take to keep teaching assistants in classrooms for children with special needs, who are being deprived of that.

**Deputies:** Hear, hear.

**Deputy Eamon Gilmore:** It is a huge sum of money and should not be subject to a short, Thursday debate, limited in time and procedure.

The debate comes a day after two of the most shocking disclosures we have heard here in a long time, namely, the fraudulent transactions which have been going on in Anglo Irish Bank and the admission by the Minister for Finance that he did not read the relevant part of the PricewaterhouseCoopers report that referred to those matters. For those reasons the Labour Party will not agree to the unacceptable arrangements proposed. I ask the Tánaiste to agree to Deputy Kenny's suggestion that questions and answers be allowed for and that this debate be continued into tomorrow to allow reasonable opportunity for every Member to contribute.

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

**Deputy Caoimhghín Ó Caoláin:** Yesterday we had an opportunity to engage with the Minister and we were in a position to ask specific questions through the facilitation of a Private Notice Question. Already this morning further questions arise following a raft of different pieces of information that have appeared in the national press today. These include the claim by Irish Life & Permanent that it advised the Financial Regulator within days of its participation in a €7 billion merry-go-round with Anglo Irish Bank last September and the transactions involved. This is a very serious indication of the extent of the awareness of the Office of the Financial Regulator. That information was not shared with us yesterday. We need an opportunity to question the Minister again and he should be willing to accept the opportunity for an additional question and answer session to the proposal placed before us.

There are very serious questions to be asked. When did the Financial Regulator become aware? What actions did the Financial Regulator take? All these matters have to be addressed and in a very serious way. We cannot park the enormity of this issue on the back of yesterday's limited opportunity or today's statements. This merits serious investigation. It is not only about Anglo Irish Bank, although that is very much at centre stage. There are other major players among the financial institutions whose activities and complicit actions make them equally subject to proper scrutiny. That must be done in this House to the best of our ability. Along with the other speakers I urge that the Order Paper be amended to accommodate the extension of time to give true opportunity to Members to participate and to question, once more, the Minister and the Taoiseach, if possible, on these very important matters.

**The Tánaiste:** I agree with Deputy Kenny that this is a very serious matter. The motion refers specifically to Bank of Ireland and Allied Irish Bank. It is not an expenditure but an investment with an 8% return.

**Deputy John Deasy:** It is the principle of what the Government is doing.

*(Interruptions).*

**An Ceann Comhairle:** The Tánaiste is entitled to reply.

**A Deputy:** They have money to give away.

**Deputy Paul Connaughton:** It is a great investment.

**Deputy Bernard J. Durkan:** Blue chip.

**The Tánaiste:** The Minister has indicated that he will be meeting the chairman and the chief executive of Irish Life & Permanent this afternoon——

**Deputy Noel J. Coonan:** Why is the Government robbing the public service if it has money to give away?

**The Tánaiste:** —and it would be inappropriate to make any further comment arising from that. As everyone in the House knows, a legislative measure will be introduced next week to facilitate this. Further debate can take place in the context of those deliberations, which will take place after the Bill has been printed and circulated.

Question put: “That the proposal for dealing with No. 9*b* be agreed to.”

The Dáil divided: Tá, 75; Níl, 66.

Tá

Ahern, Dermot.  
 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.  
 Conlon, Margaret.  
 Connick, Seán.  
 Coughlan, Mary.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gogarty, Paul.  
 Gormley, John.  
 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, Brian.  
 Mansergh, Martin.  
 Martin, Micheál.  
 McEllistram, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M.J.  
 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.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

Níl

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.  
 Costello, Joe.  
 Coveney, Simon.  
 Crawford, Seymour.  
 Creed, Michael.  
 Creighton, Lucinda.  
 D’Arcy, Michael.  
 Deasy, John.  
 Deenihan, Jimmy.  
 Doyle, Andrew.



Níl—*continued*

Durkan, Bernard J.  
 English, Damien.  
 Feighan, Frank.  
 Flanagan, Terence.  
 Gilmore, Eamon.  
 Hayes, Brian.  
 Higgins, Michael D.  
 Hogan, Phil.  
 Howlin, Brendan.  
 Kehoe, Paul.  
 Kenny, Enda.  
 Lynch, Ciarán.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 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.  
 Perry, John.  
 Rabbitte, Pat.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Stanton, David.  
 Timmins, Billy.  
 Tuffy, Joanna.  
 Upton, Mary.

Tellers: Tá, Deputies Pat Carey and John Cregan; Níl, Deputies Paul Kehoe and Emmet Stagg.

Question declared carried.

**Deputy Enda Kenny:** The vote has been taken. It appears the Government either does not wish or is afraid to facilitate a question and answer session in the House today. I cannot change that decision but it is regrettable that when €7,000 million of public money is being pumped into the banks in a recapitalisation programme we cannot get answers to questions. The Tánaiste made a comment earlier about Irish Life & Permanent and its management.

**An Ceann Comhairle:** That matter has been disposed of, Deputy Kenny. We are on the Order of Business.

**Deputy Enda Kenny:** It was not disposed of.

**An Ceann Comhairle:** Yes, because the debate will be held immediately after the Order of Business. The Government has put down a motion and amendments to that motion have been put down by the Opposition parties. The matter can be discussed then. That is perfectly logical.

**Deputy Enda Kenny:** I have a question for the Tánaiste about legislation to which she referred. She said a legislative measure will be brought before the House. In light of the legislation to be produced, will the Tánaiste confirm this morning that the Government has confidence in the management of Irish Life & Permanent? Can she confirm, also in light of that legislation, that there was no involvement of any other regulatory authority in the collusion of Irish Life & Permanent with Anglo Irish Bank—

**An Ceann Comhairle:** That legislation can throw no such light.

**Deputy Enda Kenny:** —to deceive shareholders?

**An Ceann Comhairle:** The Tánaiste can only answer as to when the legislation is forthcoming.

**Deputy Enda Kenny:** I am speaking about the legislation, a Cheann Comhairle.



**An Ceann Comhairle:** Deputy Kenny, democracy is a participatory process carried out under the rules of the House and I must ask you to obey them. I cannot chair the proceedings if they are going to continue like this.

**Deputy Enda Kenny:** I recall you, a Cheann Comhairle, in your younger years when you sat in the vacant seat between the seats now occupied by Deputy Creed and Deputy Hogan on this side of the House. You became quite apoplectic about matters of much less importance than €7,000 million in taxpayers' money——

**Deputy Bobby Aylward:** That is why your Government was eased out.

**Deputy Enda Kenny:** ——and questions of the most serious gravity that must be asked about covered institutions with State guarantees. The public wants to know what we are investigating and the extent of liabilities that will accrue.

**An Ceann Comhairle:** The Deputy is well aware that all good wine matures well. I must move on.

**Deputy Enda Kenny:** I have another question. In light of the debate due to take place, can I take it that the statement of the Minister for Finance——

**An Ceann Comhairle:** A question on legislation. A great deal of debate will take place here today on the other matters.

**Deputy Enda Kenny:** In light of the statement to be made by the Minister for Finance to deal with the legislation he will introduce, will he give all the information to the House this morning, and I mean all the information available to the Government?

**An Ceann Comhairle:** We will deal with that later. The Tánaiste on the legislation.

**Deputy Enda Kenny:** Fine Gael has put down an amendment to the motion.

**An Ceann Comhairle:** I know, and the House will discuss that later. The Tánaiste on the legislation.

**The Tánaiste:** The legislation I referred to is to facilitate the recapitalisation of the Bank of Ireland and AIB. It is the National Pensions Reserve Fund (Amendment) (Miscellaneous Provisions) Bill 2009 and it is being drafted at present. It is expected to be finalised by the Government next Tuesday and printed thereafter.

**Deputy Enda Kenny:** Do you have confidence in Irish Life & Permanent?

**The Tánaiste:** That has nothing to do with me.

**Deputy Eamon Gilmore:** That is the legislation about which I wished to put questions to the Tánaiste. She will recall that when I asked her about this previously, she informed me that the legislation would have to be enacted before the recapitalisation of the banks. What is the status of the Government's announcement last night? Does it follow from what she said that the National Pensions Reserve Fund (Amendment) (Miscellaneous Provisions) Bill must be enacted by the House before the capitalisation can take effect?

**The Tánaiste:** The legislation must be enacted for the moneys to be released. That will take a number of weeks.

**Deputy Eamon Gilmore:** What is the timetable for the enactment of the legislation?

**The Tánaiste:** It will be printed on Tuesday. The Whips will decide next week or the week after when the legislation will be discussed in the House. After it has been passed the matter can be facilitated. We must pass the legislation to recapitalise the banks. We can make an announcement on how we will recapitalise the banks and the methodology of that but the legislation must be passed to allow the money to be made available.

**Deputy Caoimhghín Ó Caoláin:** When will the Government afford the House an opportunity to hear the Minister for Education and Science discuss his decision to cut funding to special needs children? Will that be afforded today or next week? Preferably, the Minister will announce a decision to withdraw his proposal——

**An Ceann Comhairle:** The Deputy cannot go into that now. We are dealing with promised legislation.

**Deputy Caoimhghín Ó Caoláin:** ——which is disgraceful and directly affects the special needs education of more than 900 children.

**An Ceann Comhairle:** It is not promised business.

**Deputy Caoimhghín Ó Caoláin:** I am asking whether it will be included. Surely an issue of such importance merits address in this House.

**An Ceann Comhairle:** The Deputy will have to table a question.

**Deputy Caoimhghín Ó Caoláin:** Can the Tánaiste indicate that the Minister will be requested——

**An Ceann Comhairle:** She cannot.

**Deputy Caoimhghín Ó Caoláin:** ——to come before the House on this matter?

**An Ceann Comhairle:** It is a matter for the Whips and is not promised business. Deputy Ciarán Lynch is next.

**Deputy Ciarán Lynch:** Is there a need for present legislation governing the procurement of public contracts to be amended? I ask this on the basis that earlier this week the Minister for the Environment, Heritage and Local Government, Deputy Gormley, sent the issue of the e-voting machines to an bord snip. The replies to parliamentary questions I asked show that the State is engaged with contracts of 15 to 25 years duration on these matters, and indicate the State will be paying money for the next 20 years.

**An Ceann Comhairle:** Has Deputy Lynch a question which is in order?

**Deputy Ciarán Lynch:** Yes. Given that the State has committed for the next 25 years to pay for the storage of these machines, will the State have to amend the procurement legislation in order to get out this?

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

**The Tánaiste:** Not that I am aware.

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

**Deputy Bernard J. Durkan:** Lose more money on it.

**Deputy Joe Costello:** I ask the Tánaiste about the commitment the Minister for Finance made in the House to me yesterday, that he would endeavour to have the Pricewaterhouse-Coopers report placed in the Library as quickly as possible? Can we be assured that the report will be in the Library before the legislation on the recapitalisation is brought forward?

**An Ceann Comhairle:** The Tánaiste on the report.

**Deputy Pat Rabbitte:** The Minister promised an expurgated version.

**Deputy Joe Costello:** The Minister promised.

**Deputy Brian Lenihan:** Regarding Anglo Irish Bank, yes.

**Deputy Joe Costello:** No.

**Deputy Kathleen Lynch:** Not just the highlighted part of it.

**An Ceann Comhairle:** The Tánaiste will answer now. Hold on a second.

**Deputy Joe Costello:** Could I clarify it for the Tánaiste? I asked that the Pricewaterhouse-Coopers report, which was a report into six banks including Anglo Irish Bank, would be laid in the Library for us to peruse. It was the intention that it would cover all of the banks and the Minister seemed to indicate that he was prepared to do that.

**An Ceann Comhairle:** Are there plans to lay that before the House?

**Deputy Joe Costello:** He indicated that he was prepared to do that but that he would take whatever confidential item——

**The Tánaiste:** The Minister indicated that he would examine whether that would be possible regarding the Anglo Irish Bank part. He did not make a commitment on the rest of the report, which is commercially sensitive.

**Deputy Eamon Gilmore:** The Ladybird version.

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

**Deputy Joe Costello:** Could I get clarification on that? We will have a debate on the legislation to recapitalise the banks. That is coming up. Can we get a commitment from the Minister that the report will be in the Library before that debate takes place?

**The Tánaiste:** The full report will not be in the Library as it still contains commercially sensitive information and we are not party to allow that to happen.

**Deputy Joe Costello:** We are not looking for the full report. I asked for the expurgated report, where the sensitive information would be deleted. Nobody wanted the sensitive information.

**The Tánaiste:** The Minister indicated that he would examine the possibility of doing that but only on the issue of Anglo Irish Bank, which is what the Deputy raised.

**Deputy Joe Costello:** Can we get a commitment now?

**The Tánaiste:** I cannot give a commitment because the Minister must examine the matter.

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

*(Interruptions).*

**Deputy Fergus O'Dowd:** For the first time.

**An Ceann Comhairle:** I cannot go into that now.

**Deputy Joe Costello:** Could we get some clarification?

**An Ceann Comhairle:** The clarification is that the Tánaiste has stated that if it is possible to lay parts of before the House, that will be done. All right? That is what she said.

**Deputy Liz McManus:** Can we get time to read it?

**An Ceann Comhairle:** What the Tánaiste said was that if it were possible to lay portions of the report before the House, that would be done.

**Deputy Ciarán Lynch:** The Jack and Jill version.

**Deputy Joe Costello:** Have we got a commitment to that and that would be done before the legislation on recapitalisation is brought before the House?

**The Tánaiste:** The situation is the Minister indicated that after Anglo Irish Bank has made its annual report available he would consider whether he could do it.

**Deputy Emmet Stagg:** Either he will or he will not.

**The Tánaiste:** A Cheann Comhairle, as you know, one cannot give a commitment until one examines whether one legally can do such a thing. Therefore, I am not giving a commitment to the Opposition on this matter.

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

**Deputy Fergus O'Dowd:** The Minister gave a commitment last night.

**Deputy Joe Costello:** The Minister did not make any such condition. The only condition——

**An Ceann Comhairle:** I cannot——

**Deputy Joe Costello:** There was one condition, a Cheann Comhairle, for the record of the House.

**An Ceann Comhairle:** Deputy Costello, let us be clear about one thing now.

**Deputy Joe Costello:** Just to clarify.

**An Ceann Comhairle:** I cannot really, at this point in time, allow any Member to interpret what precisely was said by the Minister last night or any other night.

**Deputy Emmet Stagg:** The record will show what was said.

**An Ceann Comhairle:** My difficulty is that the Tánaiste has been asked to a question——

**Deputy Michael D. Higgins:** She answered, but the Minister said it.

**An Ceann Comhairle:** —and she has answered the question, and I cannot go any further than that. I must call Deputy Naughten.

**Deputy Emmet Stagg:** A Cheann Comhairle, on a point of order, there is a direct contradiction between what the Tánaiste is saying now and what the Minister said last night.

**An Ceann Comhairle:** Can I finish?

**Deputy Emmet Stagg:** The Minister said last night, without any doubt at all, he would take out the sensitive parts of the report and place it in the Library. He said he would, not that he may, he might or he would give consideration to the matter.

**An Ceann Comhairle:** I have said on a number of occasions—

**Deputy Emmet Stagg:** We want him to be committed to that undertaking to Deputy Costello.

**An Ceann Comhairle:** —that if Members wish to make an allegation of any nature—

**Deputy Bernard J. Durkan:** He changed his mind since.

**An Ceann Comhairle:** —against an officeholder,—

**Deputy Joe Costello:** This is not a matter of an allegation.

**An Ceann Comhairle:** —then it must be done by way of substantive motion and may not be done by innuendo or otherwise across the floor of the House.

**Deputy Emmet Stagg:** We are not making any allegation. We are asking him to stick with what he said. We are not making any allegation. We want him to do what he said he would do.

**An Ceann Comhairle:** The Tánaiste has made her position very clear in respect of the Government side. I cannot do any more with it.

**Deputy Joe Costello:** I am talking about the promised recapitalisation legislation.

**Deputy Michael D. Higgins:** That is right, and the preparations for it.

**Deputy Joe Costello:** This is relevant material that the Minister indicated he would place in the Library for all Members to peruse prior to the debate.

**Deputy Kathleen Lynch:** We can read the blacks.

**An Ceann Comhairle:** The Tánaiste just answered the question. I cannot do any more with it.

**Deputy Pat Rabbitte:** If we find out that, we will bring it to your attention.

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

**Deputy Joe Costello:** We will be queuing up to read it.

**Deputy Michael D. Higgins:** Real slow.

**An Ceann Comhairle:** The Deputies had a good crack at it. I call Deputy Naughten.

**Deputy Joe Costello:** A Cheann Comhairle, can I have clarification?

**An Ceann Comhairle:** There have been three different clarifications.

**Deputy James Reilly:** That is the problem and none of them is clear.

**Deputy Seán Sherlock:** Just muddying the waters.

**Deputy Emmet Stagg:** Would the Minister tell the Tánaiste the position?

**An Ceann Comhairle:** Can the Tánaiste clarify it for the last time?

**The Tánaiste:** For even more clarity, the Deputy is referring to Anglo Irish Bank. The legislation has nothing to do with Anglo Irish Bank. It has to do with Bank of Ireland and the AIB.

*(Interruptions).*

**An Ceann Comhairle:** I call Deputy Naughten. Deputy Costello, I have called Deputy Naughten. Deputy Naughten, you are in order.

**Deputy Denis Naughten:** On promised legislation, and regarding an issue I raise with the Tánaiste before Christmas, I refer to the reports regarding the 70 year old woman who had a child via IVF for the first time. At that time I asked when we would see the human tissue Bill published and when we would see legislation to regulate IVF treatment in this country. Under the law as it stands at present, the situation that arose in India would be equally legal in this country. When will we see legislation, for once and for all, to regulate this sector?

**The Tánaiste:** The heads of the Bill were approved last year but it is not possible at this moment in time to give an exact date for its introduction.

**Deputy James Reilly:** I wish to raise two separate pieces of legislation. First, under the covert surveillance Bill, is there any intention to send in the snoops — the fraud squad — to check the banks out given what has been going on? Might I suggest to the Tánaiste that she suggest to the Minister for Finance that he take a leaf from the book of his predecessor, Albert Reynolds——

**An Ceann Comhairle:** That is Star Chamber rubbish.

**Deputy James Reilly:** ——and get the one page précis with the important bits highlighted.

**An Ceann Comhairle:** I must get a page out of Standing Orders for Deputy Reilly as well because that is not in order at all, as he well knows. Ask a question that is in order, please.

**Deputy James Reilly:** On the second piece of legislation which I want to ask about, this morning 1,200 jobs went in north Dublin. This headline, that the jobless total had doubled in north Dublin, was written before that happened.

**An Ceann Comhairle:** The Deputy is not entitled to hold up newspapers in the House and is not entitled to raise this matter now.

**Deputy James Reilly:** The Tánaiste was approached by this company and offered it no help.

**An Ceann Comhairle:** I must ask Deputy Reilly to raise the matter on the Adjournment——

**Deputy James Reilly:** I want to know what the Government will do to save these jobs.

**An Ceann Comhairle:** ——or table a question on it.

**Deputy James Reilly:** The Taoiseach has talked the talk, let him walk the walk. He says that jobs are the priority.

**An Ceann Comhairle:** Deputy Reilly is completely out of order.

**Deputy James Reilly:** Save these jobs. What is he going to do about this?

**An Ceann Comhairle:** I must move on. I call Deputy Durkan.

**Deputy James Reilly:** The people are devastated.

**An Ceann Comhairle:** Deputy Durkan is next. Deputy Broughan, is it on the same subject?

**Deputy Thomas P. Broughan:** On the same subject, as Deputy Reilly——

**An Ceann Comhairle:** That is out of order.

**Deputy Thomas P. Broughan:** Will we have an opportunity for this incredibly unsuccessful Tánaiste and Minister for Enterprise, Trade and Employment——

**An Ceann Comhairle:** Stop, that is out of order.

**Deputy Thomas P. Broughan:** Every week we lose 1,000 jobs, 2,000 jobs.

**An Ceann Comhairle:** We must move on. I call Deputy Durkan.

**Deputy Thomas P. Broughan:** Will she come into this House and tell us what she did to try to save SR Technics jobs?

**An Ceann Comhairle:** Table a matter on the Adjournment.

**Deputy Thomas P. Broughan:** What did she do about the elephant in the room,——

**An Ceann Comhairle:** The Deputy must leave it now.

**Deputy Thomas P. Broughan:** ——about the strength of the euro, which is one of the policies that is devastating our industry?

**An Ceann Comhairle:** I call Deputy Durkan. Deputy Broughan must resume his seat.

**Deputy Thomas P. Broughan:** Will we have a chance to debate this?

**An Ceann Comhairle:** I call Deputy Durkan. That is a matter for the whips.

**Deputy Thomas P. Broughan:** No. We need to have a debate on this subject. The Ceann Comhairle ruled out a debate from my colleague.

**An Ceann Comhairle:** No.

**Deputy Thomas P. Broughan:** It is down for a Private Notice Question, a Cheann Comhairle.

**Deputy David Stanton:** Six months time.

**An Ceann Comhairle:** Deputy Durkan is next.

**Deputy Thomas P. Broughan:** We need to have a chance to debate this on the floor of this House instead of on the Adjournment, but you ruled out a debate Ceann Comhairle.



**An Ceann Comhairle:** Deputy Durkan is next. Deputy Broughan may put it down for the Adjournment as well and we will see if we can help. I call Deputy Durkan. Deputy Broughan must resume his seat.

**Deputy Thomas P. Broughan:** You ruled out a debate on this matter.

**An Ceann Comhairle:** Deputy Broughan will have to resume his seat.

**Deputy Thomas P. Broughan:** This is the impact——

**An Ceann Comhairle:** The Chair is standing and, therefore, Deputy Broughan must resume his seat.

**Deputy Thomas P. Broughan:** This is the impact of the gross incompetence of those incompetent people on ordinary people.

**An Ceann Comhairle:** Deputy Broughan, I am going to have ask you to leave the House and I do not want to do it, but if I have to do it I will. Please resume your seat.

**Deputy Thomas P. Broughan:** We have 1,200 devastated families today in Swords——

**An Ceann Comhairle:** The Deputy must resume his seat.

**Deputy Thomas P. Broughan:** ——on the north side and on the west side of Dublin. What is the Tánaiste going to do about it? We are sick of this.

**An Ceann Comhairle:** Deputy Broughan must resume his seat, for the last time.

**Deputy James Reilly:** The Ceann Comhairle is putting it up to him.

**An Ceann Comhairle:** I must ask Deputy Broughan to resume his seat.

**Deputy Thomas P. Broughan:** The Minister for Finance is doing nothing for this country. He cannot even read his own brief.

**An Ceann Comhairle:** Deputy Broughan must now leave the House. Is Deputy Broughan going to leave the House? He must leave the House, because the Chair is on his feet and I have asked him several times.

**Deputy Emmet Stagg:** He could not hear the Ceann Comhairle

**An Ceann Comhairle:** I would say he heard me, all right.

**Deputy Thomas P. Broughan:** Are we going to have a debate?

**An Ceann Comhairle:** That cannot be raised now. The Deputy must leave the House, or I will have to move the motion. I have to ask the Deputy to leave the House, unfortunately.

**Deputy Bernard J. Durkan:** The Ceann Comhairle will be glad to know I am not going to raise the issue of crime this morning. There is so much of it about that I have nearly given up on it, and criminal negligence as well.

I want to raise two issues. One concerns the habitual residency clause that is now being applied by the Department of Social and Family Affairs, which is causing severe hardship to the sons and daughters of Irish parents and grandparents who do not qualify for a social welfare payment in the present climate——

**An Ceann Comhairle:** Will Deputy Durkan indicate the relevant legislation?

**Deputy Bernard J. Durkan:** I will indicate it to the Ceann Comhairle.

**An Ceann Comhairle:** I have to move on, come to it because it is 11.30 a.m.

**Deputy Bernard J. Durkan:** The rules now being applied by the Department of Social and Family Affairs are not in accordance with EU law at all and are severely prejudicial to the entitlements of Irish people in this country. The Tánaiste is fully aware of this. The only possible way to discuss this is under the Bill to provide for the introduction of new means-tested payments for lone parents and families on low incomes. When that will be brought before the House, and will it be possible to introduce some other measure such as a consolidated Bill, that might deal with the issue I have raised.

**An Ceann Comhairle:** We cannot deal with that. Will the Tánaiste please comment on the legislation itself?

**The Tánaiste:** It is not possible to indicate when that legislation will be before the House.

**Deputy Bernard J. Durkan:** It never was possible. Could the Tánaiste please comment on the other matter, which is very pertinent in the present climate. I asked about it before. In view of the undertaking to the House by the Minister for Finance that he wished to see this country revert to traditional banking and lending practices and criteria, will the Tánaiste indicate when it is likely to be introduced. Do recent——

**An Ceann Comhairle:** To what is the Deputy referring?

**Deputy Bernard J. Durkan:** ——negotiations that Minister has had with the banking institutions fall within the remit of his interpretation of what traditional practices should be?

**An Ceann Comhairle:** I told the Deputy before that he cannot trawl or fish for legislation, for which he has a disposition.

**Deputy Bernard J. Durkan:** I am not trawling. It is already here.

**An Ceann Comhairle:** The Deputy did not name it.

**Deputy Bernard J. Durkan:** It is called legislation to consolidate and modernise financial services legislation, in accordance with the Government's better regulation agenda. What more appropriate subject could we have at this particular time?

**The Tánaiste:** There is, at present, an advisory forum working on the proposed financial services regulation Bill and it is not possible to say when it will come before the House.

**Deputy Kathleen Lynch:** In the run-up to the last election, the Green Party made enormous play on the issue of education. I want to call on the only Green Party Minister present to for God's sake find his backbone and tell the Government it cannot withdraw the services of support teachers for defenceless children.

**An Ceann Comhairle:** As Deputy Kathleen Lynch well knows, that is not in order. I do not want a double this morning. Deputy Kathleen Lynch must resume her seat.

**Deputy Kathleen Lynch:** I am pleading with the Minister, if he does nothing else, he should tell the Government that this is a step too far. For God's sake, do not let them walk over the Green Party entirely.

**An Ceann Comhairle:** Deputy Kathleen Lynch must resume her seat. She is out of order. I must move on.

**Deputy Paul Connaughton:** Will the Tánaiste indicate if legislation is required to overcome the greatest breach of contract between the Minister for Agriculture, Fisheries and Food and the farmers of Ireland?

**An Ceann Comhairle:** What legislation is at issue?

**Deputy Paul Connaughton:** I am asking the Minister, because it is a breach of contract—

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

**Deputy Paul Connaughton:** —where they are not able to pay the farmers of Ireland.

**An Ceann Comhairle:** The Deputy should put down a question or raise the matter on Adjournment. The Deputy is not in order.

**Deputy Paul Connaughton:** It is the most disgraceful scene under any Minister for Agriculture since the State was founded.

*(Interruptions).*

**An Ceann Comhairle:** Has the Tánaiste a legislative provision in this regard? Is legislation promised in that area?

**The Tánaiste:** Yes, it is.

**Deputy Paul Connaughton:** It is promised. Now we are getting somewhere, a Cheann Comhairle.

**The Tánaiste:** The Ceann Comhairle cannot be expected to know everything.

**An Ceann Comhairle:** I was trying to find out whether Deputy Connaughton was in order or not, and I am still quite certain that he is not.

**The Tánaiste:** There is legislation and it will be brought forward fairly quickly.

**Deputy Denis Naughten:** We do not want legislation for Government bonds, either.

**Deputy Brendan Smith:** When Fine Gael was in office in the 1980s there were not too many schemes in evidence.

**Deputy Michael D. Higgins:** Might I ask about promised legislation that is on the list?

*(Interruptions).*

**An Ceann Comhairle:** That is very interesting, now. I call Deputy Michael D. Higgins. Deputies Connaughton and Durkan should restrain themselves.

*(Interruptions).*

**Deputy Michael D. Higgins:** The atmosphere is becoming bucolic, a Cheann Comhairle.

**An Ceann Comhairle:** I detected that, Deputy.

**Deputy Michael D. Higgins:** Might I ask about the foreshore legislation on the Government list to change functions and amend the Acts, 1933 to 2005? I believe there is also to be related legislation on port development, in so far as a number of ports have submitted plans that involve reclamation. Will legislation be introduced in this session or during this year, and in the meantime will foreshore application licences be granted under existing legislation, or are port development authorities expected to wait until the new legislation is in place? This is a very practical question.

**The Tánaiste:** Tá mé dóchasach go mbeidh sé os mo comhair i mbliana, this year.

**Deputy Michael D. Higgins:** Go mo leithscéal, cén reachtaíocht a mbeidh os do comhair i mbliana?

**The Tánaiste:** The foreshore (amendment) Bill.

**Deputy Michael D. Higgins:** Go hiomlán, agus céard faoi na ceadanúis a luaigh mé? An mbeidh siad i measc na heagrais forálacha atáá chur isteach go dtí an Roinn nó an mbeidh—

**The Tánaiste:** Tá mé ag leanúint ar aghaidh leis an dlí atá os mo comhair ag an móimint.

**Deputy David Stanton:** Members are frustrated that the Government has deferred any possibility of Dáil reform into the autumn, if ever, despite the need for it here every morning. I have two questions.

With regard to the decision of the Minister for Education and Science to get rid of special needs classes, will that require a ministerial order under secondary legislation, and what are the plans for that?

**Deputy Kathleen Lynch:** We live in a dictatorship.

**Deputy David Stanton:** That is it, yes. This measure affects the most vulnerable people in our society.

My other question is concerned with those who have intellectual disabilities, in nursing homes and such places, and for whom we made arrangements here that moneys would be repaid to them under the nursing homes scheme. There were major problems with that, however, and many of those people have not been able to access this finance. In this regard, it is possible the mental capacity Bill will help such people. It is impossible to get answers in any other way. These are very vulnerable people who cannot get the money that was taken from them illegally.

**The Tánaiste:** There are two items of legislation dealing with mental health. The mental capacity Bill, which comes under the Department of Justice, Equality and Law Reform, will be published later this year.

**Deputy David Stanton:** What about the question of secondary legislation?

**The Tánaiste:** There is no legislation required or a ministerial order.

**Deputy Joanna Tuffy:** A report has been published by the OECD on what Ireland needs to do in terms of establishing training schemes for people who are unemployed. Could the Tánaiste organise a debate around that report because in her role as Minister for Enterprise,

Trade and Employment, it is important that we hear what she is planning to do for the unemployed. I am of the same generation as the Tánaiste, and when I was unemployed in the early 1990s, I was able to avail of social employment schemes at a time when Deputy Ruairí Quinn occupied the office now held by the Tánaiste. There is nothing like that in evidence for people now.

**An Ceann Comhairle:** The Deputy might table a question on that or raise it on the Adjournment. It is not in order at the moment.

**Deputy Shane McEntee:** As regards the eligibility for health and social services Bill, there are 600 patients discharged by doctors and still lying in hospitals due to the fact that there are no outsource places for them. This is a waste to the taxpayer of €2.5 million a week.

**An Ceann Comhairle:** The Deputy can only ask about legislation.

**Deputy Shane McEntee:** When will legislation be introduced to deal with this? I have in mind one person in particular, concerning whom I have sent a letter to the Minister for Health and Children. He is a man who had been discharged from hospital ten months ago, but was only let out the other day. In the meantime, he fell within the hospital.

**An Ceann Comhairle:** I cannot allow that.

**Deputy Shane McEntee:** When will be a proper Bill be introduced to deal with such cases?

**The Tánaiste:** I am not in a position to indicate a date, as yet.

#### **Legal Practitioners (Qualification) (Amendment) Bill 2007: Leave to Withdraw.**

**Deputy Brian O'Shea:** I move:

That, notwithstanding anything in Standing Orders, leave be granted to withdraw the Legal Practitioners (Qualification) (Amendment) Bill 2007.

Motion put and agreed to.

#### **Recapitalisation of Allied Irish Banks and Bank of Ireland: Motion.**

**Minister for Finance (Deputy Brian Lenihan):** I move:

“— That Dáil Éireann:

- commends the recapitalisation terms to be offered by the Government to Allied Irish Banks and Bank of Ireland, with €3.5 billion in capital to be provided to each bank, with an 8% annual coupon payable to the State;
- notes and commends the bank customer package which has been negotiated with the banks in the context of the recapitalisation, which provides for commitments by the banks for the mortgage and business sectors; and places the code of practice on mortgage arrears on a statutory basis;
- also notes that the banks have agreed that total remuneration for all senior executives will be reduced by at least 33%; that no performance bonuses will be paid for these senior executives and no salary increases will be made in relation to 2008 and 2009; and that the two banks have accepted that, for non-executive directors, fees will be reduced by at least 25%; and

[Deputy Brian Lenihan.]

- believes that the recapitalisation package for Allied Irish Banks and Bank of Ireland will secure the position of these banks, providing for a well-capitalised banking system, able to maintain the flow of credit to the economy.”

I am pleased to present to the House the details of the Government’s recapitalisation package for Allied Irish Banks and Bank of Ireland. This recapitalisation of our two largest banks is a central element in the Government’s broader strategy for addressing the financial crisis, ensuring our two major financial institutions remain sound and stable and in a position to fulfil their vital role in the economy. The Government has also progressed the other main elements of its approach to securing our financial system, including the package to address the concerns of ordinary customers of the banks, and I will later take the opportunity to outline to Deputies the position on these other measures.

I do not want to labour the point but in introducing the recapitalisation package to be offered to AIB and Bank of Ireland and the substantial State funds this involves, we must remember the unprecedented conditions which persist on international financial markets and in the international economy generally. These conditions have seen sources of funding for banks put under significant pressure globally, while the expectations of international markets on the levels of capital that should be held by banks to cover potential losses have increased. At the national level, the contraction in economic activity seen in the past year and the related fall in property price values places pressure on the asset side of the banks’ balance sheets. All of these pressures, national and international, have come to the fore at a time when the need to maintain the flow of credit to the wider economy is more vital than ever. We need to ensure that funds are available for sound businesses and entrepreneurs to enable them to provide the employment and output which will be the base of our economic recovery.

The Government’s strategy to address these various financial and economic pressures in the banking sector has been comprehensive. It was in a context of fear and uncertainty which beset international funding markets that the Government moved swiftly last September to introduce the guarantee of Irish bank liabilities which has provided certainty to depositors and investors alike in regard to Irish banks and which was successful in securing the liquidity requirements of our banks. The Government’s recapitalisation programme announced in December addresses both the expectations of international markets on Irish banks’ capital levels and the needs of our major financial institutions in covering potential loan losses in the coming years. Following the announcement of this recapitalisation programme, the Government initiated further intensive discussions with Allied Irish Banks and Bank of Ireland with a view to securing the position of our two largest banks. As a result of these discussions, the Government has decided on a comprehensive recapitalisation package for the two banks which will reinforce the stability of our financial system, increase confidence in the banking system here and facilitate the banks involved in lending to the economy.

The Government will provide €3.5 billion in core tier one capital for each bank. The capital to be provided was determined following detailed engagement with the banks themselves and with the benefit of survey information of the bank’s loan books, which was conducted on behalf of the Government by PriceWaterhouseCoopers. A careful assessment was made of the potential losses that the banks’ face on their loan books in the coming years, taking into account the impact of likely trends in property values and various stress scenarios for the economy. While I was criticised in some quarters for taking too long to proceed with a recapitalisation of our major financial institutions, the time taken to assess as accurately as possible the capital requirements of each bank is worthwhile in terms of the assurance that can now be offered



markets on the levels of capital in the two largest banks and the fundamental strength of their position in the coming years.

The level of capital being provided by the State will boost the core tier one capital ratio of AIB to 8.5% and that of Bank of Ireland to 9%. It is important to note these are high capital ratios by international standards and the banks will therefore be in a strong position to raise the funding they require on international markets and withstand loan losses arising.

In return for the substantial investment being made, the State will hold preference shares which have a fixed dividend of 8% of the total sum invested, payable in cash, or with ordinary shares in lieu in the case where the banks do not have profits to pay a dividend to its shareholders. The banks can redeem the preference shares to the State at par value within the first five years, or at 125% of face value thereafter. Also, warrants for the purchase of shares give the State an option to purchase in five years' time up to 25% of the ordinary share capital of each bank at predetermined strike prices based on the current market share prices. These warrants effectively provide the State with access to the future upside of the investment it is now making in the banks, as this will be reflected in future increases in the banks' share prices.

As part of the terms of the investment I will have the right to appoint 25% of the directors to the board of each bank. As Minister, I will also hold 25% of the total ordinary voting rights in the two banks in respect of certain key functions, including decisions on change of control and board appointments. These terms provide for an adequate degree of State representation in the corporate structure of the two banks given the substantial investment it is making. However, the Government has made it clear that it does not intend to take control of these banks and the terms of the recapitalisation carefully provide for this. Following this recapitalisation, the State will not hold ordinary shares in either bank other than existing NPRF holdings, while the option to exercise warrants in the future is capped at a defined level of shareholding.

Furthermore, the terms of the recapitalisation provide that each bank will have the possibility of redeeming up to €1.5 billion of the State's investment by raising privately sourced core tier one capital prior to 31 December 2009. In this case the warrants held will be reduced pro-rata to that redemption to an amount representing not less than 15% of the ordinary shares of the bank. I have made clear on a number of occasions that the Government encourages the banks to access private sources of capital where possible and the banks are therefore incentivised to do so under the terms of this recapitalisation. Equally the terms of the deal convey a clear message internationally that the State will not inhibit private investors now or in the future in the Irish banking sector. As a small open economy, Ireland is by its nature dependent on the investment it can attract internationally and the key task now for the two banks is therefore to raise funds to enhance their funding and capital position and expand the contribution they make to our economy. The terms of the recapitalisation provide a clear path for the two banks to remain privately run and privately owned institutions, not least because this is by far the most efficient way to organise the vital role played by the banks in the economy.

While the State is clear in not seeking to take control of the banks, the terms of the recapitalisation provide an appropriate return to the State for the investment it is making in the context of current financial market conditions, while avoiding the mistake of placing overly stringent costs on the banks which would impede them from lending. The capital investment, therefore, brings a clear return to our economy. Our two largest financial institutions are in a strong position to withstand losses arising on their loan books and equipped to maintain the flow of credit to our economy. I will outline presently the commitments the Government has secured from the two banks in terms of their lending to the real economy.

The recapitalisation programme will be funded from the National Pensions Reserve Fund. Some €4 billion will come from the fund's current resources and €3 billion will be provided by



[Deputy Brian Lenihan.]

means of a front-loading of the Exchequer contributions for 2009 and 2010. The necessary amending legislation to the National Pensions Reserve Fund Act 2000 will be introduced shortly.

The recapitalisation package for the two banks has been recommended to me by the Governor of the Central Bank, the Financial Regulator, my financial advisers and the National Treasury Management Agency. The Financial Regulator has confirmed that the preference shares qualify as core tier one capital, meaning that such funds are of maximum utility to the banks in terms of the buffer provided against loan losses. The recapitalisation package is subject to the approval of the ordinary shareholders of each bank at general meetings which will be convened without delay. The Government's proposals on recapitalisation have also been designed having regard to the European Commission recapitalisation communication and are subject to EU state aid approval.

With regard to the other banks, the Government is continuing its discussions with the other covered institutions, namely, Irish Life & Permanent, EBS and INBS, concerning their respective positions and capital is available where such is required. However, any possible requirement for these institutions would be of course substantially less than that for the two main banks. As Deputies are aware, Anglo Irish Banks is now under full public ownership. It will continue to trade as a going concern with appropriate Government support as necessary, following consultation with the EU authorities, to ensure its viability.

I will now address the other aspects of the Government's strategy for addressing the impact of the financial crisis in Ireland. The Government is committed to underpinning its recapitalisation proposals with further measures to strengthen and secure the Irish financial system. In that context and within the six month review of the guarantee scheme to be completed by mid-April 2009, the Government will examine how the guarantee scheme could be revised in ways which include supporting longer term bond issuance by the banks. This review will be subject to European Commission approval and consistent with EU State aid requirements and will be in line with international and EU trends where the average term of State cover for bond issues extends beyond 2010.

The Government is conscious that in current market circumstances there is a need to bring greater certainty and transparency to the operations of systemically important financial institutions, in particular in regard to specific asset classes currently perceived as carrying a higher than average risk. Irish institutions have engaged in lending for land and property development, which exposes them to specific risk at a time of falling property prices and difficult economic conditions.

In line with developments internationally where the UK and US have put forward specific proposals, and current discussions at EU level, the Government will examine proposals for the management and reduction of risks within financial institutions with respect to specific land and property development exposures. Ongoing work at European Central Bank level and in the EU will inform this process.

I have already outlined to Deputies the conditions attached to the recapitalisation proposals to protect and ensure a return for taxpayers. I would now like to highlight further measures committed to by the banks regarding credit supply and their interaction with customers. A continued flow of credit is vital for our economy. To establish the exact position regarding the availability of credit, the recapitalised banks have agreed to fund and co-operate with an independent review of credit availability which will be managed jointly by the banks, Government and business representatives. The recapitalised banks have agreed to work closely with the IDA, Enterprise Ireland and with State agencies to ensure the supply of appropriate finance

to contractors engaged on major projects sponsored by them, to engage in a clearing group to identify specific patterns of events or cases where the flow of credit to viable projects appears to be blocked and to seek to identify credit supply solutions. They have also agreed to provide €15 million each to a new seed capital fund.

Statutory codes of practice on business lending and mortgage arrears have been finalised and will be published this week by the Financial Regulator. The codes to be put in place will ensure all banks operating here deal in an honest way with customers and that consumers in particular are treated in a reputable and respectable fashion. The business lending code will require banks to offer annual review meetings to inform customers of the basis for decisions made and to have written procedures for the proper handling of complaints. Where a customer gets into difficulty, the banks will seek to agree an approach to resolve problems and provide reasonable time and appropriate advice.

Under the mortgage arrears code, where a borrower is in difficulty, the lender will make every reasonable effort to agree an alternative repayment schedule and will not commence legal action for repossession until after six months from the time arrears first arise. The two recapitalised banks will not commence court proceedings for repossession of a principal private residence until after 12 months of arrears appearing, where the customer continues to co-operate reasonably and honestly with the bank. In addition, the recapitalised banks have assured Government that in the normal course of events they will make every effort to avoid repossessions, as has been evidenced by the low level of repossessions by them to date.

It is important that I address the issue of remuneration in banks. The Government is of the view that significant reductions in the remuneration structures of banks is required. The banks benefiting from State capital, AIB and Bank of Ireland, accept that pay restraint is important in the overall context of the economy and the supports being provided by the taxpayer, and will act accordingly. As a step in this direction, they accept that the pay of senior executives will be curtailed. Total remuneration for all senior executives will be reduced by at least 33% and no performance bonuses will be paid for these senior executives and no salary increases will be made in relation to 2008 and 2009. The two banks have also accepted that, for non-executive directors, fees will be reduced by at least 25%.

The report of the Covered Institution Remuneration Oversight Committee, CIROC, is expected shortly. As Deputies will be aware, the role of this committee is to consider the remuneration plans of each of the institutions covered by the Government guarantee. I will be writing to the chairman of the committee, Mr. Eddie Sullivan, to ask him to examine whether an overall cap on executive remuneration can be introduced for the banking sector in light of the significant State support that is now being provided to the sector and the pay restraint which is now a feature of other sectors, including the public sector.

The banking sector, along with other sectors, will need to play its part, in reducing our cost-base to ensure our competitiveness in the years ahead. I will, therefore, bring forward proposals regarding remuneration in the banking sector on receipt of the CIROC's report. These proposals will be in addition to those I announced yesterday evening.

The Government's recapitalisation package for AIB and Bank of Ireland and the associated measures which I have outlined represent the taking on of a significant, and indeed unforeseen role by the State, in the securing the banking sector. There have been important issues for the Government to address in taking on this role at a time when we have also to ensure fiscal prudence and make difficult decisions to ensure our competitiveness internationally. The proposals presented by Government crucially provide for an adequate return to the taxpayer which is making the investment, appropriate representation for the State in the banking sector and, most important, for the future health and viability of our banking sector.

[Deputy Brian Lenihan.]

A priority for the Government has been to ensure that all intervention in the banking sector has as its ultimate goal benefiting and securing the position of the customers of the banks, including account holders, mortgage holders, businesses and entrepreneurs. The Bank Customer Package will ensure that the interests and concerns of consumers are to the fore. In all, the Government's recapitalisation proposals for AIB and Bank of Ireland represent a comprehensive commitment by the State to maintaining the two main banks as strong, forward-looking, confident institutions, able to play their part as the primary financial services and credit providers in this country.

Prior to the making of the decision by Government, the Taoiseach and I welcomed the opportunity to consult on and discuss with the Leader of the Opposition, Deputy Kenny, and the Fine Gael spokesperson on finance, Deputy Richard Bruton, the issues that arose on the recapitalisation of these institutions. Likewise, yesterday morning before Government made its decision, I took the opportunity to brief the Leader of the Labour Party, Deputy Eamon Gilmore and the Labour Party spokesperson on finance, Deputy Joan Burton, on the Government's plans.

I appreciate that given the global financial and banking crisis, there can be dispute and argument within the House about many matters relating to banking. However, I believe we all agree it is of fundamental importance that we place these two institutions on a sound basis. The recapitalisation proposals accepted by Government put these institutions on a sound basis in so far as their capital is concerned. I appreciate that other ideas may be brought forward, in terms of the guarantee or the minimisation of the risks, and I will, of course, examine any such proposals in a constructive manner. As outlined in my speech, I am prepared to engage with the banks on these issues to see how we can move forward while fully protecting the taxpayers' interests.

It is important that, as a House, we work together to protect the position of these two institutions which are of fundamental systemic importance to our economy. The investment made by Government is a substantial one. As some Deputies commented, it is well in excess of their current market value. The Government could have gone down the route of full nationalisation. I do not believe that would have been in the interests of the country as it would have placed the substantial borrowing requirements of these institutions, which are far in excess of our national funding requirements, onto the risk of the sovereign State of Ireland. It is important that these institutions continue as private institutions as they need to develop and enhance their fund-raising capacity to enhance the liquidity of the Irish banking system.

As I stated, these two banks are of fundamental importance in our system. That does not mean we will not work to address the problems of other financial institutions. As far as these institutions are concerned, the Government believed it of vital importance to put their durability beyond doubt through the decision which it arrived at yesterday. It is of  
12 o'clock fundamental importance to Ireland that we remain as members of the European Monetary System through our participation in the European Central Bank which, throughout our financial crisis, has been a source of tremendous stability and strength in our banking system. It is important that message goes out around the world where on occasions unfavourable comparisons are made between Ireland and other countries. We are part of one of the strongest monetary zones in the world and the central bank of that system is a bulwark of support for our banking system.

**Deputy Richard Bruton:** I move amendment No. 1:

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

- condemns the regulatory failures that facilitated a deception of shareholders and the public at large;
- expresses concern that the recapitalisation proposal of Government will be insufficient to restore a strong banking system able to maintain the flow of credit to the economy;
- calls on the Government to consider other options that would put taxpayers' money for recapitalisation into new banks with clean balance sheets;
- calls on the Government to defer its decision on recapitalisation until a full set of proposals that addresses the management of impaired loans has been developed;
- calls on the Government to introduce a flat cap on remuneration of senior executives at no more than €250,000 until the Government's capital is repaid; and
- calls on the Government to publish clear performance benchmarks on loans to business, on new mortgages issued and on the handling of distressed loans on a monthly basis so that the public can see how commitments are being fulfilled.

It comes as little consolation to the House that once again yesterday we were plunged into yet another regulatory failure, where a major financial institution was involved in transactions that were clearly designed to give a deceptive public perception of that company. It appears to have had the involvement of another financial institution in that activity.

This should not have come out in the way it has done. It is quite extraordinary that the first inkling we learned of this occurring came from the board of Anglo Irish Bank. It did not come from the Department of Finance or the regulator, which knew four months ago of this transaction. It did not come from action being taken, although we are told decisive action had been taken to deal with it and that appropriate changes have been made both in personnel and practices. Instead, it came out with the Minister apparently unaware of its implications. Indeed, at the very time he was proposing that money be put into Anglo Irish Bank as a going concern, his Department and the regulator were aware it was involved in practices that would clearly disqualify it from being the sort of institution into which we would put €1.5 billion and allowing the continuing operation of the management and the approaches they were undertaking. That is a serious situation.

A further serious issue arises today in that it would appear Irish Life & Permanent believes it had cover for this from the Central Bank. It is important that the Minister in the course of the debate clarifies exactly what was the situation in this regard. What was the nature of communication between Irish Life & Permanent and the Central Bank? Were the Department of Finance and the Minister informed of the communications and what was sanctioned in terms of inter-bank transactions? Was the manner of presentation in the books of Anglo Irish Bank, which of course is the core element that is the source of real concern, a matter of which the Central Bank, the regulator or the Minister for Finance were aware? These are very important questions that need to be answered.

There is equally a concern as to what exactly the regulator and the Central Bank were doing from the date the State moved in with guarantees. Surely, we would expect the regulator was daily watching the level of customer deposits and that it would be seen whether customer deposits would come back following the guarantee. We would expect the regulator would immediately see an unusually large transaction of this nature and that this would have triggered some questions as to what exactly was involved.

[Deputy Richard Bruton.]

It is very hard to believe that the regulator, which we believed was day and night watching the liquidity base of the banks, in particular Anglo Irish Bank, was not watching its customer base and its customer deposits as distinct from its inter-bank lending. This would have been a matter of very immediate scrutiny on a daily basis. It is very hard to understand how this slipped through and how those within the Minister's Department and the regulator's office allowed a period of drift from October right through to December, when the State was still intending to put money into this bank as a going concern. They were in possession of this information but did not seem to be aware of its potential seriousness. That question has been asked and will continue to cause concern. I do not believe by any means that this concern has been dispelled by what we have learned to date.

I would like to turn to the next element of our concern. In our amendment, we expressed concern that the recapitalisation proposal will be insufficient to restore the banks to a position where they are able to lend again. I have not heard from the Minister any hard evidence to suggest this move will resolve the problem. He is expressing hope that it will happen. He at times suggested in his statement that our banks are very strong. One quote is worth recalling, namely, that he believes "our two largest financial institutions are in a strong position, able to withstand losses arising on their loan books, and equipped to maintain the flow of credit to our economy".

There is very clearly a difference of opinion about that. Many believe that the scale of the impending loan losses are much greater than has been admitted by the Minister or the banks. Bank of Ireland today increased its expectation of loss from €3.8 billion to €6 billion, so €2.2 billion of what we are putting in is already admitted as having to be written off. That is a very substantial 60% increase in its expectation of loss. Is this the end of the line, people ask? There is no solid evidence-based explanation either from the Minister or the banks to establish that this is the end of the line. There is a very serious concern that the true extent of these losses is much deeper than anyone is willing to face up to. While the Minister is giving these assurances today, there is not much confidence that those are shared widely and there are many who say the hole is much deeper.

We would want to see hard evidence to contradict those who say the hole is much deeper but we are not seeing it, which is causing a great deal of concern. There is a real worry that we will be revisiting this well again. We have put in our €7 billion but we may find it sinks below the surface and we still do not have a bank that is able to lend again. This will continually dog us. The Minister is saying he will have to come back again with proposals, which he has not yet decided upon, to deal with some elements of bad loans. If he had the confidence he asserts here, that would not be an issue but, clearly, there is a belief we have not resolved the problem in this move today.

One must look elsewhere to find whether recapitalisation of this nature has succeeded where it has been attempted elsewhere. One can see in other countries that it has not. Countries which moved rapidly with big recapitalisation programmes have not succeeded in getting their banks back lending again. The Minister may say the nature of their loan books was different and circumstances are different, which may be the case. However, we still have not seen strong evidence to reassure us that this is the bottom or that there is a proper evaluation that gives us confidence we are there.

The greatest danger to Ireland from the Minister's approach is that we continue to have, after this decision, banks that are nursing along dodgy property loans and which are starving real businesses of the capital and investment they need. Many, looking at the stream of revenue coming from the banks, would believe that those streams of revenue will be under pressure,



that they will not be in a position to meet both the loan losses that are materialising and the €280 million they must pay in their preference shares each year, and that, even on fairly conservative assumptions about the prospects for the economy, they will be losing money and draining capital for the next three years.

If that bleak assessment of what is out there is realistic, which it is in my view, they will not be in a position to restart lending because they will remain financially too weak to do so. They will be concerned mainly with protecting their independence and the independence of the existing management and shareholders. They will be circling the wagons, trying to protect their own skin, not focusing on viable business plans and the need to make money available to business. That is a very serious situation.

We are also putting in our capital to be on an equal footing with shareholders. In the order of priority, we are moving ahead of the bondholders. We will now be at greater risk than the bondholders who have been funding the lending practices in recent years. If the picture is worse than the Minister hopes is the case, the taxpayer will be there to take a hit. The taxpayer is now moving ahead of those bondholders, which is a concern.

The Government is discussing alternatives such as the concept of a bad bank or insurance and this suggests that we are not yet at the end of the road, which undermines confidence. Fine Gael has proposed an alternative model. I discussed the matter with the Minister for Justice, Equality and Law Reform this morning. He suggested that he discussed the matter with the banks and it seems they did not like our idea. I do not care what the banks think of our idea, because its purpose is not to rescue the banks.

**Deputy Brian Lenihan:** It is a very expensive idea.

**Deputy Damien English:** It is a good safeguard. I do not understand why the Minister is not in favour of it.

**Deputy Richard Bruton:** It is not an expensive idea.

**Deputy Kieran O'Donnell:** The banks are still dictating matters.

**Deputy Richard Bruton:** Our idea is that one separates from within each of the banks a good bank. The good bank then purchases from the legacy bank the sound elements of the loan book, that is, the parts of the loan book that can be valued, including the mortgage book and the business book. The good bank pays a fair value, bearing in mind that those purchases will generate revenue streams for the existing banking operation. It pays a fair value but is then considered a clean bank with a clean balance sheet. That is where our capital should go.

The proposal would then leave in place a legacy bank, which would be the first in line to take a hit if it fails to recover all its money. First in line would be the shareholders and then the bondholders. It is possible that the bondholders could suffer, which may be painful. However, such people are grown up and have worked in the risk business. They invested in this activity with their eyes open. It is not the job of the taxpayer to extend the existing guarantee to cover those bondholders. The legacy bank would then have the time and the opportunity to work on the bad book and recover as much as possible from it. Of course, the State would have an involvement because it would still carry some guarantee deposits in that bank. This would allow liquidity to work down its balance sheet, but the taxpayer would not take the hit on the losses until the bondholders had taken it first. I believe that is a viable approach, which is gaining international recognition. The Germans are examining a version of this proposal.

There are arguments concerning the extent to which the State should support a legacy bank. I take the view that we should have very little support for a legacy bank other than to allow it

[Deputy Richard Bruton.]

liquidity under guarantee while it worked down its loan book. Others may hold a different view. The merit of this proposal is that we would have a clean bank capable of kick-starting the economy, from which even the legacy bank would benefit. There is a greater chance that the legacy bank would recover its assets if the economy is going again, if land values recover and if development begins again. There is a much better chance of this if there are clean banks with such capability. Even the difficult loans could be managed in an orderly way over a reasonable period of time and recover value for those who funded them. Those who recoup from such loans deserve the reward, but if they cannot it is not the taxpayers' concern to deal with the matter.

I am concerned that the proposed recapitalisation is not only putting this money into an unknown hole, the size of which we cannot estimate, but that the extent of the taxpayers guarantee is creeping beyond the line in the sand drawn last September by the Minister of Finance. It is extending to a greater group of people who should not be protected by the taxpayer.

I do not make this proposal for political gain. This is a model, the time for which is coming. Increasingly, other countries and commentators are examining this option and consider this as the only way. A policy of hoping for the best is not a good option. Unfortunately, we must anticipate the worst and create a model that is capable of handling the worst that comes our way. The model advocated by Fine Gael is more robust and capable of dealing with things getting worse than we hope. I wish to believe the Government's proposal will succeed and in no way do I wish it ill. However, I believe the Fine Gael option is better in that it protects us from circumstances which could get worse, rather than simple hoping the Government option works.

I refer to other elements of concern. We must know what the Government intends to do regarding caps on remuneration. The Minister stated he would write to someone to establish if it was possible to go beyond the 33% cut. The Minister for Finance should clearly signal that there must be cuts. The expectation is that €250,000 is sufficient remuneration while the State guarantee is in place. I am disappointed such a measure is not in place.

I am also disappointed with the weasel words in these commitments. Reference was made to a 10% increase in capacity for small business loans and a 30% increase in capacity for mortgage loans. What does this mean? Is it possible for a pool of funds to be made available, but from which nothing comes out? That would be of no benefit to anyone. We must see benchmarks. If there is a 10% pool, we must be able to see the number of applications and how many were rejected and drawn down. We must be able to see if there will be 4,000 new mortgages issued next month and the month following. These are the metrics we must be able to see. The use of vague words such as "capacity" sound as if they could allow a bank to take the position afterwards that it examined projects but took the view they were not very good. I realise the Minister intends to have a common committee examine this in a clearing house. I hope this extends not only to business loans, but to mortgages. We should be able to see that these commitments are realised. The handling of cases involving distressed loans is similar. We must be able to see monthly reports on these to have confidence in what is taking place. They should be in the public domain and available for inspection by the House.

I am disappointed at the Minister's vagueness concerning new blood in the bank. I listened to the Minister's interview this morning and I note he stated that it would be a very bad signal to send to the markets, and that if they thought the Minister for Finance could ring up and instruct a bank to get rid of its board and chief executive——

**Deputy Brian Lenihan:** Not the chief executive.



**Deputy Richard Bruton:** I do not share that view. The taxpayer is investing a large amount of money and we could set preconditions. It would not be unfair of the Minister to do so. It would be unusual, but it would not be an abuse of his position for the Minister to say the State is investing this money and conditions are attached surrounding fresh management in the company and a new approach, or that fresh boards, fresh management and a fresh approach were necessary. I regret the Minister's timidity in this regard. Even the international markets wish to see fresh blood, fresh faces and a fresh start.

This morning, the Minister for Finance made a significant admission. He admitted, correctly, that the regulatory system is simply not up to it. Even now, having seen the mistakes made, the system is still not up to it. It is extraordinary that those studying regulatory failures are the regulators. It is ridiculous that they have commissioned consultants to examine their failures. If anyone else failed and stated the solution was for that person or organisation to review how it failed, it would not be credible. If a person employs a consultant and pays money to explain how he failed, such a consultant will not conclude that person should be sent out the door. It is not enough. If the Minister is serious, then there should be a proper external examination. We must have confidence that every stone is being turned, that no one's reputation is being protected, that there are no golden handshakes to nudge people to one side and that there will be a no holds barred investigation of regulatory failure. The people will not have confidence in anything short of that.

**Deputy Joan Burton:** I thank the Minister for Finance for an answer to a parliamentary question provided last night, which I will share with the House. I 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;

The Minister stated:

Anglo Irish Bank is being run on an arm's 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.

So there we are, "goodbye to all that".

**Deputy Brian Lenihan:** Will members of the Labour Party be there? Would the Deputy like me to reopen it?

**Deputy Joan Burton:** Maybe Labour Party members and people like me, now that race meetings are not infested with corporate tents and Fianna Fáil party political funding efforts,—

**Deputy Eamon Gilmore:** It will depend on the tote.

**Deputy Joan Burton:** —can go back to the race track without being offended by the sight of Fianna Fáil and its pals with their noses deep in the trough. If the tent had been closed down a long time ago we would not be where we are now.

[Deputy Joan Burton.]

Yesterday's revelation that the Minister for Finance did not read in full the report of the €7 billion deposit, shocked everybody in the country. This ironically is the same figure as the recapitalisation figure, as others have pointed out. The revelation may have even shocked the Minister himself. Sight has been lost of a second even more major fact, that the Minister indicated that the Taoiseach had not read or been given the report either.

**Deputy Brian Lenihan:** Certainly not.

**Deputy Joan Burton:** He had not read or been given the report?

**Deputy Brian Lenihan:** No. Certainly not.

**Deputy Joan Burton:** I find that even more shocking. To some extent the Minister is an apprentice Minister for Finance. We know that he has worked very hard on this issue but until six or seven months ago the Taoiseach had been Minister for Finance for several years. He was regarded as somebody with a great deal of expertise, insight and knowledge of his portfolio and brief. He is also the Taoiseach. I do not understand the operation of a Government where this report was not read, analysed, commented on, where people were not briefed and the matter was not discussed by the Taoiseach, the Minister for Finance, the senior advisers making presentations and senior Ministers such as the Tánaiste and Minister for Enterprise, Trade and Employment, if not the whole Cabinet. I can understand that the Minister might have been afraid it would leak. Did the Green Party Members even hear about it? It makes one wonder. This indicates a breakdown in what should be the normal working rules expected of a Cabinet, as in Chubb and Farrell's description of how Seán Lemass ran his Cabinets. This was one of the most important decisions in a series of decisions which have been so important and so difficult in the context of what has been happening here since late last August.

The Minister said yesterday that he has been working day and night on this since then. I accept that but it is unbelievable that the apprentice Minister's master who is only one step above him, having been elevated to the key job, does not get the report. He is not here today.

**Deputy Brian Lenihan:** He gets a summary of the report.

**Deputy Joan Burton:** I hope he is away doing important business for Ireland on the EU or connected with jobs and not out canvassing. Government can no longer be business as usual with members of Fianna Fáil canvassing every corner, every GAA club, every race meeting and football match. They have no time to read reports because they are out there canvassing for the next election and the election after that. The actions of the Minister, the Taoiseach and their Cabinet are the equivalent of short selling on the Stock Exchange which was properly banned recently. The Minister should stop short selling Ireland. His Cabinet and Government should get down to trying to restore this economy in the time remaining to them. It is a difficult and challenging job. The answers are not easy. Nobody on the Opposition benches has all of the answers but the revelations yesterday were stunning and depressing.

I received the summary of the Bank of Ireland statement this morning. The Minister's address to us did not address either the important points brought forward by the Fine Gael spokesperson or the content of this statement which makes several points. The provision for bad debts up to 30 March is €1.4 billion, and approximately 45% of the increase arises from property and construction. It has revised its forecast for the three years to March 2011 from €3.8 billion to €4.5 billion and, in case of additional loan impairments, adds another €1.5 billion. That brings the total to €6 billion. Unfortunately, the Minister did not give us this information to analyse the quality of his €7 billion proposal. Allied Irish Bank is significantly bigger than

Bank of Ireland. There are suggestions, particularly from the bank itself, that it is stronger because it has overseas investments which yield good returns. If the €6 billion in the Bank of Ireland statement, which the markets are parsing and analysing, is true, it is not unreasonable to suggest that the AIB figure for the same period could be €7 billion to €8 billion. I do not know whether the Minister agrees or whether his officials have given him suggested figures. Those figures come to €13 billion or €14 billion. The Minister is putting in €7 billion and tells us that he will look at the balance.

**Deputy Brian Lenihan:** They are pre-provision figures.

**Deputy Joan Burton:** I know that but the markets are working on them. The Minister is not setting out the problem and is short selling the country.

**Deputy Brian Lenihan:** The Deputy is short selling the country now by giving pre-provision figures. She should not do that.

**Deputy Joan Burton:** The Minister must stop short selling the country. Perhaps this should be done by way of a committee.

We saw the spectacle yesterday, and the day before, of chief executives of banks going to the House of Commons and the US Congress and 'fessing up. They told their parliaments they were sorry. They did not quite use Obama's term, "I screwed up", but they did go in and face the people's representatives and apologise. The people whom the Minister is bailing out here are using the Seánie FitzPatrick line, "thanks a million", but are not saying sorry.

I do not know where the absolute anger of some people in this democracy will take them. The Minister must understand, as a democrat, that these executives must come in here and respond to the elected representatives and explain themselves. That is an important cathartic point that the Government, partly because it is still in denial, has missed.

I do not know on what planet the Taoiseach is living. According to the business pages of *The Irish Times* yesterday at the Institute of Engineers "Mr. Cowen took issue with 'commentators in the public debate'" — I suppose that is us and all the media and journalists — "who blamed the current crisis entirely on an over-reliance on revenues from the construction industry. He described that analysis as 'futile and facile'." Bank of Ireland has stated that the 45% increase in impairments in the year to date are down to the construction industry. The Taoiseach's statement denies reality.

The Government's recapitalisation is effectively nationalisation without national control. The Minister is putting €3.5 billion of tier one capital into each of the banks, but he is doing it by means of preferred stock. He then has a "get out of jail" clause for the taxpayer by stating that some of this may be converted into a 25% ordinary share stake at a later date. There would be downsides to nationalising the banks, but the cost and the return to the taxpayer would be potentially far more significant.

I would also like to disagree with a fatuous statement that the Minister continuously makes on radio and television. He continuously states that this costs us nothing, and that not a penny of taxpayers' money has gone into bank recapitalisation, or the guarantee in September. Who does he think he is coddling? I hope he does not believe this himself and that this is not about failing to read the report. Part of me still hopes that maybe he did read the report, but that there might be other stuff that he does not want to know, because there is more bad stuff waiting in the wings. In his reply to me last week, the Minister stated that there has been an increase of €544 million in the cost of servicing the national debt. As the Minister knows, most of that is due to the increase in the number of basis points for Ireland when compared to the German rate or even the European average. To suggest that what the Government has done

[Deputy Joan Burton.]

so far is free of cost is not true. The actual cost, *per* the Minister's own answer last Thursday, is €544 million. In addition, the National Treasury Management Agency has advised me that the expected cost of financing the national debt in 2009 is €4.5 billion, which represents an increase of €2.401 billion. I ask the Minister please to stop telling us that these events are cost free to the Irish taxpayer. Irish taxpayers, and possibly the grandchildren of the these taxpayers, will have to repay this.

He should not suggest to the people, who are getting increasingly incensed, that he has some magic formula. As the leader of the Labour Party pointed out yesterday, the Government's approach to this is like being at a racecourse with a three card trick. We are being asked to believe several mutually impossible and inconsistent things. We need to get to the level of debate where we can actually analyse the different options.

Deputy Rabbitte suggested the other day that an expert committee of the House could examine some of these issues as they do in other parliaments. Many people like the bipartisan approach that operates from time to time in the States. People would have seen the House of Commons select committee at work yesterday. One of the bankers at that committee stated that instead of being a master of the universe, he felt that he was not even a corporal. Where does that leave our bankers? Where does that leave the eight point programme policy that the Labour Party gave to the Minister? I thank the Minister for taking the time to read it, because he discussed it with me and Deputy Gilmore at great length yesterday.

We must get credit flowing to business. The 10% increase in lending to businesses that has been provided in the Minister's document for small and medium enterprises is welcome. However, he will have to ride herd on it to make it happen. He will have to work hard and think up imaginative ways for that to happen. The Minister also spoke about a 30% increase in loans to first-time purchasers, but given the current state of the market, I am not quite sure what measures he has in mind to make that happen. If we had a question and answer session, he could explain this to us. This is potentially important in order to get the market moving, but we need to know the details of how the Minister proposes to do it. We also heard about the €100 million for green projects in the guarantee programme last autumn, but I do not know to what extent that has been followed through.

The Labour Party discussed with the Minister how it might be possible to identify the scale of bad assets and write down impaired assets. He has been silent on this. From the media, I understand that he is now thinking of some kind of insurance system. The problem with an insurance system is that old bad debts are being insured, when the insurance system should go into new lending. We want to get credit flowing to existing businesses who may be having difficulty accessing lending. The Minister's insurance scheme being mentioned in the media——

**Deputy Brian Lenihan:** Not by me.

**Deputy Joan Burton:** We must have a way to quarantine the bad debts. There is a big differential in what the market is going to factor in between the Government's €7 billion and the amount the banks are thinking of, having read today's statement by the Bank of Ireland. I acknowledge that the banks will provide some of that by cutting back costs and by not paying dividends. I do not suggest that the State must provide all of that, but there is a big gap.

We also suggested the establishment of a top level Irish banking commission, composed of the best people with experience here and abroad. Our regulation system has failed abysmally. I do not want to get into any personal comments on individuals, but the Minister answered a question I asked a few days ago about the "leaving" package of the former regulator. I do not know if he appreciates how angry people are at the notion that the regulator, on retirement,

received an additional bonus payment of eight months, which the Minister claims was due to legal advice. I do not know if the Government is thinking about the political reaction of people to this decision. We want a banking commission to take over and reform the regulation. We need to remove the title of “Financial Regulator”, as it has been damaged. We also need to identify the role of the Central Bank in this matter.

We want regime change in the banks. We do not believe that any bank executive in the covered institutions should earn more than the Minister, which is around €250,000 when salary and expenses are included, as well as a car. That is serious income as far as 99% of people in this country are concerned. The Minister should bite the bullet and cap executive pay.

Finally, we also need an inspector for Anglo Irish Banks. An article in this morning’s *Financial Times*, written by the newspaper’s Ireland correspondent, included a short, sharp summary of the different investigations into Anglo Irish Bank. Basically, it is the cancer at the heart of our banking system. We own it now — it is our bank. The Financial Regulator is undertaking investigations. We have no confidence in the regulator, however. The regulator can make inquiries until the end of time. There is no confidence in this country’s system of regulation. I ask the Government to appoint an inspector, as the Labour Party has requested. That should happen soon so that we can start to clean up this mess.

**Deputy Arthur Morgan:** I would like to share time with Deputy Ó Caoláin.

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

**Deputy Arthur Morgan:** I would like to move my amendment to the Government motion.

**An Leas-Cheann Comhairle:** I am afraid that is not possible because there is an amendment before the House. The Deputy can speak about his amendment if he wishes.

**Deputy Arthur Morgan:** Okay.

**Deputy Caoimhghín Ó Caoláin:** I did not hear any other Deputy move an amendment.

**Deputy Arthur Morgan:** Deputy Bruton moved an amendment.

I would like to make a few general observations at the outset. It cannot be denied that we are in a catastrophic mess at the moment. That mess was made by the Government, in the first instance, and made worse by speculators, who were not reined in, and by bankers. It smacks of the era of Haughey, Lawlor and Burke. I hope I am wrong in that regard, but that is what it looks like to me and many others. It is worrying that the Government is not showing any direction in dealing with the current crisis. I have been saying for many years that we need a State bank that can be trusted. People need to have confidence that a bank will behave as good old-fashioned bankers, whose word was their bond, used to behave. Bankers should confine themselves to making an honest return from the work they do with their clients. I do not see that happening in any of the modern banks, which is most unfortunate.

I would like to pay particular attention to three aspects of the recapitalisation of Allied Irish Banks and Bank of Ireland, which is the issue at hand. First, we need to focus on the need to protect people’s homes. The best the terms of this scheme can offer us is a one-year moratorium on efforts by the banks to repossess people’s homes. The Government must expect that people who are losing their jobs, getting into financial difficulties and therefore unable to make their mortgage payments will be back in work and in a financial position to start making mortgage payments once more within 12 months. The terms and conditions of the recapitalisation deal, which state that 12 months will have to pass before the banks can make a move to repossess, are clearly based on an expectation that is pie in the sky. There is not even a remote chance



[Deputy Arthur Morgan.]

that what is expected will come to pass. The moratorium period should be at least two years, with a review at that stage to see how people are getting on. Another aspect of the deal is the introduction of a regulatory code to protect customers. The voluntary code that has been in place for many years is worthless and meaningless. If that code, which was written by the banks, is to apply in this instance, it will have no value. I see no point in adopting a code that is the preserve of the banks.

The second leg of the scheme to which we should pay attention is the absolute need, for a number of reasons, to ensure that a proper financial stream is available to small and medium-sized enterprises. As we know, many businesses are having significant cash flow problems. They may wish to maintain their competitiveness by upgrading their processing systems, buying new machinery or modernising their structures. It is crucially important that those running shops and other enterprises can refit their premises from time to time. We are depending on such people to maintain jobs. If they do not have a steady financial stream, what chance do we have of retaining jobs? In these or any other times, surely job retention is at least as important as job creation. I am concerned about the scheme that is in place to make this happen. Will it happen? The clearance group that is in place, as a result of the Government's negotiations with the banks, has no teeth. It will debate certain matters with the banks as an honest broker. To date, the banks have had to be brought screaming and kicking to the table at every stage. It worries me greatly that the banks, rather than the Government, have been calling the shots. The clearance group has a huge job to do if the confidence of businesses is to improve. I am concerned about it.

The third element of the scheme about which I am concerned relates to the terms and conditions it sets out for executives. I do not want to rely too much on this important point. It is a question of public confidence. We have been told that certain characters, who are being paid approximately €3 million per annum, will take a salary cut of approximately one third. Should we prostrate ourselves before these great people who have agreed to earn just €2 million per annum at a time when public sector workers are being mugged by the Government on a daily basis? People on lower and middle incomes are being mugged every time they open their wage packets at a time when, back at the ranch, executives are having to humble themselves by getting a mere €2 million per annum. Do we really owe executives such a great deal? Why do we tolerate such nonsense? It demonstrates to me that the Government is out of touch with reality. I wish representatives of the Government would occasionally walk into the newsagents or stop to talk to people on the street. When people come to the constituency offices of Government Deputies, they should ask them what they really think and what is being said among the public. Most people think the Government has no perspective on what is going on, or even on reality. Are we supposed to laud a person for accepting a wage cut from €3 million to €2 million?

The former Financial Regulator is walking into the sunset with a €630,000 pay-off and a pension of €142,000 per annum at a time when the pensions of the workers of Waterford Crystal are at risk. One group of people may not get a cent, but this other character is being looked after. A complete realignment across every stratum of the State is needed, rather than merely an adjustment, as the Government is calling it, of the wages of public sector workers on low and middle incomes. I suggest that we adopt an approach equivalent to that of the new US President, Mr. Obama, who has capped bankers' wages at \$500,000. I suggest that the salaries of bank executives be linked to those of Ministers. That is an adequate scale for anybody. I am concerned about the huge bonuses and salaries the executives received over the past three years, in particular. During a period of turbulence, they were messing about with our money and our institutions. They should be forced to hand back the bonuses they were



paid in respect of each of the last three years, along with at least 50% of the salaries they were paid over that time. We should start on an even footing from there. Nobody in this House can claim that the salaries in question were earned. The scheme, which is tokenistic in the extreme, falls on all three of the aspects I have highlighted.

During this crisis, many Deputies have spoken about public service. I will give the House a brief example of public service in the private sector. Last night, I attended the wake of a man who was the milkman in my home village for almost 50 years. One could depend on one's life that he would turn up and provide an excellent service in any weather. He never overcharged anyone. He dealt honestly and fairly with me and everyone else. That level of service is what public service should be all about. Over recent years, the man in question was receiving an old age pension that, unlike the pensions given to certain characters, did not amount to €142,000 per annum. The public commitment of the proud milkman I have mentioned is an example of what we should expect from bank executives, Ministers and everyone else. We should get that kind of public service from everybody, particularly people in the public sector. Some Ministers have up to six civil servants working for them in their constituency offices, or on behalf of their constituency offices. They should have one staff member, at best; the wages paid to the other five staff members are equivalent to paying five nurses. I appreciate that Ministers are hugely committed to that work and I do not object to them being assigned one civil servant to do it. However, the current position pertaining is equivalent to five nurses, five gardaí or five other public servants having been robbed from the public service. It is scandalous and unacceptable.

The key question is: will this proposal work? Many economists are rightly sceptical about it. People say that the level of recapitalisation should have been of the order of 8% to 10% of GDP. I certainly would not like to see that level of commitment to the recapitalisation scheme. I put on record that I want it to work. I hope the recapitalisation project entered into by the Government, on behalf of taxpayers throughout this State, works and I wish it a fair wind because, if it does not, we are serious trouble.

However, I have concerns about it. It was stress-tested by the Department of Finance. I hope Members will forgive me for being cautious about forecasts from the Department of Finance. In the good times, it got its forecasts brilliantly wrong and in the bad times, it got them spectacularly wrong. It has an extremely poor record on forecasts. I look forward, unfortunately, with some trepidation to this project and hope it has got it right on this occasion.

On the issue of inter-bank loans and the messing that went on in that respect, I have sympathy for the Minister for Finance at one level because we all appreciate the huge volume of reports, reviews and correspondence that arrive on our desks. I readily acknowledge that we cannot read all the material. When the Minister was undoubtedly under pressure in his portfolio in terms of all these matters, I, as finance spokesperson for Sinn Féin, tried to keep abreast of matters, inform myself and cover the research as best I could. I also burned the midnight oil and worked way beyond midnight on many occasions. However, I cannot understand how the PwC report was not read diligently, every fraction, semicolon and full stop in it. I do not know why the Minister did not give attention to that. I question if it is a case of Ministers not reading parts of a report because it is convenient for them not to do so. The Minister of State, Deputy Barry Andrews, did not read a HSE report recently. I do not know if that is the case in this instance. It certainly raises suspicions in my mind and serious suspicions in the minds of the public. It looks poor.

In regard to the rogue loans between these institutions, according to today's edition of *The Irish Times*, Irish Life & Permanent is now claiming it informed the Financial Regulator of its dodgy deal, the €7 billion transfer in September from it to Anglo Irish Bank, within days of it being carried out. That is a serious charge. We need to know if that is true. If it is, it completely

[Deputy Arthur Morgan.]

undermines confidence in the Financial Regulator. Let us be clear, Anglo Irish Bank undoubtedly falsified its accounts. There is no question about that at this stage. Anglo Irish Bank transferred money from Irish Life & Permanent, IL&P, and then got it to transfer that money back so that Anglo Irish Bank could falsely present it in its accounts as a customer deposit. I understand the Department knew about this in October. When did the Financial Regulator first know about it? That is a crucial question. Why did the Minister for Finance, who knew about it at the time of the passing of the legislation to nationalise Anglo Irish Bank in January, not inform this House that was the case when he had that knowledge? A further question mark hangs over the head of the Minister for Finance for that failure.

We are asked by the Government and the Minister for Finance to accept a significant number of issues of a very dubious nature. Where were the Greens in all of this? When was the Green Party informed about these rogue loans? Was it aware of them before the nationalisation of Anglo Irish Banks took place? If it was informed about them, what was its view in regard to them? Why did it not require that this House be informed of them? If it was not informed about them, it should let us know about that.

**Deputy Caoimhghín Ó Caoláin:** I thank my colleague, Deputy Morgan, for sharing time with me. On the day that taxpayers are asked to put €7 billion into the Bank of Ireland and Allied Irish Banks, parents, children and teachers across this State are devastated that special needs teachers will be withdrawn from children who desperately need them and all for a paltry so-called saving of €7 million. It speaks volumes of the mentality of the Government that it should impose such a cut on the most vulnerable children in our education system. To put this saving in context, the chief executive of the Bank of Ireland was paid €3 million in 2007. How many multiples of the so-called €7 million saving has he and others like him pocketed in salaries and bonuses over the course of their bank careers, yet we are expected to applaud his virtue and that of his cohorts for taking a pay cut? We will have to be forgiven if there is not a loud cheer.

What has been happening yesterday and is happening today is almost unbelievable. We are being asked to trust the Government and the banks as €7 billion of public money is poured into the two largest financial institutions in this State. This is being asked of us by the Minister for Finance the day after he made the extraordinary admission that his Department knew last October of the fraudulent €7 billion transaction between Irish Life & Permanent, that he did not read the relevant section of the PricewaterhouseCoopers report and, most bizarre of all, that, when he did know, he did not tell the Dáil about it on 20 January when he asked us to nationalise Anglo Irish Bank.

I find it extraordinary that the Minister sought to justify this by saying that to tell the Dáil about the €7 billion merry-go-round transaction would have been to undermine confidence in banking as it would be revealing customer detail. It was as if we were talking about a citizen and his or her meagre savings account. What he withheld was the truth about what can only be described as a — I have used this language already — fraudulent transaction involving the very same amount of money that we are being asked today to pump into Bank of Ireland and Allied Irish Banks.

That fraudulent transaction between Irish Life & Permanent and the Anglo Irish Bank raises another very serious question. Was it a one off or did that end of year cooking of the books happen before with these or other financial institutions? Has it been a practice in Irish banking that has yet to be exposed? We need to know this. We also need to know the position of the regulator in all of this and I emphasise “all of this”. Either the regulator did not know, which was bad, or else he knew and did nothing about it, which was even worse.

As I pointed out on the Order of Business and as Deputy Morgan said in his contribution, Irish Life & Permanent is now claiming in this morning's edition of *The Irish Times* that it informed the Financial Regulator of its dodgy deal, the €7 billion transfer in September between it and Anglo Irish Bank, within days of it being carried out. In our view, this is a very serious matter that warrants address by the Minister and warrants it quite quickly — today. We need to know if what Irish Life & Permanent is claiming is factual. If it is true, it completely undermines confidence in the Financial Regulator. Let us be clear, Anglo Irish Bank falsified its accounts; it transferred moneys to IL&P and then got it to transfer the moneys back so that Anglo Irish Bank could falsely present its accounts and that transaction as a customer deposit. We need the Minister to answer those questions.

As I stated yesterday, when the Central Bank and the Financial Services Regulatory Authority Bill was debated on Second Stage in this House seven years ago, I pointed out then that not only did the Central Bank allow the DIRT fraud to flourish, it lobbied the Government of the day not to intervene, claiming such action would cause a flight of money out of the economy, or so it told us. If the Central Bank was prepared to turn a blind eye on that matter what other matters was it equally prepared to overlook? What other failings were in its operations?

Here we are, seven years later, obliged to ask the same question about the very regulatory regime that was brought in as replacement during the course of that 2002 legislation. This was the new regime that was trumpeted and lauded and was going to change everything. However, it is clear that it has failed miserably. Yesterday the Minister indicated a promised tightening of regulation. I have no confidence in this Government's real intent in this regard. There is no evidence to show that it is sincere, or that its traditional *bonhomie* with those captains of the financial institutions is any different today than it has been at any time in the past.

**Deputy Seán Ardagh:** I am happy to speak on the motion on the bank recapitalisation. Unlike Deputy Ó Caoláin, I have great confidence in the Government and I commend the Taoiseach, Deputy Brian Cowen, and the Minister for Finance, Deputy Brian Lenihan, for taking action on the two main issues that currently affect our economy. On the one hand there are the country's finances; on the other is the bank situation from which confidence in the business community and growth can be accelerated. The country is in a precarious economic situation and if action is not taken over the next five years to get the finances into equilibrium it will be in a far worse position. The country's ability even to pay wages will be in question.

Over two years, if one takes the beginning of 2008 to the end of 2009, the Exchequer will be down by €25 billion in taxes. The actions to be taken this year, initially to save €2 billion, are only the start of a €16.5 billion programme of expenditure cuts and tax increases over the next five years. Action taken this year will impose hardship on those in the public sector who have secure jobs and pensions. Others in the private sector may have lost their jobs or taken pay reductions. They have insecure pensions. Next year, unfortunately, there will be further impositions with which none of us will be happy. Everybody's standard of living will reduce significantly over the five years to 2013. It will take that time to come out of the difficulties we are in as a result of the recession, the international banking situation and the devaluation of the UK pound.

By the end of 2013 our financial situation should place us back once again on an economic growth trajectory. That will come about because the banking situation will have been righted through the recapitalisation of the two major banks, thereby allowing the commercial and business world to start moving again. Now there is great difficulty in getting loans and money and in moving cash, the lifeblood of business.

[Deputy Seán Ardagh.]

As we all know, the problem with the banks started with the sub-prime problem in the United States, followed by the US Government allowing Lehman Brothers Bank to go, effectively, into liquidation. That had a huge ripple effect throughout the entire financial world. In Ireland we had an over-dependence on the construction industry. Property values were at an unsustainable level. As a result, banks had loans on their books which were subsequently valued at much less than the value of the loans. As far as the banking situation is concerned, it is very important that we put a value on those loans. I am pleased that Bank of Ireland has issued a figure of a €6 billion downward valuation on those loans. I do not believe that Allied Irish Bank was as intensively invested in those types of loans but something of that order will probably pertain in its case too.

Deputy Ó Caoláin mentioned the sum of €7 million with regard to the costs of paying for teachers of children who are somewhat disabled, and for the help these children receive in the classroom. That help will continue, not in special but in mainstream classes. That is an expenditure item and is entirely different from what we are considering in this motion, which is an investment of €7 billion in Allied Irish Bank and Bank of Ireland.

**Deputy Arthur Morgan:** It is an investment.

**Deputy Seán Ardagh:** It is an investment of €7 billion in Allied Irish Bank and Bank of Ireland on which we will get a return of 8.5%, 8% of the total sum.

**Deputy Arthur Morgan:** It is an investment in the children.

**Deputy Seán Ardagh:** In addition, in five years' time we will have an option to take up 25% of the ordinary share capital of that bank. I presume the idea is that the Government will take up ownership when the economy is in a position for that 25% to go to market. It can then be sold, with the proceeds coming to the Government. That option will be taken up at the current share price, whatever it may be, at the date of the recapitalisation. Making an investment in a bank is very different from expending money. In the former case we expect a return that will be of benefit to the people into the future.

Bank salaries feature regularly in discussions. All Deputies have had e-mails over the past while, especially from people in the public service sector. I received over 60 e-mails addressed, variously, to "Deputies", to my constituency and personally. I have also received e-mails that were addressed to every Member of Dáil Éireann. These are innumerable. I do not know how many of those there are. I replied specifically to the 60 and read the ones addressed to me personally. In almost every one the writer asks why the public service must take the cut while the bankers who caused the problem do not. In the recapitalisation programme we note that bankers are now in the first phase of the first cut, as far as mega-salaries are concerned. The total remuneration for all senior executives will be reduced by at least a third, no performance bonuses will be paid for senior executives and no salary increases will be made in respect of 2008-09. Non-executive directors' salaries are to come down immediately, by 25%.

**Deputy Arthur Morgan:** It is not enough.

**Deputy Seán Ardagh:** It is not enough. I agree with the Deputy.

I refer to Mr. Eddie Sullivan, the former Secretary General of the Department of Finance, who was Secretary General of the Department of Social and Family Affairs during my time on the Committee of Public Accounts. He did a marvellous job there. In great part, the way in which Deputy Morgan and I receive answers from the Department of Social and Family Affairs,

the way its computers are set up and the efficiency and effectiveness of that Department reflect what Mr.Sullivan did while he worked there.

I have great respect for Mr. Sullivan and I expect his report in a few weeks' time will put levels on executive remuneration comparable to what President Obama has done in the United States. We are concerned here not only about Bank of Ireland and Allied Irish Banks but about Anglo Irish Bank, Irish Nationwide Building Society, Educational Building Society and Irish Life & Permanent. All six of those institutions are subject to the guarantee and will be taken into account in the report.

More than anything, from this recapitalisation we want confidence brought back into the life of business. We want to see people getting finance to buy cars, mortgages being given out such that the construction industry can get a lift and employment, which is suffering so much, increasing by a quantum step. I whatever agreement is reached on how the banks deal with business people and consumers to take fully into account the idea of increasing employment. In a recent speech, the Taoiseach, Deputy Cowen, said he was concerned about, as he put it, "jobs, jobs, jobs". I want the Minister for Finance to tell the banks that as well as getting a good, strong, stable banking system of international repute from the recapitalisation, we want to get "jobs, jobs, jobs".

**Deputy Kieran O'Donnell:** I wish to share time with Deputy O'Dowd. I want to bring the debate back to the Fine Gael amendment to the motion on the regulatory failures of the system. We have had much uncertainty on Anglo Irish Bank and the Minister for Finance will have to clarify a number of points. It appears that Anglo Irish Bank gave €4 billion of an inter-bank loan to Irish Life & Permanent when the bank guarantee scheme was put in place. Irish Life & Permanent passed this on to a non-bank subsidiary company. That company invested it as a deposit in Anglo Irish Bank. Anglo Irish Bank reflected that €4 billion in its financial statements as a customer deposit, which it was entitled to do because the subsidiary company of Irish Life & Permanent was not a bank. However, Anglo Irish Bank also had a €4 billion inter-company loan to Irish Life & Permanent on the balance sheet at the same time.

That is window dressing. That €4 billion deposit was a repayment of the inter-bank loan. That must be clarified. This gave a false impression. I would like to know if that inter-company loan will disappear when Irish Life & Permanent's consolidated accounts are produced. That €4 billion may appear nowhere in the consolidated accounts of Irish Life & Permanent but appear as an asset, an inter-company loan for Anglo Irish Bank and also as a customer deposit, when it is a repayment of an inter-bank loan. It was done in that form to give a false impression to the financial markets that Anglo Irish Bank had €4 billion extra deposits when it was nothing more than a repayment of an inter-bank loan, which appeared above and below the line. That is deception and must be examined.

The Financial Regulator has been investigating this since last October. Were any other issues referred to the Financial Regulator on foot of the PricewaterhouseCoopers report involving the other banks? We understand from reports that this was done with the knowledge of the Central Bank. Irish Life & Permanent stated that. What specific knowledge did the governor of the Central Bank have on the form in which this was done? Anglo Irish Bank had its own money accounted for as both an asset and a liability. It routed the money out through Irish Life & Permanent, which facilitated it. This must all be clarified.

A number of points on the Government's proposed scheme will have to be clarified. The Government speaks about 10% extra capacity for small business and 30% extra capacity for first-time buyers. What is meant by "capacity"? We need to know what specific level of extra funding they will provide. We need to know what specific level of extra funding they will provide. Does "capacity" mean a bank which offers it to a small business person who might



[Deputy Kieran O'Donnell.]

not be able to take it up can claim it made the offer? We need to know how many people they offer it to, the amounts they offer, whether the person receives it and the amount.

Last night the Minister announced that of the €7 billion that is being put into the banks, €4 billion is coming directly from existing resources in the national pension reserve fund while approximately €3 billion will come from front-loading of the Exchequer contributions for 2009-10. That means the Government will borrow at the expense of taxpayers to put money into the two main banks. Does that mean if any further recapitalisation is required, the Government will borrow? It will not come from the National Pensions Reserve Fund. There will be €3 billion of fresh borrowing at the expense of the Irish taxpayer. In addition, €7 million is being taken away from special needs assistance while Mr. Patrick Neary receives a €630,000 pay off. People watching are saying this is madness. Why is the Government accepting this? It should take Mr. Neary's claim to the courts. We cannot reward people for incompetence. The financial regulation system in this country has failed.

On the radio this morning the Minister for Justice, Equality and Law Reform, Deputy Dermot Ahern said the Government went to the banks with the Fine Gael proposal and they did not like. The banks are in no position to pass judgement. They got us into this mess. We propose an initial cap on executives' remuneration of €250,000. The Government proposes a 33% reduction in salaries and no increase in salaries or bonuses up to 2009, but the Government guarantee scheme is in place until 2010. The cap of €250,000 should be in place until the capital advanced by the taxpayer is repaid.

The PricewaterhouseCoopers report should be brought into the public domain. Bank of Ireland speaks of increasing its bad debts provision by nearly 60% to €6 billion. That has been backed up by a firm of independent risk consultants the bank brought in itself. I see no mention of what was provided for in the PricewaterhouseCoopers report. That is supposed to be in the independent review commissioned by the Government and that report should be published.

Fine Gael proposes we take AIB and Bank of Ireland and establish a new AIB and Bank of Ireland alongside them. We transfer the good assets to the new banks, leave the toxic assets in the existing banks and allow them to wind down as we proposed for Anglo Irish Bank. Suppose one bought a box of oranges at the market and the oranges on the top layer all looked pristine. If one took the box of oranges home and found that many of the ones underneath were rotten, would one not want to pick out all the good ones, leaving the rotten oranges in the existing box? If not, they will fester and infect the other good oranges. It is the same with loans. The biggest problem is that we are playing Russian roulette with taxpayers' money. We do not know how much bad debt is within the banks. We still have not been given an idea about the PricewaterhouseCoopers report.

We want the Government's scheme to work. I would be delighted if it worked, but it cannot work. We are paying out €7 billion of taxpayers' money when we do not know the full extent of the situation. Perhaps the Government knows from the PricewaterhouseCoopers report. The time has come to restore trust in our banking system. We need to ensure we have full transparency, which we do not have at the moment. The problem is that we have a system of regulation that has not worked and is not working now. With regard to what has happened at Anglo Irish Banks, Irish Life & Permanent has major questions to answer. It would appear to have facilitated the routing of €4 billion through its books so that Anglo Irish could give the impression it had higher customer deposits than it actually had.

**Acting Chairman (Deputy Seán Ardagh):** There is less than a minute left in the slot.



**Deputy Kieran O'Donnell:** I am sorry; I will finish on that point. The Ceann Comhairle said he would let me know when I had five minutes left. I advised him previously that Deputy O'Dowd was to speak. Can we facilitate him?

**Deputy Billy Kelleher:** In one minute.

**Acting Chairman:** There was supposed to be one minute, so I will give some flexibility.

**Deputy Kieran O'Donnell:** I thank the Acting Chairman. Finally——

**Acting Chairman:** The Deputy is running out of time.

**Deputy Kieran O'Donnell:** I ask the Minister to review the Fine Gael proposal and give it consideration.

**Deputy Fergus O'Dowd:** People want the old order to change. Under this Government nothing has really changed. Yesterday we saw the evidence of the brass-necked Fianna Fáil Minister for Finance who had not read a critical report on our financial health and what was going on in our banks. He failed miserably in that test. We see no sign of Fianna Fáil's brass band, the Green Party, whose members were here earlier, mute and silent. Probably none of them will appear before the evening. Let us have facts. Things are rotten in the Irish banking system. The Government has failed to act until now. We are expected to accept, the morning after, the incredible circumstances in which one banking institution deposited money in another bank as a customer rather than as an inter-bank loan. Around the world our Government is being ridiculed because it failed to act.

We need a change in the regulations and in the law. We need to protect whistleblowers in the banking system — people such as Eugene McErlean, the internal auditor who told AIB in 2001 that there was serious overcharging of their customers, to the tune, it turned out, of €65 million. He was a decent and honourable man. He went to the Central Bank and later to the Financial Regulator, and spent four years bringing this issue to the attention of the authorities. This man was not protected in his place of employment. He is not protected today. He is not free to say what he wants to about what went on in AIB. We are now bailing out a rotten system while failing to protect the whistleblowers in that system who will tell us, factually and truthfully, what is going on. They put everything they have on the line to make sure there is probity and integrity within our banking system.

Everybody wants this recapitalisation to work. Small businesses and small employers need the money. Let us hope it does work. The Government should listen to what Deputy Bruton is saying. We need a bad bank so we can put the bad debts into one location and let the good banks lend to the good people out there. However, we need to police the system and protect those people within the system who want to tell us the truth by making known facts they cannot legally make known.

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** I welcome the opportunity to speak on this important issue. There is much anger out there among the public and among commentators about the behaviour of individuals in the banking system and the culture that was quite prevalent in certain aspects of banking. This has done untold damage in the sense that it has undermined confidence and credibility, not only in the banking system but in the regulatory system overseeing it. Everybody accepts that. What we need now, however, is action to address the fundamental problem of the lack of working capital which can filter down into the real economy. That is why today's decision is of fundamental importance.

[Deputy Billy Kelleher.]

A key principle of the recapitalisation package is the recognition of the importance of business lending, particularly with regard to small and medium-sized enterprises. They are central to our economy, and the provision of bank credit to the sector is a primary target of the overall package. The package contains a range of initiatives which will directly assist our enterprise sector. The recapitalised banks have committed to increasing their lending capacity to small and medium-sized enterprises by 10% over 2008 figures. This should ensure that sound businesses will receive support from their banks, which have committed to public campaigns to actively promote lending to small and medium-sized enterprises. There is also scope for increased levels of lending to SMEs if mortgage lending is not taken up. Compliance with this commitment will be monitored by the Financial Regulator. The banks have agreed to make quarterly reports to the financial regulator, with the first report to be submitted by the end of April 2009.

Small and medium-sized enterprises are also covered by the proposal to have a code of conduct on business lending to SMEs. This will be introduced by the end of the week by the Financial Regulator. The intention is that this code will extend beyond the recapitalised banks and embrace the key credit providers. The code will have the effect of law and its objects will be to facilitate access to credit for sustainable and productive business propositions; to promote fairness and transparency in the treatment of SMEs by banks; and to ensure that when dealing with arrears cases the aim of the bank will be to assist borrowers in meeting their obligations or otherwise deal with the situation in an orderly and appropriate manner. The code should strengthen the bank-client relationship and result in the development of greater trust and confidence in the bank's lending practices. Lenders covered by the code will be required to offer their customers the option of an annual review meeting to include all credit facilities and security, including collateral. They also will be required to inform customers of the basis for decisions made and to have written procedures for proper handling of complaints. Where a customer gets into difficulty the banks will seek to agree an approach to resolve problems and provide reasonable time and appropriate advice. That is an important aspect of the recapitalisation plan.

There is no doubt small and medium-sized businesses are being squeezed through not having enough working capital to function properly in the current climate. This is having major ramifications in terms of undermining competitiveness and the subsequent loss of jobs. As Minister of State with responsibility for labour, I am acutely aware, as are most Deputies in the House, of the impact of the global recession in the context of the downturn in the broader economy and its impact on employment prospects. In recent months we have seen a haemorrhaging of jobs. I do not think I need to tell anyone in the House that this is to continue for some time. We must be resolute in how we deal with these issues. The central requirement in addressing the difficulties in the broader economy is to have a vibrant banking sector that is capable of lending to small and medium-sized enterprises and to individuals in the form of mortgages. This might give some stimulus to the broader economy.

There is another area on which I would like to see the banks focus. Many companies are struggling and I am concerned that too much emphasis is put on start-up businesses rather than the support of existing business. Banks need to have regard to businesses that are struggling or are not as viable as they were in previous times. It is more often than not easier to retain employment than to create it in difficult times. I hope the banks will be conscious of that.

We on this side of the House have made a difficult decision on the introduction of the pension levy, which places a burden on ordinary working families. I accept that. We know why we did it and we have tried to explain it. Equally important, however, if we are serious about having a social solidarity and partnership pact, it is fundamental that we address the issue of

remuneration of executive and non-executive directors in the banks and broader corporations. I believe the remuneration package of a reduction of salaries and bonuses to executive and non-executive directors of 33% and 24% that has been announced is not enough. A surtax should be placed on the salaries and bonuses of executives and non-executives. Let us be honest, there are many other perks that go with these——

**Deputy Kathleen Lynch:** Did the Minister say tax?

**Deputy Billy Kelleher:** Yes, a surtax.

**Deputy Kathleen Lynch:** It is the first time a Minister has mentioned tax.

**Deputy Billy Kelleher:** I will explain. They are already paying their income tax; this would be a surtax. We should be serious about this. If it can happen in the heart of capitalism, Wall Street in New York, in the context of President Obama's announcement, we too should consider having a surtax on remuneration to executives. I would propose a very steep one of 75% on people earning over €350,000. If they wish to reward themselves, they can do so but we will end up taking it from them. This is a matter we should re-examine. When discussing remuneration we should also realise that the Irish taxpayer, who is being asked to support this capitalisation, looks in absolute anger at the bonuses that were paid over a period of time. There are undoubtedly many fine people in the banking institutions. However, if they do not wish to work for €350,000 and a surtax, I am sure there are many other people who would be competent, willing and capable of replacing them. The choice is theirs.

The people, the Government and the lending institutions have entered into a new arrangement or relationship. The banks have an obligation to ensure that they live up to the various codes of practice with regard to lending to small and medium enterprises and lending to mortgage holders and people who find themselves in distress and falling into arrears. It would be morally unacceptable to have people brought before the courts for failing to meet repayments when they are trying to do their best after being laid off or even where there is a double income loss in the family home. We must be conscious that there are many people who are hurt and feeling the full whirlwind of this international global recession. It is time other people stepped up to the plate and carried some of the burden as well.

The broad thrust of the debate in this House over the past few months about capitalisation and the difficulties in the banking sector has ranged from populist rhetoric to genuine, sensible proposals. Most commentary in the House is in the interest of the broader economy. Social welfare queues are lengthening, the number on the live register is rising rapidly and a quarterly household survey is due to be produced quite soon which will give an accurate reflection of the increase in unemployment. A sum of €7 billion is being put into the recapitalisation of the banking system, which is a huge figure, while there is also the possibility of the unemployment figure reaching 400,000. We tend to forget that each of those figures represents an individual, the breadwinner who has lost their job and a family in distress.

**Acting Chairman (Deputy Wall):** The Minister has one minute left.

**Deputy Arthur Morgan:** The Minister is an orator.

**Deputy Billy Kelleher:** We must be conscious of our position. Many of the unpalatable decisions this side of the House must make are made for the right reasons, in the context of trying to stabilise the public finances and ensuring we have an ability to go into the international markets to borrow for our national development plan. That is equally true of the decision to put money from the National Pensions Reserve Fund into the banks. There is a myth — I

[Deputy Billy Kelleher.]

know it is not put forth disingenuously but by accident — that we are bailing out the banks. Nothing could be further from the truth. We are trying to ensure there is a stable, vibrant banking sector that will allow working capital to flow into small and medium sized businesses as well as larger corporations, which will create employment in the future.

I commend the motion. However, the issue of a surtax on the remuneration of senior executives should be seriously considered given the pain and anger of ordinary people. This is not retribution. It is about social solidarity and a recognition that everybody must carry their fair share of the burden in these very challenging times.

**Deputy Seán Barrett:** I am sharing time with Deputy Shatter. The first part of our amendment to the motion condemns the regulatory failures that facilitated a deception of shareholders and the public. I refer to the report of the proceedings of the finance committee, of which I am a member, of 15 July 2008. Mr. Hurley, the Governor of the Central Bank, made the following statement to the committee:

Significant inspections are carried out by the Financial Regulator under our structure. The regulator has significant powers to go into institutions and to inspect and examine their books. On that basis, we can say the banks are well capitalised. We analyse our liquidity arrangements with them on a weekly basis and this suggests there are not issues currently. Arrears on assets are low but one would expect them to increase in a downturn.

This is part of what has been happening on this issue for the last 12 months — misleading information being given to Members of this House, the Government and the public. The Governor of the Central Bank told the Oireachtas joint committee that the Financial Regulator could go into banks and examine their books. If the Financial Regulator had done that, would he not have found the rotten things in our banking system that we are now discovering? Last July, the Governor told us the banks were well capitalised, yet today we are discussing investing €7 billion of taxpayers' money into our two major banks. What is going on? We are being misled on a daily basis. That is a fact, and it is in the record of the proceedings of the committee of which Deputy Fahey and I are members.

The Opposition has been asked on numerous occasions by various Ministers to play a responsible role in dealing with this crisis. I have no problem with doing that because this is our country, and I have as much interest in the success of this country as any other Member of the House. However, how can one help when one is being misled and not given the facts? Today, we are again being asked to accept a Government proposal without any information. It has been hinted that there is more trouble to come from Anglo Irish Bank. Why are we not told? Why do we not know about it? Why are we not told about the other things happening in other banks? Let it all come out on the table and let us try to deal with it.

Who will invest in the banks? What private individual or institution will invest in banks if they do not know the facts about the balance sheet and debts? Nobody would do it. Would anybody in this Chamber invest in a company without knowing the debts or assets of the company? Of course not. However, here we are blindly putting €7 billion into a structure that has not worked in other countries. At least my party, through its spokesperson and leader, has come forward with an alternative suggestion. Let us examine and debate it before rushing to invest €7 billion in something that has not worked to date. If the Government is doing this to try to attract outside investment, it will not work. It can find that out from the Stock Exchange results; they will soon tell whether the system works. We will be dependent on outside investors and the sad thing is that the Government will not give the proposal genuinely put forward by my party a chance to be examined before proceeding with this investment. I recommend

strongly to those on the other side of the House that we stop for a moment, think about it and perhaps talk about our proposal to see if there is merit in it.

**Deputy Alan Shatter:** The great difficulty in addressing an issue such as this in five minutes is there is much one wants to say that one will not get an opportunity to say.

**Deputy Seán Barrett:** Exactly.

**Deputy Alan Shatter:** As everyone knows we are confronted by an unprecedented economic and banking crisis. It affects every walk of life, every person in this country, and there are many who currently believe themselves to be immune who will discover as we go through the devastating effect of what is happening during 2009 that it is knocking on their front door and back door, and impacting on them, their family or their relations.

Over the past six months I have despaired of the manner in which both the Government and the banks approached the crisis with which we are confronted. It could be best described as being met with arrogance, hubris, greed and incompetence, and I would apply each of those to both the Government and banks in turn.

It seems that the Government is incapable of owning up to its mistakes and recognising that not only do we have a global crisis but there has been a total failure of economic policy and direction by, in particular, Deputy Cowen, as Taoiseach and when he was Minister for Finance, by the Government led by the previous Taoiseach, Deputy Bertie Ahern, and a similar failure by this Government. One of the reasons we are in difficulty internationally is not simply that the banks lack credibility. There is a lack of international confidence in the competence of those in government managing the economy.

The same applies to our banks. They have made decisions that were intended to generate unsustainable and enormous profits to the benefit primarily of directors and bank employees at executive level, to generate fees and to make loans available in circumstances where, I suspect, people had a far closer eye on the so-called “compensation” or bonuses they were to receive than on the viability of the projects for which money was being loaned.

It seems that neither the Government nor the banking sector has the capacity to accept responsibility and recognise their accountability. As in the words of the song, “sorry seems to be the hardest word”, but it should not be.

The first thing to which the general public is entitled is an apology from the Government and an apology from those in charge of our banking system, and from the bank regulatory system which has utterly failed the public interest in the context of events now being disclosed. There is a credibility deficit, a competence deficit and a confidence deficit. We need to restore confidence in our governing system, in our regulatory system and in our banking system, and we need to restore competitiveness to our economy.

I do not believe that the Government has the capacity to do that. I have no faith in any of the information we are being told about our banking system, indeed, no faith in the Minister’s speech today. There is one sentence I want to quote from that. In the context of dealing with the AIB and Bank of Ireland recapitalisation, he stated: “A careful assessment was made of the potential losses that the banks face on their loan books in the coming years, taking into account the impact of likely trends in property values and various stress scenarios for the economy.” It is on the basis of this careful analysis that this recapitalisation programme is before this House. This very day Bank of Ireland indicated that it has increased its forecast of possible losses on its property loans to €6 billion over the three years to March 2011. The previous estimate was €3.8 billion. I want to hear in the reply to this debate whether it was the



[Deputy Alan Shatter.]

€3.8 billion or the €6 billion on which the Minister relied in the context of the “careful assessment” that was undertaken.

In most other democracies those responsible for the economic policies that have contributed to the destruction of a state’s economy would have long since resigned.

**Acting Chairman:** The Deputy has one minute remaining.

**Deputy Alan Shatter:** A Minister who ran a Bill on nationalisation of a particular bank through this House who failed to read a crucial part of a report prepared on that bank would not have been tolerated to remain in office for 24 hours. In Japan, he would have fallen on his sword. In Westminster, he would have departed the scene. In Ireland, however, no matter how incompetent one is, he or she toughs it out.

The same applies to the directors of banks. They are uniquely responsible for decisions that have destroyed our banking system and imposed a legacy on future generations in this country which will cause them pain and difficulty and may result in tens of thousands of our people, when finally there is a recovery in Europe and America, having to take the emigration trail to seek jobs elsewhere.

To restore confidence in our banking system there should be an absolute clearout of those boards of directors who presided over the disaster which we are now confronting and by those in chief executive positions who sought to maximise profits, to ignore warnings from the ESRI and to ignore, indeed, what I would describe as the muted warnings that came from the Central Bank about their loan policies. They should depart the scene. It is only when they depart the scene and are replaced by appropriate people who have a different view of the world, and who are not interested in maintaining their salaries at the obscene present levels, that confidence will be restored in our banking system.

**Acting Chairman:** The Deputy should conclude.

**Deputy Alan Shatter:** I will conclude on this. The general public finds it sickening that those responsible for the position in which we find ourselves are the recipients of golden handshakes and large salaries that, under the Government’s proposal, will continue.

**Acting Chairman:** Deputy, please, you are a minute over your time.

**Deputy Alan Shatter:** I do not care if someone on €1 million gets a 33% reduction. No one in our banking system, no matter what executive post he or she holds, should receive a salary in excess of that received by a Minister.

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

**Deputy Alan Shatter:** The time has come for them to put their hands up and acknowledge their responsibility, and move themselves away from the greed and hubris which has marked our banking system in recent years.

**Deputy Frank Fahey:** Listening to Deputy Shatter reminds me that the shock tactic approach being adopted by Fine Gael, and exemplified by Deputy Shatter’s call for everybody to be run out of the banking system, will not solve any problem. While there is certainly need for reform and for changes at many levels in the banking system, it is important that we adopt a responsible and reasonable approach, which is exactly what the Minister for Finance has done.



In today's announcement the Minister will address the issue of the international markets and Ireland's banks' capital levels and he will also address the significant and urgent needs of this economy in regard to our two main financial institutions.

He has been criticised for taking time since December to announce this recapitalisation programme. If one looks at the experience of the British Government and the British Treasury, one will see that they have made fundamental and far-reaching mistakes in the way in which they put approximately £60 billion into the banks without much consideration of the impact of doing so. I am informed by Irish people who are doing significant business in Britain that it is much more difficult to get credit from the banking system in London than from that in this country.

The Minister for Finance carefully dealt with this issue and considered the situation following much discussion with the two banks involved. He has now come up with a package that I believe will be successful. It will give a core tier one capital ratio of 8.5% to AIB and 9% to Bank of Ireland.

On the issue raised by Deputy Shatter where Bank of Ireland's present possible liability is €3.8 billion and may rise to €6 billion by March 2011, that is the reality for every banking institution around the globe. Obviously, it will depend on the economic situation that exists over the next coming number of years. The one major difficulty for this country and for the Department of Finance, just like all its counterparts, is that probably for the first time in modern history nobody can say what is coming down the track in terms of the global economic outlook. Therefore, if matters continue as in the recent past we shall see an increase in the value of loans and so on.

If any of us had to sell our house today, we would surely do much worse than if we could hold on for a number of years until the economy begins to lift. I do not believe it is fair to simply make the comment that Deputy Shatter has made. We can get through this economic recession if we act responsibly and, as the Taoiseach has said, have confidence in ourselves to work our way through this difficulty.

I must take issue with one or two matters regarding the banks. What is emerging in terms of deposits between institutions is deplorable. That gives a very bad image of Ireland on the international markets and as the Minister said this morning, there is need for significant improvement in our regulatory regime. This type of activity cannot continue. The approach taken by the two major banks to businesses is very difficult to understand. I met four of Galway's leading business people last Sunday, at their request. These would be very successful businesses with significant asset backing. They wanted me to tell the Minister of Finance, which I have, that it is impossible for them to continue to work because Allied Irish Bank and Bank of Ireland have refused to give them any kind of working capital, notwithstanding the fact that it would be fully secure. This means that those companies will be forced to make many hundreds of people redundant in the coming weeks if there is not a change in attitude by the banks.

It will be very difficult to understand after today's recapitalisation if these two main banks are not in a position to provide the working capital required for successful small businesses throughout the country. I met a person in the construction industry recently who had a signed contract with the State for a major development, for 20 years of rent. That person was refused by one of these two institutions for the capital needed to build the office accommodation. Surely that makes no sense.

I know another instance of a builder who has won the contract to build an IDA Ireland factory in the Dublin area. The IDA brought in an American multinational and the leasing is agreed, with significant rents to be paid over the years of the agreement. Again, the banks have refused that company the capital required to build the factory. That makes no sense. We

[Deputy Frank Fahey.]

must immediately see the Irish banking system make money available, as promised by the Minister, to successful businesses, where there is no question of risk.

From my conversations with bank managers I am aware they are concerned about the risks involved with companies that are continuing to have serious trading difficulties in the present recession. It is clear, however, that many successful and viable small companies with significant asset backing are not being given the essential working capital they need to continue in business and maintain employment.

With regard to the decision to insist that banks provide mortgages, particularly for first-time buyers, when I mentioned to first-time buyers in Galway that as of today, they can borrow €200,000 and that the repayment per month, after taking the significant tax-free allowances announced in the budget into account, is €699, most of them said it could not be that low. That is what it is, without taking into account the expected 0.5% fall in the ECB interest rate in the next couple of weeks. A person can buy a first-time house or apartment for €220,000 or €230,000 and repay €699 a month. One cannot rent a property for less than that. I believe that the present housing overhang can be dealt with if people and have the courage to buy.

Where a person buys a unit in a development, the builder should be prepared to guarantee that in the event of his or her selling a similar unit at a lower price, that reduction will be passed on to the first buyer. I hope the CIF and the construction sector generally adopts that proposal. The only thing holding people back at present is the fear that prices will drop further. In Galway, certainly, I do not believe that prices can drop much further. If we can have a guarantee from builders that in the event of a drop, people buying over the next few weeks will receive that benefit, then many people will buy.

I believe the present overhang will be dealt with relatively quickly. I ran a seminar in Galway recently at which almost 300 people attended to hear about the first choice mortgage. Now the banks are telling people who look for a letter for the first choice mortgage not to bother, assuring them they will be looked after. The situation is changing. We shall now see development, but it is essential that the banks go back to the type of approach that was taken formerly. They should offer up to a 92% of a mortgage to first-time buyers who have the capacity to repay. In saying this I do not suggest that those who do not have that capacity should be offered a mortgage.

Deputy Seán Barrett referred to the responsible role of Opposition. It is essential that the Opposition play such a role in this crisis. I firmly believe the electorate will be much more supportive of an Opposition which takes that approach——

**Deputy Simon Coveney:** Why, then, does the Government not listen to us?

**Deputy Frank Fahey:** ——as opposed to some of the populist type of opposition that we have seen. If my good friend, Deputy Michael D. Higgins is becoming concerned, the result of the last poll, where the Labour Party's rating was static while the Green Party standing increased by 3%, was a response to the type of "all things to all men" approach being taken by Deputy Higgins's party leader. I hope he will stop it.

**Deputy Kathleen Lynch:** I am laughing when I remember Deputy Fahey in Opposition.

**Deputy Michael D. Higgins:** I wish to share my time with Deputy Kathleen Lynch.

**Acting Chairman:** Is that agreed? Agreed.

**Deputy Michael D. Higgins:** I agree with those who have said that it is very difficult to deal in five minutes with what has been proposed. I hope we shall have an other opportunity to look at the inter-parliamentary arrangements, in discussing topics such as this. Such a time allocation is insufficient for anybody who wants to deal with the matter.

In the time available, I want to make a few points that I believe are important. People are talking about changing personnel at these banks. That is an obvious course of action in dealing with those who have let down the country and behaved in a way that has seriously damaged Ireland, so that it may take generations to recover.

There is much more at stake, however, in terms of a change in culture. There is no evidence that anybody wants to break the circle or the culture that exists. I shall put it simply because I only have a few minutes. When I started in politics, one of the first issues I recall dealing with was the pension funds in CIE, where there were separate wages and salaries pension funds. As the years go on, in terms of the discussion we are now having, the people on wages will be the first to be let go by county managers around the country because they are in the frontline. In this regard there is a disgraceful attempt to set up a false enmity between public service and private sector workers. Private sector workers on salaries will, in fact, have lost their jobs, but they are allies, not the enemies, of public service workers who have been scandalously described as being asked to pay for their pensions as if this were for the first time. They will have to pay an additional element on top of the contribution they already make to their pensions.

The next category comprises people who receive compensation rather than wages or salaries. As it is indelicate to say a director of a bank receives a salary, he or she is described as receiving compensation in the form of share transfers, bonuses, etc., which can amount to more than €3 million.

It was assumed in this culture that people in various professions could serve as non-executive directors in the banking system. I challenge anybody to show me a paper describing what is done by non-executive directors. I taught commerce briefly as an academic and I understand the descriptions of the respective roles of executive and non-executive directors. However, people parked themselves on these boards and took the attitude that little people did not understand banking. This attitude was taken to those who earned salaries, not to speak of the scruff who were on wages. It was apparently easy to move €7 billion from one bank to another but if Deputy Fahey, who is very experienced in these matters, tried to move money from his current account in AIB to the Bank of Ireland he would have to physically take the money out of the bank and walk across the street with it, risking a mugging in the process.

**Deputy Frank Fahey:** I would only be moving my overdraft.

**Deputy Michael D. Higgins:** Nobody will mug those who are shifting money between the banks.

**Deputy Kathleen Lynch:** They are the muggers.

**Deputy Michael D. Higgins:** We need to break the culture and now is a good time to do so. This has happened in the United States and Britain and it is happening in Europe. I do not have time to develop that argument other than to note that the issue involves more than persons or personalities. We need to break an arrogant circle of people who never justified their remuneration.

For those who want to make a connection between this culture and the real economy, the analysis has been hopeless and our instruments are equally dangerous and blunt. For example, a cleaner in this House who is a public servant will pay the new levy, whereas a cleaner working

[Deputy Michael D. Higgins.]

for a contract firm will not do so. This is a proposal for war among the poor. We have not touched the €500 billion in tax relief given to private landlords or the many millions that lazy directors, including those who operate within the diseased culture of banking, fork into their pension funds.

I have spoken for five minutes but IBEC has failed in all its months of air time to utter one word about Seán Fitzpatrick or the culture of banking. However, every hour it makes new attacks on public service workers. Shame on its cowardice. It represents that which has to be replaced.

We need a new culture of banking which is attached to the real economy. I concur with Deputy Fahey that we should stop this nonsense of refusing loans to people who are trying to retain jobs and remain in business. That is the practice at present in every city and town in Ireland.

**Deputy Kathleen Lynch:** I am loathe to interrupt Deputy Higgins's flow because he is, as always, very interesting and worth listening to. I agree with him regarding the culture of banking in this country. This Government is breathing new life into something we should allow to die. We clearly need a banking system for the sake of small businesses and people who want to purchase cars and homes. Few of us can take that sort of money out of our pockets. We all borrow for major expenditure. Do we seriously believe, however, that our banks currently enjoy the confidence needed to get the economy back on its feet? We must reassure people that they can spend and that their jobs will survive because the banks will lend money to their employers. Do we expect small savers to trust a banking system in which we no longer have confidence?

We need to get rid of the people who remain embedded in the banking system because they allowed matters to continue as if nothing had happened. Until ten years ago, we had the most conservative bankers in the world. They insisted on being given a house as collateral for a loan on a car. That was a case of conservatism gone mad. However, matters really went wrong when those bankers decided to become developers.

**Deputy Michael D. Higgins:** Gamblers.

**Deputy Kathleen Lynch:** Even though they gambled with our futures and our money, homes and jobs, they are still in place. We are going to breathe new life into a critical patient without even demanding the changes that would ensure people have confidence in this country. Confidence requires a finite commodity, that is, competence. People will have confidence when they see the Government acting competently.

Yesterday, the Minister for Finance informed us that he did not read a section of a report which I am sure his Department had awaited with baited breath. He was cowardly in blaming civil servants on the one hand while protecting them on the other, as if it was their fault, but he did not want to dwell on the matter. I do not believe him for one minute. He read every part of the report because he could not have done otherwise. He preferred to be thought an incompetent than a liar. He knew exactly what was in the report but he chose not to tell us about it.

People elsewhere in the world who do our jobs lack confidence in the Irish banking system. Bank shares continue to fall. AIB's share price has dropped 15% and Bank of Ireland is down 9%. The markets do not believe the Government's plan will work, and that is important. As long as this Government is perceived as being incompetent, it cannot restore confidence. We need to tell the Irish people that things will get better because competent people are working

on the problem. It is about time that competent people were put into the banking system and into Government.

**Deputy Charlie O'Connor:** Deputy Kathleen Lynch was sensitive about taking up the time allocated to Deputy Higgins, but I would have been happy to share my time with her on this important debate. We are all going in the same direction even if our perspectives may differ. We should not be afraid of this debate.

Today as always, my business began in my constituency. I later walked the old streets from which I come. It may come as a surprise to Members who believe I am from Tallaght to learn that I come from the streets surrounding these Houses. This morning, I started in Tallaght and went to Firhouse before coming into town to walk these streets to a fair trade reception with my colleagues, the Minister of State at the Department of Foreign Affairs, Deputy Peter Power, and Deputy Chris Andrews. I took the opportunity to listen to what people had to say. I will not stand on the Government benches and say people are happy; they are not. A person in Firhouse said to me this morning that if we were back in 1789 the guillotine would be used. I am sure some banker will be upset to hear me say that.

**Deputy Simon Coveney:** It would be used on Government too.

**Deputy Dick Roche:** It is always good to have a scapegoat.

**Deputy Charlie O'Connor:** Deputy Coveney is entitled to his opinion. It would not be appropriate for a little known Fianna Fáil Deputy from Tallaght to say that.

People are upset and they are angry. People in my constituency, as in every other constituency, are concerned. I am not looking for sympathy in regard to the pressure I am under as a result of the number of angry and upset people coming to my clinic. I have had a normal life and have always tried to do normal things. I lost my job three times. I have often said — I am not afraid to say it — that it was a difficult time for me and as such I understand the concerns of those who come to my clinic. I do not mean to be virtuous or patronising but people are expressing to me their concerns in regard to losing their jobs, the threat of losing their jobs and the pressures they are under in terms of meeting bills and so on. I am sure, like everybody else in the House, I owe the banks more than they owe me. A statement I received this morning in respect of a car loan showed I am overdrawn, something about which I felt quite comfortable. I would rather owe money to the bank than have money in it.

There was a great deal of negative reaction to the RTE interview with the chief executive of Bank of Ireland who, when pressed by the interviewer about his salary, did not appear happy he would earn only €2 million this year. I can only imagine the fall-out from that for politicians. We are entitled to our political perspective and I have no problem with that, but this is an issue about which people are concerned. To keep my feet on the ground, this morning I studied the unemployment figures for Tallaght — the third largest population centre in the country — where currently, more than 7,200 people are unemployed. As I said earlier, I have experienced unemployment. Many people are raising with me issues such as loans and the need to obtain funding from banks, a point raised by many speakers today. I received a call this morning from a businessman who is being hassled by his bank in regard to a loan on a van. If this man's van is repossessed he will have to close his business which employs approximately five people.

It is fair for Members from all sides to point out to Government that people are expecting it to instruct the banks, who are answerable to their shareholders, to accept we are in difficult and different times than ever before. I am old enough to remember other times. I recall as a small child my grandmother speaking to me about the 1950s and 1960s and her unhappiness at



[Deputy Charlie O'Connor.]

the time with the banks. Nothing has changed. I am sure if she were here now she would be smiling, given the current situation with the banks.

During the 1970s, which were difficult, I emigrated to England. The 1980s were difficult too but the current situation is different and more worrying. We did not have people like George Lee in the 1950s, 1960s and 1970s. I hope he does not mind me saying that. People have more information now and they know more, which is fair enough. I am not suggesting that is a difficulty. People know far more now about the recession and the state of the country than in the past. They are aware that it is not only Ireland that is in recession. They hear on Sky News about what is happening in Britain and Germany and on CNN what is happening in America. People are worried about what is happening in the world and to the global economy.

I listened for a while this morning to “Morning Ireland” and then turned off the radio to listen to a CD by Hot Chocolate which I got free in a newspaper given to me by my sister. I needed to clear my head. I accept I have a responsibility as a Deputy to work through these issues, to represent people and to support what is being done. I am aware that the Minister for Finance, Deputy Brian Lenihan, is under a great deal of pressure. I was glad to hear him on the airwaves this morning. Deputy Creighton also gave a good performance on radio this morning. I have no problem with political debate. At the same time, the Minister has a job to do. As Harry Truman said, the buck stops with him and he must deal with the issues. I am glad he put on record this morning that the Government’s recapitalisation package for Allied Irish Banks and the Bank of Ireland is a central element in the Government’s broader strategy to address the financial crisis, ensuring, as the Minister said, that the two major financial institutions remain sound and stable and in a position to fulfil their vital role in the economy. The Minister also stated that the Government progressed the other main elements of its approach to securing the financial system, including, as he described it, the package to address the concerns of ordinary customers of the banks.

I take the view in regard to the economy that one must carry on. The former Taoiseach, Deputy Bertie Ahern — I hope he does not mind me putting this on record — told me some weeks ago when I met him going to a football match that the best way for me to deal with critical business is to keep my head down and to continue to represent and help people in my constituency. It is important we remain confident. It would be easy for anyone listening to this debate to become despondent. Deputy Beverly Flynn made an interesting comment last week when she said that, while people in this House have different perspectives — I have no trouble with that — we must try to remain positive as people are watching what is happening here. They do not want what is happening in the Dáil to add to their anger and concern. That is a challenge for all of us. I am sure my colleagues opposite will have a different view in that regard. However, it is important that when in a recession we continue to go about our business.

When coming up the stairs to the Chamber I had in my hand my credit union book which reminded me that this is about people trying to access funding and their savings. People, whether in Cork, Dublin city, Kildare or Tallaght in south-west Dublin, want Government to address this issue. There always will be issues across the floor about which we will disagree. However, it is important we remain positive. I am not afraid to say to the Minister — Deputy Roche will know this — that people are not happy, that they are angry, concerned and frustrated.

**Deputy Simon Coveney:** They want Government to do something.

**Deputy Charlie O'Connor:** Yes and we are doing that. I do not disagree with anything Deputy Coveney has to say as he is entitled to his perspective. I will represent my constituents



as best I can. I have taken many calls this week from public sector workers throughout the State. I have received e-mails from everywhere, which as Deputies will be aware was organised. I am taking as many calls as I can. I have spoken with public sector workers in South Dublin County Council, in Tallaght Hospital, the local arts centre, library and local office of the Revenue Commissioners. We have a number of Government buildings in Tallaght. I am listening to what people are saying. If people want to come in large numbers to my clinic in Tallaght on Valentine's Day, I will welcome them with open arms and will listen to them. I will then come into this House and represent to Government what people are saying to me.

I wish my colleagues a happy Valentine's Day.

**Deputy Simon Coveney:** I wish to share time with Deputy Lucinda Creighton.

**Acting Chairman:** Is that agreed? Agreed.

**Deputy Simon Coveney:** I say to my Government colleagues, who have been lecturing us today on the need for responsible Opposition, that Fine Gael has been calling for bank recapitalisation for months. We accepted the need to invest public money to ensure the survival of our banking system even at a time when Government and bankers were rejecting the concept out of hand. A senior banking leader memorably dismissed the need for recapitalisation saying, "Over my dead body". Like so many other figures in Irish banking, he now has no credibility whatsoever in seeking the confidence of markets or the public.

Despite consistent calls by Fine Gael for recapitalisation, we cannot support what the Government is proposing today. Recapitalisation must go hand in hand with fundamental reform of our banking and regulatory systems. Without that reform, investing billions of euros is like pouring water into a broken bucket in an effort to keep it full.

This is not Fine Gael playing politics. We supported the Government on the bank guarantee scheme because we felt it was an immediate and urgent crisis that needed a response. In truth, it was a crisis response foisted upon the Government at short notice but, since then, the Government has had the time and opportunity to fundamentally reform and build confidence in a new financial regulatory model and banking generally. It has not done that. In fact, by Government incompetence, inaction and indecision, it has added significantly to an already burning banking crisis.

Even yesterday, on the eve of what should have been a good news story today, the Minister allowed another bombshell to undermine confidence in his ability and banking generally. We now know the Government has covered up the falsification of accounts in Anglo Irish Bank and has kept it from this House and from the public. The Minister for Finance did not even read the full text of a report he commissioned to establish the extent of bad debts and risk in Irish banks. The Taoiseach did not even have a copy of the PricewaterhouseCoopers report before making enormous decisions on behalf of the State. The regulator was asked to examine a €7 billion lodgement in Anglo Irish Bank by another bank's subsidiary to give a false impression of financial health, yet we had no results from that examination before making colossal decisions.

I regret to say I no longer have confidence in the Taoiseach or the Minister for Finance being either qualified or able to make the necessary decisions to ensure a viable future for Irish banking. It is not just from this House that confidence in Government has evaporated because the markets are making the same statement this morning. As the State proposes to invest €7 billion of our money in the two big banks, their share prices have dived by 10% and 15% so far today.

[Deputy Simon Coveney.]

This has nothing to do with international factors and everything to do with the Government's mishandling of a crisis. We are a laughing stock among the financial investment community outside Ireland and the Government is directly responsible for this. We need AIB and Bank of Ireland to succeed. The State cannot afford to nationalise them. The economy needs a viable banking system, lending money to businesses and consumers to allow our economy to breathe again. Currently, our banking system is choking the very life out of many businesses that could survive with the oxygen of credit.

The Fine Gael amendment to this motion is clear. We are insisting on a new banking model that separates toxic assets and their management from profitable banking operations to create a healthier banking model with clean balance sheets in which to invest before committing billions of euro of public money. We want to see published clear benchmarks on loans to businesses, on new mortgages and on handling of distressed loans. We want statements on a monthly basis so we can see if commitments are being fulfilled.

Assurances and voluntary codes of behaviour within the banking system do not cut it any longer. We want a clear, flat cap on salaries of senior executives at no more than €250,000 until the State's capital is repaid in full plus interest. Percentage cuts in salaries are much more difficult to quantify and are not acceptable to Fine Gael. It is not acceptable that the salary of a chief executive of a significant bank in Ireland would go from €2 million to €1.3 million. As the Minister says the banks did not respond positively to Fine Gael's proposals, perhaps that is a good place to start. I commend the Fine Gael amendment to the House.

**Deputy Lucinda Creighton:** From the contributions I have heard, the context of the debate on this motion has been skirted over by the Government, certainly by the Minister for Finance in the speech he delivered earlier today. It is clear we desperately need to restore confidence in the banking system in this country. It is equally obvious the banking system is fundamentally important to the general economy and the two cannot be separated or divided.

The problem is that the issue of confidence in our banking system is inextricably linked to the mismanagement, incompetence and bumbling we have seen from the Government benches, particularly from Cabinet and specifically from the Taoiseach and the Minister for Finance over the past six months.

As Deputy Coveney pointed out, the Fine Gael party stepped up to the plate last September when the scale of the banking crisis began to emerge. We put our faith and trust in the word, commitments and assurances given to us by Government at that time. We did so because we believed that by restoring some faith in the banking system, we were doing the right thing, the patriotic thing, and doing what was necessary to ensure an entire breakdown of the system did not occur.

However, it has become evident in recent months, particularly in the past few weeks, that we did not get any clarity from the Government at that time. We were essentially being kept out of the loop and we were not seeing full disclosure of the seriousness and gravity of the situation and the extent of the toxic debt that was and is present in those banks. While "duplicitous" is probably too strong a word, it was certainly a breach of faith from both the Government side and specifically from the perspective of the banks, which had at that point been asked to provide full disclosure to both the Government and the public. That did not happen.

Now, we are being asked to invest — as the Government chooses to call it, although I am not sure it is an investment — or at the least to spend public money to the tune of €7 billion in order to recapitalise the banks. This is something the banks and the Government assured us

before Christmas was not necessary and would not arise in the context of Irish banking system, which was clearly incorrect.

I have concerns on two points specific to the scheme. First, the 8% dividend which is to be committed on an annual basis to the Government will amount to approximately €600 million per annum from Bank of Ireland and AIB. I seriously question how this will achieve the freeing up of credit for small businesses and mortgages which we have been assured will happen by both the banks and the Minister for Finance. I do not see how this will be achievable when that level of money is being committed in a dividend return to the Government on an annual basis. The banks are clearly not in a healthy state and it is very difficult to understand how this will be viable.

Deputy Coveney pointed to the issue of the failure of the Government to separate toxic debt from the good loans which are and potentially will be on the books of the Irish banks in the coming years. This is a major mistake on the part of the Government.

The scheme does nothing to break the culture which has become pervasive in Irish banking. It has shown the Government to be weak and unable to confront and stand up to the banks and demand transparency and openness. We have not seen disclosure of the type of information that is required to justify this expenditure of €7 billion on the Irish banks.

**Minister of State at the Department of Foreign Affairs (Deputy Dick Roche):** I thank the House for the opportunity to address this serious issue. This problem is not uniquely Irish, but there are aspects within the banking system which are uniquely Irish. There is no doubt practices have developed in the banking system which, regrettably, reflect the culture which used to be known as “cute hoorism”. Let us get to the point. This is not a uniquely Irish problem, although there are aspects of it which are uniquely Irish, but we must move forward. We must escape from the blame game and stop pointing the finger at each other. It is easy to look for scapegoats but it is critical to look for solutions, which we must do now.

The concerns of people on the streets, in businesses and in houses are not unique. In the most recent Eurobarometer poll, citizens were asked what they considered to be the two most important issues at present. The issue of the economy was reckoned to be the most critical throughout the European Union. It is easy to understand the public anger regarding bankers and the banking system, and it is easy to understand why people are angry with the failure of regulation in the country. The matter of the dog that did not bark always raises questions.

There is no doubt that some senior figures in banking have betrayed the country, their profession and the thousands of workers in the banking system who carried on with their jobs each day and who were not crooked, bent, indolent or greedy. As a Deputy from the Opposition stated, the image of Irish banking was once one of staid but solid institutions. That image is now sullied and damaged to a degree such that it will take a good deal of time to repair. Serious damage has been done to our reputation internationally. The real tragedy is that the damage has been done by people who have been at the top of banking circles for years. Some people wisely say such people have been in that position for far too long. This hubris-ridden group have operated with an arrogant disregard for the normal conventions of even their own business.

It is extraordinary to look back over the newspapers in recent months and to read the comments of some who are now in the spotlight. It is intolerable to read of senior bankers suggesting that their actions were not criminal, and that this is in some way an exoneration of those actions. This suggests that there was a complete lack of moral compass at some levels in Irish banking. Logic went out the door and greed was the motivator. This must stop.

[Deputy Dick Roche.]

I refer to regulation. Bankers in recent times, especially some of the leading personalities, argued that we were in some way over regulated. Tragically, we know from events in recent months that the opposite is the case. The suggestion was made that over-regulation was preventing progress, but we now see the truth. These were self-serving deceptions, delusions from people who thought that they could walk on water, and that they alone were the holders of wisdom on banking issues. There is a lesson for the State in this regard. We should not be cowed by special interests, because we understand and know from the political reality in which we live that regulation is a requirement.

There was within the banking sector a grotesque inflation of salaries. Salaries and bonuses were based on what was termed “performance”. The measure of performance was the number of loans one could get out the door, rather than the return for the banking system or shareholders. The measure of performance was basically the same measure of performance which caused toxic loans to become a reality in the United States of America.

Undoubtedly, we have witnessed a bonfire of the vanities in Ireland. One can understand the temptation to say, “A plague on all your houses”. Let us be honest about it, if I sat on the Opposition benches I would probably be doing just that. It is certain there are people within political circles who play to the gallery, but I do not suggest this is the case throughout the Opposition. People will argue that the bailout of the banks is wrong. Such arguments are self-serving. Whether we like or loathe it, banking is something we need. We cannot survive as a trading nation without a banking system, or conduct normal business, or get on with our daily lives. It seems those who wish to play the political game or play to the political gallery do a dangerous job at this time.

I accept the arguments that there is a rot at the very heart of banking and I accept the argument that there has been serious problems in the regulatory system. The chief executives of lending banks have been careless and reckless. The regulatory system has not operated as it should or as the House envisaged. Some in banking and regulation have been guilty of gross incompetence. Others acted in a way which, although not necessarily illegal, was certainly highly improper and undoubtedly immoral. Others have been careless or complicit. The boards of the banks have been asleep. Earlier, a point was well made that too many people were from the same circles in the banking business. There have been revelations in newspapers in recent times about relations between the Dublin Docklands Authority, DDA, and a particular bank. The relationship in that case is too cosy. I agree their actions must be investigated and they must go beyond the gentle probings of a detailed audit. In time, the question of criminality must be examined.

However, the understandable anger and frustration on the streets should not allow us to believe this matter can simply be dealt with by seeking scapegoats or punishing those in banking or politics. Mr. Brendan Keenan, in a remarkably perceptive article some weeks ago in the *Irish Independent*, summarised the position: “If someone burns down your house, you would still need somewhere to live. But you might want to have a strong word with the arsonist.” We wish to have a strong word with the arsonists.

I refer to the point made by Deputy Simon Coveney. The arrangements for recapitalisation are not the end, but the beginning of a process. New regulation must be put in place. Speaking before the most recent revelations, Mr. Keenan raised the obvious question of why we should be expected to risk billions of euro to rescue the banks following the shocking revelations of how senior bankers misled shareholders and regulators. He is correct to do so. We must do this not because we wish to feed the fat cats, but because we must recapitalise the banks to

continue the business of running the State and if we are to continue to make progress as a nation.

On the matter of regulation, Mr. Keenan suggested that not least of the concerns of potential investors in Irish banks must be the standards of bank regulation. He points out that, ironically, the controversial decision by the then boss of the Financial Regulator to keep the matter confidential was probably inspired by fear of the damage publicity would do to the reputation of Anglo Irish Bank and to Irish banks in general. I appreciate the point made by Mr. Keenan. He is illustrating the necessity of having a better system and we must have such a system in future.

Mr. Keenan also refers to the lack of transparency and makes a very good point. He suggests the lack of transparency is very damaging, especially when transparency is needed. I do not imply it is precisely what Deputy Coveney suggested, but doing nothing is not an option. I agree with Deputy Coveney that further steps are necessary. No one in the House doubts as much. However, we are discussing the issue of recapitalisation. Decisions and an actions are necessary to assure investors that Ireland is still a place in which to do business.

I agree with Fine Gael's analysis on recapitalisation and I have done so for several weeks. If we do not proceed with the recapitalisation of the banks, such confidence as may continue to exist will be gone. Through the recapitalisation scheme, new capital will allow the banks to take the risks associated with lending into the economy. We have all seen in our constituencies instances of small business which need relatively small amounts of capital being denied that capital. The work does not stop with the job we are doing today. This is a vital step, but it is not the final step. The leading Opposition party made the point that recapitalisation is vital at this stage.

**Deputy Billy Timmins:** I wish to share time with Deputy Noonan.

In recent weeks, if anyone from the Opposition or any commentator questioned what was taking place or the practices of the banking sector, there appeared to be a very insular approach from Government, which suggested that it was irresponsible and unpatriotic to put such questions. I heard the Minister for Finance challenge an interviewer on 'Morning Ireland' saying this was a dangerous question to ask. Both sides of the House have a role in protecting the public interest and we should question these issues. We are required to do so. The markets showed long before us that they had lost confidence in the system. We have lost confidence too.

I do not welcome the recapitalisation as constructed. The motion put forward by Fine Gael is very constructive, as have been all our deliberations on this issue since the beginning when we supported the initial State guarantee, although we did not have all the information. If we knew then what we know now we might not have been as willing to support it. The Bank of Ireland estimated its bad loans at €4.8 billion and revised that figure up to €6 billion by 2011.

The Minister, or his representative, the Minister of State, must answer certain questions before the end of this debate. On what underlying assumptions has the Bank of Ireland based that claim? I would like to see a breakdown of the figure because I believe it will be revised upwards. I say that because what I have heard today has proved inaccurate. Unless we can see the underlying assumptions for that prediction, I cannot have confidence in the figure. Bankers still treat the Oireachtas and the Department of Finance with a certain amount of contempt and tell us what we want to hear rather than what is the case.

I listened to Mr. Sheehy a few months ago and hope I am not misquoting him but, if memory serves correctly, he said he would rather die than take recapitalisation. He took recapitalisation today and sounded very confident on the radio.



**Deputy Joan Burton:** He changed his mind.

**Deputy Billy Timmins:** If one took him at face value one would agree with him but history has shown that what he says is not accurate. Expressing confidence today does not give me confidence in the future, based on what has happened in the recent past.

The Minister said this morning that one of the conditions of the recapitalisation was that the financial institutions would outline their future loan liability. Has Allied Irish Banks, AIB, outlined its projected loan liability over the next few years? I do not think so. This morning the Minister stated that was one of the requirements but it has not happened. It should be addressed before the end of this debate.

Banks have a value at risk, VaR, policy whereby every risk they take will prove to be between 95% and 99% okay. Banks say they operate at the 99% level but very often they operate at 95%, and between that and 99%. If something goes wrong it will go seriously wrong and the banks will bail it out, which might happen every ten or 20 years. This policy must cease. There must be a system to establish how much collateral a borrower must give. We know the expression that banks mug old ladies. They can mug vulnerable people and many have got away with this. There must be a template for giving loans and returning collateral.

The interests of the bankers and the common good are misaligned. That must be corrected. What did Irish Life & Permanent get in return for the money it gave Anglo Irish Bank? What was the pay back? How much over the interbank rate did it achieve for that loan? It is important that the public know why it took such an unethical step albeit that there was no risk. What financial incentive did it get to do that? The Minister said yesterday that there were no other such transactions from the Bank of Ireland and AIB. I hope that is true. He did not read this report. If Ministers were not touring around the country, opening chip shops, take-aways and flying to Leitrim in helicopters to open off-licences they might have a little more time to read documents they should read.

**Deputy Michael Ahern:** I congratulate Deputy Timmins. I agree with him.

**Deputy Dick Roche:** The Deputy was being rude about us. Deputy Ahern should not listen to him.

**Deputy Billy Timmins:** The Minister of State can check the record.

**Deputy Michael Noonan:** I hope the Minister's scheme will work. We live in a very small country. Our families and friends live here too. Without a viable banking system the economy will be in ruin. I do not believe the proposals before us will work. They are too little too late, and are too tentative in taking on the vested interests in the banks and will not restore a dynamic banking sector. The stated purpose of the proposals is to save the banks. The real objective, however, should be to save the country from the banks. They will not do this.

Bad debt is the core of these proposals. There is growing acceptance internationally that to sort out the banks requires facing the toxic assets on the banks' balance sheets. At a two-day meeting of EU finance ministers this week, with which the Minister of State, would be familiar, the debate centred on the good bank-bad bank concept and the desirability of insurance schemes to protect banks from excessive bad debts. The US Government has taken the bad bank route. The UK and Dutch Governments have launched variations on the insurance scheme. A report from the European Central Bank this week advised that Governments should consider combining bad banks and asset insurance as the most cost-effective remedy for the crisis. They were addressing all eurozone banks and the wider banking system in the 26 EU states. Our Government, however, has ignored the advice of the people in Frankfurt. It has



adopted a more tentative approach, and has shied away from the bad bank concept and ignored the recommendations on insurance. In a passing reference the Minister said it might be considered in the future. We do not have much time left.

The Government has ignored best international practice and the advice of the European Central Bank and has brought forward a recapitalisation proposal. It proposes to recapitalise to increase core tier one capital for each bank in the hope that this increased tier one ratio will provide the necessary bulwark against bad debts. There will be one of two results, either the Minister will be back in the House before summer with another proposal and a variation on the bad bank or insurance solution, or the banks will move to protect their jobs and assets and play around with their bad debts and not operate as active banks in the interests of the economy. If the latter happens we are at risk of having a series of Japanese type 'zombie' banks, as was the practice in the 1990s, with the economy bedded for ten years in a no-growth situation and a banking system in name that is inactive in addressing the real needs of the economy. I hope I am wrong because I intend to continue living here, as does my family, and we need a dynamic operational banking system.

Will the Minister of State confirm how much bad debt is being covered? The core tier one ratio in AIB and Bank of Ireland already covered a significant tranche of bad debts and it is not true that the cover being provided for bad debt is €7 billion. That should be added to what is already covered by the core tier one ratios. If that is correct €16 billion or €17 billion is being covered, rather than €7 billion.

It is difficult to deal with this in the short time we have. It makes a nonsense of the House. I thank the Minister of State.

**Deputy Michael Ahern:** I am delighted to have the opportunity to speak on the Government motion regarding the recapitalisation of our banks, especially the Bank of Ireland and AIB. The background to this decision needs to be reiterated again and again as many seem intent on blaming what has happened here on the Government and have effectively said we have brought down the world financial system, which is stretching the point.

The collapse in the housing market had an effect on growth in our economy. That was recognised in the 2008 budget, when it was estimated that there would be a reduction in GDP of between 4% and 5% due to the reduction in the number of houses being built. The other collapse was in the financial markets, led by the banks in the United States, while there was also an appreciation of the euro against sterling and the US dollar. Around 20% of our exports are to Britain, so the 33% appreciation of the euro against sterling had a severe effect on exports to that country.

We have had to listen to the Opposition Deputies cry that money is being poured into the banks, with the insinuation that it is going to individuals in senior management at the banks. There is not a word of truth in that. Not one penny to date has been allocated to the banking system.

**Deputy Pat Rabbitte:** That was changed in the word processor earlier.

**Deputy Joan Burton:** What about the €544 million?

**Deputy Michael Ahern:** When the Government agreed to guarantee the banks, it steadied the banking system here. The reaction from banks and from governments in Europe, especially in Great Britain, was very serious as money came flowing back into the Irish banking system. That was a sign that a wise move was taken by the Government. The Government is trying to ensure that Ireland has a sound, solid financial sector to service the needs of the economy. It

[Deputy Michael Ahern.]

must service small, medium and large businesses, the mortgage business and the individual members of the public, which include our families and our neighbours.

The return on the pension fund in the past year was 0.9%. The Government return under this agreement will be a fixed dividend on preference shares of 8% per annum, which is much better. The shares can be purchased at par up until the fifth anniversary, and at 125% of the price thereafter. This is a positive return for an investment to ensure that our banking system can service the needs of this economy.

It is also worth remembering that in 1986, the then coalition Government bailed out Allied Irish Bank for its involvement in the ICI situation. We are still paying a 2% levy today as a result of that decision by that Government. We are being preached at today by some of the members of that Government. A senior official of Allied Irish Bank was allowed his bonus that year, but that is not happening under the decisions taken by the Government today.

Concern has been expressed over the last few months about the lack of cash flow by mortgage seekers and people involved in small and medium enterprises. The agreement announced today by the Government sets out a statutory code of practice on business spending and mortgage arrears, which have been finalised and which will be published by the Financial Regulator later this week. The code will be put in place to ensure that all banks operating here deal in an honest way with customers, and that consumers are treated in a reputable and respectable fashion. It is important that there is public confidence in our banking system. The decisions being taken by the Government and by the Minister will bring back confidence in the system and will make available finance that is badly needed by small and medium businesses, and by individuals looking for money to build extensions or buy a car. It will be vitally important to bring about a change in mood among the people.

We have also heard that there has been a mishandling of the crisis. Every country across the world has had difficulty in grappling with what has occurred over the last six to nine months. There was a meeting in Brussels this week of members of the European committee chairpersons. We have had a report back from one of the Deputies at the meeting, who told us that representatives from every country were asking what could be done about the same problems. I gather that no consensus came out of that meeting. That is the problem with which we are still grappling across the European banking and financial system.

The decision by the Government not to rush in and throw money at the problem without a detailed plan, as was done in other countries that have since had to revisit their plans, was a wise thing to do. The Minister's announcement will bring back that confidence and will allow our cash flow situation to return to some form of normality. In the future, we will again have the sound system that we had for many years.

**Deputy Pat Rabbitte:** When this series of debates started at the time of the bank guarantee, I stated in the House that recapitalisation was really the issue, so I must say that I hope it works. I hope that what the Government has done with the €7 billion actually works. It is very difficult to answer the question on whether it is enough. Until we know the extent of the bad loans, we will not be able to answer that question. However, I suspect the question asked outside of this House is whether it will start normal credit lines flowing again. Will the credit lines be unfrozen for businesses that require overdraft facilities in order to keep people in employment and generating wealth?

It is not helpful when one looks at what has happened in other countries. Recapitalisation has not caused that to happen so far. It is profoundly worrying that the precedent is not good. Is that because insufficient capital was put in originally? Is it because deleveraging is going on not just in the banks but in the business sector as well? Is it because banks are reducing their

reliance on the wholesale market and on capital markets, and that there is a return to old style banking in which they finance loans out of deposits? If that is the situation and if that retrenchment in lending is happening, then our last stage is arguably worse than our first. If the banks' priority is to manage half-hidden dodgy loans and husbanding the capital they have, rather than getting lending moving again, then we have a real difficulty.

What kind of bargain did the Government strike with the banks? The impression is that since 29 September, the Minister has been obstructed at every turn. He seems to have had to fight for every minor concession won. When one examines the bargain that has been struck, as outlined in the Minister's speech, one has to ask whether it contains hard and precise commitments to assist small and medium sized enterprises. Is there any money in it for start-up companies? Does it deal with executive pay? Does it require the banks to face up to the losses that have resulted from the write-down of bad loans? If one goes through each section of the document setting out the bargain, one will find that it does not contain hard and precise commitments. There is a commitment to enhancing a certain "lending capacity"? What does "lending capacity" mean in this context? If a certain percentage is being provided under the heading of "lending capacity", can it be accessed and drawn down according to sound business criteria? I do not know. We have been told that a fund of €15 million is being provided for start-ups, but the credit unions provide more than that to start-ups.

What has been done in respect of executive pay? I just listened to Mr. Goggin on the radio. He took €2.9 million last year. He said on the radio that he will take a great deal less this year. When he was pressed, he said he thinks it will fall below €2 million. In the name of God, on what kind of alternative planet are these guys living? Mr. Goggin's predecessor, Mr. Soden, came on the radio after him to say he would have been gone — he would have handed in his badge because he could not have continued — as soon as the shares dropped below €5 or €6. He said that senior management would have had to do likewise. That has not happened. Next year, we will maintain a level of executive pay of €1.9 million to Mr. Goggin.

The concessions that have been won are limited. The critical concession would involve a demand on the banks to face up to their reckless lending in the past. We will not get out of this crisis unless we are given a clean sheet. As Deputy Timmins said, we have not heard from Allied Irish Banks about its estimated write-down. We have heard from Bank of Ireland on its worst case scenario. We will monitor it to see if it comes to pass. At a cost of €6 billion, it is frightening. Deputy Burton has inferred that the relevant figure in the case of Allied Irish Banks will be more than €7 billion. That bank will not come out and tell us what will happen.

I wish to speak about regulation. I have great sympathy for the Minister for Finance, who is being pushed and pulled as he tries to deal with a range of extraordinarily serious issues. I suspect that the number of people advising him who are of the calibre that is necessary is quite small. Those advisers who are of the sufficient calibre are overstretched. We need to deal with the issue of regulation and the role of the Financial Regulator in the context of what was revealed yesterday. During the DIRT inquiry, Deputies asked the banks about their responsibilities to consumers. The Acting Chairman, Deputy Ardagh, was a member of the relevant committee. The representatives of the banks said that consumer care was not their problem. They claimed their only task was the prudential supervision of the banks. I will remind the House of what happened thereafter. We put in place a new architecture of regulation. I argued at the time that it was a mistake to leave it within the mindset and structure of the Central Bank. In this debate, I have to ask whether a blind eye was turned to certain practices to maintain the stability of the banking system. How can a man of the intelligence and training of the Minister for Finance have failed to read the critical section of the report? I do not think we know the answer to that yet.

[Deputy Pat Rabbitte.]

In an extraordinary and obscure three-line statement, Irish Life & Permanent has claimed that “during a period of unprecedented turmoil in global financial markets there was an acceptance that financial institutions would seek to provide each other with appropriate support where possible”. What does that mean? What is “appropriate support”? Does the kind of carry-on that was revealed yesterday constitute “appropriate support”? Where was the “acceptance” that is mentioned in the statement? On the part of whom was there “acceptance”? Was it “acceptance” on the part of the authorities? Was it “acceptance” by the regulator? Is that the reason the Minister was not told about the critical section in the report? Was a decision made not to tell the Minister to make sure he was not implicated? Was a blind eye turned to the practices that were exposed yesterday? I refer to the lodging of moneys on the final day of the financial year, six hours after the guarantee was given by the Government.

I cannot accept that the 388 intelligent people who work for the Financial Regulator, at a cost of €58 million, did not see the Seán FitzPatrick business or the Irish Life & Permanent business. I do not think it is as simple as that. I think a blind eye was turned to some of these practices. That is part of the reason for the absence of confidence in the Irish banking system on the part of the international investment community and others who know more about these matters than the average person on the street. If that is the case, it is a sad day. We need to get to the bottom of it. An all-party commission of this House should be established to examine what has gone on in the banking system and to make recommendations for the future.

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Government has decided to invest €3.5 billion of taxpayers’ money in each of the country’s two biggest banks, Allied Irish Banks and Bank of Ireland. I stress the word “invest” because the aim of this measure is to reinforce the banking system, to restore confidence, to boost lending to business and to support and create jobs. The Green Party has worked hard with its Government partners to ensure that taxpayers get value for money and that this action is in the best interests of workers. It has always deplored the reckless and nakedly self-interested behaviour of some bankers, whose short-term greed has led us into a deep world crisis. My party, from its foundation, has stood aloof from the banks. Unlike most other political parties, the Green Party has shunned donations from the banks. On several occasions over recent months, I have said that I have been appalled by the revelations emanating from some banking establishments in Ireland, notably Anglo Irish Bank. I am heartened that the affairs of Anglo Irish Bank are being investigated by the Director of Corporate Investigation, Mr. Paul Appleby. I am further encouraged by the presence on the board of the bank of two new directors, Mr. Alan Dukes and Mr. Frank Daly, who will look out for citizens’ interests at all times.

The Government has been faced with stark choices in the past six months. The Green Party has made a clear decision to put the people of this country first. We are not shirking the challenges we face. It would be easy to play the Opposition’s game of sniping from the comfort zone of the sidelines. The Green Party’s main focus in government is to fix the huge problems this country now faces by restoring stability to Ireland’s banks. At all times, we will continue to push for tougher supervision and real penalties for any bankers found to have engaged in wrong-doing.

**Deputy James Reilly:** Now would be a good time to start doing that.

**Deputy John Gormley:** Before Christmas, I criticised the Financial Regulator. At that time, the Green Party predicted that there would be resignations in the banking system. That has happened.

**Deputy Seymour Crawford:** They are still well paid.

**Deputy John Gormley:** I predict that the latest revelations from Irish Life & Permanent and Anglo Irish Bank will result in further resignations. I absolutely agree with the Deputies opposite that the support that was given to Anglo Irish Bank was not appropriate. There must be and will be root and branch reform of our banking system. We need a general crackdown on corporate crime in this country. In the United States we have seen white collar criminals being led out in handcuffs. I want to see the same regime in this country and I believe we will get such a regime here——

**Deputy Seymour Crawford:** It could be close to home.

**Deputy John Gormley:** ——as a result of these latest revelations.

**Deputy Pat Rabbitte:** Has the Minister established if a blind eye was turned?

**Deputy John Gormley:** No blind eye will be turned as long as the Green Party is in Government.

**Deputy James Reilly:** As long the Minister is a awake.

**Deputy Joan Burton:** The Minister did not even get a memo.

**Deputy Pat Rabbitte:** The Minister's phone was not working and his bike was locked up.

**Deputy John Gormley:** A stable bank system is the cornerstone of the economy. It is a must for business and jobs, but this is an investment, not a bailout.

**Deputy James Reilly:** This is rhetoric, not action.

**Deputy John Gormley:** The banks will pay interest of 8% per annum for the funds. The Government will appoint four directors to each board, a quarter of the board membership in each case.

**Deputy Joan Burton:** Will there be a green director——

**Deputy John Gormley:** I will now outline some aspects of the package. First, in regard to the environment, the Green Party welcomes especially the creation of €100 million for the environmental and clean energy innovation fund, which is part of the package.

**Deputy Joan Burton:** On a point of order, is that the same €100 million that was announced at the time of the bank guarantee or is it an additional €100 million?

**Acting Chairman (Deputy Seán Ardagh):** That is not a point of order.

**Deputy James Reilly:** It is a point of clarity.

**Deputy John Gormley:** Here again we have evidence of opportunities being taken even in difficult times to mainstream pro-environmental initiatives. The Green Party worked with its Government partners to ensure that this bank initiative would ease the availability of funds to small and medium-sized businesses and to first-time home buyers. There is to be 30% extra lending capacity for first-time home buyers and 10% extra lending capacity for small businesses. It is my belief that this will help people in business to stay in business. It will help to keep the economy moving and help sustain and create jobs.



[Deputy John Gormley.]

We have also worked with our partners to ensure that there will be guarantees on a humane and sensible code of conduct for people unable to pay mortgages on their homes. Banks will not take legal action for 12 months where they know problems are genuine. That code will be published in the coming days and will come as a relief to many who now find themselves out of work.

I said previously, and agree with the comments of some Deputies opposite, that there were banking executives who lived in a parallel universe when it came to their own remuneration. The Green Party has long called for a realistic and fair scheme of payment. We have persistently said that the old crazy pay and bonus regime fuelled the reckless speculation which caused untold damage to the country and to working people.

**Deputy James Reilly:** Absolutely.

**Deputy John Gormley:** The Minister for Finance, Deputy Lenihan, said last night that he expects that, in practice, a 50% cut in bank executives' income will happen.

**Deputy Joan Burton:** A 50% cut would only reduce their incomes to €1 million.

**Deputy John Gormley:** He is advocating caps on executive incomes on the same style promulgated by the US President, Barack Obama.

**Deputy James Reilly:** The Minister, Deputy Lenihan, should not expect but demand that. Who is in power, the banks or the Government?

**Deputy John Gormley:** The two banks concerned are imposing a 33% executive remuneration cut immediately. Bank board directors are to have fees cut by 25%

**Deputy Joan Burton:** That is not sufficient.

**Deputy John Gormley:** No bank bonuses will be paid from 2008 to 2009. A committee looking into the pay issue is to report shortly.

**Deputy Seymour Crawford:** Another committee.

**Deputy John Gormley:** The Minister, Deputy Brian Lenihan, will write to the head of this committee pushing maximum cuts and pay caps. The Green Party will continue to keep pressure up on this issue.

**Deputy Rabbitte:** Hear, hear.

**A Deputy:** It is some pressure.

**Deputy John Gormley:** The Green Party has always said that the law must be applied. We have continually said that the laws must be toughened and there must be closer bank supervision.

**Deputy Seymour Crawford:** It needs to change them.

**Deputy John Gormley:** We strongly believe there must be changes in management at the top and a totally new attitude and philosophy must be applied.

**Deputy Joan Burton:** In government.



**Deputy John Gormley:** This will take time. The Deputy is harping on; we did not take a cent from the banks, her party did. Her party took money from banks so she should keep quiet.

**Deputy Brian Lenihan:** The Labour Party bailed out a bank for nothing.

**Deputy Joan Burton:** On a point of order——

*(Interruptions).*

**Deputy John Gormley:** The Green Party is in Government.

**Deputy Joan Burton:** ——I admit to having a bank account. Is that what the Minister is talking about? I got my house by taking out a mortgage. I think he did too unless he inherited one.

**Deputy John Gormley:** The country faces an unprecedented recession amid the world's worst ever economic downturn. The key aspect of our current malaise is an unstable banking system. People would not thank us for shirking the challenges ahead. We are working inside the system to have the current rules and procedures applied as fairly as possible in the interests of ordinary workers.

**Deputy Seymour Crawford:** The Minister's party is inside the system all right.

*(Interruptions).*

**Deputy John Gormley:** We are working for longer-term change to ensure Ireland never again repeats these drastic errors.

**Minister for Finance (Deputy Brian Lenihan):** I thank Deputies for their contributions on the Government's recapitalisation plans for Allied Irish Bank and Bank of Ireland. I re-iterate the sentiment of my earlier remarks when I stressed that underpinning the stability of the financial system of the State, given its importance to the economy, is vital. The measures announced yesterday are intended to secure the stability of our financial system, increase confidence in the banking system and, above all, facilitate the banks involved in lending to the economy.

I will first address comments made by some Deputies regarding the sufficiency of the Government's investment given Bank of Ireland's recent announcement on impairments and statements made by certain commentators. The State's investment will significantly strengthen the core tier 1 capital of these banks, bringing it well up in excess of regulatory limits. It is intended to bring their core capital to €12 billion for Allied Irish Bank and to almost €11 billion for Bank of Ireland. In addition, observers should be aware that the existing reserves will be supplemented by ongoing profits and, therefore, the banks are more than adequately equipped to deal with expected losses. It is not correct to suggest, as I fear Deputy Burton did, that the sums invested by the State will be eaten up entirely by losses.

**Deputy Joan Burton:** I did not say that. I said they were unlikely to be adequate and I outlined my analysis of why.

**Deputy Brian Lenihan:** Very good.

The structured process undertaken to arrive at the current proposals gives me confidence that the investment will succeed in building market confidence and kick-start lending to the

[Deputy Brian Lenihan.]

economy. The amount to be invested was determined following consideration of likely trends in property values and various stress scenarios for the economy. Confidence can now be offered to markets on the levels of capital in the two largest banks on the fundamental issue, namely, the strength of their position in the coming years.

**Deputy Kieran O'Donnell:** For how long?

**Deputy Brian Lenihan:** Second, contrary to the impression created in certain quarters, I want to make it absolutely clear that this is not simply money being given to banks but rather an investment by the State. This is an investment that will generate strong return in the current environment. Specific conditions are also attached, including warrants that provide the State with access to the upside when the value of bank shares recovers. The measures announced by the Government include a review of credit supply, a clearing group to review credit supply issues and specific credit initiatives such as the environmental and clean energy innovation fund.

In addition, statutory codes for mortgage holders and business lending have been finalised. This will ensure that all banks operating here deal in an even-handed way with customers. The codes will ensure that consumers are treated in a reputable and respectable fashion, for example, where faced with mortgage arrears. Taken together, these initiatives will serve to stimulate credit supply and consequently economic recovery and renewal.

The recapitalisation proposals include restrictions on remuneration in the banks. The reduction of one third in overall remuneration for senior executives is a strong signal in this regard. This reduction indicates the commitment of the banks and Government now to achieving wage restraint for the benefit of the economy. The Government will not stop at this however. I have indicated that I will write to the Covered Institutions Remuneration Oversight Committee to suggest an overall cap on remuneration for executives.

In discussions with AIB and Bank of Ireland the question of the management of the banks was raised. As I have mentioned previously, the proper forum and method for effecting any management changes deemed necessary is through the annual general meetings of the banks, and this is where the State can exercise voting rights it will now hold. If the State were to intervene arbitrarily in the management structures of the banks, this would send a very unhelpful signal internationally on our approach to our institutions. It is also important to note that the terms of the recapitalisation provide that — in any event and apart from the voting rights at the annual meeting — I, as Minister, can appoint 25% of the directors, in total, to both of the banks. This representation at board level helps to ensure an appropriate State participation in the oversight of the operation of the banks.

Various options for addressing the pressures that are on the asset side of our banks' balance sheets, including the idea of a bad bank, or a legacy bank as Deputy Bruton chooses to describe it, a good bank and the option of a form of insurance of bank assets were raised and debated by Deputies today. For its part, the Government has made clear that it is conscious that in current market circumstances there is a need to bring greater certainty and transparency to the operations of important financial institutions, in particular in regard to specific asset classes currently perceived as carrying a higher than average risk. For Irish banks, in current economic circumstances, these higher risk classes relate to lending for land and development.

The Government will examine proposals for the management and reduction of risks within banks with respect to these particular exposures, having regard to international developments and work at European Central Bank and EU level. I emphasise to Deputies that I will be

carrying forward this work and will produce proposals as a matter of priority. I will certainly take into account constructive proposals made on the other side of the House in that regard.

There has been comment here today and in the media regarding our regulatory system. I agree that the nature and thrust of Ireland's regulatory regime must adjust to new realities. Lessons must be learned from our own experience and from the international experience of the recent period of worldwide financial disruption. We need a regulatory regime which fosters probity. I welcome the review now being undertaken by the authority to that end. We are not alone in this process. Work has begun on forging a new model to govern the conduct of the financial sector both here and internationally. I can assure the House that Ireland will play its part within the EU and internationally in seeking to ensure that the re-design of the financial system and, in particular, of financial regulation is consistent with the objectives that underlie a strong, stable and functioning national banking system.

I believe Deputies will agree it is disappointing that questions over corporate governance practices at Anglo Irish Bank and Irish Life & Permanent are overshadowing what is a crucial step in ensuring the financial stability and future success of the Irish banking system. The transaction in question is the subject of a number of investigations, including one by the Financial Regulator and the Office of the Director of Corporate Enforcement.

The matter is, in the first instance, a prudential one and was brought to the attention of the Financial Regulator by the Department of Finance. It was one of the corporate governance concerns that resulted in the Government's decision to nationalise Anglo Irish Bank. At that stage it would not have been appropriate for the Minister for Finance to publicly disclose confidential information which was and remains the subject of an investigation by the responsible statutory authorities. The new board is reviewing all the corporate governance practices of the bank and will put in place arrangements to guide the bank in the future. The bank's annual accounts will be published in the coming weeks and will provide appropriate details on this transaction. When the annual report of Anglo Irish Bank is published I propose to publish, by way of supplement, a shareholder's statement outlining the concerns I have about the different matters that have arisen in that bank and how they will be addressed.

In conclusion, the Government is committed to protecting depositors, creditors and taxpayers in its interventions in the banking system. We are committed to ensuring that our two main banks as well as the other covered institutions can discharge effectively their role.

Question put: "That the words proposed to be deleted stand".

The Dáil divided: Tá, 73; Níl, 64.

Tá

Ahern, Dermot.  
 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.

Conlon, Margaret.  
 Connick, Seán.  
 Coughlan, Mary.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Gogarty, Paul.  
 Gormley, John.

## Tá—continued

Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kennedy, Michael.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Mansergh, Martin.  
 Martin, Micheál.  
 McEllistram, Thomas.  
 McGrath, Finian.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.

Nolan, M.J.  
 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.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

Allen, Bernard.  
 Bannon, James.  
 Barrett, Seán.  
 Breen, Pat.  
 Bruton, Richard.  
 Burke, Ulick.  
 Burton, Joan.  
 Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.  
 Coveney, Simon.  
 Crawford, Seymour.  
 Creed, Michael.  
 Creighton, Lucinda.  
 D'Arcy, Michael.  
 Deasy, John.  
 Deenihan, Jimmy.  
 Doyle, Andrew.  
 English, Damien.  
 Feighan, Frank.  
 Flanagan, Charles.  
 Flanagan, Terence.  
 Gilmore, Eamon.  
 Hayes, Brian.  
 Higgins, Michael D.  
 Hogan, Phil.  
 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.  
 O'Donnell, Kieran.  
 O'Dowd, Fergus.  
 O'Keeffe, Jim.  
 O'Shea, Brian.  
 O'Sullivan, Jan.  
 Penrose, Willie.  
 Perry, John.  
 Rabbitte, Pat.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sherlock, Seán.  
 Stagg, Emmet.  
 Stanton, David.  
 Timmins, Billy.  
 Tuffy, Joanna.  
 Upton, Mary.  
 Varadkar, Leo.  
 Wall, Jack.

Tellers: Tá: Deputies Pat Carey and John Cregan; Níl: Deputies Emmet Stagg and Paul Kehoe.

Question declared carried.

Question put: "That the motion be agreed to."

## The Dáil divided: Tá, 74; Níl, 66.

## Tá

Ahern, Dermot.  
 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.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Hoctor, Máire.  
 Kelleher, Billy.

Kelly, Peter.  
 Kennedy, Michael.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 McEllistram, Thomas.  
 McGrath, Finian.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M. J.  
 Ó Fearghaíl, Seán.  
 O'Brien, Darragh.  
 O'Connor, Charlie.  
 O'Dea, Willie.  
 O'Flynn, Noel.  
 O'Hanlon, Rory.  
 O'Keefe, Batt.  
 O'Keefe, Edward.  
 O'Rourke, Mary.  
 O'Sullivan, Christy.  
 Power, Peter.  
 Power, Seán.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

Allen, Bernard.  
 Bannon, James.  
 Barrett, Seán.  
 Breen, Pat.  
 Bruton, Richard.  
 Burke, Ulick.  
 Burton, Joan.  
 Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.  
 Coveney, Simon.  
 Crawford, Seymour.  
 Creed, Michael.  
 Creighton, Lucinda.  
 D'Arcy, Michael.  
 Deasy, John.  
 Deenihan, Jimmy.  
 Doyle, Andrew.  
 Durkan, Bernard J.  
 English, Damien.  
 Feighan, Frank.

Flanagan, Charles.  
 Flanagan, Terence.  
 Gilmore, Eamon.  
 Hayes, Brian.  
 Higgins, Michael D.  
 Hogan, Phil.  
 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.

Níl—*continued*

O’Keeffe, Jim.  
O’Shea, Brian.  
O’Sullivan, Jan.  
Penrose, Willie.  
Perry, John.  
Rabbitte, Pat.  
Reilly, James.  
Ring, Michael.  
Shatter, Alan.

Sheahan, Tom.  
Sherlock, Seán.  
Stagg, Emmet.  
Stanton, David.  
Timmins, Billy.  
Tuffy, Joanna.  
Upton, Mary.  
Varadkar, Leo.  
Wall, Jack.

Tellers: Tá, Deputies Pat Carey and Cregan; Níl, Deputies Kehoe and Stagg.

Question declared carried.

### **Ceisteanna — Questions.**

#### **Priority Questions.**

---

#### **Bilateral Relations.**

1. **Deputy Billy Timmins** asked the Minister for Foreign Affairs the recent discussions he has had with the US Administration with respect to its recovery and re-investment plan; and the impact it is expected to have here. [5339/09]

**An Ceann Comhairle:** Those still having conversations do not have to go home but, as I said before, they cannot stay here.

**Minister for Foreign Affairs (Deputy Micheál Martin):** Ireland and the United States enjoy close political, economic and cultural relations.

**An Ceann Comhairle:** There can be no side conversations. I have said that on numerous occasions as well.

**Deputy Billy Timmins:** Deputy Gormley.

**Deputy Micheál Martin:** 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. The Government attaches the highest importance to strengthening the unique relationship between the two countries.

I welcome the commitment of the Obama Administration to overcoming the manifold challenges posed by the current economic climate worldwide. President Obama has made it clear that the recovery and re-investment plan is his top priority. The legislation, as currently developing, is focused on stimulating the domestic US economy, an undertaking which is central to restoring wider confidence in the US and globally, and as such is of particular significance for an open trading economy such as Ireland. The legislation is currently before the US Congress, with the Senate and House versions shortly to be brought to convergence. The Government will continue to follow its progress and assess its possible implications for this country.

The aim of the Government is to promote consolidation and growth of the economic partnership between the United States and Ireland. This partnership has been enormously valuable in the development of the significant trade and investment ties between our two countries. It is



worth noting that the US was Ireland's second largest merchandise trading partner in 2007, with bilateral trade valued at \$31.5 billion. Trade in services between Ireland and the US was worth \$36.9 billion in 2006. These ties are mutually beneficial: just as US companies employ 95,000 people in Ireland, Irish companies in the US now employ more than 80,000 people. A strong US economy serves all our interests. The need to constantly update and renew these links will be a central theme of our contacts with members of the Administration and other key figures in the United States in the period ahead.

**Deputy Billy Timmins:** I thank the Minister for his reply. Did the Minister have any concerns about reports that the new President would encourage companies based abroad to pay tax at home? This might have had an impact on foreign direct investment here. Did the Irish Ambassador have any role in lobbying the Administration and emphasising the importance of foreign direct investment to Ireland? Perhaps the Minister covered this in his reply, but I cannot recall. Did he use the office of the EU Ambassador, John Bruton, who I understand did make representations, or at least public statements, on this issue?

While on the subject of Irish-American relations I will also ask if the Minister or the Taoiseach is going to Washington for St. Patrick's Day. Have they received invitations? Does the Minister see an opportunity in the context of the US recovery plan to raise the issue of the undocumented Irish in the US? There are several million undocumented people in the USA, including several thousand Irish people. Has the Minister raised this with the new Administration?

**Deputy Micheál Martin:** The question relates to the recovery and re-investment plan, which is fundamentally about the domestic US economy. Of course, if the American economy can effect a recovery, Ireland, as an open, exporting economy, stands to benefit. As I said in my reply, the US is extremely important to Ireland in terms of exports and investment from multinational companies. The broader issues raised by the Deputy, such as the possibility of taxation incentives for repatriation of profits, do not materialise in the context of this plan. Some amendments were suggested but they were not accepted.

**Deputy Billy Timmins:** Did we have an opportunity to lobby about the amendments that were not taken up?

**Deputy Micheál Martin:** Our Ambassador is lobbying in Washington and is in touch with his contacts on Capitol Hill. With the greatest of respect, it is not for us to tell President Obama and his Administration about the fine-tuning of their economic recovery plan, which is a matter for the domestic political agenda.

**Deputy John Deasy:** Every other country does it.

**Deputy Micheál Martin:** The Ambassador and the IDA are vigilantly monitoring the issues that concern us, such as the key issue of international tax policy. This was flagged in the platform of the President during the election campaign. The indications are that nothing will be done straight away, but it may surface in due course. Of course we will be lobbying, as we did before, to protect Irish interests as far as we can.

**Deputy Billy Timmins:** In the Minister's response he spoke about the special relationship between Ireland and the USA. It is important to note there was an attempt to hit at American companies based in Ireland. The Minister says the amendments in this regard did not appear, but my understanding is that there may be attempts to reintroduce them. The Minister should take a proactive role in ensuring that we maintain our position. While I agree that we should not interfere with how America is run and how it reforms its economy, I am sure the Minister

[Deputy Billy Timmins.]

is inundated with representations from other countries when we are passing legislation that may have an impact on them.

**Deputy Micheál Martin:** Not really. Of course, we will work as effectively as possible on our issues. Sometimes it is not through shouting and roaring from the rooftops that one goes about getting one's point across. There are obviously issues of interest to us on which we will be engaged with the American Administration. That will relate to their international tax policy.

**Deputy Billy Timmins:** Is the Minister going there for St. Patrick's Day?

**Deputy Micheál Martin:** We will be dealing with St. Patrick's Day later.

### Overseas Development Aid.

2. **Deputy Michael D. Higgins** asked the Minister for Foreign Affairs the reason, in the recent reassessment of national expenditure, that part of the budget assigned to overseas development aid was cut by a higher percentage than those cuts made in other Departments and areas of Government spending; and if he will explain the implications this will have for Ireland's assurance of devoting 0.7% of GNP to ODA by the year 2012 and, in particular, the commitment to assist the poorest of the world. [5344/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** Last week the Government took the difficult decision to reduce the total official development assistance, ODA, budget for 2009 from €891 million to €796 million — a saving of €95 million. This was taken in the context of the wider Government decision to reduce current expenditure in 2009. It has only one purpose — the curbing of public expenditure in order to provide the platform needed for the renewal of economic growth.

The size of our aid programme is explicitly linked to GNP growth. Simply increasing the percentage of assistance given in the context of declining GNP would neither be in the interests of the poorest people in the developing world nor to the credibility of the Ireland's aid programme. The absolute imperative is to provide for national economic recovery, enabling us to resume expansion of the programme. As the Deputy will be aware, Ireland's ODA has seen dramatic growth in the past decade. Our total ODA contribution has grown from €255 million in 2000 to €899 million in 2008. In the past six years alone, Ireland has provided more than €4 billion in ODA, all of this untied, and the vast bulk going to the world's least developed and poorest countries for the benefit of their citizens.

While the allocation for 2009 has been reduced to €796 million, Ireland's aid programme remains at an historically high level. In fact, we are confident that in 2009 Ireland will continue to be one of the most generous donors on a *per capita* basis and we would expect to maintain our position of sixth within the OECD donor family. I assure the Deputy that the Government's priority will now be to ensure that the budget provided for the aid programme is implemented effectively and in line with our priorities as outlined in the White Paper in Irish Aid.

I am determined that Ireland's aid programme will continue to focus on assistance to the poorest countries, especially in sub-Saharan Africa, and to place the needs of the most vulnerable people in these countries at the heart of the programme. The reduction of hunger and poverty are at the core of our aid programme. We will continue to invest in basic services, including primary education and health services. In response to the report of the Government's hunger task force, we will continue our leading role in the fight against the scourge of hunger. Last month, I responded to and endorsed the recommendations of the report and stated that the hunger crisis will be a cornerstone of Ireland's development policy.

*Additional information not given on the floor of the House*

Sectors such as good governance, HIV and AIDS, gender equality and economic development will also remain important aspects of our aid programme. On current GNP projections for 2009, we estimate that our ODA spending in the coming year will be in the region of 0.54% . While this will represent a decrease on the 2008 outturn, we are determined to continue working towards the 2012 target and are significantly closer to achieving the UN target than most of our EU partners.

**Deputy Michael D. Higgins:** I appreciate the Minister of State's reply and commitment on this matter. Would he not agree that it is distressing for those who work in this area and particularly those who benefited from Ireland's programme that the cuts in overseas development aid were disproportionate? The cut of €95 million is an entirely disproportionate cut compared with cuts in any other Department. It represents approximately 5% of the total cuts.

I am pleased the Minister has announced the continuation of the programme against hunger, but the number of people who are hungry increased dramatically to one person in seven in 2008. Is it not a fact that people saw ODA as a soft target and took twice to three times as much from that subhead as was taken from other subheads in other Departments? Where does the Minister envisage the programme remaining intact both in terms of its dispersed personnel across different projects and such new initiatives as the Minister might have in mind? The cut of €95 million from the budget is the equivalent of removing what would be spent on five programmes in five countries in, for example, Africa.

**Deputy Peter Power:** Clearly, those who subscribe to our ambitious targets for overseas development aid would prefer not to make adjustments through cuts and savings across the programme. However, it must be seen in the context of the wider Government decision. We must ensure that the programme is sustainable, that it has a solid foundation and is not built on sand and that when we reach our target of 0.7 %, and our ambition to reach that target remains in place, it is 0.7% of a robust, strong and thriving economy. Our development partners would not be served by granting them 0.7% of an economy in freefall. The Government decision must be seen in that context.

One cannot really compare the ODA budget to other budgets. In response to the use of the term "disproportionate", it should be noted that this budget is expressed as a proportion of GNP, unlike other budgets. There has been some ill-informed comment, although the Deputy has been an exception to that, about the way in which the figure is calculated. In making the adjustments last year the total ODA expenditure in Vote 29 increased from €870 million to €899 million. During that year we paid additional amounts in our contributions to multilateral agencies. That meant the net cut for the year was in fact only €15 million. While some people have characterised this as successive cuts, there was only a minimal cut in real terms and a significant increase in percentage terms last year. That is not to take away from the fact that €95 million is a substantial saving.

**Deputy Michael D. Higgins:** Will the Minister confirm that the cuts will fall more on the multilateral side than on the project side?

**Deputy Peter Power:** We have not made final decisions on that. Given the complexity of the programme, I intend to adopt a nuanced rather than a *pro rata* approach across the programme. Certainly, the multilateral agencies will be examined. The increase in aid to multilateral agencies has been disproportionate compared with the other side of the programme.

**Conflict Resolution.**

3. **Deputy Billy Timmins** asked the Minister for Foreign Affairs the role and function of the conflict resolution centre. [5340/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The Government is committed to seeking to increase Irish engagement in international conflict resolution as a dimension of our foreign policy. The role of the conflict resolution unit in the Department of Foreign Affairs is to offer support for conflict resolution efforts internationally while also seeking to develop our national capacity in this area. It aims to draw from our own experience of peacemaking and peace building and from the work of Irish Aid, while also developing a range of partnerships with relevant international organisations and non-governmental organisations, NGOs.

The unit currently has two initiatives in the field, one in Timor Leste and the other a cross-learning exercise involving Liberia, Timor Leste and Northern Ireland on how best to advance the role of women in conflict resolution and peace building. As one of the most fragile of the nine Irish Aid programme countries, Timor Leste was identified as an appropriate country for initial engagement. The CRU engagement there is headed by Dame Nuala O'Loan, our first roving ambassador for conflict resolution, former Police Ombudsman for Northern Ireland and special envoy to Timor Leste.

Our engagement in Timor Leste, in close co-operation with Irish Aid's development programme there, is designed to address key issues directly related to the risk of renewed internal conflict. Initiatives taken so far include support for an early warning and response system based in civil society, a programme on peace, remembrance and reconciliation, advice on security sector reform, and support for structured high level dialogue among rival leaders. Our special envoy and the conflict resolution unit consult closely with key bilateral partners in the region and with the United Nations.

The cross-learning process on UN Security Council Resolution 1325 on women, peace and security is designed to facilitate the sharing of experiences between Liberia, Timor Leste and Northern Ireland with a view to encouraging best practice. In addition to a meeting of representatives from these areas organised last November, a conflict resolution unit project team has recently carried out missions to Monrovia and Dili. The outcome of this process will also feed into the development of Ireland's own national action plan on Resolution 1325. Following approaches from some other quarters, the possibility of further engagements in the field is being explored. These must of necessity remain confidential for now.

Conflict resolution is complex and sensitive work and can only be carried out effectively in close co-ordination with other key agencies and governments. The conflict resolution unit has broadened its network of contacts in the UN, EU and the OECD's development assistance committee.

We have developed a system of fourth level scholarships and they have already been put in place. Two three-year scholarships were awarded last year and up to five will be awarded this year, in conjunction with the Irish Council for Research in the Humanities and Social Sciences. We are examining a number of models to see how best to make use of the wide range of relevant expertise across all existing institutions and how to encourage collaboration between them.

**Deputy Billy Timmins:** This was launched in July 2007 and €25 million was allocated for it. From where is that money coming? Is it from the Irish Aid budget? Was the €25 million a once-off payment or what is the position?

There was also a commitment given regarding an academic centre. What is the status of that? Has the Minister set it up and, if so, where is it? If not, where will it be?

The concept was that scholarships would be set up in the conflict resolution area and also that research would be carried out. Where is this research being carried out? Are there specific staff for the conflict resolution centre? Is it something tangible? If I walk into the Department,

will I see a door with “conflict resolution centre” on it or will I be sent from Billy to Jack where everyone has a little piece of the job, but no one is doing any of it?

There was a commitment to appoint a number of roving ambassadors, but it did not state how many. The Minister mentioned Mrs. Nuala O’Loan. Has she been to Timor often and has she produced a report on it? I ask him to let me know the detail on that, and also to leave me with time for a supplementary.

**Deputy Micheál Martin:** I hope Deputy Timmins would leave me time to give the first reply.

A unit, with staff, in my Department deals specifically with the conflict resolution agenda and policy. It is important that it is integrated into the Department of Foreign Affairs. There is a strong engagement with the Irish Aid section, for example, because there is attendant conflict in many areas of poverty. Conflict is a significant cause of much of the poverty in many countries and there is a relationship with Irish Aid. There is also a relationship with the Anglo-Irish unit in the Department because of the experience of Northern Ireland.

The worst possible approach would be set up an isolated centre. We are formulating and evolving policy. That is where the conflict resolution unit sits. It is important that it integrates with wider elements of the Department and that the Department has a holistic overarching engagement with conflict resolution. This would ensure that any person in any mission could at any stage be brought into this endeavour if it is applicable.

I am not in favour of a specific academic centre. I have made this clear, both to the unit and to universities, because we have much existing expertise out there. For example, some universities — we have funded this through Irish Aid already — have good relationships with international organisations on crop production, agricultural techniques, etc. UCG and UCC, for example, have good capacities in humanitarian law. Why exclude all of those from engagement here?

The model I would prefer would be a consortium of the colleges that we already have, involving a utilisation of existing disciplines——

**An Ceann Comhairle:** The time for this question has expired.

**Deputy Micheál Martin:** ——and endeavouring to get universities much more proactively focused on having development issues and conflict issues as part of their mission statement and ethos. Some university presidents are moving in that direction. In my opinion, that is the best way to go.

**An Ceann Comhairle:** I will allow a brief supplementary.

**Deputy Billy Timmins:** How many staff work in the unit? I refer to the Mrs. Nuala O’Loan issue.

The most divisive issue in Irish foreign affairs is Palestine and Israel. It is probably the most emotive and divisive issue across the globe. As a start, instead of bringing the protagonists to Ireland, could the Minister get the people on both sides of the argument here, who are very active and involve themselves in much propaganda, into our conflict resolution centre to see if we can come up with an agreed policy? We expect the Americans, and the Quartet, to come up with a policy and we cannot come up with one here. Will the Minister consider all the protagonists because the vast majority of people concerned are reasonable and express a moderate view, but the extremists are distorting the view of the country? I would like the Minister to give a commitment to get them into our conflict resolution centre and let them tease out where we should go with regard to policy in this area.



**An Ceann Comhairle:** We are way over time.

**Deputy Billy Timmins:** There seems to be a conflict between Government policy and EU policy. Even within the Minister's party, there seems to be many difficulties on what is the policy.

**Deputy Micheál Martin:** First, Mrs. Nuala O'Loan has been very active in Timore Leste and has compiled two reports. What I may do, for the benefit of Members, is organise a briefing with Mrs. O'Loan on her experience in Timore Leste and also regarding the security advice area, where we have invited some of their participants to Ireland to work on training on supporting civilian populations, etc., and how the police force and army should work in such situations.

On the Palestinian issue and the Middle East generally, we have written to Senator George Mitchell, who has particularly strong experience. We have offered any help or assistance we can give him in his endeavour and mission.

**An Ceann Comhairle:** I must call a halt. We are way over time.

**Deputy Micheál Martin:** In terms of our own capacity, we are working with Glenree and others to ensure that we can facilitate the type of engagement Deputy Timmins mentioned.

**Deputy Billy Timmins:** Internally, here in Ireland.

**Deputy Micheál Martin:** Yes. That is an important dimension.

### **Official Travel.**

4. **Deputy Billy Timmins** asked the Minister for Foreign Affairs if he will report on his recent visit to the Middle East. [5341/09]

**Deputy Micheál Martin:** I completed a very constructive visit to Syria, Lebanon and the United Arab Emirates between 1 and 5 February last, my second visit to the Middle East as Minister for Foreign Affairs. The visit was timely given the recent conflict in Gaza and the prospects for efforts to revive an overall peace process in the region. The primary focus of the visit to the UAE, where I accompanied the President on her official visit, was on the promotion of trade and investment, although we had important discussions on political issues.

In Damascus, I held extensive discussions on regional political issues with President Assad and with Foreign Minister Muallem. I also met with Deputy Prime Minister Dr. Al-Dardari to discuss bilateral economic issues, and with the Grand Mufti of Syria, Dr. Hassoun. I also briefly met with Irish officers serving with the UN Truce Supervisory Organisation.

In Lebanon, I held meetings with President Suleiman as well as Prime Minister Siniora, Foreign Minister Salloukh and Parliament Speaker Berri. At Naqoura in southern Lebanon I was briefed by the UNIFIL Commander General Graziani and met with Irish Defence Forces and other personnel serving with UNIFIL.

In addition to accompanying the President in the UAE, I also met with the Deputy Foreign Minister, Dr. Al-Gargash, to whom I formally communicated the Government's decision to establish a resident embassy in the country.

Discussions with President Assad covered the recent Gaza crisis and the role of Hamas, the Turkish-mediated Syria-Israel dialogue, relations with Lebanon, Iran, human rights and bilateral relations. President Assad expressed optimism that a durable ceasefire in Gaza was in



prospect and offered assurances that Syria was working to encourage Hamas towards greater political engagement and to accept a process leading to a negotiated two-state solution.

President Assad was also quite positive about the prospects for increased engagement between Syria and the United States, with the change of Administration in Washington DC.

Strong appreciation was expressed by Lebanese leaders for the Irish contribution to UNIFIL and also for the Irish role in the negotiation of the cluster munitions Convention agreed in Dublin last May. Prime Minister Siniora urged greater EU engagement in the Middle East peace process, while warmly welcoming the appointment of Senator George Mitchell as US Middle East Envoy. Confirmation was offered by all leaders I met that relations between Lebanon and Syria were now improving. At the same time, there remains considerable inter-communal tension in advance of the general election scheduled for June.

**Deputy Billy Timmins:** Can the Minister give me any indication of the economic activity between Ireland and Syria? He mentioned a discussion on the relations between Syria and Lebanon. What is the status of those relations? My view would be that they would not be too cordial, but I would like to hear what the individuals concerned had to say.

The Minister will recall we had a difficulty with the Irish consul to Lebanon some time ago. Is he still *in situ* or has he been replaced? I ask for an update on that matter.

**Deputy Micheál Martin:** The trip to Syria was primarily a political trip to the Middle East region and to ascertain the Syrian perspective on the Middle East political situation. That said, we raised some economic issues and there are some Irish companies endeavouring to secure business in Syria, and Syria is anxious to develop strong economic bilateral relations with Ireland. To that end, the Deputy Prime Minister indicated that he wished to lead an economic mission to Ireland in the latter half of 2009 and I invited him to do so. We can increase the level of economic activity between our two countries and we should do so.

On the honorary consul issue, that person, as I indicated some months ago, has resigned from the position and we are close to appointing a successor.

**Deputy Billy Timmins:** The Minister stated that the visit to Syria was primarily for political reasons. However, in his statement of 2 February he said it was primarily for economic reasons. Was there a reason for the change from political to economic?

**Deputy Micheál Martin:** The visit to the United Arab Emirates was primarily economic reasons, but not the Syrian one. There were different aspects to the programme.

**Deputy Billy Timmins:** There must be an error in the Minister's statement. I have it before me. The visit to the United Arab Emirates was an economic one.

**Deputy Micheál Martin:** It covered both political and economic issues. There are three elements to the United Arab Emirates visit. We were indicating to the authorities that we were opening an embassy. I was accompanying the President on her official visit to the United Arab Emirates and there was work with Enterprise Ireland in that context in terms of engagements both in Dubai and Abu Dhabi. There were political discussions as well in terms of the wider issue, post-Gaza conflict.

**Deputy Billy Timmins:** Can the Minister confirm that the President only visited the United Arab Emirates? Did she visit anywhere else and is there any co-ordination between trips involving the Minister for Foreign Affairs and the President? How does the President's itinerary operate? Does she agree to undertaking a Government-proposed itinerary or would the Government suggest to her a possible itinerary she might undertake?

**An Ceann Comhairle:** In accordance with precedent, questions in relation to the President do not arise in this House.

**Deputy Billy Timmins:** That is fair enough, a Cheann Comhairle. If possible, can the Minister tell me where he linked up with the President during his trips?

**Deputy Micheál Martin:** I have told the Deputy.

**Deputy Billy Timmins:** Was it just the one trip?

**Deputy Micheál Martin:** That is correct. The President had been in Bahrain before that with Irish education officials and the Royal College of Surgeons. They were opening a college and the Minister for Education and Science was there because of the relevance of the activity to his portfolio.

### **Overseas Development Aid.**

5. **Deputy John Deasy** asked the Minister for Foreign Affairs the areas of the overseas aid budget that will be reduced as a result of the cut of €95 million in the budget for 2009; the amount of the reduction in each of the affected areas of the budget; and if he will make a statement on the matter. [5343/09]

**Deputy Peter Power:** I have already set out, in my reply to the first question, the basis on which the Government acted last week in order to curb public expenditure. The decision to reduce the budget provided for overseas development assistance in 2009 was a difficult one, but it was necessary in the context of the extremely difficult economic situation the country now faces. The Government is acting now with only one motive, to provide the conditions for renewed economic growth. I have given a clear commitment that when economic circumstances permit, we will resume the expansion in our aid programme, which has been a significant feature of Government policy over the past decade.

It is important to recognise that, even with the reduction in our aid programme from the planned €891 million to €796 million, Ireland will again this year be the sixth most generous donor worldwide in *per capita* terms. We have a very strong aid programme, recognised internationally for providing untied aid, with a clear focus on the poorest people in the least developed countries. I assure the Deputy that we will maintain the standard of the programme and that we will continue to take a lead internationally on the most basic of issues facing the poorest people in the world, the global hunger crisis. Ireland's partnership with the developing world is making a real difference to the lives of people in 90 countries, and it will continue to do so.

The Government remains firmly committed to achieving the target of spending 0.7% of GNP on ODA. However, we have to face the reality that an exclusive focus on that target is not, in current circumstances, in the interests of our development partners, nor of the credibility of our aid programme. Even if we were to increase the percentage of our GNP allocated to ODA, in the context of a seriously contracting economy, we would simply be offering a proportionately larger slice of a rapidly shrinking cake.

The priorities of the aid programme in 2009 will remain as set out in the Government's 2006 White Paper on Irish Aid. We have not yet taken final decisions on how the budget adjustment of €95 million will be implemented across the aid programme. I do not underestimate the effect of such an adjustment.

*Additional information not given on the floor of the House.*

I can assure the House that the action we take in the coming weeks will be based on a rigorous analysis of the whole aid programme in order to ensure its effectiveness and value for money. This analysis, and the subsequent decisions which we will have to take, will ensure that we maintain the central priority of Ireland's development programme, which is to contribute to the reduction of global poverty and hunger, with a particular focus on the poorest people in the Least Developed Countries.

**Deputy John Deasy:** My question was similar to that of Deputy Higgins and the Minister of State's answer was also similar. I come at it somewhat differently, however. Unfortunately, the notion being put out by certain individuals that the Irish Aid budget, which was €800 million or €900 million is ending up in the pockets of corrupt officials has gained credence in Ireland. When one takes the €95 million cut recently, apart from the aid agencies and NGOs involved, there was not, unfortunately, a public outcry for the reason I have just mentioned and also because of where we find ourselves, economically.

The Government needs to make up its mind. If it is committed to what is left of the Irish Aid budget, it needs to do a better job convincing the public that the money that goes to Africa, in particular, is keeping people alive, and is well spent and of a critical nature. However, if it is planning to play it by ear, while holding out the option of further cuts, it should say so. I believe there is some slight ambiguity creeping into Government thinking when it comes to the Irish Aid budget, and there is no point in it denying that. The stark reality of what we have seen last week is a 10% pay cut for a nurse or a garda, for example. The reality is, however, that the €95 million cut will mean that people die. The question I asked was where the Minister of State was going to cut the €95 million from the overall budget and whether he can comment on the methodology involved.

**Deputy Peter Power:** The Deputy has mentioned corruption, which I must refute. Our overseas development assistance budget is peer reviewed internationally by the OECD. It is recognised as being of the highest quality and one of the most effective in the world. That characterisation of the budget is wrong. I will not spend more time on that, but I accept that in very difficult economic times it is very understandable that the public will be looking at all budgets and asking questions. That is why we need to maintain full public confidence in the programme.

I do not accept that ambiguity is setting in. If anything, we are being more definite about our ambitions. We want to achieve our ambitions, but we want to ensure that they are real, practical and realisable. There is no point in having false ambitions based on a foundation of sand. The ambitions must be clear, as the Taoiseach reiterated in September last year before the United Nations. We must say with conviction that we have to provide our programme based upon the reality of strong economic growth. If we continue to borrow, as we are doing, for development purposes, that is ultimately unsustainable and we preach sustainability in our aid programme throughout the world. However, to borrow continuously and to repay borrowing for development purposes is an unsustainable position.

**Deputy John Deasy:** The Minister of State did not answer the question. Presumably when the decision was taken to cut €95 million from the Irish Aid budget, the people who made it were aware of the implications. Will the Minister of State outline where the €95 million will come from within the Irish Aid budget?

**Deputy Peter Power:** I cannot say at the moment. We can take either of two approaches to this. We can cut €95 million *pro rata* across the whole budget, affecting spending streams such

[Deputy Peter Power.]

as the bilateral aid programme, multilateral involvement, NGOs, civil society, etc. I am not disposed towards taking that type of blunt unsophisticated approach. We now have the opportunity to look at all our funding streams through the prism of a new focus on hunger and in that respect I cannot accept what the Deputy says with regard to people dying as a result of this initiative.

We are refocusing and reprioritising the overseas aid and development assistance to the poorest of the poor and those who are in real need. That is why, unique among European countries, we have identified hunger as the key development issue, and that is where we are prioritising our resources. People are not dying but we are relieving people out of endemic poverty and hunger.

### **Other Questions.**

---

#### **EU-Israel Relations.**

6. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs his views on the upgrading of relations between the EU and Israel in view of the fact that according to the Israeli non-governmental organisation, Peace Now, 1,257 new structures were built in settlements during 2008 at a time when Israel was supposed to be freezing all settlement activity under the Annapolis peace process compared to 800 in 2007, an increase of 57%; and if he will make a statement on the matter. [5239/09]

64. **Deputy Brian O'Shea** asked the Minister for Foreign Affairs the discussions held at the most recent meeting of the General Affairs and External Relations Council regarding relations between the European Union and Israel in terms of economic and trade dealings. [5202/09]

**Deputy Micheál Martin:** I propose to take Questions Nos. 6 and 64 together.

I have repeatedly expressed my serious concerns regarding the construction and expansion of Jewish settlements in the West Bank. As I have stated on several occasions, continued settlement construction has a direct and negative impact on the political process. It also prejudices the outcome of final status negotiations and threatens the viability of an agreed two-state solution.

The total settler population is now fast approaching half a million people in 121 settlements in the West Bank, 12 settlements in the hinterland of East Jerusalem and 100 or more other outposts and unrecognised smaller settlements. According to an estimate by Israel's Central Bureau of Statistics, the Jewish settler population in the West Bank continues to grow three times faster than the population in Israel and has risen by 42% since 2001. The reports of new structures being built in the settlements tally with this population growth.

The construction of settlements anywhere in the Occupied Palestinian Territory, including East Jerusalem, is illegal under international law. I have seen at first hand the damage wrought by these settlements and the associated regime of settler only bypass roads and the separation barrier on Palestinian society and economy. The EU has repeatedly called on Israel to honour the commitments it made at the Annapolis conference and, in accordance with the roadmap, to freeze all settlement activity, including natural growth and to dismantle outposts built since 2001.

I am deeply concerned at recent reports that the Israeli authorities have approved the construction of what is essentially a new settlement in the West Bank. I have conveyed my serious

concern about settlement expansion directly to the Israeli Government at every opportunity, most recently in a meeting with Israeli Minister for Education, Yuli Tamir, on 20 January.

As Deputies will be aware, Ireland has taken a cautious approach to the upgrading of EU relations with Israel, which was agreed in principle in December. I made it clear to my EU colleagues at the recent General Affairs and External Relations Council that what happened in Gaza means that there cannot be a business as usual approach to proceeding with the upgrade at this time. I have consistently argued that account must be taken of overall developments in the peace process, including the approach taken by the new Israeli Government to be formed following Tuesday's elections, in determining how to proceed. Such developments should in my view include Israeli Government policy on settlement activity and expansion.

**Deputy Aengus Ó Snodaigh:** I welcome the Minister's statement regarding the illegal occupation and annexation of land in violation of UN Security Council resolutions and his endorsement of the calls for a reversal of settlement construction. Will he demand that the EU not only park the proposed upgrading of EU relations with Israel but oppose any discussion on an upgrade in the present climate? Rather than take the cautious approach, I ask him to demand at EU level the suspension of the Euromed agreement at this juncture given what has occurred in the past two months.

**Deputy Micheál Martin:** Our position has consistently been to link any upgrade of relations with Israel with progress on the political front towards a resolution of the regional conflict. More recently, we have sought a dual-track approach which includes an upgrading in relations with the Palestinian Authority. We have consistently made that argument.

In the aftermath of the Gaza offensive, I have written to the Presidency to state that from Ireland's perspective relations cannot be a case of business as usual. Our view is that the situation is not being progressed at present, although proposals may be returned to the table at some stage. An upgrade in relations must be linked with the issues raised by Deputy Ó Snodaigh and settlements in particular.

**Deputy Finian McGrath:** Does the Minister accept that the State of Israel is out of control following the recent slaughter in Gaza? Will he take action to deal with this rogue state? I ask him to argue more strongly for the Palestinian people at EU and UN level. Does he accept that Israel was in breach of Article 59 of the Geneva Convention, which maintains that occupying powers shall agree to relief schemes on behalf of the occupied population and shall facilitate them by all means at their disposal? Israel has not only failed to adequately supply the population of Gaza but also deliberately blocked and otherwise impeded emergency relief and humanitarian assistance. Israeli attacks have struck aid convoys and killed UN personnel, while its forces have obstructed medical personnel trying to carry out their duties.

**Deputy Micheál Martin:** We have actively promoted the Palestinian cause at EU and UN levels and will continue to do so. Ultimately, a two-state solution will be required and all parties will have to live in harmony.

I am pleased to report that UN Secretary General, Ban Ki-Moon, this week informed the UN Security Council that he intends to appoint a panel of investigators to examine certain incidents which occurred in Gaza during the recent conflict and to report to the Security Council. Although the terms of reference of the panel are not yet available, it appears the investigators will focus on three separate attacks on UN facilities, namely, the shelling of areas adjacent to two UN schools on 6 January and of UNRWA headquarters on 15 January and, in this context, the killing and injuring of civilians. That represents progress in terms of an international investigation into allegations of breaches of the Geneva Convention and humanitarian



[Deputy Micheál Martin.]

law. I would equally point out that Hamas was in breach of the Geneva Convention by indiscriminately firing rockets into a civilian population.

I agree the blockade should be lifted. The ongoing Egyptian brokered talks are the key to progress at this point in time and we are supportive of the efforts of the Egyptian Government and others.

**Deputy Michael D. Higgins:** I welcome the strength of the interventions the Minister has been making on this issue, particularly in light of the messages Members have received from those who are not interested in anything other than laying down preconditions of such a nature as to make peace impossible.

However, his views are exceptional in the European Union at present and, indeed, certain countries are opposed to them. I have been visiting the West Bank and Gaza since the 1980s. The people on the other side who are most insistent on preconditions will not point to the demolition of a single settlement. In 2005, there was a withdrawal from Gaza and a few minor settlements in a remote part of the West Bank. They look on and do not condemn the expansion of settlements and they cannot point to the destruction of houses. They did not oppose the destruction of houses in East Jerusalem or the West Bank. It is total hypocrisy to say one is in favour of a negotiated, peaceful solution while at the same time refusing to address the issue of settlement expansion.

The existing Euromed agreement contains three human rights clauses but there is no compliance with them. Why is everyone so quiet about that? It would be outrageous to deepen the agreement.

**Deputy Micheál Martin:** I have detected a shift in European thinking in the aftermath of Gaza, although certain countries clearly have different perspectives from ours. Strong presentations were made by the Egyptian, Turkish and Norwegian Ministers of Foreign Affairs and the Foreign Affairs Minister of the Palestinian Authority at our session on the Sunday night prior to our meeting. They outlined what may emerge from the Egyptian brokered talks. In terms of a mechanism to deliver humanitarian and reconstruction aid, they advised Europe against closing a door by imposing preconditions.

Flexibility is needed in facilitating the emergence of a proper peace process. We have some experience in that regard in that events were sequenced or choreographed and people were not put in impossible positions. In other words, we were more interested in outcomes than initial inputs. I sense an awakening to that among some EU Foreign Ministers. The President of Syria, Bashar al-Assad, and others have pointed out to us that whatever emerges in the context of Palestinian unity, we should not close the door in a knee-jerk manner. That is something for which I am pushing strongly.

**Deputy Aengus Ó Snodaigh:** I have two brief questions for the Minister. Given the onslaught, will he call publicly for an arms embargo on Israel and enter into discussions with his colleague, the Minister for Defence, in regard to a cessation by Ireland of the purchase of Israeli military products and services? Also, will he consider requesting the UN to broaden its proposed investigation beyond a tax on UN buildings?

**Deputy Micheál Martin:** Our Defence Forces procure equipment on the basis of the most effective equipment available to meet the specification competitively tendered. The Defence Forces have in recent years purchased defensive equipment such as helmets from Israeli companies on the basis of effectiveness and best value. That is the scale of our engagement in that regard.



Our view is that trade boycotts are not the way forward. Ultimately, there must be dialogue. Much depends on what happens post-election in Israel. Our view is that all parties to this historic conflict need to engage in finding a resolution that will lead to durable peace. We welcome the prioritisation given to this issue by President Obama. Prior to the US presidential election, the main concern of European foreign ministers was would the next American Administration make this issue its number one priority from day one. The statement by President Obama that he will aggressively pursue the issue and the appointment of George Mitchell are important signals. Let us not, however, understate the challenges that lie ahead in terms of working towards a solution. As regards Ban Ki-moon, I welcome what has happened. I will not overstate the degree to which we can leverage any more in that respect.

**Deputy Billy Timmins:** I welcome the Minister's statement that he does not support the concept of boycotts. It is important from a Government discipline point of view that he take that issue up with Members of his party, one of whom was listed as a speaker at a rally, the purpose of which was to organise a boycott.

The Minister stated we cannot set preconditions but good faith requires good acts. The construction of settlements during the process is unhelpful.

**Deputy Michael D. Higgins:** It is illegal.

**Deputy Billy Timmins:** Yes. Fine Gael policy on this is that any settlement constructed in the disputed territories since March 2001 should be demolished. Does the Minister agree with that proposal?

**Deputy Micheál Martin:** Yes. I am intrigued by Deputy Timmins's exhortations on me to impose discipline on Members of my parliamentary party. We are a broad church and a democratic party. Ireland is not like other countries which suppress the right of people to free speech. The fact that Members of my party are engaged in international issues of this type is positive. We may from time to time differ in emphasis but I am not into suppressing genuine humanitarian engagement and do not believe Deputy Timmins should be encouraging me to do so.

**Deputy Billy Timmins:** The Minister is at variance with his leader on that issue.

**Deputy Micheál Martin:** On the other hand, I do not wish to encourage them too much.

**Deputy Finian McGrath:** The Minister is covering all options.

### **Arms Trade.**

7. **Deputy Liz McManus** asked the Minister for Foreign Affairs his views on an effective universal arms trade treaty in view of the effect of unrestrained arms trading on human rights in conflict areas in particular. [5224/09]

**Deputy Micheál Martin:** I share fully the concerns of the Deputy about the impact of arms transfers on human rights in conflict areas. The programme for Government commits us to supporting a binding and comprehensive global treaty on the trade of arms covering all weapons and ammunition.

At the United Nations, Ireland has been actively promoting the idea of an arms trade treaty to secure agreement on common international standards for the import, export and transfer of conventional arms. Last October we co-sponsored a resolution at the General Assembly which agreed the establishment of a working group to consider the elements that might be included in a legally binding treaty.

[Deputy Micheál Martin.]

The first meeting of the group will take place next month in New York and officials from my Department will be actively involved. A key priority for Ireland in this process will be to ensure our long-standing commitment to the principles of humanitarian law and individual human rights is reflected in the final outcome. Achieving an arms trade treaty is also a priority for the European Union and we have been working closely with our partners to advance the prospects for agreement. The European Union is now preparing to hold a number of regional seminars in various parts of the world to highlight the necessity of securing an effective arms trade treaty. Although negotiation on this issue is likely to be complex and protracted, we are determined to remain fully focussed on achieving a successful outcome.

I take this opportunity to acknowledge the vital role which representatives of the NGO community such as Amnesty International and their partners in the control arms campaign have played in taking forward the proposal for an arms trade treaty. I look forward to maintaining close co-operation with them as we move ahead in this process.

**Deputy Michael D. Higgins:** What is revealed in this type of question is another contradiction at the heart of the European Union — I say this as somebody who is in favour of the European Union — in terms of diplomatic activity which is scant in regard to, say, the Middle East, with all due respect to Javier Solana and Tony Blair, whose presence has not achieved much.

During the past four and a half years, the European Union sold a total of 9.1 billion armaments to the Middle East. The figure for 2004 was just over 4 billion. The European Union, in its armaments industry, has been pouring armaments into the Middle East at the same time as it has remained silent on options in respect of the quartet proposals on US withdrawal. Will the Minister agree that in terms of securing a balanced foreign and security policy the most serious implications could be drawn from the bad faith involved in that regard? Some 156 Deputies and MEPs have signed Amnesty's petition. There are 1,600 parliamentarians around the world, including the United Nations.

The armaments industry is alive and well in the European Union.

**Deputy Finian McGrath:** Hear, hear.

**Deputy Michael D. Higgins:** At the same time, there is a shortfall in terms of diplomacy. Deputy Deasy and I noted, when in a remote part of Africa called Karamojo, where people are being slaughtered, that spears had given way to AKs. Often there is not even a single weapons producing factory in the countries on the receiving end, which is an obscenity.

**Deputy Micheál Martin:** The whole world is engaged in the armaments industry.

**Deputy Michael D. Higgins:** That does not make it a good thing.

**Deputy Micheál Martin:** That is only one side of the European Union and its role on the international stage. The European Union is the largest contributor to humanitarian assistance in the Middle East.

**Deputy Michael D. Higgins:** Yes.

**Deputy Micheál Martin:** That is never acknowledged. Generally speaking, in commentary on Europe, there is an over-tendency to portray Europe as a militaristic entity whereas it is possibly the best global entity around——

**Deputy Michael D. Higgins:** That is not the point.

**Deputy Micheál Martin:** —in terms of conflict resolution and humanitarian aid and so on. I accept the premise behind the Deputy's question in terms of the treaty and so on.

From our perspective, the European Union has been a major driver in getting the arms trade treaty to the point at which it is now. Only recently, the code of conduct of arms export was upgraded to the status of common position. This means that armament companies in the EU are already in compliance with one of the strictest export regimes in the world. Again, a whole range of separate criteria must be taken into account, including the effect an arms transfer could have on a country of final destination. European countries must abide by approximately eight criteria in this regard.

That said, the UK, which has a substantial Defence Ministry, has been to the fore on this issue. The defence industry in the UK supports the introduction of an arms trade treaty. We will work with our partners in Europe to achieve the strongest possible treaty but the talks will be complex and protracted. Some of the larger states——

**Deputy Michael D. Higgins:** Does the Minister favour an end-use requirement where the responsibility would fall on the producer as seller?

**Deputy Micheál Martin:** We are not taking a predetermined position. We will wait to see how the talks unfold and evolve.

**Deputy Finian McGrath:** Does the Minister accept — this is a serious question in terms of the future Lisbon referendum — that one of the main reasons the referendum on Lisbon was lost is the European Union's spending on arms? The Minister will have to deal with this elephant in the room given this is a major issue for voters, in particular female voters who were disgusted with EU spending on the arms industry.

Does the Minister agree, in terms of arms and human rights, that white phosphorous bombs, which were used in Gaza, should be banned internationally? Cluster munitions were also used in Gaza. Does the Minister agree that these type of weapons should be banned off the face of the earth?

**Deputy Micheál Martin:** Yes, I do. They are appalling weapons that visited huge injuries on the civilian population in Gaza.

With regard to the Deputy's comment on the European Union, member states historically, long before the European Union, have been involved in the arms trade and industry. That is a fact we knew before we joined the European Union.

The key issue in terms of our participation in the European Union is that no obligations are placed on us, that we have full freedom to exercise options and choices and that we can move the European common foreign policy towards an active engagement with the world that is positive and focused on conflict resolution, humanitarian assistance, developing democracies and good value systems in areas of conflict. Europe has been spectacularly successful on this front. There is no other entity in the world that has been as effective and successful as the European Union in terms of ending conflict and creating harmony. There is no question about that.

We must be mindful that peacekeeping armies and troops need equipment and facilities to be effective peacekeepers. That said, I am also mindful of what the Deputy has said. Certainly, that image of the European Union has been portrayed but it is not a fair or balanced one. There is another side to the story that does not get articulated to the same degree. Perhaps that is the fault of the European Union and others, but it needs to be said.

**Deputy Finian McGrath:** The spending is in the treaty.

### UN Conventions.

8. **Deputy Pat Rabbitte** asked the Minister for Foreign Affairs when Ireland will ratify the UN Convention against Corruption. [5223/09]

**Deputy Micheál Martin:** The United Nations Convention against Corruption was adopted by the United Nations General Assembly at its 58th session in October 2003. Ireland was among the first states to sign the convention when it was opened for signature in December 2003. The convention entered into force two years later on 14 December 2005.

Ireland of course intends to ratify this convention. It is a very broad and comprehensive treaty which seeks to promote integrity, accountability and proper management in public affairs. It provides for internationally recognised measures to prevent and combat corruption. It also seeks to support and facilitate international co-operation and technical assistance in the prevention of, and the fight against, corruption.

Before we become a party to a treaty, it is necessary to ensure that the necessary domestic legislation and administrative arrangements are in place. This is to ensure Ireland can fully comply with all the provisions of the agreement.

The issue of enabling domestic legislation with regard to this convention is the responsibility of the Minister for Justice, Equality and Law Reform. In consultation with the Office of the Attorney General and other Departments, the Department of Justice, Equality and Law Reform has examined the text of the convention and identified the legislation that is required to give effect to its provisions. The Criminal Justice (Mutual Assistance) Act 2008, provides for certain necessary measures. The remaining legislative requirements, concerning bribery of foreign public officials and protection for whistleblowers, will be dealt with in the Prevention of Corruption (Amendment) Bill 2008, which completed its Dáil Second Stage on 30 October 2008 and is due to commence Committee Stage shortly. The Minister for Justice is satisfied that once the Prevention of Corruption (Amendment) Bill is enacted, it will be possible for us to proceed to the ratification of the convention.

I would of course wish to see Ireland ratify this treaty as soon as possible. The timing of our ratification will depend to a large extent on the progress of the Prevention of Corruption (Amendment) Bill 2008 through the Oireachtas.

**Deputy Michael D. Higgins:** It was a year ago, on 6 February 2008, that I last asked about this issue and I welcome the fact progress is being made. However, in the February 2008 reply, the Minister said there were some legal and administrative issues that arose with his colleague, the Minister for Justice, Equality and Law Reform. Can I take it that, with the passing of the legislation to which the Minister has just referred, we will within the current Dáil session ratify this convention?

**Deputy Micheál Martin:** I have been assured by the Minister for Justice, Equality and Law Reform and his Department that this is the case.

**Deputy Lucinda Creighton:** Given the current exposure of fraudulent activity in the banking system in this country, it would be timely if Ireland were to ratify this convention. It would assist our international reputation and would be seen as decisive action by the Government, as well as sending out the correct signal in terms of domestic public confidence here in Ireland. Will the Minister clarify whether there is any delay or reluctance on the part of the Government

in case some of its friends in the banking sector might become exposed on ratification of the treaty?

**Deputy Micheál Martin:** The latter point is a rather silly one to make. It is a matter for the Oireachtas. I take the Deputy's points——

**Deputy Lucinda Creighton:** It is not a silly point. We are all hearing about the golden circle.

**Deputy John Deasy:** It is not silly any longer.

**Deputy Micheál Martin:** The Bill is on Committee Stage in the Oireachtas and is a matter for the Houses. If it is that urgent, the Deputy can also play a role.

**Deputy Lucinda Creighton:** The Minister is in Government, not me.

**Deputy Micheál Martin:** The Bill is on Committee Stage in the Oireachtas.

**Deputy Finian McGrath:** I welcome the Minister's response in regard to the UN Convention against Corruption. I encourage the Minister to move on to Committee Stage.

Does the Minister accept that corruption is a very serious issue both nationally and internationally? As we have seen in recent weeks, corruption causes major problems in our banking institutions but also, in other countries, it leads to bribery in the arms industry, as I mentioned earlier, which is a major issue that leads to deaths, conflicts and worse. This is not just a windy convention but a very important one.

**Deputy Micheál Martin:** I agree 100% with that point. The other point I would make is that when one is ratifying a convention, it should be done properly. Any country that is ratifying should make sure it is dotting its i's and crossing its t's, and that there is an exhaustive examination of what the convention entails and its application to various legislative requirements, to ensure one is actually ratifying it sincerely as opposed to just declaring oneself to be ratifying something. This is the approach we have taken. It has taken a bit longer than I would have liked but we are getting to the end position. It will be an effective and important additional legislative measure to combat corruption, particularly in the international context, as the Deputy has outlined.

*Written Answers follow Adjournment Debate.*

### **Adjournment Debate Matters.**

**An Ceann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Member in each case: (1) Deputy Pat Breen — the need to sanction an extension in respect of Barefield national school, County Clare; (2) Deputy Seán Barrett — the impact of the Smarter Travel action plan on the south County Dublin area; (3) Deputy Jimmy Deenihan — the threatened discontinuation of the contracts of 101 REPS planned by Teagasc resulting in job losses and a slowdown in investigating plans under the REPS 4 scheme; (4) Deputy James 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; (5) Deputy Bernard J. Durkan — the disqualification of part-time fire fighters from entitlement to jobseeker's allowance; (6) Deputy Phil Hogan — the closure of Smithwick's

[An Ceann Comhairle.]

Brewery, Kilkenny; (7) Deputy Mary Upton — the recent cuts announced by the Minister for Education and Science in special teacher support, and the reason these cuts have been targeted at Ballyfermot, Dublin 10, especially; (8) Deputy Thomas P. Broughan — the need for the Minister for Enterprise, Trade and Employment to make an urgent statement to the House on the accelerating jobs crisis in north and west Dublin given the appalling reported loss today of 1,200 jobs at the key aircraft maintenance company at Dublin Airport, SR Technics; if she will outline what initiatives the Government and all relevant agencies such as the IDA took to try to prevent these massive jobs losses and if she will also fully report on what measures the Government intends to provide in terms of support and re-training initiatives for the 1,200 workers and their families; and if she will make a statement on the matter; and (9) Deputy Brian O'Shea — the need to prevent the closure of St Brigid's ward at St. Patrick's geriatric hospital, Waterford.

The matters raised by Deputies Hogan, O'Shea, Barrett and Durkan have been selected for discussion.

### **Adjournment Debate.**

---

### **Brewery Closure.**

**Deputy Phil Hogan:** I thank the Minister of State, Deputy John McGuinness, for attending this important debate. As a Kilkenny man, I am glad the Minister of State will be able to give me the necessary information in the important context of saving as many jobs as possible in the Diageo review process that is taking place at present to ascertain the potential of retaining the production potential at Smithwick's brewery in Kilkenny.

As the Minister of State is aware, this facility has existed for almost 300 years. There are currently 93 jobs at the facility and 153 contractors make a large part of their living from it. It makes a contribution to the local economy of between €10 million and €15 million. It could be a site with considerable development potential if the economic situation recovered to the level of some years ago. However, Diageo has decided to review the value of those sites and their development potential.

Some time ago, the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Mary Coughlan, welcomed the announcement of the new site at Leixlip. There is now a unique opportunity to retain the facility in Kilkenny. The Leixlip idea was a good one according to the Minister, Deputy Coughlan. She was prepared to invest a substantial amount of money in assisting Diageo to build a new green field facility at grounds owned by Lord Iveagh. The facilities in Dundalk and Kilkenny were to be subsumed into that facility along with a part of St James's Gate.

The current economic climate has brought about a rethink in Diageo concerning the value of those sites, especially in Kilkenny and Dundalk, but also the value of the site in Leixlip and the amount the company would be expected to pay for that site. This is an opportunity to revisit the issue. I welcome that Diageo is prepared to revisit the matter. I am aware that meetings have taken place between senior people in Diageo and workers to establish what can be done to reduce costs, to save as many jobs as possible and to allow the facility in Kilkenny to operate for longer than originally planned.



I need not remind the Minister of State of the level of unemployment and job losses in Kilkenny. There is a very serious situation with some 10,144 people in Carlow-Kilkenny unemployed. It is critical that we retain as many manufacturing jobs as possible. There have been several blows in recent times, including job losses at NN Euroball and the announcement of 250 job losses at Glanbia. In addition to the contractor jobs, these 93 well paid jobs are important to the economic development of the city. The site is strategically placed adjacent to the central business district of Kilkenny city. I do not expect that the company will be able to replace the good employment which has been provided on the site for a considerable period of time. There is no planned retail activity or any master plan to replace lost jobs in the area.

However, there is an opportunity in this situation. I hope the Department will use its good offices in the context of the financial outlay that it was prepared to make to Diageo, through Enterprise Ireland, in the past year to consolidate the company's operations in Leixlip. I also hope the Department will now be prepared to put the resources allocated at that time into Kilkenny to maintain jobs, rather than starting afresh at a green field site that may or may not come to profitable fruition in four or five year's time.

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness):** I thank the Deputy for raising this matter and I am pleased to be able to take it. I sympathise with all those who have lost jobs throughout the country and we must make an extra special effort to find replacement jobs and training where necessary. Deputy Hogan referred to the 10,400 unemployed people in the region and I sympathise with those people. We will work with them to improve matters. However, we must also acknowledge the positive developments in the economy, such as the creation of 100 jobs, which I announced last week, at the Kilkenny company, taxback.com.

The Smithwicks brewery in Kilkenny was last discussed in the House on 15 May 2008. Diageo's operations in Ireland have been under review for some time. On 9 May the company outlined its decision for the future of its plants at Dublin, Dundalk, Waterford and Kilkenny. While the company indicated there would be job losses, it said it would invest €650 million in the Guinness brewery at St. James's Gate. A new brewery was due to be built on a suitable site close to Dublin and its location was to be Leixlip, County Kildare. It would use leading edge brewing technologies to deliver the best international standards in scale, efficiency, quality and environmental performance. On completion in 2013, it was to be the company's biggest brewery and the largest in Ireland. The opening of the new brewery would be subject to planning permission from Kildare County Council. When the new brewery was commissioned, all production from the existing brewery in Kilkenny was to be transferred, resulting in the closure of the Kilkenny facility, as the Deputy stated.

As we are now aware, the current economic climate is considerably different from when Diageo announced its plan last May. The company recently announced that it was putting its plans for a new brewery on hold. The Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Coughlan, has been and continues to be very active in communicating with Diageo as the situation unfolds. The Tánaiste was recently in London where she met with Mr. Paul Walsh, chief executive of Diageo. While I am not in a position to say what is likely to happen at this stage with the Smithwicks brewery in Kilkenny in light of the changed circumstances, every effort will be made to secure the best possible outcome for Ireland as far as brewing is concerned.

I am aware of the circumstances of the 93 employees and the 150 contract workers involved. Smithwicks will celebrate 300 years in Kilkenny in 2010. I have met with the three unions

[Deputy John McGuinness.]

involved in the brewery. I have also met with the decision makers in Diageo and discussed the process now being undertaken by them. The unions concerned expressed the view that they have put forward a business plan for Smithwicks and the brewery site, which will be considered in the context of the evaluation. I assure the Deputy I take a keen interest in this matter and I realise he does also. I will keep in touch with those making the decisions in the coming months to establish what we can bring to bear on decision process and plans for the future development of the site. I realise we have previously disagreed on this matter, but I am prepared to further examine it with the local authority and Diageo and to have a local debate as to the best use for the site.

### **Hospital Services.**

**Deputy Brian O'Shea:** Both Waterford city and County Waterford require substantially more public continuing care beds for elderly patients. The decision to close St. Bridget's ward at St. Patrick's Hospital, Waterford with the loss of 19 beds beggars belief and is nothing short of a money saving exercise, justified on highly questionable health and safety grounds. There is an extensive waiting list for St. Patrick's Hospital. There are patients in short-term contract beds in private nursing homes or in the community who encounter major or insurmountable financial difficulties in terms of taking up or staying in long-term beds in private nursing homes while awaiting a public bed. This situation is worsened in the absence of the long awaited appropriate new funding mechanism.

There is a crisis situation in the community and yet the HSE has decided to eliminate 19 public beds from St. Patrick's Hospital. Patients in the hospital are to be transferred to other wards and the hospital is to cease taking admissions. The HSE says the closure is necessary for health and safety reasons but the rest of the hospital will remain open.

The HSE has also stated that there is no question of St. Patrick's Hospital being shutdown entirely. The Minister for Health and Children, Deputy Mary Harney, is on record as stating that if the HSE does not close St. Bridget's ward, then the Health Information and Quality Authority, HIQA, will do so. The Minister, Deputy Harney, is further quoted as stating that the new standards for the care of the elderly come into effect this summer and will be implemented by the HIQA. These assertions need to be fully substantiated. They are questioned by the excellent and dedicated staff of St. Patrick's Hospital. The HSE states that the provision of a new 50 bed unit is a priority. The Minister of State, Deputy McGuinness, should note that some 30% of the beds at St. Patrick's Hospital are occupied by patients from south Kilkenny. Opposition to the closure of St. Bridget's ward is widespread, not only in Waterford but among the broad community of south Kilkenny.

The Friends of St. Patrick's organisation has contributed substantially to the hospital for many years and will continue to do so. It is eminently reasonable to request if, as stated by Mr. Pat Healy, assistant national director of primary and continuing care, the new 50 bed unit for Waterford is the priority project with the HSE, why the project is not being fast-tracked and why the beds in St. Bridget's ward do not remain in use until such time as the new unit is up and running.

Officials of the HSE have stated that a total of 30 beds are to be acquired in the private sector in the Waterford community care area that will have the same clinical back-up as the patients in St. Patrick's. That is difficult to believe. There needs to be much more clarification on the health and safety issue and the HIQA standards which are being used as an excuse for closing down the more expensive St. Patrick's Hospital long-stay beds with their hospital sup-

port to be replaced by cheaper beds in the private sector. This is an exercise in privatising the health service.

It is totally unacceptable that the elderly patients of Waterford and South Kilkenny, and their relatives, are caused to suffer in this way and I am calling on the Minister to make sure that St. Brigid's ward remains open until such time as the alternative public long stay beds are available in the new 50 bed unit.

**Deputy John McGuinness:** I am taking this Adjournment matter on behalf of my colleague, the Minister for Health and Children, Deputy Mary Harney.

I thank Deputy O'Shea for raising this issue. It provides me with an opportunity to update the House on this matter and to outline the background to the situation and the action taken by the Health Service Executive, HSE. I also want to reassure the older people concerned, and their families, about the future.

Government policy on older people is to support people to live in dignity and independence in their own homes and communities for as long as possible. Where this is not feasible, the health service supports access to quality long-term residential care where this is appropriate and we continue to develop and improve health services in all regions of the country and to ensure quality and patient safety.

The HSE has operational responsibility for the delivery of health and social services, including those at facilities such as St Patrick's Hospital, Waterford. The executive is working on an action plan to prioritise a phased programme of refurbishment and replacement of existing public nursing homes, where necessary, to meet the proposed new national standards for residential care facilities for older people. Ongoing reviews are essential to ensuring that resources are properly channelled, and that the changing needs of older people are suitably addressed.

St. Brigid's ward is the last remaining ward on an upper floor of St. Patrick's Hospital. Concerns have been expressed about the ward in terms of health and safety and fire issues. The fire safety officer has highlighted the difficulty of evacuating high dependency patients from St. Brigid's ward in the event of an emergency. With that in mind, the HSE has decided that it is no longer viable to continue to accommodate patients in St Brigid's ward.

Patients accommodated in the ward will not be moved out of St. Patrick's Hospital but will continue to receive their ongoing care within the complex. As vacancies arise on the ground floor, in consultation with the patients and their families, patients will be relocated from St. Brigid's ward to other wards within the hospital. St Brigid's ward will no longer accept admissions.

The HSE has confirmed that it is taking steps to ensure that the closure of this ward will not result in a reduction in the number of beds available in Waterford City. The safety of the residents is our first concern. We owe them a duty of care. It is most important to consider what is in their best interests. Each hospital and local health office, the managers, clinicians and others working in the health services have a responsibility to ensure they strive to provide the best possible service to patients and other clients of our health services. The safety and well-being of older people is of critical concern. Quality care and patient safety comes first and all patients should receive the same high standard of quality-assured care.

It is a matter for the HSE to deliver services both nationally and locally within its budget and overall health policy priorities in line with the overall resources available to the executive. St. Patrick's Hospital will remain at the centre of public residential care for older people in Waterford City. The executive has a proposal for a new 50-bed community nursing home on the grounds of the hospital. It is proposed that the planned 50-bed nursing home unit will

[Deputy John McGuinness.]

provide therapy, rehabilitation and medical care to older people who no longer need acute hospital care or who can no longer be maintained in their own homes.

The management of resources and service planning is now a matter for the HSE in the first instance but any new capital development, such as the proposed community nursing unit at St. Patrick's Hospital will need to be considered in the context of the overall HSE capital plan for 2009 and beyond.

Patient safety is everyone's concern and I reassure the House that the decision to close St. Brigid's ward was taken with the primary focus on the care and welfare of each patient.

### **Public Transport.**

**Deputy Seán Barrett:** An efficiency review of Dublin Bus and Bus Éireann was initiated in June 2008, arising out of concerns that the State bus companies were not using their fleets to best of their abilities. This was a narrow review. We should be examining public transport as distinct from buses. In Dublin we are fortunate to have Luas, DART and bus services but none operates in tandem with the other. Until we start to use a bus, and Luas or DART for parts of a journey we will not encourage more people out of cars. The most recent announcement that Dublin Bus is cutting back its service is horrific. In one breath we ask people to cooperate in reducing CO<sub>2</sub> emissions so that Ireland can meet its targets — I chair an Oireachtas committee which examines this issue — and in the next breath we cut the bus services. Transport will be the biggest contributor to increased CO<sub>2</sub> emissions. We will have to pay penalties for failure to meet the targets we have agreed at EU level.

We must decide whether we want a proper public transport system. If Dublin Bus is not in a position to provide that service we should bite the bullet and offer routes to the private sector to replace those Dublin Bus can no longer support.

The Acting Chairman, Deputy O'Connor, who comes from Tallaght will appreciate how important a local transport network is. There is a strong suggestion that from 1 March the No. 111 bus from Loughlinstown to Dún Laoghaire will be taken off the route. The route was designed to bring people from the Dún Laoghaire DART station to their homes away from the DART line, as far as Loughlinstown. It also brings people to the DART service in the morning. If the link is taken away more people will drive.

The State and the taxpayer have funded an expensive DART system and a Luas network, running to Cherrywood but the bus company has decided to take away the bus that links these wonderful networks. How will people get to these other services? The common response is that Dublin Bus is in competition with the DART and the Luas. What a strange way to think. Dublin Bus should not compete with the DART and the Luas; they should support each other.

Loughlinstown is a developing area and it is anticipated that there will be a population of more than 30,000 people in Cherrywood with 18,000 jobs forecast. Residents there also need to get to and from hospitals and schools. There is a health centre which will be completely cut off. There are several schools in the area and a FÁS training centre but the bus company is removing a service. This causes one to despair, to say the least. Unfortunately, the Minister of State present is not responsible for this tragedy but maybe he will pass on a message to his colleague, the Minister for Transport, to the effect that he should immediately introduce legislation to reform bus licensing.

Where is the Dublin Transportation Authority? Why has that not been urgently put on a statutory basis? Instead of reducing the number of buses, let Dublin Bus have a more efficient timetable and not duplicate services on one route. Why do all the buses trundle through O'Connell Street, around Parnell Square and down the other side, blocking the whole city?

Why can they not go to a certain point and have a free service circulating in the centre city at all times, which would take all the buses out of O'Connell St. and reduce the traffic and reduce CO<sub>2</sub> emissions? Before Dublin Bus lets people go let us have a comprehensive review of the overall public transport system in the Dublin area, and my area of south Dublin, where we are fortunate to have a Luas, DART and bus service. We need to have joined up thinking, and we should not let management in these organisations regard each company as being in competition with the others. They are there to provide an efficient service that will get people to work in the morning, home in the evening, and allow them to know what time their buses are arriving and that will connect with the DART when it is leaving.

I call on the Minister of State to urge his colleague to examine this matter before Dublin Bus destroys any joined up way of thinking, so that we are certain to use public transport, be it the bus, the train, the DART or the Luas.

**Deputy John McGuinness:** I thank Deputy Barrett for raising this matter on the Adjournment, and I assure him I will bring it to the attention of the Minister.

The Government's recently published smarter travel action plan sets ambitious targets for us all. It states that by 2020 we will move over 500,000 potential car-based commuters to other more sustainable forms of transport; slash CO<sub>2</sub> emissions by at least 4 million tonnes; ensure that electric vehicles account for 10% of all vehicles on our roads; ensure more than 150,000 people travel to work by bike; create regional e-working centres to help cut commuting times; create an all-island car sharing website; invest in new, safer cycling and walking routes, and invest in more park and ride facilities on the outskirts of our major cities

We cannot afford not to meet these targets. Our current transport trends are unsustainable. We must free ourselves from the current conviction that the private car must be the primary travel mode. If we do that, enormous benefits will accrue, not only to ourselves as individuals, but to society. These benefits will last a lifetime.

Smarter travel seeks to deliver a sea change in the way we think about and make policy on transport matters. It considers all sectors of the transport area including personal travel by car, bus rail and air. As a nation, we have become dependent on the private car to meet our transport and travel needs. As a result, our urban roads are becoming increasingly choked by cars. If trends continue, average speeds in urban areas in morning peak hour in Dublin will have dropped from 13 km per hour to 8 km per hour by 2016. We cannot allow that to happen, which is why this action plan is so important.

There are obvious alternatives to the car. Bus services are under-utilised in this country, despite the fact that there has never been a greater demand for stress-free travel alternatives. Bus services should be in huge demand, but bus passenger numbers are falling dramatically. The Government is determined to grow bus passenger numbers so that more people will opt to leave their cars at home.

The Government has made record funding available to CIE for 2009 — over €313 million — in a year when Exchequer funding has never been more scarce. However, Dublin Bus saw an alarming fall in its passenger numbers last year and a rise in its debt. If CIE continues with business as usual and does not reform to attract more customers, it is projected that it will deliver debts this year in excess of €90 million. We cannot let that happen.

In order to balance its books, Dublin Bus is examining how it can reduce costs and implement the cost saving, customer focused recommendations set out in a recent Deloitte report published by the Minister for Transport. This has the potential to help Dublin Bus cut costs, while at the same time growing passenger numbers and improving its service to customers. We are



[Deputy John McGuinness.]

determined to stop the dramatic slide in bus passenger numbers and we can do this through a customer focused reform programme in Dublin Bus.

In other areas of public transport, the Government has invested heavily in excellent commuter rail and Luas light rail services. The Government will continue to provide top quality public transport alternatives to the public over the coming years under Transport 21. Smarter, sustainable travel will deliver benefits in the areas of health, environment, economic competitiveness, energy security and quality of life. Each of these benefits will be realised, and they will be experienced in south Dublin as clearly as they will be throughout the rest of the country.

### **Social Welfare Benefits.**

**Deputy Bernard J. Durkan:** I thank the Minister of State for coming into the House to reply to these Adjournment debates. However, it is the duty of the relevant line Minister or Minister of State to come before the House to answer the questions that are pertinent to their Departments. The Minister of State before us today should not be asked to double up for people who are absent. It is regarded as an insult to the House; not by him, but by those who are absent.

This Adjournment matter relates to the decision by the Minister for Social and Family Affairs to disqualify part-time firefighters from an entitlement to jobseeker's allowance on the basis that they must be available for work outside their immediate vicinity, with the obvious hardship consequences arising from commitments already entered into in better times.

In view of the fact that part-time firefighters were paid by local authorities, a decision was made several years ago that they would qualify for social welfare benefit or assistance if they needed it during the course of a particular year. The part-time service was not sufficient to maintain a reasonable income. The decision was taken in 1996 to establish the practice whereby they would qualify for the payment within certain specified limits. The standards were laid down, but it appears that the current Minister has arbitrarily changed this in line with other cuts. Unfortunately, part-time firefighters have already entered into commitments such as mortgages and expenditure last year.

There will now be a serious diminution in the quality and the availability of firefighters working on a part-time basis. They will be forced to seek jobs outside of their immediate area. Incidentally, notwithstanding the good news given by the Minister of State a short while ago, there is much bad news out there on the jobs front at the moment. Many people are losing their jobs, and how does the Minister expect that these people have a better chance than anyone else to seek jobs in that very competitive market? I do not think it is possible. I do not expect the Minister of State to comment on this, other than to give me the precooked version that has come from the Department of Social and Family Affairs.

It is appalling that this is occurring at a time when local authorities are facing cutbacks at every level, such as the 80 people who were let go by Kildare County Council in the past couple of weeks. The fire service is a very important service on which the community depends 24 hours a day, seven days a week. Any interference with it can only result in an inferior quality of service. It can result in loss of life. We all know the consequences of this. Every Member has experience of the part-time firefighters being first on the scene, and in many cases giving their lives. It is a serious issue, and I ask the Minister for Social and Family Affairs to review this situation and restore the *status quo*.

The part-time fire service depends on the availability of part-time firemen and women. In order for that service to succeed, these people need to be working in their immediate area. When there has been a succession of job losses in any particular area, there are obviously



problems created. We know that as well from the Department of Social and Family Affairs. To attempt to force them to seek employment outside their area, ensuring that they cannot provide a service to the fire department in their local area, is absolutely counter-productive. Will the Minister of State please convey to the absent Minister our concerns and disappointment, and ask her to review the situation?

**Deputy John McGuinness:** I will pass on Deputy Durkan's views to the line Minister. I remind him that it is great to be asked to serve at all.

**Deputy Bernard J. Durkan:** We know.

**Deputy John McGuinness:** I concur with his views on the fire service and those who participate in it. Decisions on entitlement to any social welfare scheme are made by statutorily appointed deciding officers who are independent in the exercise of this function.

**Deputy Bernard J. Durkan:** No.

**Deputy John McGuinness:** Social welfare legislation provides that if a person is to be entitled to jobseeker's payment, he or she must satisfy the conditions of being available for and genuinely seeking work. Anyone who fails to satisfy these conditions on an ongoing basis is not entitled to jobseeker's payment. Unlike other jobseekers, who must sign off the live register on any day on which they find work, part-time firefighters are paid jobseeker's payment in respect of days on which they are engaged in firefighting or training. However, they are required to satisfy the statutory conditions for the receipt of jobseeker's payment. They must continue to be available for and to be genuinely seeking work. In this respect, deciding officers do not treat them differently from any other jobseeker.

In applying the legislation, deciding officers have regard to the availability of job vacancies in the locality, the age and educational qualifications of the person making the claim and his or her family circumstances. The legislation does not impose any restriction or limitation on the right of a person to engage in the employment of his or her choice. If a person is seeking work in his or her usual form of employment and there is a reasonable prospect of securing work of that nature, he or she will normally satisfy the conditions for receipt of payment. If no work is available locally, however, the jobseeker must seek employment in the surrounding areas. It may be necessary for him or her to extend his or her availability to different categories of employment rather than confine his or her availability to a particular type of work. After a period of unemployment, a person must be prepared to accept any employment for which he or she is qualified.

It is a principle of the availability for work condition that a person's unemployment must be involuntary. Furthermore, a person must not limit his or her opportunities for work by only seeking employment within a restricted distance of a fire station in which he or she may be employed as a part-time firefighter. Such action would be seen as placing an unreasonable restriction on his or her ability to secure full-time employment. A person may be regarded as not being available for work if he or she imposes unreasonable restrictions on the nature of the employment, the hours of work, the rate of pay, the duration of the employment, the location of the employment or other conditions of employment which he or she is prepared to accept. A deciding officer may impose a disallowance in a case where a person refuses an offer of suitable employment or where he or she imposes unreasonable restrictions on the location of the employment he or she is prepared to accept. Any person who is dissatisfied with a decision given by a deciding officer may appeal the decision to the independent social welfare appeals office. While the importance of retained firefighters is fully recognised, the introduction of special arrangements exempting them from the requirement to fulfil the statutory conditions

[Deputy John McGuinness.]

for entitlement to jobseeker's payment would raise equity issues *vis-à-vis* other jobseekers. In applying the legislation, deciding officers do not treat part-time firefighters differently from any other person claiming jobseeker's payment.

**Deputy Bernard J. Durkan:** The Minister of State knows as well as I do that deciding officers used to treat firefighters differently.

**Acting Chairman:** Thank you, Deputy.

**Deputy Bernard J. Durkan:** The first paragraph of the Minister of State's reply was rubbish. Deciding officers are not independent — they are under the control of the Minister who decides on the policy to be followed in this area.

**Deputy John McGuinness:** I will convey the Deputy's views to the Minister.

The Dáil adjourned at 5.25 p.m. until 2.30 p.m. on Tuesday, 17 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 8, inclusive, answered orally.*

### **Overseas Development Aid.**

9. **Deputy Michael D. Higgins** asked the Minister for Foreign Affairs the savings he proposes in the context of the cut in the overseas development aid budget; the details of the savings it is proposed to make; the programmes to be scaled back, cut or discontinued; and the areas within his Department's spend these are located. [5193/09]

24. **Deputy Noel J. Coonan** asked the Minister for Foreign Affairs if the reduction of €95 million in the overseas aid budget will result in a change in the commitment to spend 0.7% of GNP on overseas development aid by 2012; and if he will make a statement on the matter. [5231/09]

41. **Deputy John Deasy** asked the Minister for Foreign Affairs the consultation process he has had with authorities in recipient countries regarding the implementation of cuts in the overseas aid budget; and if he will make a statement on the matter. [5229/09]

44. **Deputy Tom Hayes** asked the Minister for Foreign Affairs the amount of the reduction of €95 million in the overseas aid budget which will be taken from funds channelled through Irish and other development non-governmental organisations; and if he will make a statement on the matter. [5230/09]

57. **Deputy Jim O'Keefe** asked the Minister for Foreign Affairs the impact and effects of the €95 million reduction in overseas aid. [4749/09]

68. **Deputy John Deasy** asked the Minister for Foreign Affairs when the cuts resulting from the reduction of €95 million in the overseas aid budget will be initiated; and if he will make a statement on the matter. [5337/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** I propose to take Questions Nos. 9, 24, 41, 44, 57 and 68 together.

[Deputy Peter Power.]

I have already addressed the issues raised in these Questions in some detail in my replies to two Priority Questions. For the record, I will outline the situation further.

Last week the Government took the difficult decision to reduce the total Official Development Assistance (ODA) budget for 2009 from €891 million to €796 million — a saving of €95 million. This decision was taken as part of the determined effort to curb public expenditure in order to establish a platform for the resumption of strong economic growth, which will lead to further expansion of the Government's development programme in years to come.

On current GNP projections for 2009, this revised allocation means Ireland will spend approximately 0.54% of its GNP on ODA. It is also likely that with this level of funding Ireland will maintain its position as the sixth most generous donor per capita in the world. This is a significant achievement in the current economic circumstances.

The Government continues to work towards reaching a target of 0.7% of GNP on ODA by 2012, although it must be pointed out the overall EU target is to reach this UN target by 2015. Currently Ireland remains significantly closer to achieving the target than most of the other EU Member States, with only a handful of other EU countries ahead of Ireland.

The Government's priority will now be to ensure that the budget provided for ODA is implemented effectively and in line with our priorities as outlined in the White Paper on Irish Aid. All aspects of the ODA programme will continue to be rigorously examined to ensure effectiveness and impact in the fight against poverty and hunger. A number of adjustments will need to be made in relation to programme and project time-lines. These adjustments will be made in a way which minimises and mitigates impact on those most in need. We will communicate with prospective recipients following completion of this review.

I am determined that Ireland's aid programme will continue to focus on assistance to the poorest countries, especially in sub-Saharan Africa, and to place the needs of the most vulnerable people in these countries at the heart of the programme. Poverty reduction is at the core of our aid programme. We will continue to invest in basic services, including primary education and primary health. In response to the report of the Government's Hunger Task Force, we will continue our leading role internationally in the fight against the scourge of hunger. Sectors such as good governance, HIV and AIDS, gender equality and economic development will also remain important aspects of our aid programme.

### **Bilateral Relations.**

10. **Deputy Paul Kehoe** asked the Minister for Foreign Affairs the contacts he, or his officials, have had with the new administration in the USA regarding the recovery and reinvestment plan and the impact it might have on Ireland; and if he will make a statement on the matter. [5313/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I refer the Deputy to the answer I gave earlier in response to the Priority PQ on this subject, which is set out below.

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. The Government attaches the highest importance to strengthening the unique relationship between the two countries.

I welcome the commitment of the Obama Administration to overcoming the manifold challenges posed by the current economic climate worldwide. President Obama has made it clear that the recovery and re-investment plan is his top priority. The legislation, as currently

developing, is focussed on stimulating the domestic U.S. economy, an undertaking which is central in restoring wider confidence with global implications, and as such of particular significance for an open trading economy such as Ireland.

The legislation is currently before the U.S. Congress, with the Senate and House versions due shortly to be brought to convergence. The Government will continue to follow its progress and assess its possible implications for this country. The aim is to promote the consolidation and growth of the economic partnership between the United States and Ireland.

This partnership has been enormously valuable in the development of the very significant trade and investment ties between our two countries. It is worth noting that the US was Ireland's second largest merchandise trade partner in 2007 with bilateral trade valued at \$31.5 billion. Trade in services between Ireland and the US was worth US\$36.9 billion in 2006. These ties are mutually beneficial: just as US companies employ 95,000 people in Ireland, Irish companies in the US now employ over 80,000 people across the United States. A strong US economy serves all our interests. The need constantly to update and renew these links will be a central theme of our contacts with members of the Administration and other key figures in the United States in the period ahead.

### **Human Rights Issues.**

11. **Deputy Thomas P. Broughan** asked the Minister for Foreign Affairs the consideration he has given to housing, land and human rights in Luanda and the representations made to him by non-governmental organisations working in Angola. [5221/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** After one of the longest-running civil wars in Africa drew to a close in 2002, Angola has begun a period of major transition — economically, politically and socially — fuelled by a boom in oil production and high oil prices. Hopes that the end of the civil war in 2002 would lead to more political openness have only partially been fulfilled.

Angola's first parliamentary election since 1992, and only the second since 1975, took place in September 2008. The ruling MPLA party won by a landslide. An EU election observation mission said that the elections represented a 'positive step towards strengthening democracy', despite some organisational weaknesses and the state's control of the media. The mission welcomed the peaceful conduct of the elections but did not, however, go as far as describing them as free and fair. Space for NGOs to operate remains limited, and in 2008 the government closed a local office of the UN High Commissioner for Human Rights, following the publication in 2007 of a report criticising Angola's human rights record.

Angola's current production levels make it Africa's largest oil producer, and economic development associated with the energy sector has been very rapid. However, the fruits of this new prosperity have not been equally shared. Real estate in the Angolan capital, Luanda, now ranks among the most expensive in the world, and the land occupied by the informal settlements of the poor, many of whom migrated to Luanda during the civil war, is now very valuable.

The government has carried out a number of forced evictions in Luanda's poorer neighbourhoods to make way for rapid redevelopment. These evictions do not seem to have been politically motivated. Rather, the poorest Angolans were suffering the effects of the economic upturn in Angola, combined with poor urban planning and a lack of accountable governance.

EU Heads of Mission based in Luanda have followed this issue, and some have raised it with the authorities in recent years. EU Heads of Mission have also pursued concerns over the use of force by Angolan authorities when carrying out evictions.



[Deputy Micheál Martin.]

Ireland-Angola relations are limited, and there have been few opportunities for political dialogue in recent years. However, conscious that the country's rapid economic growth masks huge inequalities and great hardship, Irish Aid does provide some funding to the Angolan people, amounting to almost €6.8 million since 2006. This funding is channelled through Irish and international NGOs including Trócaire and Concern and through Irish missionaries.

This assistance covers a number of areas — basic education and health support, de-mining and rehabilitation of mine victims, HIV/AIDS programmes and food security. One of Irish Aid's partner organisations in Angola, Christian Aid, supports work on community strengthening and land rights under its accountability and governance programme.

Other than contacts which my Department has had with the NGOs funded by Irish Aid, no representations have been made to me by NGOs in relation to Angola since my appointment as Minister for Foreign Affairs.

### **Ireland's Future in Europe.**

12. **Deputy Olivia Mitchell** asked the Minister for Foreign Affairs the action he proposes to take on a national basis to incorporate the findings and recommendations of the EU Sub-Committee on the Future of Ireland in Europe; and if he will make a statement on the matter. [5258/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** When the report of the Sub-Committee on Ireland's future in the European Union was published at the end of November, I acknowledged the excellent analysis contained in the report and saluted the Chairman and all the members for their hard work.

The report represents a significant contribution by the Oireachtas to our national debate on EU issues at a challenging time for Ireland in the European Union. The report correctly recognises that Ireland's ability to defend its interests at EU level has been badly affected by our referendum result and that serious, long-term damage will arise if we fail to find a way forward.

The central, strategic policy recommendation is that a solution be found that keeps Ireland at the heart of Europe, while respecting the democratic will of the Irish people by ensuring that their concerns are met.

The report made an important contribution to the Government's strategy for the December European Council at which important progress was made in the form of a commitment to provide Ireland with legal guarantees on key issues. The European Council also agreed that, if the Lisbon Treaty is ratified, the European Commission will continue to include a nominee from each Member State. This was one of the Sub-Committee's key policy recommendations.

During the Oireachtas debate on the report in December, I made a commitment to give positive consideration to the report's proposals for action at national level. I intend to bring proposals to Government shortly in respect of the report's key recommendations on the role of the Oireachtas and on public information initiatives. Before doing so, I will be consulting with the Chairmen and the members of the Joint Committees on European Affairs and European Scrutiny in order to obtain their views on how best to advance the Sub-Committee's recommendations.

I agree with the Report's findings that there is work to be done to strengthen the role of the Oireachtas in EU affairs. Effective Oireachtas scrutiny is central to the task of bringing EU issues closer to ordinary people. The report favours the introduction of a formal scrutiny reserve system. This is an important proposal which requires serious consideration so that

we can arrive at arrangements for the scrutiny of EU measures that will meet our particular national needs.

Since the Millward Brown research was published last September, I have been working on ways to improve the way we communicate with the public about European issues. I would like to see the Sub-Committee's recommendations taken forward in cooperation with the Oireachtas, the European Commission and the European Parliament, all of whom have a stake in more effective public communication on EU affairs.

### **Overseas Development Aid.**

13. **Deputy Emmet Stagg** asked the Minister for Foreign Affairs the position regarding work towards meeting the Millennium Development Goals. [5217/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** The eight Millennium Development Goals, adopted by Heads of Government at the Millennium Summit in 2000, provide the framework for international economic and social development over fifteen years, to 2015. Most importantly, they represent a series of commitments on development by the international community together with a set of specific targets against which to measure progress in the reduction of global poverty. The Government's aid programme, implemented by Irish Aid, is centrally based on the commitment to the reduction of poverty and hunger in the developing world.

The Taoiseach, the Minister for Foreign Affairs and I attended the high-level event at the UN in New York last September, at which leaders from national Governments, civil society and the private sector recommitted themselves to this ambitious set of targets. We recognised then that further international efforts were required if the Goals were to be achieved in full. Since then, the scale of the challenge has increased in the face of the global economic crisis. This was recognised at the Review Conference on Financing For Development, which I attended in Doha in November. We are working closely with our EU partners on a strengthened international response to the serious impact of the crisis on the developing countries.

The Government remains determined that Ireland will continue to play an important role in the global effort to combat poverty and hunger. Ireland's aid programme is the sixth most generous in per capita terms internationally. We are taking a lead internationally on the global hunger crisis, highlighting the over-riding importance of the first Millennium Development Goal, to halve the proportion of people living in poverty and hunger by 2015. The Report of the Government's Hunger Task Force was launched at the high level event in New York in September, and was formally presented to the UN Secretary General and to the Taoiseach.

Last month, I responded to and endorsed the recommendations of the Report and stated that the hunger crisis will be a cornerstone of Ireland's development policy. I also announced the appointment of a Special Envoy for Hunger to oversee Ireland's response to the hunger crisis, promoting and assisting efforts at national and international level to reduce hunger and food insecurity.

### **US Military Bases.**

14. **Deputy Jack Wall** asked the Minister for Foreign Affairs his views on the geopolitical situation in Central Asia in view of the decision by the authorities in Kyrgystan to no longer host a US military base on its territory reportedly as a result of pressure from the Government of the Russian Federation. [5215/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** With the collapse of the Soviet Union the five ex-Soviet Central Asian Republics (Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekis-

[Deputy Micheál Martin.]

tan and Tajikistan) had to adapt to a changed economic system and establish themselves as independent states. The Deputy will be aware that some countries of the region are rich in energy and mineral resources, but all face problems in the economic and social sphere. Many outside powers are keen to expand their influence in the region or have a presence there because of its resources and strategic location.

On 3 February, Kyrgyz President Bakiyev announced the closure of the Manas air-base operated by the United States. If the decision is confirmed by the Kyrgyz parliament, which delayed a vote scheduled for earlier this week, the US would have a six-month period to wind down its activities at the base. The loss of Manas, the only US base in Central Asia and a key transit point for supplies, would present a significant challenge for US and NATO activities in Afghanistan. The US can be expected to make every effort to convince the Kyrgyz government to reconsider its decision.

While the timing of the current announcement was a surprise, there have been question marks over the base's long-term survival since July 2005, when the Shanghai Cooperation Organisation (SCO), which includes among its members the countries of Central Asia along with Russia and China, passed a resolution calling for all non-SCO bases to be removed from Central Asia. Kyrgyzstan is also host to a Russian airforce base located a few miles from that operated by the US. The Russian Federation has made it clear that it does not favour a long-term US presence in Central Asia. The possible closure of the US base has been raised on several occasions, and the US has had to re-negotiate its arrangement with the Kyrgyz Government previously to enable the base to continue to operate.

#### **EU Reform Treaty.**

15. **Deputy Richard Bruton** asked the Minister for Foreign Affairs his views on having the new referendum on the Lisbon treaty at the same time as the local and European elections; and if he will make a statement on the matter. [5266/09]

73. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs his proposals for the ratification of the Lisbon treaty with particular reference to the need to maintain Ireland's position as a core participant in the development of the European Union now and in the future; and if he will make a statement on the matter. [5279/09]

149. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs when he expects the next vote on the Lisbon treaty to be held; and if he will make a statement on the matter. [5480/09]

155. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs when he expects to receive confirmation regarding the issues of concern to the electorate relating to the Lisbon treaty; and if he will make a statement on the matter. [5488/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 15, 73, 149 and 155 together.

Ireland's position as a core member of the European Union and the Eurozone have been key elements in attracting foreign investment to Ireland and were therefore fundamental to the extraordinary period of economic growth which Ireland enjoyed up until last year. Today, they are critical to the maintenance of stability and liquidity in our economy and financial system at a time of extraordinary global turmoil.

The rejection of the Lisbon Treaty in last year's referendum has cast doubt about Ireland's European vocation in the minds of the international investment and financial community. This

is particularly damaging in the current economic climate. The Government is absolutely convinced that it is in the national interest that these uncertainties be removed.

The Government has taken the concerns of the Irish people with regard to the Lisbon Treaty extremely seriously. We commissioned detailed research into why the Irish people rejected the Treaty last year. We took the results of this research to our EU partners and persuaded them that these concerns had to be addressed in legally binding guarantees before the Irish people could be asked to reconsider their position on the Lisbon Treaty.

Over the period ahead, the Government will be working with our EU partners and the EU institutions, to give legal form to the decisions taken by the European Council in December. These include the right of each Member State to nominate a Commissioner and guarantees of Ireland's right to take its own decisions and make its own laws in relation to taxation, defence and certain provisions of our Constitution in relation to the right to life, education and family. The European Council also agreed to confirm the high importance the EU attaches to issues including workers' rights and social services.

These elements, when finalised, will represent a comprehensive package of measures specifically designed to address the key concerns of the Irish electorate in relation to the Lisbon Treaty.

The conclusions of the December European Council state that work on the guarantees should be concluded no later than mid-2009. If the Government are fully satisfied with the outcome of this work, we will seek ratification of the Lisbon Treaty, by way of a further referendum, before the end of the term of the current Commission, which is due to leave office at the end of October.

No decision can be taken on the timing of any referendum until the commitments made by the European Council have been delivered upon to our full satisfaction.

Let there be no doubt that the Government will spare no effort in ensuring that the concerns of the Irish people in regard to the Lisbon Treaty are fully addressed. Our aim is to provide a basis for the people to be asked to approve the Lisbon Treaty and thereby remove any doubt about our position at the heart of the European Union. I believe such a decision to be vital for the wellbeing of our economy, for the future of Europe and for the sake of our children and future generations.

### **Official Engagements.**

16. **Deputy Charles Flanagan** asked the Minister for Foreign Affairs if he will report on his recent visit to the Middle East; and if he will make a statement on the matter. [5318/09]

50. **Deputy Joe Costello** asked the Minister for Foreign Affairs the details of his visit to Syria and Lebanon; the discussions which were held and the persons with whom they were held; and if he will make a statement on the matter. [5207/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 16 and 50 together.

I refer Deputies to my earlier reply to Priority Question number 4.

I completed a very constructive visit to Syria, Lebanon and the United Arab Emirates between 1 — 5 February, my second visit to the Middle East as Minister for Foreign Affairs. The visit was timely given the recent conflict in Gaza and the prospects for efforts to revive an overall peace process in the region. The primary focus of the visit to the UAE, where I accompanied the President on her official visit, was on the promotion of trade and investment, although we had important discussions on political issues.

[Deputy Micheál Martin.]

In Damascus I held extensive discussions on regional political issues with President Assad and with Foreign Minister Muallem. I also met with Deputy Prime Minister Dr. Al-Dardari to discuss bilateral economic issues, and with the Grand Mufti of Syria, Dr. Hassoun. I also briefly met with Irish officers serving with the UN Truce Supervisory Organisation.

In Lebanon I held meetings with President Suleiman as well as Prime Minister Siniora, Foreign Minister Salloukh and Parliament Speaker Berri. At Naqoura in southern Lebanon I was briefed by the UNIFIL Commander General Graziani and met with Irish Defence Forces and other personnel serving with UNIFIL.

In addition to accompanying the President in the UAE, I also met with the Deputy Foreign Minister, Dr. Al-Gargash, to whom I formally communicated the Government's decision to establish a resident Embassy in the country.

Discussions with President Assad covered the recent Gaza crisis and the role of Hamas, the Turkish-mediated Syria-Israel dialogue, relations with Lebanon, Iran, human rights and bilateral relations. President Assad expressed optimism that a durable ceasefire in Gaza was in prospect and offered assurances that Syria was working to encourage Hamas towards greater political engagement and to accept a process leading to a negotiated, two-State solution.

President Assad was also quite positive about the prospects for increased engagement between Syria and the United States, with the change of Administration in Washington DC.

Strong appreciation was expressed by Lebanese leaders for the Irish contribution to UNIFIL and also for the Irish role in the negotiation of the Cluster Munitions Convention, agreed in Dublin last May. Prime Minister Siniora urged greater EU engagement in the Middle East Peace Process, while warmly welcoming the appointment of Senator George Mitchell as US Middle East Envoy. Confirmation was offered by all leaders I met that relations between Lebanon and Syria were now improving. At the same time, there remains considerable inter-communal tension in advance of the general election scheduled for June. This emergency contribution is in addition to a comprehensive programme of support to the Palestinian people, which includes core funding to the UN Agency for Palestinian Refugees (UNRWA). This funding totalled €3.8 million in 2007 and 2008, with the same amount already allocated for 2009. Following a Resolution of the UN General Assembly, Ireland is now a member of UNRWA's Advisory Commission and will be represented at an emergency meeting of the Commission on 17 February.

A decision on further funding in response to the humanitarian crisis in Gaza will be informed by the Advisory Commission meeting, and will respond to priority needs identified in the Flash Appeal.

### **Foreign Conflicts.**

17. **Deputy Thomas P. Broughan** asked the Minister for Foreign Affairs if he will make a statement on the position regarding the Sahrawi Arab Democratic Republic. [5220/09]

59. **Deputy Liz McManus** asked the Minister for Foreign Affairs his views on the holding of a referendum which would resolve the conflict in the Sahara between the Saharaoui and Morocco. [5225/09]

60. **Deputy Joan Burton** asked the Minister for Foreign Affairs his views on the granting by the EU of licences for exploration activity in the territories formerly known as the Spanish Sahara. [5226/09]



**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 17, 59 and 60 together.

The Government has consistently supported the right to self-determination of the people of the Western Sahara. Ireland has not taken a position on the future of the Territory, be it full independence, autonomy, or integration under Moroccan sovereignty, so long as it is decided in a genuine exercise of self-determination.

We strongly support the continuing engagement of the United Nations in the search for a political solution in the Western Sahara based on the principle of self-determination. UN Secretary General Ban has recently appointed former US Ambassador Christopher Ross as his new Personal Envoy for Western Sahara. I wish Mr. Ross well in his new role, and we will give him our full support.

Under the auspices of the United Nations, representatives of the Government of Morocco and of the Polisario Front have held a series of four direct meetings in Manhasset, New York, to discuss the future of the Territory of the Western Sahara. The most recent meeting was held in March 2008. There has unfortunately been no substantive progress at these talks so far. Morocco has set out its vision of an autonomous Government in the Territory, operating under Moroccan sovereignty. In response the Polisario Front has set out its position in favour of the creation of an independent State in close association with Morocco, and with protection for Moroccan vital interests. Morocco has refused, however, to discuss any proposals which include independence as one of the possibilities for the Territory.

This is the same impasse on which previous UN plans to organise a referendum in the Territory foundered. It is difficult to see how genuine self-determination can be exercised without a referendum in which the people can freely choose between all of the possible options, ranging from full integration with Morocco to full independence. Such a referendum was also recommended in the Baker Plan.

Although there is clearly a broad gap between these two competing visions of the parties, I regard it as a positive and helpful development that both sides have set out their proposals for the future, and the measures they can envisage to accommodate the concerns of the other side. The most recent round also agreed some extension of confidence-building measures in relation to family links between Saharawi people in the Territory and in the refugee camps in Algeria. The parties have agreed to meet again, at a date to be decided.

Finally, any exploration and exploitation activities that proceed in disregard of the interests and wishes of the indigenous people would be in violation of the principles of international law applicable to natural resource activities in Non-Self-Governing Territories. It would not be for the EU to issue any licenses relating to exploration activities in the Western Sahara but I am aware that Morocco has done so.

18. **Deputy Joanna Tuffy** asked the Minister for Foreign Affairs the details of discussions which have been held between the European Union and the Southern African Development Community regarding ongoing efforts to restore normality to Zimbabwe; if, in this context, it is expected that a power sharing government will be able to govern in that country; and the offers to assist such a transition which have been made by the EU. [5197/09]

35. **Deputy Dinny McGinley** asked the Minister for Foreign Affairs the steps he has taken to deal with the crisis in Zimbabwe; and if he will make a statement on the matter. [5334/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 18 and 35 together.



[Deputy Micheál Martin.]

The situation in Zimbabwe remains extremely grave. Since March 2008 the country has effectively not been governed, and infrastructure and social services are in a state of collapse. Rampant inflation, the result of disastrous economic mismanagement, has led to the effective abandonment of Zimbabwe's currency. Millions of Zimbabweans — more than half the population — are dependent on food aid, and many more rely on what friends and relatives can send from abroad. The ongoing cholera epidemic is now estimated by the World Health Organisation to have caused the deaths of more than 3,300 people. Those who protest against the appalling situation in the country and against the abuse of human rights have been subject to arrest and imprisonment.

The political process in Zimbabwe had effectively been at a standstill since the broad agreement on the principles of power-sharing reached by Robert Mugabe and Morgan Tsvangirai in September 2008, essentially due to the refusal of ZANU-PF to relinquish its grip on power. However, an Extraordinary Summit of the Southern African Development Community (SADC) on 26 January set out a sequence for the formation of a government of national unity between ZANU-PF and the opposition Movement for Democratic Change (MDC). The terms agreed fell short of what the MDC had held out for since September 2008, but, in part because of the gravity of the humanitarian situation, the MDC has decided to accept them.

Morgan Tsvangirai was sworn in yesterday as Prime Minister, and I wish him well in his new role. Already, in choosing his cabinet team, Mr. Tsvangirai is showing his determination to make the most of this opportunity to bring real reform. However, past experience advises caution as to whether the arrangement will provide a sound basis for sustainable government, which must involve a real change in decision-making processes — effectively, the transfer of some power from Mr. Mugabe to the MDC. In particular, I would hope to see positive developments on the situation of political prisoners very soon.

Despite these doubts, my EU colleagues and I have repeatedly stated our willingness to support the economic and social recovery of Zimbabwe once a government is formed which reflects the will of the Zimbabwean people, and which returns to respect for human rights, the rule of law and responsible macroeconomic management. We will be waiting for tangible signs of reform before there is any change in policy, or any relaxation of the EU restrictive measures against individuals and companies linked to the Mugabe regime. Of course, this may require some leap of faith, since we will not be able to wait for absolute certainty before supporting reform.

Ireland and the EU will be monitoring the situation closely in the coming weeks, and maintaining contacts with key African partners, as it is Zimbabwe's neighbours who can bring the greatest influence to bear on the situation. SADC and its members are among these partners, and regular political dialogue between the EU and SADC has consistently addressed the question of Zimbabwe, most recently at the last EU-SADC Ministerial Troika meeting in November 2008.

Ireland has made its views on the situation abundantly clear to the Zimbabwean authorities, and to our partners in the region. Irish Ambassadors have conveyed our position directly to the governments of our key partner countries in Africa, and African Embassies based in Dublin have been made aware of Ireland's views. Ireland continues to offer significant humanitarian aid to alleviate the suffering of the Zimbabwean people. In 2008, Irish Aid provided almost €8 million in funding for Zimbabwe, channelled through non-governmental organisations and UN agencies. We have also made specific funding available in response to the current cholera emergency.

The appalling humanitarian situation in Zimbabwe has continued for too long, and the country urgently needs a responsible government which can take the measures necessary to end the suffering of the Zimbabwean people. I very much hope that rapid progress can be made towards this goal. Ireland will continue to press for the crisis in Zimbabwe to remain high on the international agenda.

19. **Deputy Jan O’Sullivan** asked the Minister for Foreign Affairs his views on the recent elections in Iraq; and his further views on the future progress there. [5212/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The local elections held in Iraq on 31 January have given perhaps the most positive indication yet of the significant improvement of the situation in Iraq in the last two years. There are a number of aspects which I find particularly hopeful.

Only a few months ago there was still real doubt that the elections could be held at all. In the event they took place almost completely peacefully, including in the provinces which have been most racked by violence.

Secondly, and in contrast to the previous general elections in 2005, Iraq’s formerly dominant Sunni community have taken part fully in these elections, reflecting their improved re-integration in the political process and their large-scale turning away from violence.

There had been concern that the local elections might worsen inter-communal rivalries in contested areas, and threaten such fragile political understandings as existed. Instead, Iraq has shown greater political maturity and robustness than perhaps many expected. Not only the election but also the announcement of the results passed off peacefully.

There have been significant shifts in the distribution of power between the parties and the communities, without any attempt to contest the outcome. To take one instance, the city of Mosul, which has been a flashpoint for ethnic tensions during the past year, has switched from overall Kurdish control to a local Sunni majority, without so far sparking any evident negative reaction.

Overall, there has been a perceptible shift within both Shi’a and Sunni communities away from the more radical and more strongly religious parties, while campaigning was more secular in tone than formerly. A clear strengthening of support for the coalition of parties around Prime Minister Al-Maliki’s government can perhaps also be taken as support for the direction it has been taking. Commentators have suggested that voters have rewarded parties they feel have been delivering, and reduced support for others, and that the elections have thus helped contribute to a very important sense among the electorate that they can actively influence the political life and future of Iraq.

As I have made clear to the House on other occasions, there nonetheless remain very significant problems to be overcome in Iraq, which will require the continued support of the international community. Ireland and the EU will continue to offer that support.

#### **Overseas Development Aid.**

20. **Deputy Dan Neville** asked the Minister for Foreign Affairs the funding that will be provided by Irish Aid in 2009 to support small holder and women farmers to intensify their agricultural productivity and produce more food; and if he will make a statement on the matter. [5235/09]

43. **Deputy Willie Penrose** asked the Minister for Foreign Affairs if his attention has been drawn to the pressure being placed on countries with food scarcity to adopt genetically modified food strategies. [5218/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** I propose to take Questions Nos. 20 and 43 together.

The use of genetically modified (GM) food to feed the growing population in the developing world is a matter for the government of each developing country and we respect their decision. Ireland's support to the agriculture strategies of partner countries is provided within the context of the national policies of each country and in accordance with Ireland's aid policy of promoting local ownership of the development process.

I am fully supportive of helping small-holder farmers in developing countries to intensify their agricultural productivity and produce more food. Small-holder farmers are the backbone of the national economies of many of these poor countries and up to 80% of small-holder farmers in Africa are women. They have unequal access to land, little or no access to input and output markets, or to agricultural support services such as financial services and access to credit.

I am happy to report that Irish Aid is currently supporting, and will continue to support, small-holder and women farmers in our Programme Countries.

In Malawi, we help provide high yield varieties of potato and maize seed to small-holder farmers to help them become food sufficient throughout the year. We also promote conservation agriculture and crop diversification. This year we will provide financial assistance in support of the Government led agriculture inputs subsidy programme.

We support the Ministries of Agriculture in Tanzania and Mozambique in their efforts to promote intensification of small-holder agriculture through programmes designed to maximise access by women and the poor to land and other critical inputs and services including better access to seed, fertiliser, financial services and credit. We take the donor lead in the agriculture and rural development sector in Tanzania.

It is estimated that approximately €40 million will be allocated this year to the development of agriculture and to increasing agricultural productivity and long-term food security in developing countries. In addition to this direct investment in agriculture, significant resources are, and will continue to be, allocated to supporting programmes or projects which are indirectly related to increasing small-holder agricultural production. These include funding improvements in rural infrastructure such as roads, so as to provide better market access to farmers, and the provision of clean and reliable water sources.

### **Foreign Conflicts.**

21. **Deputy Ciarán Lynch** asked the Minister for Foreign Affairs the assistance he and the EU propose to offer to the hundreds of thousands of civilians caught between warring groups in Sri Lanka. [5196/09]

40. **Deputy Pat Breen** asked the Minister for Foreign Affairs the efforts being made to broker an end to violence in Sri Lanka; his views on the possible use of cluster bombs in the country; and if he will make a statement on the matter. [5286/09]

42. **Deputy Jim O'Keeffe** asked the Minister for Foreign Affairs the steps he is taking to support the efforts of the UN and the EU to address the difficult political and humanitarian situation in Sri Lanka. [4750/09]

46. **Deputy Seán Sherlock** asked the Minister for Foreign Affairs his response and that of the EU to the position in Sri Lanka; and the assistance Ireland has offered in terms of mediation between the government there and the Tamil movement. [5194/09]

66. **Deputy Seán Sherlock** asked the Minister for Foreign Affairs the role of the EU, as one of the four co-chairs of the 2003 Tokyo Conference on the Reconstruction and Development of Sri Lanka, in efforts to resolve conflict in the country; and the initiatives which have recently been adopted to that end. [5195/09]

67. **Deputy Ciarán Lynch** asked the Minister for Foreign Affairs the action he proposes to take on foot of the expressed concern of international human rights groups, including the International Commission of Jurists, and the special appeal made by priests in the province of Wannai, at the abuse of human rights and general breaches of international law taking place in Sri Lanka. [5198/09]

77. **Deputy Dan Neville** asked the Minister for Foreign Affairs the situation in Sri Lanka; and if he will make a statement on the matter. [5335/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 21, 40, 42, 46, 66, 67 and 77 together.

In a statement issued on 8 February, and in reply to Parliamentary Questions on 10 February, I made clear my deep concern at the plight of the war-ravaged Tamil population in the north of Sri Lanka, who are the innocent victims of the conflict between the Government of Sri Lanka and the rebel LTTE (Liberation Tigers of Tamil Eelam). Large numbers of men, women and children have been subjected to indiscriminate bombardment by government forces, while there is clear evidence that the LTTE has been blocking their escape and using them as human shields. I am particularly shocked by reports of the repeated shelling last week of the PTK hospital, which has resulted in the deaths of 12 people. Claims have been made that cluster bombs have been used by one or other side but, to date, these have not been confirmed. Such blatant disregard for the lives of innocent civilians is indefensible and constitutes a serious breach of international humanitarian law, as has been made clear by the International Commission of Jurists and others.

I fully endorse the call made jointly by the ‘Tokyo Co-Chairs’ of the former Sri Lankan peace process [Norway, Japan, the EU and the USA] for both sides to declare at least a temporary cessation of hostilities to allow for the evacuation of the sick and wounded and the provision of aid to civilians.

I also support the call by the Co-Chairs for the LTTE to discuss with the Government of Sri Lanka the modalities for ending hostilities, including the laying down of arms, the renunciation of violence, the acceptance of the Government of Sri Lanka’s offer of amnesty, and for its participation as a political party in a process to achieve a just and lasting political solution. I also support the call by the Co-Chairs for the LTTE to discuss with the Government of Sri Lanka the modalities for ending hostilities, including the laying down of arms, the renunciation of violence, the acceptance of the Government of Sri Lanka’s offer of amnesty, and for its participation as a political party in a process to achieve a just and lasting political solution.

As one of the four Tokyo co-chairs, the EU has been anxious to maintain an active role in assisting the country to resolve its internal conflicts, work on national reconciliation and move forward on the development agenda.

At my proposal, the situation in Sri Lanka will be discussed at the next meeting of the EU’s General Affairs and External Relations Council on 23 February. In response to pressure from Ireland and some other partners, I am hopeful that an EU Troika visit to Sri Lanka at Ministerial level will take place shortly. The EU has also initiated a formal examination of whether the Government of Sri Lanka has breached the terms of the human rights provisions in the EU’s GSP+ trade agreement with Sri Lanka.

[Deputy Micheál Martin.]

In 2008, the European Commission allocated €19 million for humanitarian and food aid programmes to assist people affected by conflict and natural disasters in Sri Lanka.

At the national level, Ireland has consistently taken every opportunity call for meaningful peace talks and an end to all violence and human rights violations. We continue to take the firm view that there can be no lasting military solution to Sri Lanka's political difficulties. Should the relevant parties seek our advice in relation to a negotiated peace process, we would give consideration as to how we could best help.

Since 2005, the Government has provided, through Irish Aid, more than €5.3 million for humanitarian and development activities in Sri Lanka, including significant emergency assistance provided in the aftermath of the tsunami in 2004. In addition, over US\$12 million was allocated from the UN's Central Emergency Response Fund to Sri Lanka during 2008. Ireland is currently the seventh largest donor to this Fund.

Irish Aid recently provided €7 million in un-earmarked funding to the ICRC, one of the key organisations at the centre of the response to the current humanitarian crisis in the north of Sri Lanka.

### **EU Presidency.**

22. **Deputy Ruairí Quinn** asked the Minister for Foreign Affairs the details of the stated aims as regards foreign policy and diplomacy of the Czech Presidency of the EU. [5205/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The Czech Presidency identified a number of themes as priorities in the external relations area. These include the Eastern Partnership aimed at deepening the European Neighbourhood Policy in respect of six Eastern States, the continuation of dialogue between the European Union and Russia, further development of transatlantic cooperation and the development of relations with the non- EU Mediterranean countries.

In addition, the Presidency will work on areas of traditional concern to the Union such as non-proliferation of weapons of mass destruction, human rights and development. The Presidency also attaches importance to a successful conclusion of the Doha Development Round of talks within the World Trade Organisation.

The Czech Presidency attaches considerable importance to the gradual integration of the Western Balkan States into the EU. To this end, it will encourage completion of the negotiations with Croatia, work to improve relations with the Former Yugoslav Republic of Macedonia, while continuing ongoing negotiations with Turkey.

The Government is broadly supportive of the priorities identified by the Czech Presidency, which reflect our shared concerns. We will work closely with the Presidency and our other partners to secure progress in these areas.

Of course, no Presidency can predict with certainty the course of international events. The early weeks of the Czech Presidency were dominated in the external relations field by the Gaza incursion and its humanitarian consequences and by the Russia-Ukraine gas transit dispute. Czech diplomacy played an important role in resolving the dispute between Russia and Ukraine and was also active in the Gaza conflict.

### **Overseas Development Aid.**

23. **Deputy Bernard Allen** asked the Minister for Foreign Affairs his views on the imprisonment of the main opposition leader in Ethiopia and on the curtailment of political rights in a



country that is a bilateral partner of the Irish Aid programme; and if he will make a statement on the matter. [5238/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** As a long-standing development partner of Ethiopia, Ireland greatly regrets the narrowing of the political space for opposition parties, the press and civil society, which we have observed in the country since 2005. We believe that the strengthening of democracy is a key element in the economic development process, and we regularly communicate this to our Ethiopian partners.

As a vice-president of the now-defunct Coalition for Unity and Democracy (CUD), Ms. Birtukan Medeksa was among the opposition activists who were imprisoned in the aftermath of the 2005 elections in Ethiopia and the ensuing violence. Almost all of these detainees were pardoned and released in 2007, on condition that they admitted to errors in the post-election period. However, in December 2008, Birtukan Medeksa, now the leader of a new opposition party called Unity for Democracy and Justice (UDJ), was re-arrested. It is believed that the Government of Ethiopia considers that statements which she made about the 2007 pardon process violated the terms of her pardon. I am concerned about the implications of the re-arrest of such a prominent opposition figure, particularly in view of the fact that national elections are due to take place next year. I have asked our Embassy in Addis Ababa to continue to monitor the situation closely with a view to clarifying the circumstances of Ms. Medeksa's re-arrest.

Our concerns about the curtailment of democratic rights go beyond one individual. Ireland and the EU argued last year against certain provisions of the Charities and Societies Law, and we were deeply disappointed when, in January 2009, it was passed in its current form. We are concerned about the potential impact on NGOs and we will continue to make our views known, as we monitor how the law is implemented. Ireland has also been to the fore in voicing concerns about the troubled Ogaden region of Ethiopia, where we believe that efforts to restore order should take better account of the need to minimise the impact of the conflict on ordinary people. Forthright expression of our views, where necessary, is an essential element of our partnership with Ethiopia.

As regards development assistance, Ethiopia remains one of the poorest countries in the world — last year, it was ranked 169th out of 177 countries on the UNDP Human Development Index. It has been one of Ireland's Programme Countries since 1994. It is a difficult environment in which to work, although it has made remarkable progress in recent years. I believe that Irish funding in Ethiopia makes a real and tangible difference to the lives of the poorest and most vulnerable people there.

Irish Aid provided over €47 million to development programmes in Ethiopia in 2008, of which approximately €23 million was allocated to a social 'safety net' programme targeting the poorest Ethiopians, €5 million to addressing the humanitarian crisis and €1.8 million on HIV/AIDS programmes. In addition NGOs including Concern, GOAL, Trócaire and Self Help Development International received over €10 million to support their development efforts in Ethiopia.

Our aid programmes are carefully monitored by our Embassy and are externally evaluated in accordance with established practice. Where assistance is channelled through Government ministries and regional authorities, it is ring-fenced for spending on basic needs programmes such as the building of schools, the training of health workers and teacher training. I believe it is right to remain engaged in Ethiopia, where food security will remain a vital issue in the period ahead, and to do so in close cooperation with our donor partners. The reality is that every day our support is saving lives, helping to rebuild livelihoods and giving hope to some of the most vulnerable people in the world.



*Question No. 24 answered with Question No. 9.*

25. **Deputy Paul Kehoe** asked the Minister for Foreign Affairs the amount of aid given to Ethiopia in 2008; and if he will make a statement on the matter. [5309/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** Ethiopia is one of the poorest countries in the world and has been one of Ireland's Programme Countries since 1994. Through Irish Aid, the Government provided over €47 million for development programmes and projects in Ethiopia in 2008. Assistance addressed a wide range of basic needs, with an emphasis on health, education, food security and governance. For example, some €23 million was allocated to a social safety net programme designed to ensure that over seven million desperately poor Ethiopians were provided with cash or food in exchange for labour.

Ethiopia been particularly hard hit in recent years as a result of the persistent drought across the Horn of Africa. The lives of millions have been placed in danger. In 2008, Irish Aid allocated €5 million under the country programme to help tackle the humanitarian crisis in Ethiopia. A further €1.8 million was provided to improve services for people affected by HIV and AIDS. Over €3 million was allocated to a capacity building programme designed to reduce poverty in the Tigray region of the country. In addition to this funding, some €2.2 million was allocated to Non Governmental Organisations including Concern, Goal and Trócaire to provide emergency responses to vulnerable communities.

The Government also provided €8.4 million to Irish missionaries and Non Governmental Organisations (NGOs), including Concern, Goal, Self Help Development International and Trócaire, in support of their longer term development work in Ethiopia.

26. **Deputy Joe Carey** asked the Minister for Foreign Affairs the funding that will be provided by Irish Aid in 2009 for pro-poor agricultural research which helps farmers increase productivity and become food sufficient; and if he will make a statement on the matter. [5236/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** An estimated 125 million people in developing countries were driven into extreme poverty because of the surge in global food prices since 2006; the number of hungry now stands at almost one billion. Agricultural research and innovation are critical in order to increase yields and form essential components of the longer term response to the global food security crisis. This was highlighted in the report of Ireland's Hunger Task Force, which recommended support for "an explicit research agenda that contributes significantly to the elimination of hunger and the development of resilient food systems."

I have welcomed this recommendation. Irish Aid's support for pro-poor agricultural research is provided primarily through the Consultative Group on International Agricultural Research (CGIAR). CGIAR is an alliance of international agricultural research centres, partners and donors, which together mobilise top-quality agricultural research for the benefit of the poor.

In 2009, we have allocated €5 million in core support for the CGIAR system, focused primarily on eight centres which conduct research on crops, livestock, water management, agro-forestry and food policy. In addition, Irish Aid supports specific initiatives by CGIAR partners in our Programme Countries. CGIAR research is practical and results focused and I witnessed some of its benefits when I visited Malawi last year. It is making a real difference in the lives of the rural poor.

Support to CGIAR centres in 2009 will be complemented by a contribution of €1 million to the Global Crop Diversity Trust, the objective of which is to ensure the conservation and

availability of crop diversity for food security worldwide. Conserving the vast diversity of crop varieties is essential if farmers and plant breeders are to have the raw materials needed to improve and adapt their crops to meet future challenges, including climate change and a growing world population.

### **Miami Five Case.**

27. **Deputy Martin Ferris** asked the Minister for Foreign Affairs if he will raise the case of the Miami Five with the new Administration in the United States to urge it in the short term to issue visas in order that the families of the wrongly detained men can visit them in prison and ultimately make provision for a re-trial in view of the moves made by President Obama regarding political prisoners in the form of the announced closure of Guantanamo Bay. [5244/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The case to which the Deputy refers relates to five Cuban men, known as the Miami Five, who were convicted in the US in 2001 on charges ranging from espionage to first degree murder. On 4 June 2008, the 11th Circuit Court of Appeals in Atlanta, Georgia, issued its judgement on appeals lodged on behalf of the five.

The Circuit Court concluded that the appellants' arguments, which centred on the suppression of evidence, sovereign immunity, discovery, jury selection, and the trial itself, were without merit and that there was sufficient evidence to support each conviction. The sentences of two of the defendants were affirmed, while the remaining three men have been sent for re-sentencing.

It is my understanding that the defendants' legal counsel lodged a petition to the US Supreme Court on 30 January requesting that the Court hear an appeal to the cases against these five individuals. As I have previously stated, the Government has no standing in this matter, which is a bilateral consular question between the US and the Cuban authorities and, consequently, I do not intend to pursue this matter with the US administration.

With regard to the question of family visits, as I have previously stated to the House, I am aware that visas have been issued to a number of family members in past years but that visas have not been granted to the wives of the two of the convicted men on the stated grounds of US national security. Again, I do not believe that this is a matter in which I have any standing and I do not intend, therefore, to raise it with the US authorities.

### **Human Rights Issues.**

28. **Deputy Kathleen Lynch** asked the Minister for Foreign Affairs the situation in Burma-Myanmar in particular in view of the testimony provided by boat people who have sought refuge in Indonesia. [5211/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I am deeply concerned by the situation in Burma. There has been no political progress since the events of September 2007, and harassment and repression of monks, political activists and others by the military junta has continued unabated since that time. Daw Aung San Suu Kyi is also still under arrest.

Meantime, the junta appears intent on holding elections in 2010, based on the new Constitution which it forced through by means of a fundamentally flawed referendum in May 2008. In spite of the recent visit of the UN Secretary General's Special Representative, Dr Ibrahim Gambari, which I welcome, the régime has not responded to the demands of the international community for the unconditional release of all political prisoners, including Aung San Suu Kyi,

[Deputy Micheál Martin.]

and the initiation of a political process on the basis of an inclusive long-term dialogue in which the opposition and ethnic groups can participate fully.

The ongoing repressive policies of the Burmese junta have caused great suffering to the ethnic groups in Burma. Many have been forced to leave their homes and seek refuge in other countries. The plight of Rohingya refugees in both Indonesia and Thailand is of particular concern. According to interviews given to international news agencies, the 400 Rohingya boat people, to whom the Deputy refers, were subjected to violence by the Burmese military junta and were then driven from their country. There are also allegations of ill-treatment against some of them on arrival in Thailand, before they were cast adrift once again, only to wash up in Indonesia.

I very much appreciate the fact that Burma's neighbours have had to accommodate large numbers of refugees over many years. In this context, I call on the governments of both Indonesia and Thailand to comply with their obligations under international humanitarian law with regard to the Rohingya refugees and to support fully the work of the United Nations High Commission for Refugees (UNHCR) in assisting them. Officials in my Department have already communicated my concerns on this issue to the Governments of Indonesia and Thailand.

Ireland remains committed to helping the Burmese people in their struggle for justice, democracy and development. We have also sought to aid refugees from Burma through our support since 1998 for the UNHCR-led resettlement programme. Among the nationalities resettled to date are 97 Burmese Karen refugees who arrived in Ireland in 2007 and were resettled in County Mayo. A further 78 Burmese Rohingya refugees currently in Bangladesh have also been accepted for resettlement in Ireland under our 2008 quota and are due to arrive in early to mid March.

Ultimately, I believe that the only solution to the plight of Burmese refugees is the creation of a safe and secure environment in their own country. This requires serious engagement on the part of the Burmese regime with representatives of ethnic minorities and the opposition on political reform and a return to democracy and justice for all in that country.

### **Foreign Conflicts.**

29. **Deputy Deirdre Clune** asked the Minister for Foreign Affairs if he has received the needs assessment of priority humanitarian aid in Gaza carried out by the United Nations inter-agency mission; if he plans to respond to the needs assessment by providing additional humanitarian aid to Gaza; and if he will make a statement on the matter. [5232/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** On 2 February, the UN presented its consolidated “Flash Appeal” in response to the humanitarian crisis in Gaza, which included an analysis of humanitarian need, as well as an outline of funding requirements. The analysis focuses on the most immediate requirements, with more detailed needs and damage assessments still underway.

Among the priority needs highlighted in the UN-coordinated Flash Appeal are food security and nutrition; health; protection; education; agriculture; humanitarian coordination and psychosocial support. The Appeal seeks a total of US\$613 million to cover the identified and estimated needs of 1.4 million people over a period of nine months.

The UN analysis highlights the fact that the closure of Gaza's borders during the 18 months prior to the conflict had already left much of the population in a situation of poverty and vulnerability. Addressing the current crisis is not just a matter of financial resources. The effec-

tive delivery of humanitarian assistance to those who most need it — and the longer term recovery of the territory — depend on the sustained reopening of Gaza's border crossings.

Irish Aid provided an initial emergency contribution of €500,000 to the Humanitarian Response Fund administered by the UN Office for the Coordination of Humanitarian Affairs. This Fund has already supported a range of Non-Governmental Organisations and UN agencies in responding to the current crisis.

This emergency contribution is in addition to a comprehensive programme of support to the Palestinian people, which includes core funding to the UN Agency for Palestinian Refugees (UNRWA). This funding totalled €3.8 million in 2007 and 2008, with the same amount already allocated for 2009. Following a Resolution of the UN General Assembly, Ireland is now a member of UNRWA's Advisory Commission and will be represented at an emergency meeting of the Commission on 17 February.

A decision on further funding in response to the humanitarian crisis in Gaza will be informed by the Advisory Commission meeting, and will respond to priority needs identified in the Flash Appeal.

30. **Deputy Kieran O'Donnell** asked the Minister for Foreign Affairs the countries in which the conflict resolution unit of his Department is currently operating; the nature of the work being carried out by the unit; and if he will make a statement on the matter. [5237/09]

31. **Deputy Charles Flanagan** asked the Minister for Foreign Affairs the events organised by the conflict resolution centre in 2008; and if he will make a statement on the matter. [5322/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 30 and 31 together.

The Government is committed to seeking to increase Irish engagement in international conflict resolution as a dimension of our foreign policy. The role of the Conflict Resolution Unit in the Department of Foreign Affairs is to offer support for conflict resolution efforts internationally while also seeking to develop our national capacity in this area. It aims to draw from our own experience of peacemaking and peacebuilding and from the work of Irish Aid, while also developing a range of partnerships with relevant international organisations and NGOs.

The Unit currently has two initiatives in the field, one in Timor Leste and the other a cross-learning exercise involving Liberia, Timor Leste and Northern Ireland on how best to advance the role of women in conflict resolution and peacebuilding.

As one of the most fragile of the nine Irish Aid programme countries, Timor Leste was identified as an appropriate country for initial engagement. The CRU engagement there is headed by Dame Nuala O'Loan, our first Roving Ambassador for Conflict Resolution and Special Envoy to Timor Leste.

Our engagement in Timor Leste, in close cooperation with Irish Aid's development programme there, is designed to address key issues directly related to the risk of renewed internal conflict. Initiatives taken so far include support for an early warning and response system based in civil society, a programme on peace, remembrance and reconciliation, advice on security sector reform, and support for structured high level dialogue amongst rival leaders. Our Special Envoy and the Conflict Resolution Unit consult closely with key bi-lateral partners in the region and with the United Nations.

The cross-learning process on UN Security Council Resolution 1325 on 'Women, Peace and Security' is designed to facilitate the sharing of experiences between Liberia, Timor Leste and Northern Ireland with a view to encouraging best practice. In addition to a meeting of

[Deputy Micheál Martin.]

representatives from these areas organised last November, a Conflict Resolution Unit project team has recently carried out missions to Monrovia and Dili. The outcome of this process will also feed into the development of Ireland's own National Action Plan on Resolution 1325.

Following approaches from some other quarters, the possibility of further engagements in the field is being explored. These must of necessity remain confidential for now.

Conflict resolution is complex and sensitive work and can only be carried out effectively in close coordination with other key agencies and governments. The Conflict Resolution Unit has broadened its network of contacts in the UN, EU and the OECD's Development Assistance Committee. It has a close working relationship with a number of international NGOs, particularly the Centre for Humanitarian Dialogue, Interpeace, International Alert and the International Security Sector Advisory Team.

As outlined in the White Paper on Irish Aid, we have also planned to work with academics and civil society in Ireland to develop and draw from our overall national capacity in this area. I am glad that a system of fourth-level scholarships has already been put in place. Two three-year scholarships were awarded last year and up to five will be awarded this year, in conjunction with the Irish Council for Research in the Humanities and Social Sciences.

In terms of working with academic institutions, we have examined a number of models to see how best to capture the diverse range of research across all institutions and how to encourage collaboration between them. I am anxious to avoid the creation of unnecessarily elaborate structures.

#### **EU Presidency.**

32. **Deputy Dinny McGinley** asked the Minister for Foreign Affairs the recent discussions he has had with the Presidency of the EU; and if he will make a statement on the matter. [5333/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I have regular contacts with the Czech Presidency, including at the monthly meetings of the General Affairs and External Relations Council, the most recent of which took place on 26 January. On that occasion, I had a bilateral meeting with the Czech Deputy Prime Minister Alexandr Vondra and Foreign Minister, Karel Schwarzenberg.

At that meeting, we discussed the follow-up to the conclusions of the December European Council on the Lisbon Treaty in which the Council committed itself to providing Ireland with legal guarantees in three areas where concerns surfaced during our referendum campaign — taxation, Ireland's traditional policy of neutrality, as well as the right to life, education and the family — and to confirming the high importance the European Union attaches to social issues, including workers' rights.

As provided for in the conclusions of the European Council, work on these guarantees now needs to be completed to our full satisfaction and, to that end, I look forward to working closely with the Czech Presidency in the coming months.

#### **Overseas Development Aid.**

33. **Deputy Eamon Gilmore** asked the Minister for Foreign Affairs the position in Nepal; the amount to be allocated in 2009 in view of the recent announcement of cuts in the budget for overseas development and recalling that more than €1 million was provided through Irish Aid in 2008; and if he will make a statement on the matter. [5208/09]



**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** Since 2004, through Irish Aid, the Government has provided over €4.2 million for development organisations operating in Nepal. In 2008, this support amounted to €1.27 million. In 2008 Irish Aid also funded and organised the participation of two Irish members of the EU election observation mission in Nepal.

Irish Aid funding for Nepal is provided under a number of schemes, including long term development funding from the Civil Society Fund, funding for missionary organisations, and volunteer programmes. Sectors supported include human rights, health, education and livelihood support. Emergency funding was also provided in 2008 to address humanitarian needs following serious flooding in Nepal.

Irish Aid will continue to work with and support NGO partners in Nepal in 2009. The precise details of the funding arrangements have not yet been finalised. In addition, Irish Aid will fund a United Nations Volunteer who will work in basic education in Nepal under the UN Volunteer programme organised by the United Nations Development Programme.

### **Foreign Conflicts.**

34. **Deputy Pat Rabbitte** asked the Minister for Foreign Affairs his proposals to bring an end to the siege of Gaza in order to facilitate the delivery of humanitarian aid and reconstruction material. [5228/09]

37. **Deputy Brian O'Shea** asked the Minister for Foreign Affairs his views on reports of the attacks on the integrity of United Nations storage areas with regard to its UNWRA warehouses in the Gaza Strip. [5203/09]

48. **Deputy Pat Breen** asked the Minister for Foreign Affairs if there is an agreed EU response to the humanitarian crisis in Gaza following the ceasefire; and if he will make a statement on the matter. [5233/09]

53. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Foreign Affairs the steps he is requesting that the EU take to ensure that all the crossings to Gaza are fully open to enable humanitarian aid and reconstruction materials to enter unimpeded. [5241/09]

61. **Deputy Mary Upton** asked the Minister for Foreign Affairs the guarantees secured with regard to border crossings in order to secure the safe passage of goods and materials essential for the reconstruction of Gaza. [5201/09]

69. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs the action he has taken, alone or together with his EU and UN colleagues, to bring about an improvement in the situation in Gaza with particular reference to the humanitarian needs of the people there; and if he will make a statement on the matter. [5280/09]

70. **Deputy Seymour Crawford** asked the Minister for Foreign Affairs if he is satisfied that the present EU structure of which he is part has sufficient involvement in the recent Gaza conflict; his views on whether a more permanent structure within the EU dealing with foreign affairs would have had a more meaningful response to this tragic crisis; and if he will make a statement on the matter. [4751/09]

76. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Foreign Affairs if he has inquired into or can confirm that during the ceasefire between Israel and Hamas beginning on 19 June 2008 there was a diminution of mortar and rocket firing out of Gaza into Israel and Hamas

[Deputy Caoimhghín Ó Caoláin.]

itself fired no rockets or mortars at all until Israel broke the ceasefire on 4 November 2008 by entering Gaza and killing six members of Hamas. [5240/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 34, 37, 48, 53, 61, 69, 70 and 76 together.

While I welcome the fact that the unilateral ceasefires announced by Israel and Hamas on 18 January continue to hold, I am deeply concerned that the humanitarian situation in Gaza remains extremely serious and that no durable ceasefire has yet been put in place. The immediate priority continues to be the opening of all border crossings into Gaza to enable urgently needed humanitarian supplies as well as materials for reconstruction to transit.

While there was an initial increase in the flow of humanitarian aid passing into Gaza after the ceasefire went into effect, it is clear that the volume of such aid remains inadequate and it is imperative that Israel does everything possible to facilitate the UN-led relief and rehabilitation operation underway. This is a point which I have emphasised in all recent contacts with the Israeli Government, including with Israeli Education Minister, Yuli Tamir, whom I met in Dublin on 20 January. The EU Presidency, Commission and HR/SG Solana have jointly written to the Israeli government along the same lines.

The EU remains the largest collective donor to the Palestinian people, with some €90 million alone having been contributed by the European Commission and Member States since the start of the crisis. Ireland has already contributed €500,000 in humanitarian assistance to the people of Gaza and, together with other donors, is anxious to continue assisting the humanitarian and reconstruction effort in any way we can. I understand that the Egyptian Government is planning to hold a Gaza donors' conference in Cairo next month. Ireland will obviously be represented at any such conference.

There was a most unwelcome development on 3 and 5 February when armed Hamas policemen broke into UN warehouses in Gaza city at gunpoint and stole humanitarian aid, including several thousand blankets and several hundred food packages. I am glad that these aid supplies have since been returned to the UN and that UNRWA has resumed its aid distribution as before. I wholeheartedly support the demand by John Ging, the Irishman who is Director of UN operations in Gaza, that the integrity of the international aid effort be secured.

Looking further ahead, Israel must move to end its economic blockade and reopen the crossings into Gaza on a regular and predictable basis. The EU stands ready to reactivate its border monitoring mission at the Rafah crossing point and has discussed extending this mission to facilitate the reopening of Gaza. It is also clear that concerted international efforts will be required to end the smuggling of arms and components of arms into Gaza.

The EU, under both the former French and current Czech Presidencies, has played an effective role throughout the Gaza crisis in leading efforts to secure a permanent ceasefire and address the serious humanitarian situation. There is, I believe, a growing willingness within the Union to enhance the EU's already constructive role to date through exercising its political influence — as the largest trading partner of Israel, and the largest aid donor to the Palestinian people — and assume a more prominent role in Middle East peace efforts. The desire for such a stronger engagement by the EU was clearly communicated to me during my recent visit to the region, when I visited Syria, Lebanon and the UAE from 1-5 February.

It is a matter of record that during the period from 18 June up until 4 November 2008, when the Israeli army killed six Hamas militants just inside Gaza, there was a dramatic reduction in rockets and mortars being fired by Palestinian militants from Gaza into Israel. Furthermore, it would appear that groups other than Hamas may have been responsible for shelling during this

period of relative calm. Large-scale and indiscriminate launching of rockets by Palestinian militants against Israeli civilians resumed following the Israeli military action on 4 November, and intensified after the final breakdown of the ceasefire on 19 December. The breakdown of the ceasefire after 19 December led to appalling consequences for the people of Gaza.

*Question No. 35 answered with Question No. 18.*

### **EU Accession.**

36. **Deputy Shane McEntee** asked the Minister for Foreign Affairs his views on the possibility of Turkey joining the EU; and if he will make a statement on the matter. [5327/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Turkey has had a perspective towards membership of the European Union since the conclusion of the Association Agreement of 1963, although negotiations on accession did not open until 2005.

Negotiations with Turkey are proceeding, albeit at a slow pace. Of the thirty five negotiating chapters, ten are now open, of which one has been provisionally closed. In its 2008 assessment of Turkey's preparations for accession, the Commission calls on Turkey to reinvigorate the process of political reform. It states that significant further reforms are needed, in particular on amending the rules governing political parties; freedom of expression and freedom of religion; and to establish an ombudsman function. In the Commission's view, further progress is also needed in other areas such as judicial reform, the fight against corruption, gender equality, minority rights and the civilian control of the military and to bring the legislation on trade unions into line with ILO and EU standards. The Progress Report makes it clear that the pace of the accession negotiations will reflect the pace of reform as well as Turkey's fulfilment of the necessary conditions for membership.

*Question No. 37 answered with Question No. 34.*

### **Foreign Conflicts.**

38. **Deputy Eamon Gilmore** asked the Minister for Foreign Affairs the position that obtains in the Democratic Republic of Congo in view of the announcement by the authorities in Kinshasa that 2,000 Hutu refugees are to return to Rwanda from the Democratic Republic of Congo; and if progress has been made in the reported difficulties being experienced by the United Nations in obtaining peacekeepers. [5209/09]

152. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs if adequate pressure is being brought on those responsible for atrocities in the Democratic Republic of Congo; and if he will make a statement on the matter. [5485/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 38 and 152 together.

I remain deeply concerned by the situation in the east of the Democratic Republic of Congo (DRC). Even after the end of the civil war in 2006, sporadic fighting continued in the Kivu provinces of eastern DRC between ethnic Tutsi militias, principally the CNDP, and ethnic Hutu militias, including the FDLR. The FDLR includes many Rwandan Hutu fighters who fled Rwanda to escape punishment for crimes they committed during the 1994 genocide. There is broad international agreement that tackling the FDLR is the key to ending the persistent instability in the region, since their presence helps the CNDP to build support.

Renewed heavy fighting broke out in North Kivu in August 2008 between the CNDP and the armed forces of DRC. An unknown number of civilians were killed by both sides, many

[Deputy Micheál Martin.]

women were raped, and 250,000 people were forced to flee their homes, bringing to over 1 million the number displaced in North Kivu. The CNDP declared a ceasefire in October 2008, and talks began in Nairobi in December between representatives of the DRC government and the CNDP, under UN and African Union facilitation.

Although these talks are continuing, they have been somewhat overtaken by events on the ground. In January 2009, the Rwandan and DRC governments agreed to put aside the mutual hostility which has persisted since previous Rwandan incursions into DRC in support of ethnic Tutsis, and their armed forces began joint operations against the FDLR. Almost simultaneously, the leader of the CNDP, Laurent Nkunda, was arrested in Rwanda on foot of a joint Rwanda-DRC operation. Previous to this development, Rwanda's Tutsi leadership had been widely accused of tacitly supporting Nkunda in his struggle against the FDLR in eastern DRC.

Under the terms of this new phase of Rwanda-DRC cooperation, it was agreed to repatriate FDLR fighters to Rwanda. According to the United Nations High Commission for Refugees (UNHCR), many former FDLR combatants are presenting themselves to MONUC, the UN peacekeeping mission in DRC, for voluntary repatriation. A growing number of Rwandan civilians, many of whom fled after the genocide of 1994, are also emerging from remote areas of eastern DRC seeking to repatriate, and the UNHCR is stepping up its transit operations to accommodate this increased demand.

We will continue to monitor closely the impact of the joint-Rwanda DRC operations, particularly from a humanitarian perspective. I strongly urge the Rwandan and DRC authorities to ensure that the protection of civilians is paramount, and that the work of humanitarian agencies and the UN can continue without impediment.

January 2009 marked an historic development in international law, when Thomas Lubanga, a former Congolese militia leader who is charged with the use of child soldiers, became the first person ever to face trial at the International Criminal Court (ICC). However, I am troubled by reports that the Rwandan and DRC armed forces are working with Bosco Ntaganda, a CNDP commander wanted for war crimes by the ICC. Ntaganda must face justice, and I urge the DRC authorities to enforce the arrest warrant against him. Similarly, Joseph Kony, the commander the Lord's Resistance Army (LRA), a Ugandan rebel group, is also wanted by the ICC, and must be held accountable for the atrocities he has visited on the people of the region, including the recent massacres of an estimated 900 people in eastern DRC. I note that the governments of Uganda, DRC and Southern Sudan are currently engaged in a joint military operation with the aim of apprehending Kony.

Ireland and our EU partners strongly support MONUC, and we have welcomed the unanimous adoption by the UN Security Council in November last of a resolution which authorised the reinforcement of MONUC to allow it to better protect the civilian populations. Ireland contributes three members of the Defence Forces to MONUC as Military Liaison Officers. The issue of the deployment of troops to reinforce MONUC is still under consideration by the UN. To date, offers of additional resources to the mission have been received from a number of countries, and a decision on their deployment will be taken by the UN.

The Government has responded rapidly to the humanitarian dimension of the crisis in DRC, providing over €8.5 million in funding to DRC in 2008. Our total support to the country since 2006 comes to over €31 million.

#### **European Council Meetings.**

39. **Deputy James Bannon** asked the Minister for Foreign Affairs if the recent riots in some

EU member states were discussed at the recent General Affairs and External Relations Council meeting; and if he will make a statement on the matter. [5325/09]

63. **Deputy Mary Upton** asked the Minister for Foreign Affairs the details of the most recent meeting of the General Affairs and External Relations Council; and if he is satisfied with the statement issued in the final conclusions. [5200/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 39 and 63 together.

I attended the General Affairs and External Relations Council (GAERC) in Brussels on 26 January 2009. This was the first such meeting under the Czech Presidency and provided an opportunity for the Presidency to outline its priorities for the months ahead, which are the economy, energy and Europe in the World.

This meeting of the Council focussed on energy security, the Middle East Peace Process, Ukraine/Russia and Guantanamo. There was no discussion of recent riots in EU Member States. As our meeting took place against the background of severe storms in Southern Europe, my colleagues and I took stock of the situation in Italy, Spain and France and of the arrangements for the provision of assistance.

Speaking at the Council, I highlighted the importance of energy security for geographically peripheral regions such as Ireland and the need to promote energy interconnections as part of the development on an integrated EU energy market. I stressed the need for the Commission to propose a geographically-balanced set of energy projects for funding under the European Economic Recovery Plan (EERP). I am pleased to say that the Commission subsequently included the electricity interconnector between Ireland and Britain in its package of proposals for EU funding.

During the External Relations session my colleagues and I discussed the situation in Gaza, in the light of meetings during the previous days with the Foreign Ministers of Israel, Egypt, Turkey, Jordan and the Palestinian Authority. The following priorities were identified:

- immediate humanitarian relief for the population of Gaza;
- prevention of illicit trafficking in arms and ammunition;
- sustained re-opening of crossing points on the basis of the 2005 Agreement on Movement and Access;
- rehabilitation and reconstruction; and
- the resumption of the peace process.

To this end, it was agreed that the European Union would develop a Work Plan in close cooperation with its Quartet partners and regional actors and in a manner consistent with our shared wider approach to the region.

The Council also availed of the opportunity to welcome the decision by US President Barack Obama to close the Guantanamo detention centre within a year. While the primary responsibility for closing Guantanamo rests with the US, my colleagues and I discussed whether there were ways in which we could assist the US in accommodating former detainees, given our common interest in upholding human rights and the rule of law, and combating terrorism.

*Question No. 40 answered with Question No. 21.*

*Question No. 41 answered with Question No. 9.*



*Question No. 42 answered with Question No. 21.*

*Question No. 43 answered with Question No. 20.*

*Question No. 44 answered with Question No. 9.*

### **Overseas Development Aid.**

45. **Deputy Emmet Stagg** asked the Minister for Foreign Affairs if he will make available those reports which have been prepared by agencies for presentation to the interdepartmental committee on development. [5216/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** The Government's 2006 White Paper on Irish Aid included the commitment to establish an Inter-Departmental Committee on Development, to be chaired at Ministerial level. The Committee was launched in April 2007 with the objective of strengthening coherence in the Government's approach to development and making best use of the expertise and skills available across the public service.

From the outset, the Committee recognised the importance of transparency in its work and established a webpage on the Irish Aid website, ([http://www.irishaid.gov.ie/partners\\_irish.asp](http://www.irishaid.gov.ie/partners_irish.asp)). Once agreed, minutes of Inter-Departmental Committee on Development meetings are placed on the webpage along with reports and presentations made to the Committee by guest agencies. These have included presentations on the views of Non-Governmental Organisations on improving policy coherence for development, the Dutch experience in developing a more integrated approach to development issues and the work of the Institute for International Integration Studies at Trinity College Dublin on its Framework Research Project on policy coherence for development.

The first Annual Report of the Inter-Departmental Committee on Development, which is also published on the webpage, was presented to the Minister for Foreign Affairs in June 2008 and has been placed in the Oireachtas Library for the information of Members.

*Question No. 46 answered with Question No. 21.*

### **International Relations.**

47. **Deputy Jan O'Sullivan** asked the Minister for Foreign Affairs his views on reports that Iran has successfully launched a satellite and on the geopolitical implications of this launch. [5213/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Iran reported on 3 February that it had successfully launched a small satellite into orbit, using its own Safir-2 rocket. Iran had previously put a satellite into space in 2005, using a Russian launch vehicle.

There is of course no reason why Iran should not place satellites into space for peaceful purposes and, in an ideal world, no reason why Iran should not choose to launch them itself, if it so wished. Unfortunately, however, the development of this rocket, taken together with Iran's other actions and policies, can only heighten concerns about the nature of Iran's nuclear programme, which as Deputies know has been an issue of serious concern for some years.

In over 50 years since the launch of the first satellite, very few nations have thought it necessary or practicable to incur the huge financial and other outlays required to develop their own launch capability. Iran becomes only the ninth country to do so. Most countries choose to launch their satellites via one of the existing programmes, and it is difficult to see why Iran's requirements should be different.

The Iranian capability is a by-product of a long-running and extensive programme of developing longer range military missiles. The Safir-2 rocket is an adaptation of the military Shahab-3, which itself is based on a North Korean design. The Shahab-3 is believed to have a range of almost 1,000 miles.

Iran has invested a huge amount in the development of these military missiles, at a time when the oil industry on which its entire economy depends is suffering serious problems due to under-investment. The value of these missiles against military targets is minimal — they can only really be aimed at cities, and would be most effective only if equipped with non-conventional warheads. The IAEA is at the same time seeking an explanation for evidence that Iran has bought designs for a nuclear warhead to fit these missiles; evidence Iran has so far refused to address. There is the additional concern that Iran is now believed to have supplied shorter range military missiles to the Hamas and Hezbollah militant groups, who have used them to attack Israeli civilians.

These factors, taken together with the nature of Iran's nuclear programme itself, have led to grave concerns among Iran's neighbours and the wider international community about Iran's intentions. Ireland shares those concerns.

These reports underline the urgency of continuing efforts, including those of the EU3 (France, Germany and the UK) + 3 (U.S., Russia and China) to persuade Iran to turn aside from this course. I very much hope that Iran's leaders will respond positively to those efforts.

*Question No. 48 answered with Question No. 34.*

### **Global Financial Crisis.**

49. **Deputy Tom Hayes** asked the Minister for Foreign Affairs his views on the situation in Iceland; and if he will make a statement on the matter. [5332/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I have followed recent developments in Iceland very closely. Iceland is a country with which Ireland has always had close and friendly relations. The country has been particularly badly hit in the current international financial crisis and this has led to pressure on its currency and severe problems for people and businesses there.

Iceland is also one of the European Union's closest partners. It participates fully in the EU's internal market through its membership of the European Economic Area and its citizens enjoy freedom of movement throughout the EU.

Following the resignation of Prime Ministers Haarde's Government on 26 January, a new Government, led by Ms. Johanna Sigurdardottir, took office and will govern until general elections are held. I wish Prime Minister Sigurdardottir and her colleagues in Government every success in dealing with the severe economic crisis with which they are now faced.

There has been speculation about the possibility of Iceland applying for membership of the European Union. The new Icelandic government has indicated that the Icelandic Committee on Europe would be mandated to complete its work on the attitudes of Icelandic interest groups to the European Union. This Committee is a cross-party grouping which also includes representatives of interest groups such as the Employers' Union, the Labour Unions, the Chambers of Commerce and the Association of Civil Servants and Municipalities.

The Committee is due to deliver a report on 15 April 2009 which will include an assessment of the prospects for cooperation with the European Union and Iceland's future options on currency issues.

[Deputy Micheál Martin.]

In the event of Iceland deciding to apply for membership of the EU, the application would be considered in accordance with established procedures by the Union.

Iceland's recent experience with its currency brings home the advantages to Ireland in terms of monetary stability and economic security of belonging to the eurozone.

*Question No. 50 answered with Question No. 16.*

### **Overseas Development Aid.**

51. **Deputy Michael D. Higgins** asked the Minister for Foreign Affairs the details of the report by the OECD peer group review on foreign aid. [5222/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** The Development Assistance Committee of the OECD carries out a Peer Review of member states' aid programmes, at approximately five year intervals. The Peer Review assists donors in benchmarking their aid programmes against best international practice and examines performance on the ground. Ireland's programme received a very positive Peer Review in 2003. A new Review commenced in the latter part of 2008 and is due to be completed and published in the first half of 2009.

52. **Deputy Tom Sheahan** asked the Minister for Foreign Affairs if Irish Aid has included rule of law initiatives, similar to that in Bosnia-Herzegovina, in agreed programmes with partner countries; the countries in which such initiatives are planned; and if he will make a statement on the matter. [5234/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Through Irish Aid, the Government has provided significant assistance to a number of initiatives with the objective of building the rule of law in Bosnia and Herzegovina following the tragic conflicts in Western Balkans during the 1990s. Since 2003, Irish Aid has provided funding of almost €1 million towards the development of institutions in the justice sector in Bosnia, in partnership with Government, international organisations and Non Governmental Organisations.

Support to good governance is a priority across the Government's aid programme, both through our strategic assistance to Programme Countries and support provided through NGOs. Irish Aid will continue to support rule of law initiatives, as appropriate, in the context of programmes agreed with our partner countries and in our partnerships with NGOs and international organisations throughout the developing world.

Existing programmes include supporting and strengthening the legal and justice systems in Uganda for which Irish Aid has taken the lead role. The emphasis is on building institutions, policy and legislation, the provision of accessible legal aid, access to justice and the protection and promotion of human rights.

In Ethiopia, support is being provided to the offices of the Human Rights Commission, the Ombudsman and other institutions which support conflict resolution. Support has also been provided to a legal education project in the areas of administration of justice and human rights.

In Lesotho, Irish Aid is supporting a joint programme with the British development programme and United Nations Development Programme (UNDP). Funding is being provided to the Office of the Ombudsman and to the Independent Electoral Commission. We are also supporting the establishment of the National Human Rights Commission.

In Timor Leste, we are supporting the UNDP Justice Sector Strengthening Programme. The objectives are to increase access to justice through training of personnel and improving the efficiency with which court cases are processed.

Irish Aid is also supporting the International Development Law Organisation, an inter-governmental body which is working to strengthen the rule of law in the developing world.

These are just some examples of Irish Aid's support for rule of law initiatives in different regions. I can assure the Deputy that the commitment to promoting good governance in the developing world will remain one of the pillars of our aid programme.

*Question No. 53 answered with Question No. 34.*

### **Emigrant Support Services.**

54. **Deputy Denis Naughten** asked the Minister for Foreign Affairs the steps he is taking to promote a US bilateral deal on the undocumented Irish; and if he will make a statement on the matter. [4752/09]

**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 for long term 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.

### **Foreign Conflicts.**

55. **Deputy Jack Wall** asked the Minister for Foreign Affairs his views on reports that North Korea has cancelled a nonaggression pact with South Korea and is preparing to test a long-range missile capable of reaching the state of Alaska, USA, in March 2009; and his further views on the potential impact of such an event on ongoing talks with North Korea. [5214/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** On 5 November last, in response to a Parliamentary Question in relation to the situation in North Korea, I was pleased to report on the resumption of the Six Party Talks Process, following a period in which this process had been stalled and was at risk of being reversed. Satisfactory progress continued into December when a further session of the Six Party Talks took place but, shortly afterwards, North Korea halted the process once again.

As the Deputy notes in his Question, the weeks since then have seen a serious deterioration in North Korea's relationship with South Korea, including the scrapping of all cooperation agreements and arrangements with the South, in response to the toughening policies of South Korean President, Lee Myung-Bak. Even more troubling is the announcement by North Korea that it is in the process of developing a long-range missile with the capacity to strike Alaska. I am deeply concerned by these developments.

China has played a highly constructive role in chairing the Six Party Talks and it is hoped that, following the recent meeting between North Korean leader, Kim Jong-Il, and senior Chinese envoy, Wang Jiarui, North Korea will be persuaded to return to the negotiating process. It is possible that the North Korean regime is putting on a show of strength, and testing the waters, in relation to the new Administration in the United States but such tactics are unhelpful and potentially very dangerous. US Secretary of State Hillary Clinton is visiting East Asia this week, including South Korea, China and Japan, and it can be expected that the stalemate in the Six Party Talks and in North Korean denuclearisation will be important points of discussion.

Apart from the issue of its nuclear armaments programme, many other issues in relation to North Korea remain of concern. While the North Korean regime continues to invest precious resources in its nuclear and military programmes, the country is suffering chronic food insecurity and high malnutrition rates, and remains reliant on external food assistance to meet the needs of its 23 million people. The problem is a long-term, structural one and it has been estimated by some international aid agencies that up to two million people may have died of hunger and associated complications over the last decade or so. The human rights situation is also deeply troubling, reflective of one of the most repressive regimes in the world. Also of concern are issues of transnational crime, including trafficking in people, especially women.

### **Human Rights Issues.**

56. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if he will express condemnation of President Obama's decision to continue to permit the CIA to engage in extraordinary renditions as reported (details supplied); if he will raise the matter with the US Embassy here; and the steps he will take to ensure Shannon Airport is not used by CIA flights. [5243/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The Government's total opposition to the practice of extraordinary rendition has been made clear on many occasions, including to the new US Administration. On 22 January, President Obama signed three Executive Orders and one Presidential Memorandum in relation to the detention policy of the US and related matters, including the closure of the Guantanamo Bay detention centre. The Executive Order entitled "Ensuring Lawful Interrogations" establishes a Special Task Force which as part of its remit will "study and evaluate the practices of transferring individuals to other nations in order to ensure that such practices comply with the domestic law, international obligations and policies of the United States and do not result in the transfer of individuals to other nations to face torture or otherwise for the purpose, or with the effect, of undermining or circumventing the commitments or obligations of the United States to ensure the humane treatment of individ-



uals in its custody or control.” The Order also included provisions relating to the prohibition of interrogation methods incompatible with the Geneva Conventions, to the expeditious closure of CIA facilities and to ICRC access to prisoners.

The Government will continue to make clear its total opposition to the practice of extraordinary rendition in contacts with the new Administration at both political and official level. This position was repeated at a meeting in Dublin between my officials and US officials to discuss the closing of Guantanamo which took place earlier this week. While we would prefer to see a clear renunciation of the practice of rendition in any circumstances, the measures announced by President Obama are nevertheless welcome and important. We will continue to follow developments, including the eventual findings of the Special Task Force, carefully and will convey any further views to the Administration as necessary.

*Question No. 57 answered with Question No. 9.*

### **International Agreements.**

58. **Deputy Frank Feighan** asked the Minister for Foreign Affairs if the issue of proposed US missile defence bases in Poland and the Czech Republic was discussed at the recent General Affairs and External Relations Council meeting; and if he will make a statement on the matter. [5331/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The issue of proposed missile defence bases in Poland and the Czech Republic was not discussed at the recent General Affairs and External Relations Council. The Council, and the European Union itself, have no competence in this matter.

From a national perspective, however, Ireland’s position in relation to missile defence systems is clear. We believe that the development and deployment of such systems can have many negative consequences, including creating or aggravating missile arms races. In our view, the most effective way to tackle missile proliferation and the attendant threats is to engage in serious work in the area of disarmament and non-proliferation. Ireland has consistently played a very active role in such efforts, particularly in the promotion of nuclear disarmament within the framework of the Nuclear Non-Proliferation Treaty.

We believe that further reductions in nuclear arsenals, with the aim of their total elimination, offers the best approach to addressing security concerns in this area. There is a risk that development of missile defence systems could induce some countries to expand their missile arsenals or to develop new missiles that might better penetrate defences.

I note US Vice President Biden’s indication, at the Munich Security Conference last weekend, of American intentions to consult with Russia on this issue and hope that such consultations will be productive in leading to a reduction of tension concerning it.

*Questions Nos. 59 and 60 answered with Question No. 17.*

*Question No. 61 answered with Question No. 34.*

### **Human Rights Issues.**

62. **Deputy Martin Ferris** asked the Minister for Foreign Affairs if he has had discussions with the Department of Justice, Equality and Law Reform in the wake of the impending closure of Guantanamo Bay announced by President Obama in regard to Ireland offering residence to a number of the innocent detainees who can not safely return home; and his views on making this offer. [5242/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** President Obama's decision to close the detention facility at Guantanamo Bay within a year represents an important step towards upholding and promoting human rights and will be welcomed by all friends of the United States. The relevant Executive Order states that appropriate arrangements will need to be made to deal with the remaining detainees, either by prosecuting them, returning them to their home countries, releasing them or transferring them to a third country. The Executive Order directs the Secretary of State to seek international co-operation aimed at achieving the transfers of detainees.

Ireland, with our EU partners, has consistently called for the closure of Guantanamo and the bringing to trial or release of detainees held there. I have stated that Ireland is ready in this new context to examine how we may be supportive of the United States Government as it proceeds towards the closure of Guantanamo. An initial discussion among EU Foreign Ministers on 26 January revealed a general desire to be helpful to the US Government, but also made clear that there is a range of complex legal, practical and political issues to be worked through, primarily on the US side. There is to be a further discussion among Justice Ministers at the end of this month.

My Department and I are in close touch on the matter with the Minister for Justice, Equality and Law Reform and his Department, which has responsibility for the reception and integration of citizens of third countries. Officials of the two Departments had a useful meeting with a senior State Department official last Monday, 9 February. I will keep the matter under careful review, and, as necessary, will bring any specific proposals to Government.

*Question No. 63 answered with Question No. 39.*

*Question No. 64 answered with Question No. 6.*

#### **Middle East Peace Process.**

65. **Deputy Ruairí Quinn** asked the Minister for Foreign Affairs, further to a previous parliamentary question in the answer to which he made reference to the proposed establishment of a Middle East peace process secretariat, the progress made on this initiative during the previous French Presidency of the European Union; and the further progress being made under the Czech stewardship. [5204/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** As I have said previously, depending on developments in the Middle East Peace Process, the establishment of a permanent secretariat could be considered, in order to add focus to the work of the Quartet and the various international envoys active in the region. However, at present I am not aware of any specific proposals under consideration by the parties to the process.

Separate from the issue of a permanent Quartet Secretariat, the office of the Quartet Special Representative, Tony Blair, already provides a degree of institutional support to the negotiating process. Mr. Blair and his advisers are active in helping to mobilise international assistance to the Palestinian people, securing support for addressing the institutional needs of the Palestinian Authority, and developing plans to promote Palestinian economic development. Provision has also been made, under the arrangements agreed at the Annapolis Conference in November 2007, for regular ongoing meetings of Palestinian and Israeli officials at various levels.

*Questions Nos. 66 and 67 answered with Question No. 21.*

*Question No. 68 answered with Question No. 9.*

*Questions Nos. 69 and 70 answered with Question No. 34.*

### **Arms Trade.**

71. **Deputy Joan Burton** asked the Minister for Foreign Affairs his views on the high level of arms sales by European Union members to the Middle East over the past five years. [5227/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The Programme for Government commits us to support a binding and comprehensive global treaty on the arms trade, covering all weapons and ammunition and Ireland will be actively engaged in the negotiations to this end at the United Nations. The Government therefore strongly supports the process of developing strict controls on arms and works actively to promote the objective of strengthening arms controls globally, particularly to areas of concern such as the Middle East. In this regard, I welcome the significant downward trend in the volume and value of arms exports from the EU to the Middle East, which declined almost 65% in the period 2004 to 2007, the latest year for which statistics are available.

EU Member States have consistently committed to promoting the “highest possible standards of conduct and enhanced export control practices” when selling weapons. Member States have pledged to base their arms exports on the “shared principles of responsibility, transparency and restraint” and actively encourage other States that export weapons to do the same. On 8 December 2008, the Council adopted Common Position 2008/944/CFSP defining common rules governing control of exports of military technology and equipment. This Common Position, which is legally binding on Member States, provides that every application for a licence to export items on the EU Common Military List shall be assessed against eight criteria.

These criteria cover matters such as respect for the international obligations and commitments of Member States, in particular the sanctions adopted by the UN Security Council or the European Union; respect for human rights in the country of final destination as well as respect by that country of international humanitarian law; the internal situation in the country of final destination — existence of tension or armed conflict; preservation of regional peace, security and stability; national security of Member States and of friendly and allied countries; terrorism and respect for international law; the risk of diversion, either within the buyer country or by re-export; the compatibility of the particular equipment with the level of development of the country in question. There is provision for liaison and consultation among Member States in assessing licence applications, and of course denials are notified to all Member States in the interests of transparency and consistency.

### **Official Engagements.**

72. **Deputy Joe Costello** asked the Minister for Foreign Affairs if it is proposed that, as has become customary, the Taoiseach is to travel to the United States over the St Patrick’s Day 2009 period; if it is envisioned that he will meet the new US President on such a trip; if it is further proposed to discuss the issue of the undocumented Irish in the USA at that time; and if he will make a statement on the matter. [5206/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** While the Taoiseach’s programme has not yet been finalised, the Government welcomes the fact that President Obama has indicated that he will continue the tradition of receiving the Taoiseach on St. Patrick’s Day. I know that the Taoiseach will take this unique opportunity to strengthen and underpin the close economic and political ties between our two countries. Over the St. Patrick’s Day period, the Taoiseach and other Government Ministers will promote trade and business opportunities. We

[Deputy Micheál Martin.]

will engage with and seek to harness the support of the Irish community, including by addressing the situation of the undocumented.

The Government continues to attach the highest importance to resolving the plight of our undocumented citizens in the United States. We will use the opportunity afforded by the St. Patrick's Day celebrations in the US to engage the new Administration at the very highest levels on this issue. In doing so, we will be building on the extensive work on behalf of the undocumented that the Government has carried out over recent years with our friends and supporters on Capitol Hill, with the previous Administration and, importantly, with many of those who are now members of the new Administration.

*Question No. 73 answered with Question No. 15.*

### **Industrial Development.**

74. **Deputy Denis Naughten** asked the Minister for Foreign Affairs the steps he is taking to protect Irish interests in the context of proposals to change US taxation rules for multinational companies; and if he will make a statement on the matter. [4753/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Throughout the US Presidential election campaign and into the new Administration and Congress, the Embassy in Washington, in close coordination with the IDA, has been monitoring all proposals for policy initiatives which could potentially impact on the Irish economy. This includes proposals in relation to taxation which could affect foreign direct investment in Ireland.

Where an issue is identified as having specific implications for Ireland, it is subject to focussed discussion with U.S. policymakers during which the US side are made fully aware of Irish concerns. My Department works closely with the Department of Enterprise, Trade and Employment and the Department of Finance in this regard and our Embassy in Washington engages on an ongoing basis with the US Congress and its relevant Committees as well as the US Treasury Department. These exchanges take place within the overall framework of a shared commitment to promoting the consolidation and growth of the economic partnership between the United States and Ireland. This partnership will be a strong theme in the upcoming visit of the Taoiseach to the United States over the St. Patrick's Day period.

### **Human Rights Issues.**

75. **Deputy Joanna Tuffy** asked the Minister for Foreign Affairs the position as it pertains in Zimbabwe; the position regarding a person (details supplied) and those imprisoned with them; the assistance offered by the European Union in this regard; and if he will make a statement on the matter. [5199/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I have set out the Government's approach to the general situation in Zimbabwe in my reply to questions 18 and 35.

The continuing detention in Zimbabwe of human rights activists, including Ms. Jestina Mukoko and her colleagues, is extremely troubling. Ms. Mukoko and two colleagues were abducted from their homes by an unidentified group in early December. Zimbabwean authorities initially denied any involvement in their abductions, but they were located in police custody on Christmas Eve. Despite the implausible nature of the allegations made against them in order to justify their detention — a plan to bomb Harare's central police station and a "plot" to train militants in Botswana to topple Mr. Mugabe — those detained remain in custody. I am extremely disturbed by reports that they have been tortured, and the refusal of prison

authorities to allow Ms. Mukoko access to medical treatment outside prison — despite a Supreme Court order — is entirely unacceptable.

The Government has made its position on these abductions extremely clear. The Embassy of Ireland in Pretoria, which is accredited to Zimbabwe, has repeatedly communicated our deep concern in relation to the disappearance of Ms. Mukoko to the Zimbabwean Ministry of Foreign Affairs, most recently in late January. The Embassy has urged the Zimbabwean government to do everything possible to ensure her safety.

Ireland has also worked with our partners in the European Union to seek the release of Ms. Mukoko and her colleagues. On 8 December last, EU Ambassadors in Harare conveyed their strong concerns about Ms. Mukoko's case to the Zimbabwean authorities. The European Council of 11 and 12 December issued a declaration demanding the immediate release of people held incommunicado in Zimbabwe, specifically including Ms. Mukoko. At the last meeting of the General Affairs and External Relations Council, my EU colleagues and I expressly condemned the abduction and detention of those exercising a democratic right to express opposition to the regime and of those defending human rights in Zimbabwe.

I sincerely hope that the formation of the national unity government will result in the prompt release of these prisoners. Ireland will continue to work to ensure that the issue remains a priority for the EU, and that the Zimbabwean authorities are aware of our strong views on the matter.

*Question No. 76 answered with Question No. 34.*

*Question No. 77 answered with Question No. 21.*

### **Foreign Conflicts.**

78. **Deputy Willie Penrose** asked the Minister for Foreign Affairs if he will make a statement on the position in Somalia. [5219/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The situation in Somalia remains appalling, and the suffering of its people immense. Somalia has been without effective government for close to 20 years, and repeated efforts by the international community to restore peace, stability, and legitimate government have been unavailing. Violence in Somalia escalated during 2008, with regular clashes between Ethiopian and UN-backed Transitional Federal Government (TFG) forces on the one hand, and Islamists and clan militias on the other. Civilians suffered greatly as a result of the violence, and hundreds of thousands of people were forced to flee their homes. In January 2009, Ethiopia began a phased withdrawal of its troops from Somalia, leaving the TFG in a very precarious position.

Fears that Ethiopia's withdrawal would lead to a security vacuum appear to have been well-founded. The departure of Ethiopian troops from Mogadishu was initially greeted with jubilation by local residents, but within days serious fighting had broken out. Al-Shabaab, a radical Islamist group which already controls much of southern Somalia, has seized control of Baidoa, the seat of the TFG institutions.

In addition to the provision of significant humanitarian aid to the Somali people, the EU and the UN have been to the fore in supporting efforts to bring about a political solution in Somalia. The Special Representative for the UN Secretary-General for Somalia, Ahmedou Ould Abdallah, has been tireless in his efforts to bring parties together. On 30 January, Sheikh Sharif Sheikh Ahmed was elected President of Somalia by the transitional parliament, with the support of many MPs who had opposed the previous President. The new President was one of the leading figures of the United Islamic Courts, which brought a certain stability to southern



[Deputy Micheál Martin.]

Somalia under Sharia law in 2006. As a moderate Islamist, he has not received support from the more extreme Al-Shabaab group. He will face an uphill task in consolidating his support and building up the TFG's credibility on the ground.

The African Union's UN-authorised peacekeeping force in Somalia, AMISOM, has never reached full strength since it deployed in March 2007. In recent months, the UN Secretary General has sought, and failed, to obtain additional commitments of troops for a new multinational force. UN Security Council Resolution 1863 of 16 January 2009 suggests that a UN force could be deployed later this year, but this seems extremely unlikely, given the dim prospects for a truce in the ongoing conflict, and the country's notoriety as a graveyard for international peacemaking efforts. Any new force would face the same problem which has dogged AMISOM: that there is no peace to keep.

Humanitarian workers in Somalia face serious security problems, including random violence, extortion, kidnapping, landmines and banditry. Warlords frequently extort money from humanitarian agencies in return for allowing them to assist hungry and helpless people. Piracy off the Somali coast also threatens the delivery of assistance, with many people dependent on the World Food Programme's maritime supply line for food aid. The EU's first ever naval mission, EUNAVCO, is playing its part in international efforts to combat piracy, including facilitating the escort of WFP ships into Mogadishu.

Ireland's commitment to the Somali people is demonstrated by our contribution to humanitarian assistance, amounting to over €20 million since 2006. Additionally, members of the Irish Aid Rapid Response Corps have been deployed to assist the office of the UN High Commissioner for Refugees in its work on Somalia. Ireland will continue to extend every possible assistance both to ease the humanitarian situation and to support the promotion of internal dialogue and national reconciliation within Somalia.

### **World Trade Negotiations.**

79. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she expects unexpected developments in the World Trade Organisation; and if she will make a statement on the matter. [5482/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** In the declaration issued by the G20 last November, there was a commitment to get an agreement on the Doha Development Agenda (DDA) of trade talks at the World Trade Organisation (WTO). This commitment was to agree, before the end of 2008, on a framework for reducing tariffs on and supports for industrial goods and agricultural produce. If successful this commitment would have been an important milestone on the road to concluding all aspects of the DDA, including services and trade facilitation. As it turned out, however, it was not possible at that time to get agreement between some of the parties on a few key issues.

Since then, the Director General of the World Trade Organisation, Mr. Pascal Lamy, has been working with delegations to renew the commitment to reach agreement on holding a further Ministerial. There is another meeting of the G20 scheduled for April in London and I expect that the trade talks will feature on the agenda for that meeting. In the meantime, the WTO talks in Geneva are proceeding at a technical level.

### **Community Employment Schemes.**

80. **Deputy Joanna Tuffy** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of social employment schemes and community employment schemes in the

years 1985, 1990, 1995, 2000, 2005 and 2009 in tabular form; and if she will make a statement on the matter. [5367/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** The Social Employment Scheme, Teamwork, Enterprise and Community Enterprise Programmes were replaced by the Community Employment Programme.

During 1996, 103,300 (6.9%) persons were classified as long-term unemployed. This figure reduced substantially to 20,200 (1.2%) in March-April 2001. The numbers participating on CE were adjusted to take into account the changing labour market environment existing at the time. Numbers on CE have remained static since 2005.

The Social Economy Programme was launched in September 2000, however, no Social Economy enterprises commenced in that year. On 1 January 2006 the Social Economy Programme transferred to the Department of Community, Rural and Gaeltacht Affairs, where it was subsequently renamed the Community Services Programme. The programme is managed by Pobal on behalf of Department of Community, Rural and Gaeltacht Affairs.

The information sought by the Deputy is contained in the following table. Details of the number of schemes for the years 1985, 1990, 1995 and 2000 are unavailable as FÁS did not maintain records the relevant records for those years. However, for these particular years, the number of participants on the various schemes are available and have been provided. Information on the number of schemes for the years 2005 and 2009 are shown in bold text.

Year End Statistics for FÁS Employment Programmes

No. of Projects in Bold Text (where available)

Year End	Social Employment Scheme	Employment Incentive Scheme	Teamwork	Enterprise	Community Enterprise Programme	Community Employment (inc Superv)	Job Initiative	Social Economy
1985	Launched 1985	Launched 1985	No Info	No Info	No Info			
1990	11,852	1,522	758	1,173	141			
1995			148			40,304		
2000						33,549	2,582	Launched 18/09/00
2005						22,635 <b>(1,270)</b>	1,791 <b>(approx 85)</b>	2,063 <b>(311)</b>
2009						22,427 <b>(1,209)</b>	1,441 <b>(77)</b>	Transferred to DCRAGA 01/01/06 as Community Services Programme

2009 Figures as at 09/02/09.

81. **Deputy Joanna Tuffy** asked the Tánaiste and Minister for Enterprise, Trade and Employment the members of the public who can apply to go on community employment schemes; the length of time a person can participate in a scheme; the amount paid to participants per week; and if she will make a statement on the matter. [5368/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** Community Employment (CE) is an active labour market programme designed to provide eligible long term unemployed people and other disadvantaged persons with an opportunity to engage in useful work within their communities on a fixed term basis. CE helps unemployed people to re-enter the active workforce by breaking their experience of unemployment through a return to a work routine and to assist them to enhance/develop both their technical and personal skills.

The criteria for participating on the Community Employment programme are based on age and length of time in receipt of various social welfare payments. In general, the Part-time Integration Option is for people of 25 or over who are receiving social welfare payments for 1 year or more, and people of 18 years or over in receipt of disability-related payments. The Part-time Job Option is for people who are 35 or over and in receipt of social welfare payments for three years or longer.

Certain groups such as travellers and refugees aged 18 or over are eligible for both options. If a person qualifies under the criteria but does not wish to take up the option themselves, there are certain conditions under which a spousal swap can take place.

The maximum duration that individuals can remain on CE is dependent on the participant's eligibility status. Typically, participants can avail of periods of between one and six years. To cater for older workers in particular, in November 2004 the standard three year CE cap was revised to allow those of 55 years of age and over to avail of a six-year period on CE (based on participation since 3 April 2000). Subsequently, the participation limit for persons eligible for CE based on a Social Welfare disability linked payment (including those under 55) was increased by one year. These measures were introduced in recognition of the fact that older participants and participants with a disability may find it more difficult to progress into the open labour market.

FÁS provides financial support in the form of Allowances and Funding to assist with the Community Employment programme, for example participant wages, supervisor grants, materials grants, and specific skills training grants. With effect from 1 January 2009 participants (temporary/part-time) receive the following payments:

Payments	€
Participant without Dependants	228.70
Participant with Adult Dependand	364.30
Each Child Dependand (Full Rate)	26.00
Each Child Dependand (Half Rate)	13.00

Payments are made weekly by the Sponsor and are liable to tax and PRSI deductions. Participants rates are based on a 19.5 week or a 39 hours every two weeks (this is determined by the Sponsor in conjunction with FÁS). Further information on the Community Employment Programme is available from the FÁS website [www.fas.ie](http://www.fas.ie).

#### **Freedom of Information.**

82. **Deputy Enda Kenny** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of freedom of information requests received by her Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if she will make a statement on the matter. [5399/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):**

There are eight separate prescribed bodies within my Department and its Offices subject to the Freedom of Information (FOI) Acts. In the following table, I have set out the total number of FOI requests received, and completed, by these bodies, for each month in 2007 and 2008. The table also outlines the decision taken.

My Department takes a proactive approach to FOI and to openness and transparency in general. Much information is released outside FOI and would not be reflected in the table. Indeed, in many cases where requests were withdrawn, the information was provided in this way.

In relation to the processing of FOI requests by the agencies under the remit of my Department, this is a day to day matter for each agency and one in which I have no function.

2007			2008		
Month	No. of Requests Received	No. of Requests Completed*	Month	No. of Requests Received	No. of Requests Completed*
January	10	13 (R-1, W-12)	January	4	1 (G-1)
February	8	12 (G-3, PG-5, W-4)	February	3	5 (G-2, PG-1, R2)
March	6	11 (G-2, PG-3, R-3, W3)	March	3	3 (PG-1, R-1, W-1)
April	0	1 (PG-1)	April	12	5 (G-2, PG-2, W-1)
May	1	2 (G-2)	May	13	14 (G-3, PG-4, R-4, W-3)
June	4	3 (G-1, PG-2)	June	3	11 (G-2, PG-8, R-1)
July	3	4 (G-1, PG-3)	July	8	2 (G-1, PG-1)
August	7	6 (G-1, PG-3, R-2)	August	2	4 (G-1, PG-3)
September	8	2 (R-2)	September	9	3 (PG-2, R-1)
October	2	5 (PG-3, R-1, W-1)	October	6	4 (G-1, PG-2, W-1)
November	6	3 (R-2, W-1)	November	8	5 (G-3, PG-2)
December	7	10 (G-5, PG-2, R-2, W-1)	December	19	22 (G-9, PG-3, R-4, W-6)

\*No. of Requests Completed — Legend

G — Granted.

PG — Part Granted.

R — Refused.

W — Withdrawn.

**Community Employment Schemes.**

83. **Deputy Brian O'Shea** asked the Tánaiste and Minister for Enterprise, Trade and Employment her proposals to redress the consequences of mistakes made by FÁS in regard to the community employment scheme contracts of persons (details supplied) in County Waterford; and if she will make a statement on the matter. [5413/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** Community Employment (CE) is an active labour market programme designed to provide eligible long term unemployed people and other disadvantaged persons (including those with a disability) with an opportunity to engage in useful work within their communities on a fixed term basis.

To cater for older workers in particular, in November 2004 the three year CE capping was revised to allow those of 55 years of age and over to avail of a six-year period on CE (based on participation since 3 April, 2000). These measures were introduced in recognition of the fact that older participants may find it more difficult to progress into the open labour market.

[Deputy Billy Kelleher.]

Participation on Community Employment has an upper age limit of 65 years of age, i.e. a CE participant/Supervisor can remain on CE until the day before their 66th birthday, provided they meet all other eligibility requirements. FÁS cannot make funding available to a Sponsor for any participant or Supervisor aged 66 years or over. To do so would mean that the state would effectively be double-funding both the CE place and the participant's state pension simultaneously.

I understand that both people are currently on the Community Employment Project with Waterford City Council. The FÁS database showed one person's date of birth as being 3 February, 1946, and it was not until after the award of the contract that the error was discovered. With regard to the other person, the fact that he would reach retirement age in December 2008 was also overlooked.

Arrangements have, however, been made by FÁS representatives to meet with both participants on Friday, 13 February, 2009, to discuss the situation further and see how the matter can be resolved.

Any inconvenience caused is very much regretted.

84. **Deputy Charlie O'Connor** asked the Tánaiste and Minister for Enterprise, Trade and Employment her plans to redesign the community employment scheme to respond to the new economic situation; and if she will make a statement on the matter. [5433/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** Community Employment (CE) is an active labour market programme designed to provide eligible long term unemployed people and other disadvantaged persons with an opportunity to engage in useful work within their communities on a fixed term basis. CE helps unemployed people to re-enter the active workforce by breaking their experience of unemployment through a return to a work routine and to assist them to enhance/develop both their technical and personal skills.

The aim of CE still remains as an active labour market programme with the emphasis on progression into employment. The programme is managed within this context, with consideration to the availability of resources and the needs of participants and the community. FÁS makes every effort to ensure that differing levels of demand between neighbouring schemes are equalised. FÁS also operates the programme flexibly as far as possible to ensure the continuation of community projects.

This Government will continue to support the positive role of CE in meeting the needs of long-term unemployed persons while at the same time providing essential services to communities. The Community Employment Scheme will be kept under constant review in the context of the current difficult unemployment situation.

#### **FÁS Training Programmes.**

85. **Deputy Leo Varadkar** asked the Tánaiste and Minister for Enterprise, Trade and Employment the detail of the 51,000 new FÁS courses that have been announced by her; the type of courses that will be offered and their duration; if people taking these courses will be taken off the live register while they are on these courses; and if she will make a statement on the matter. [5473/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** I recently announced the availability of 51,000 new training places under the FÁS Training



Initiatives Strategy. These places are in addition to the 27,000 previously planned for 2009 under the Bridging Foundation Training, Specific Skills Training and Traineeships Programmes. These programmes will provide short training courses for those who are recently unemployed.

The Training Initiative Strategy enhances the traditional mix of course offerings and will be delivered through three core-training initiatives, Short Courses, Night Courses and Online Courses. The courses are for highly employable persons who wish to add to their existing skills level and improve their prospects of re-entering the labour market. The night courses offer further flexibility and the online courses provide an excellent option for those who need a fast flexible intervention and who prefer a self directed E learning and blended learning environment.

Maintenance of the Live Register is a responsibility of my colleague, the Minister for Social and Family Affairs.

### **Work Permits.**

86. **Deputy Leo Varadkar** asked the Tánaiste and Minister for Enterprise, Trade and Employment her plans to review the work permit system in view of rising unemployment; and if she will make a statement on the matter. [5474/09]

**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.

### **Public Contracts.**

87. **Deputy Joe McHugh** asked the Minister for Finance if his attention has been drawn to the fact that the report of a company (details supplied) declares that the submission of below cost tenders for construction contracts in the north west is widespread; his views on whether this is unsustainable; his further views on whether the weakness of sterling and the higher cost base here puts contractors from Border areas at a competitive disadvantage against Northern contractors in the tendering process; if he will examine the possibility of correcting this competitive imbalance, with due regard for competition law. [5452/09]

**Minister for Finance (Deputy Brian Lenihan):** I have had the reference drawn to my attention.

EU Procurement rules mean that public contracts are open to firms in all other Member States on an equal basis. In that context, exchange rate movements outside the eurozone can place Irish firms at a disadvantage. However, the current recessionary situation which has

[Deputy Brian Lenihan.]

entailed a fall in tender prices should also lead to a reduction in contractors' costs, thus allowing lower tender prices to be sustainable over the medium term.

### **Fiscal Policy.**

88. **Deputy Bernard J. Durkan** asked the Minister for Finance the extent to which he and his EU colleagues can influence and improve the economic climate through the EU; and if he will make a statement on the matter. [5489/09]

**Minister for Finance (Deputy Brian Lenihan):** In December 2008 the European Council endorsed Commission proposals for a European Economic Recovery Plan (EERP) involving a fiscal stimulus equivalent to approximately 1.5% of EU GDP, as part of the Community response to the economic and financial crisis. Depending on national circumstances, the support measures involve targeted, timely and temporary measures in the areas of public expenditure and taxation. It is acknowledged under the Plan that some Member States might not have any scope for additional action in view of their budget deficit levels and potential tax shortfalls. Finance Ministers will have a crucial role to play in implementing the Plan.

From the outset of the financial market difficulties in August 2007, EU Finance Ministers have taken a number of steps to address the difficulties in financial markets and Ireland has of course been a full participant in that work.

At the meeting of EU Finance Ministers on 7 October 2008 we agreed common principles to guide the actions of Member States aimed at preserving confidence and stability in financial markets. On 2 December 2008 European Finance Ministers reached political agreement on a number of legislative dossiers that will contribute to greater stability and improved supervision of the financial sector. Since then, EU Finance Ministers have been monitoring the position on a regular basis.

The actions in both these fiscal and financial areas should help improve the economic climate in the EU.

### **Departmental Staff.**

89. **Deputy Joan Burton** asked the Minister for Finance if, for each Secretary General in each Government Department who has retired since 1 January 1997 to date in 2009, he will provide the date of each retirement and actual salary at that date and the current pension of each retiree. [5364/09]

**Minister for Finance (Deputy Brian Lenihan):** Forty-two Secretaries General (or equivalent) retired in the period 1 January 1997 to date. Their salaries at the date of retirement ranged from €105,026.38 to €253,635. Their current pensions range from €70,506 to €142,670. Specific dates of retirement and associated pensions and salaries are not provided as individuals could be identified from such information. This would not be appropriate.

### **Tax Code.**

90. **Deputy Denis Naughten** asked the Minister for Finance if third level college registration fees are liable to tax relief; the projected financial cost for 2008 in view of the increase in such fees; and if he will make a statement on the matter. [5379/09]

**Minister for Finance (Deputy Brian Lenihan):** Tax relief is not available in respect of third level college registration fees. There is therefore no financial cost in this area, in terms of tax foregone by the Exchequer, for 2008.

I would like to inform the Deputy that tax relief is however available in respect of third level tuition fees. This relief is given in respect of tuition fees for approved undergraduate and postgraduate courses, in approved third level colleges, up to a maximum limit of €5,000 per annum at the standard rate of tax.

Relief in respect of qualifying tuition fees cost €14.3 million in 2005, the latest year for which figures are available.

### Banking Sector.

91. **Deputy Richard Bruton** asked the Minister for Finance if he has issued instruction to Anglo Irish Bank in relation to its terms of employment, use of outside public relation agencies and consultants and so on in line with the general orders that he is making in order to secure savings in public spending; and if he will make a statement on the matter. [5392/09]

**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 use of outside public relation agencies and consultants, are matters for the Board of Anglo.

The Board of Anglo is preparing a comprehensive business plan which will be required to demonstrate how the board will oversee the continued commercial operation of the bank in the best interests of the bank, its customers and the State.

### Freedom of Information.

92. **Deputy Enda Kenny** asked the Minister for Finance the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5401/09]

**Minister for Finance (Deputy Brian Lenihan):** My Department received 66 FOI requests in 2007 and 180 requests in 2008. As well as “the number acceded to” and “the number refused”, there were a number of requests which were “part granted” and others which were “withdrawn”. (In general, those withdrawn requests were either transferred to other Departments or were handled outside the FOI Act). All are included on a month-by-month basis in the following tables:

2007

Month	Received	Acceded to	Part Granted	Refused	Withdrawn
January	5	2	1		2
February	3		3		
March	6		4	2	
April	6	1	3	2	
May	4	2	1		1
June	7	1	4	1	1
July	4	1	1		2
August	6	2			4
September	3	1			2
October	2				2
November	15	1	8	1	5
December	5	1	2		2
Totals	66	12	27	6	21

[Deputy Brian Lenihan.]

2008

Month	Received	Accededto	Part Granted	Refused	Withdrawn
January	6	1	3	1	1
February	14	1	8		5
March	12	3	5	3	1
April	18	3	7	4	4
May	20	5	9	1	5
June	7	2	3	1	1
July	14	2	7	2	3
August	14	3	8	1	2
September	14	3	5	2	4
October	27	5	16	4	2
November	24	6	13	2	3
December	10	2	5	2	1
Totals	180	36	89	23	32

### Pension Provisions.

93. **Deputy Frank Feighan** asked the Minister for Finance if the pension levy is mandatory for a person who has taken early retirement from their public service job and had agreed their pension when 60 years and who are now back in employment part time within the public sector. [5446/09]

**Minister for Finance (Deputy Brian Lenihan):** The pension related deduction applies to public servants, that is those who are employed in a public service body whether on a full time or part time basis and the deduction will apply to all remuneration including allowances and overtime. It will not apply to occupational or State pension income received by retired public servants. It is not being applied to the commercial semi state sector.

### Tax Code.

94. **Deputy Paul Kehoe** asked the Minister for Finance the reason the income tax details in respect of a person (details supplied) and subsequent PRSI contribution payments for 1993/1994, 1994/1995 and in 1995/1996 have not been passed to the Department of Social and Family Affairs; and if he will make a statement on the matter. [5451/09]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that the taxpayer received a letter containing a breakdown of Income Tax and PRSI charged for 1993/94, 1994/95 and 1995/96 on 6th July 2007, as requested by the taxpayer's accountant, to assist in negotiations with the Department of Social and Family Affairs. A copy of this letter was reissued to the taxpayer on 11 February 2009. This information was previously relayed in PQ 30648/08.

If the taxpayer requires further assistance, she should contact Mr. Michael O'Connor, Revenue East South-East Region, Wexford District, Government Buildings, Wexford, telephone 053-9149397.

### Tax Collection.

95. **Deputy Paul Kehoe** asked the Minister for Finance if he will respond to a query (details supplied); and if he will make a statement on the matter. [5468/09]

**Minister for Finance (Deputy Brian Lenihan):** My reply of 27 January to the Deputy sets out the position that a person carrying on a business that includes the erection of buildings or the development of land is required to operate RCT on making payments to subcontractors.

At all times Revenue officials are obliged to act in a fair and impartial manner, consistent with the instructions issued from time to time. Most taxpayers operate in compliance with the legislation, and, for Revenue to subsequently set aside the legislation where it was not operated, in whatever circumstances, would discriminate against compliant taxpayers, and could undermine the RCT system. Revenue's interpretation of how the system of RCT should operate has been consistent. Over time, some contractors began to make mistakes in the handling of RCT — in particular, an important Revenue form (Form RCT 47) creating an audit trail between principal contractors and sub-contractors began to fall into disuse in a minority of cases.

I am informed by the Revenue Commissioners that the eBrief No. 10/2007 and subsequent reminders was a response to this situation. In effect, having re-examined the operation of RCT, Revenue gave anyone who was not operating the system correctly a chance to sort out their RCT. Indeed, in the case instanced by the Deputy, it appears from the tax settlement details supplied that a measure of relief from the tax was given.

Most affected contractors took advantage of the eBrief. Where someone failed to correct their handling of the tax, Revenue has no choice (in fairness to all taxpayers) but to operate the tax according to the legislation. Given these circumstances, it is clear that the re-examination of RCT by Revenue, sought by the Deputy, has already taken place.

### Tax Code.

96. **Deputy Leo Varadkar** asked the Minister for Finance the cost to the Exchequer of the artists' exemption in 2007 and 2008. [5478/09]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that the cost to the Exchequer of the artists' exemption scheme is estimated at €34.8 million, based on income tax returns filed for the income tax year 2005, the most recent year for which the necessary detailed information is available. Corresponding information is not yet available for years following 2005.

97. **Deputy Leo Varadkar** asked the Minister for Finance the amount which would be raised by increasing the income levy from 1% to 5%, 10%, 15% or 20%. [5479/09]

**Minister for Finance (Deputy Brian Lenihan):** The existing income levy is a three-rate structure based on rates of 1%, 2% and 3%. Assuming that all three existing rates are meant to be replaced by each rate mentioned by the Deputy, I am informed by the Revenue Commissioners that the full year yield to the Exchequer from increasing the existing income levy rates to 5%, 10%, 15% or 20% is estimated to be of the order of €3.3 billion, €7.6 billion, €11.8 billion and €16.0 billion respectively.

The figures are estimates from the Revenue tax-forecasting model using actual data for the year 2005 adjusted as necessary for income and employment growth for 2009. They are therefore provisional and likely to be revised. The figures for income and employment growth used are based on macro-economic indicators, which have been recently revised in the light of the latest economic outlook for 2009.



### Nursing Education.

98. **Deputy Brendan Howlin** asked the Minister for Health and Children the extent to which budget 2009 proposals are expected to impact on the number of training places for undergraduates nurses in the health care system; her views on whether a reduction in the number of nurses employed by the Health Service Executive is commensurate with delivery of a quality health service; and if she will make a statement on the matter. [5352/09]

**Minister for Health and Children (Deputy Mary Harney):** The O.E.C.D. Public Management Review: IRELAND — Towards an Integrated Public Service (2008) in its case study: Reconfiguration of the Health Services notes—

“One statistical characteristic of Ireland is its very large number of practising nurses (15.2 per 1,000), which is twice the OECD average, just below Norway (15.4) but much higher than UK (9.1) or France (7.7). The number of nurses graduating every year is also high (14.4), above Norway (10.1), UK (8.6) or France (5.9). This contradicts the universal perception of a “shortage” of nurses, held by health actors in Ireland who were interviewed by the OECD. Partial explanations come from the fact that some 40% of nurses in Ireland work part-time (as compared for example with 26% in France for nurses working in hospitals).”

The Deputy will be aware that in arriving at the 2009 Estimates, all Departments were required to deliver economy savings as part of Budget 2008. I announced that the HSE is to deliver economy savings of €115 million in this context. Among other matters this includes a reduction in nurse training expenditure in 2009. The total cost of nurse education to the health services, both undergraduate and post-registration, is currently in excess of €117 million per annum.

The number of places on the undergraduate nursing degree programmes will be reduced by 310 places from next year. This reduction was finalised following consultation between my Department and the Department of Education and Science.

From next year we will be providing 1,570 undergraduate places in the following courses:

	Places
General Nursing	860 places
Intellectual Disability Nursing	180 places
Psychiatric Nursing	290 places
Midwifery	140 places (no reduction)
Children's and General Nursing Integrated	100 places (no reduction)
Total	1,570 places

The reduction in places, which will result in savings of €1.65 million approximately in 2009 and €3.3 million from 2010 onwards.

Nurses trained under the apprenticeship and diploma models undertaking part-time degree courses have been able to apply to their employer to have their course fees paid in return for a service commitment to the public health service. This initiative has been in operation since 2001 and was due for completion before now. It will no longer be available for new entrants from 1 January 2009, resulting in a saving of €2m next year and about €3.8m per annum from 2010 onwards.

Mobility, career breaks, maternity leave and other lifestyle choices all impact on the fluctuations in nurse/midwife numbers employed by the Health Service Executive. However, I am

satisfied that the Budget 2009 measures outlined above will not impact significantly on nursing numbers and particularly on the delivery of a quality health service.

### **Health Services.**

99. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support the case of a person (details supplied) in Dublin 9. [5359/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** As the Deputy's question relates to service matters I have arranged for the question to be referred to the Health Service Executive for direct reply.

100. **Deputy Jack Wall** asked the Minister for Health and Children the structure that applies in relation to a person seeking medical attention after normal general practitioner hours as in the case of a person (details supplied) in County Kildare; if circumstances change in relation to some cases; and if she will make a statement on the matter. [5361/09]

**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 to the Deputy.

101. **Deputy Edward O'Keeffe** asked the Minister for Health and Children the position regarding a request to the Health Service Executive to provide financial assistance to a person (details supplied) in County Cork towards surgery performed abroad. [5384/09]

**Minister for Health and Children (Deputy Mary Harney):** Operational responsibility for the management and delivery of health and personal social services, including the treatment of patients under the Treatment Abroad scheme, is a matter for the Health Service Executive. Therefore, the Executive is the appropriate body to consider the particular case raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have a reply issued directly to the Deputy.

### **Nursing Home Subventions.**

102. **Deputy Richard Bruton** asked the Minister for Health and Children her views on extending the rule under which the Health Service Executive gives persons in nursing homes a period of six months during which they can prepare property for rent or sale before subvention would be curtailed, bearing in mind the imminent introduction of the new scheme, fair deal, which does require a patient to sell their home, and the difficulty at present in placing properties for rent; and if she will make a statement on the matter. [5391/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hctor):** Both my colleague, the Minister for Health and Children, and I are conscious of the financial burden being faced by individuals in private nursing homes. However, the rule referred to by the Deputy is in fact a statutory period provided for in the Health (Nursing Homes) (Amendment) Act 2007. To amend it would require primary legislation and could take longer than the introduction of the Nursing Homes Support Scheme.

### **Freedom of Information.**

103. **Deputy Enda Kenny** asked the Minister for Health and Children the number of freedom of information requests received by her Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if she will make a statement on the matter. [5403/09]

**Minister for Health and Children (Deputy Mary Harney):** The number of Freedom of Information cases received in my Department per month, for the years 2007 and 2008, are set out below:

	2007	2008
Jan	16	11
Feb	14	24
March	12	19
April	9	19
May	5	20
June	12	17
July	17	12
Aug	10	10
Sept	11	20
Oct	9	20
Nov	20	31
Dec	12	24
<b>Total</b>	<b>147</b>	<b>227</b>

The following table shows the outcomes of these requests:

	2007	2008
Acceded to fully or partially	76	95
Refused	30	34
Other	41	98

“Other” in this table relates to cases that have been resolved outside the scope of the Freedom of Information Acts, cases withdrawn, cases excluded in accordance with the Acts and cases that require further action by the requesters before they can be processed.

#### **Child Care Services.**

104. **Deputy Denis Naughten** asked the Minister for Health and Children, further to Parliamentary Question Nos. 408 and 409 of 8 July 2008, the outturn for 2008 in each facility and the 2009 allocation; and if she will make a statement on the matter. [5408/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** As the Deputy is aware, I have responsibility for the National Childcare Investment Programme (NCIP), under which the Community Childcare Subvention Scheme (CCSS) is being implemented.

In this regard, I assume the Deputy is referring to the CCSS funding received by each community child care facility in Roscommon and Leitrim during 2008, and the CCSS allocation to each facility for 2009. The information requested is set out in the attached tables.

#### **Vaccination Programme.**

105. **Deputy Denis Naughten** asked the Minister for Health and Children the number of children who are on the waiting list for the BCG vaccination in each primary community and continuing care area; and if she will make a statement on the matter. [5410/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

106. **Deputy Denis Naughten** asked the Minister for Health and Children the number of newborn babies who have been vaccinated with the BCG vaccine in each primary, community and continuing care area since October 2008; and if she will make a statement on the matter. [5411/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

#### **Hospital Services.**

107. **Deputy Frank Feighan** asked the Minister for Health and Children if her attention has been drawn to the fact that a person (details supplied) in County Roscommon is on a waiting list for a routine MRI scan at University College Hospital Galway since August 2008; if her attention has further been drawn to this crisis in the health service in which elderly people are so adversely affected; if she will take responsibility if this person dies; and if she will ensure arrangements will be made for this person to have their MRI scan at the earliest opportunity at UCHG or at Portiuncla Hospital, Ballinasloe. [5419/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for direct reply. The National Treatment Purchase Fund arranges treatment for patients who have been on a waiting list for more than three months. It is open to the person in question or anyone acting on their behalf to contact the Fund directly in relation to their case.

108. **Deputy Tom Hayes** asked the Minister for Health and Children if she received a request for funding in respect of a new cystic fibrosis unit at Our Lady's Children's Hospital, Crumlin, Dublin; the consideration this request was given; her views on the necessity for such a unit; and if she will make a statement on the matter. [5424/09]

**Minister for Health and Children (Deputy Mary Harney):** The Deputy will appreciate that a proposal of this nature would be appropriate to the Health Service Executive and accordingly my Department has asked the Parliamentary Affairs Division of the HSE to respond to him on the issue.

#### **Health Services.**

109. **Deputy Paul Connaughton** asked the Minister for Health and Children when a decision will be made on an application for domiciliary care allowance in respect of a person (details supplied) in County Galway; and if she will make a statement on the matter. [5439/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** As the Deputy's question relates to service matters I have arranged for the question to be referred to the Health Service Executive for direct reply.

#### **Nursing Home Fees.**

110. **Deputy Frank Feighan** asked the Minister for Health and Children if private nursing home owners have the right to increase the weekly in-patient fee for elderly patients whenever they wish; and if her attention has been drawn to the fact that some families can not meet these increases. [5445/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hocht):** The cost of private nursing homes is set by the nursing home and is not determined by the Department. The Health Service Executive can pay an approved subvention to the nursing home of the applicants' choice and the payment of the balance of the nursing home fee is a matter between the applicant and the nursing home under the contract of care agreed between these parties. The existing subvention scheme is governed by the Health (Nursing Homes) (Amendment) Act 2007. Under the Act, the maximum amount for basic subvention is €300 per week. The Act also provides for an enhanced subvention to be paid. However, there is no maximum amount set for enhanced subvention. The amount paid is at the discretion of the HSE. It varies according to the cost of care and is subject to the HSE's resources.

In order to qualify for a subvention, an individual must be:

- (a) sufficiently dependent to require maintenance in a nursing home, and
- (b) unable to pay any or part of the cost of maintenance in the home.

In order to determine this, they must undergo a means assessment which takes account of their income and assets. Persons who are already in receipt of subvention may re-apply to the HSE as they may now be eligible for an increased payment.

When the new Nursing Home Support Scheme (Fair Deal) is introduced, the National Treatment Purchase Fund will negotiate an annual price with each private nursing home who participates in the scheme. This price will hold until renegotiated.

#### **Nursing Homes Repayment Scheme.**

111. **Deputy Frank Feighan** asked the Minister for Health and Children the reason for non-payment of a claim in respect of a person (details supplied) in County Leitrim under the health repayment scheme despite payment having been agreed in 2007. [5465/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

#### **Health Services.**

112. **Deputy Denis Naughten** asked the Minister for Health and Children if she will respond to correspondence from a person (details supplied) in County Roscommon; and if she will make a statement on the matter. [5469/09]

**Minister for Health and Children (Deputy Mary Harney):** The correspondence referred to by the Deputy was forwarded to the Health Service Executive by my Department in 2005. As this is a service matter, the HSE has been asked to look into the position in the case and to respond directly to the person in question.

113. **Deputy Edward O'Keeffe** asked the Minister for Health and Children if she will assist in the transfer of a person (details supplied). [5501/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for attention and direct reply to the Deputy.

#### **Hospital Services.**

114. **Deputy Frank Feighan** asked the Minister for Health and Children the position regarding cancer services at Sligo General Hospital. [5522/09]



115. **Deputy Frank Feighan** asked the Minister for Health and Children the travel arrangements which will be put in place for elderly sick patients from Sligo and the north west if she proceeds with moving services to University College Hospital Galway; and if travel arrangements will be available to these patients at all times when they have to travel to Galway for follow up appointments with their consultants. [5523/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 114 and 115 together.

As these are service matters they have been referred to the Health Service Executive for direct reply.

#### Freedom of Information.

116. **Deputy Enda Kenny** asked the Minister for Transport the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5406/09]

**Minister for Transport (Deputy Noel Dempsey):** The information requested by the Deputy is contained in the following table:

	Requests Received	Requests Granted	Requests Part-Granted	Requests Refused
<i>2007</i>				
January	3	2	1	1
February	2	0	0	0
March	8	2	3	1
April	8	0	3	0
May	11	1	3	3
June	6	0	2	7
July	8	2	6	0
August	5	1	0	2
September	6	0	4	3
October	3	2	2	2
November	26	0	1	2
December	5	1	5	3
<i>2008</i>				
January	11	1	8	3
February	7	0	1	2
March	13	4	3	6
April	13	0	7	3
May	12	2	2	3
June	10	6	2	4
July	11	0	6	0
August	8	1	2	3
September	20	1	7	3
October	12	3	0	5
November	10	3	5	5
December	11	1	2	6

[Deputy Noel Dempsey.]

The balance of outstanding requests refers to requests that were transferred to an appropriate body or that were withdrawn or handled outside FOI. The Deputy may wish to note that my Department publishes information in relation to Freedom of Information requests in its Annual Report.

### **Road Safety.**

117. **Deputy Mary Upton** asked the Minister for Transport if the road traffic legislation currently requires for cyclists to be adequately lit up at night; if this legislation exists; if it is not legislation, his plans to introduce such legislation with penalties to act as an incentive to ensure all cyclists are lit up; and if he will make a statement on the matter. [5417/09]

**Minister of State at the Department of Transport (Deputy Noel Ahern):** The regulations governing the requirement for cyclists to be adequately lit up at night are the Road Traffic (Lighting of Vehicles) Regulations, 1963.

Where a person is guilty of an offence under these regulations, the penalties are set out in the Road Traffic Act 2006, the penalty for a first offence is a fine not exceeding €1,000, for a second offence a fine not exceeding €2,000 and for a third or subsequent offence a fine not exceeding €2,000 and/or a term of imprisonment not exceeding 3 months.

I have no plans to review these penalties at present.

### **Light Rail Project.**

118. **Deputy Charlie O'Connor** asked the Minister for Transport if he will report on the proposed extension of the Luas line from Tallaght through the Tallaght west area to Saggart, County Dublin; the schedule being followed; and if he will make a statement on the matter. [5432/09]

**Minister for Transport (Deputy Noel Dempsey):** The Luas extension to Saggart will be 4.2km long and will provide five new stops at Fettercairn, Cheeverstown, Citywest Campus, Fortunestown and Saggart. A new Park and Ride facility with 300 spaces will also be provided at Cheeverstown. Significant progress has been made in advancing this key Transport 21 project.

The Railway Procurement Agency (RPA) secured a Railway Order (i.e. planning permission) for this project from An Bord Pleanála last year.

Following the grant of the Railway Order, the RPA finalised an agreement with a consortium of private developers under which the consortium is responsible for delivery of a substantial part of the works for this extension as well as providing land and making a capital contribution to the RPA in respect of the project.

On Monday of this week, 9 February, An Taoiseach visited the new RUA Red Arts Centre in Tallaght to announce the signing of contracts for the civil and track works with BAM Contractors and these works are expected to commence shortly. Construction of the new extension is expected to be completed by end 2010 with Luas services operating on the line in early 2011.

### **Citizenship Applications.**

119. **Deputy Brendan Howlin** asked the Minister for Justice, Equality and Law Reform if it is possible for the Australian spouse of an Irish national, who lives with their spouse in Australia, to become a naturalised citizen of Ireland without residing here; and if he will make a statement on the matter. [5353/09]

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

### **Garda Deployment.**

120. **Deputy Joanna Tuffy** asked the Minister for Justice, Equality and Law Reform the steps he will take to ensure An Garda Síochána traffic corps are involved in improved traffic management the next time there is such bad weather conditions in view of the length of time it took many motorists to travel from the city centre to their homes in parts of Dublin on 2 and 3 February 2009, with reports of five hour journeys in some cases following snow; and if he will make a statement on the matter. [5365/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Garda authorities that in anticipation of bad driving conditions, such as those recently experienced in the Garda Dublin Metropolitan Region, An Garda Síochána contacted all relevant agencies to ensure that provision was being made to provide towing services, road gritting and other emergency measures. Members of An Garda Síochána responded to all emergencies as they arose and attempted to alleviate difficulties arising from such incidents resulting from the weather conditions.

I am further informed that the Dublin Metropolitan Region Traffic Division liaises with local authorities in the Region and the National Roads Authority on an ongoing basis on a wide range of issues, including the difficulties resulting from the recent inclement weather conditions. Discussions will take place with the agencies responsible for road traffic issues to discuss how improvements in traffic flow might be made in the event of a reoccurrence of such weather conditions.

### **Citizenship Applications.**

121. **Deputy Michael Ring** asked the Minister for Justice, Equality and Law Reform the number of naturalisation applications ongoing at present; the waiting time from application to decision; and the reason the waiting period is comparatively much longer than the time it takes in other European countries. [5372/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** There are currently 16,929 applications for naturalisation with the Citizenship Division of my Department that are still awaiting a decision.

[Deputy Dermot Ahern.]

Following the decentralisation of the Citizenship Division to Tipperary Town, substantial resources have been made available to it in order to reduce backlogs and provide a better quality service to all applicants. This has had a positive impact on processing times and the average time from application to decision for the generality of valid applications is now at 22 months. It is expected that this will progressively improve over the coming year and the Division is currently commencing further processing of applications received in mid 2007. A significant number of applications are initially found to be invalid for a variety of reasons and these are now being dealt with and returned to the applicant within a week. More complicated cases can at times take more than the current average while an element of straight forward cases are now being dealt with in less than that time scale.

The Deputy will appreciate that there is a limit to the reduction in the processing time that can be achieved as applications for naturalisation must be processed in a way which preserves the necessary checks and balances to ensure that the status of citizenship is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria.

#### **Freedom of Information.**

122. **Deputy Enda Kenny** asked the Minister for Justice, Equality and Law Reform the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5404/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The total number of Freedom of Information Requests received for the years 2007 and 2008 was 445 and 718 respectively.

The breakdown for 2007 was as follows: Granted — 143, Part Granted — 131, Refused — 87, Withdrawn — 56. The remaining figure relates to outstanding requests.

The breakdown for 2008 was as follows: Granted — 158, Part Granted — 191, Refused 130, Withdrawn — 230 with the remaining figure relating to outstanding requests.

The average monthly overall figure for requests received in 2007 was 37, and in 2008 it was 60.

#### **Asylum Applications.**

123. **Deputy Bernard Allen** asked the Minister for Justice, Equality and Law Reform when a person (details supplied) will receive their first interview with the office of the Refugee Application Commissioner. [5499/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Deputy should note that it is not the practice to comment in detail on individual asylum applications.

#### **Citizenship Applications.**

124. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the current or expected residency status in respect of a person (details supplied) in County Louth; and if he will make a statement on the matter. [5502/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 215 of Thursday, 3 July 2008, and the written Reply to that Question.

The person concerned applied for asylum on 7 March 2002. 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 15 May 2003, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State. Representations were submitted on behalf of the person concerned at that time.

On 21 March 2005 the person concerned submitted an application under the revised arrangements for non-national parents of Irish born children, born in the State before 1 January 2005, commonly referred to as the IBC/05 scheme. This application was refused as the child referred to in the application of the person concerned was born in February 2005 and, as such, did not have an automatic entitlement to Irish citizenship. The decision to refuse this application was conveyed in writing to the person concerned by letter dated 7 September 2005.

On 19 April 2007 an application for Subsidiary Protection in the State was submitted on behalf of the person concerned. This application is under consideration at present and when a decision has been made on this application, this will be conveyed in writing to the person concerned.

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.

### **Residency Permits.**

125. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for residency and citizenship in respect of a person (details supplied) in County Dublin; and if he will make a statement on the matter. [5503/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 186 of Thursday, 1 May 2008, and No. 216 of Thursday, 6 March 2008 and the written Replies to those Questions.

The person concerned applied for asylum on 16 April 2003. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal. Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 30 September 2005, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations have been submitted on behalf of the person concerned.

On 28 April 2008, the legal representative of the person concerned was advised of his client's 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). To date no

[Deputy Dermot Ahern.]

such application has been submitted by, or on behalf of, the person concerned although the legal representative of the person concerned has reserved the right to do so in the event that the representations for temporary Leave to Remain in the State are unsuccessful.

The case file of the person concerned, including all representations submitted, will now 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, before the file is passed to me for decision.

### **Asylum Applications.**

126. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to residency and citizenship in respect of persons (details supplied) in County Cork; and if he will make a statement on the matter. [5504/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 832 of Thursday 10 July 2008 and the written Reply to that Question.

The first named person concerned arrived in the State on 22 January 2003 and applied for asylum. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the first named person concerned was informed, by letter dated 9 December 2004, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations have been submitted on behalf of the first named person concerned and these representations will be fully considered, under Section 3 (6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

The second named person concerned arrived in the State on 20 May 2005 and applied for asylum. 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 second named person concerned was informed, by letter dated 26 April 2006, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State. Representations were submitted by the second named person concerned at that time.

The second named person concerned has also submitted an application for Subsidiary Protection in the State in accordance with the European Communities (Eligibility for Protection) Regulations, 2006 (S.I. No. 518 of 2006) and this application is under consideration at present. When consideration of this application has been completed, the second named 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 second named 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 second named person concerned is passed to me for decision.

In accordance with the instructions of the legal representative of the persons concerned, the couple's child, born in the State in 2008, will be included in the consideration given to her parents' cases.

### **Citizenship Applications.**

127. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when a decision regarding an application for residency and citizenship will be made in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [5505/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Officials in the Citizenship Division of my Department inform me that there is no record of an application for a certificate of naturalisation from the person referred to in the Deputy's Question.

I am informed by the Immigration Division that the person in question has not made an application for Long Term Residency.

### **Asylum Applications.**

128. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when a decision regarding an application for residency will be made in respect of a person (details supplied) in County Dublin; and if he will make a statement on the matter. [5506/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 25 July 2003. 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 21 March 2005, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State.

Representations have been submitted on behalf of the person concerned and these representations will be fully considered, under Section 3 (6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

### **Citizenship Applications.**

129. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when a decision regarding an application for residency and citizenship will be made in respect of a person (details supplied) in Dublin 6; and if he will make a statement on the matter. [5507/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** An application for post nuptial citizenship for the person referred to in the Deputy's Question was received in the Citizenship Section of my Department on 27 June 2005.

Processing of this application is still ongoing and it is anticipated that the file will be completed in the near future. The legal representatives of the individual concerned recently contacted the Department to state that they no longer represent the individual and this has resulted in delays in processing. Officials in the Citizenship (post-nuptial) Section will be in contact with the individual concerned as soon as the application is completed.

I am informed by the Immigration Division that the person in question has not made an application for Long Term Residency.

#### **Passport Retention.**

130. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the reason cash in the sum of €1305.00 and an Angolan passport in the name of a person (details supplied) in County Kildare has been retained by the gardaí in view of the fact that the courts dismissed the case; and if he will make a statement on the matter. [5508/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I have requested a report from the Garda authorities in relation to the matter referred to by the Deputy. I will contact the Deputy again when the report is to hand.

#### **Citizenship Applications.**

131. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for citizenship in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [5509/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** An application for a certificate of naturalisation from the person referred to in the Deputy's Question was received in the Citizenship Division of my Department in July 2008.

The average processing time from application to decision is now at 23 months. The Citizenship Division is currently commencing further processing of applications received in mid 2007. More complicated cases can at times take more than the current average while an element of straight forward cases are now being dealt with in less than that time scale.

There is a limit to the reduction in the processing time that can be achieved as applications for naturalisation must be processed in a way which preserves the necessary checks and balances to ensure that the status of citizenship is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria.

However, I understand that the person concerned is a refugee and in accordance with the Government's obligations under the United Nations Convention relating to the Status of Refugees every effort is made to ensure that applications from persons with refugee status are dealt with as quickly as possible.

#### **Visa Applications.**

132. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform, further to his reply to Parliamentary Question No. 95 of 29 January 2009, if he will use his

discretion to extend the visa in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [5510/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I have been informed by the Immigration Division of my Department that the case of the person referred to by the Deputy has been reviewed and has been deemed not to include any exceptional circumstances which would warrant an extension of his permission to remain in the State.

#### **Residency Permits.**

133. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for leave to remain here and residency in respect of a person (details supplied) in County Galway; and if he will make a statement on the matter. [5511/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** There is currently no application pending in my Department for leave to remain or residency in the case of the person whose details were supplied.

If an application for asylum has been made by the person concerned the Deputy will of course be aware that it is not the practice to comment in detail on individual asylum applications.

#### **Citizenship Applications.**

134. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if offences under the Road Traffic Act 2003 continue to prevent qualification for citizenship in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [5512/09]

143. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for citizenship and naturalisation in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [5521/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 134 and 143 together.

I refer the Deputy to my reply to Parliamentary Question 171 on 5 February, 2009. The position remains unchanged.

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. One such condition is that the applicant must be of good character.

It is open to the person concerned to lodge a new application for a certificate of naturalisation if and when he is in a position to meet the statutory requirements.

135. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the progress in respect of an application for residency and citizenship in respect of a person (details supplied) in Dublin 11; and if he will make a statement on the matter. [5513/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Officials in the Citizenship Division of my Department inform me that there is no record of an application for a certificate of naturalisation from the person referred to in the Deputy's Question.

I am informed by the Immigration Division of my Department that the person in question has not made an application for Long Term Residency.

#### **Asylum Applications.**

136. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if it is possible to contact the authorities in Angola to determine the background in respect of a person (details supplied) in County Dublin regarding their application for residency; and if he will make a statement on the matter. [5514/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 143 of Thursday 13 November 2008 and my detailed Reply to Parliamentary Question No. 845 of Wednesday 24 September 2008 in this matter. The position in the State of the person concerned is as set out in my earlier Reply.

The Deputy can be assured that all determinations and decisions reached in relation to the person concerned during the course of his asylum application and appeal, and his subsequent application for permission to remain in the State, took account of the political and human rights conditions prevailing in that country at the time that each determination or decision was arrived at. Specifically, each decision maker would have relied upon the most up to date, reliable, objective information available pertaining to the situation in Angola at the relevant point in time. This being the case, I am satisfied that all determinations and decisions reached were properly arrived at.

The Deputy also refers to documentation submitted by the person concerned. I can assure the Deputy that the documentation referred to has been received in my Department and is under consideration in the context of the application submitted by the person concerned for revocation of his Deportation Order in accordance with the provisions of Section 3 (11) of the Immigration Act, 1999 (as amended). As indicated previously, when a decision has been made on this application, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

#### **Citizenship Applications.**

137. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding the application for citizenship in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [5515/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** An application for a certificate of naturalisation from the first person referred to in the Deputy's Question was received in the Citizenship Division of my Department in April 2007.

Officials in that section inform me that the application is at an advanced stage of processing and the file will be forwarded to me for a decision in due course.

Officials inform me that there is no record of an application for a certificate of naturalisation from the second person referred to in the Deputy's Question. It is open to the person concerned to lodge an application for a certificate of naturalisation if and when they are in a position to meet the statutory requirements applicable at that time.

### Asylum Applications.

138. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding the application for residency in respect of persons (details supplied) in County Cork; and if he will make a statement on the matter. [5516/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 3 February 2005. Her application was refused following consideration of her case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal. Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 29 November 2005, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State.

Representations have been submitted on behalf of the person concerned and these representations will be fully considered, under Section 3 (6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

### Citizenship Applications.

139. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when the application for citizenship will be concluded in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [5517/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Officials in the Citizenship Division of my Department inform me that there is no record of an application for a certificate of naturalisation from the person referred to in the Deputy's Question.

### Refugee Status.

140. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for family reunification in respect of a person (details supplied) in County Galway; and if he will make a statement on the matter. [5518/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my answer to his previous Parliamentary Question No 858 put down for answer on 10th July 2008. The person in question made a Family Reunification application on behalf of his wife, daughters and son in January 2008. The application was forwarded to the Refugee Applications Commissioner for investigation as required under Section 18 of the Refugee Act 1996. This investigation is completed and the Commissioner has forwarded a report to my Department. This application will be considered by my Department and a decision will issue in due course. Applications are currently taking approximately 24 months to process.

### Citizenship Applications.

141. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when stamp four will issue in respect of persons (details supplied) in Dublin 22; and if he will make a statement on the matter. [5519/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Applications for certificates of naturalisation from the persons referred to in the Deputy's Question were

[Deputy Dermot Ahern.]

received in the Citizenship Division of my Department in January 2006 and September 2006. Officials in that Section inform me that processing of both applications is at an advanced stage and the files will be submitted to me for decisions in due course.

### **Deportation Orders.**

142. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if a review will be undertaken regarding a deportation order in respect of a person (details supplied) in County Cork; and if he will make a statement on the matter. [5520/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to the reply given to his Parliamentary Question Nos. 620 and 639 on Tuesday 27 January 2009. The status of the person concerned remains as set out in that Reply.

However since that Reply was made, my officials became aware that the minor child of the person concerned had been re-admitted to the asylum process by the Ministerial Decisions Unit. In view of this development, a request was made by my officials to the Garda National Immigration Bureau on 9 February 2009 not to enforce the Deportation Order in respect of the person concerned until such time as the asylum application of her child has been considered. In the meantime, the person concerned has continued to meet her presentation requirements with the Garda National Immigration Bureau (GNIB) and is due to present again on Monday 9 March 2009. The enforcement of the Deportation Order is, and remains, an operational matter for the GNIB.

*Question No. 143 answered with Question No. 134.*

### **Departmental Expenditure.**

144. **Deputy Brendan Howlin** asked the Minister for Justice, Equality and Law Reform the status of the equality for women measure; if a change is proposed in relation to the funding of this measure; and if he will make a statement on the matter. [5534/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The first Strand of the Equality for Women Measure (Access to Employment) was launched in Summer 2008 and it attracted a high level of interest, with over 150 applications being received. All the project proposals have now been appraised. However, the extremely difficult Exchequer position makes it difficult to commit funding at this precise time. The matter continues to be kept under review.

### **Overseas Development Aid.**

145. **Deputy Billy Timmins** asked the Minister for Foreign Affairs the projected amount of overseas development aid to be allocated in 2009. [5342/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** As the Deputy is aware most of Ireland's expenditure on Overseas Development Assistance (ODA) is provided under Vote 29, International Co-operation. The programme is administered by the Development Co-operation Division of the Department of Foreign Affairs, also known as Irish Aid. Further contributions to ODA are made by other Government Departments and through Ireland's allocation to the EU Development Cooperation Budget.

In framing Budget 2009 last October, the Government allocated a total of €891 million for ODA. €754 million was provided under Vote 29 with a further €137 million being contributed by other Government Departments and through the EU Development Cooperation Budget.



Last week the Government took the decision to reduce the total Official Development Assistance (ODA) budget for 2009 from €891 million to €796 million — a saving of €95 million. This decision was taken as part of the determined effort to curb public expenditure in order to establish a platform for the resumption of strong economic growth, which will lead to further expansion of the Government's development programme in years to come. While the final allocation of the €95 million reduction has not yet been decided, it is likely it will have to be largely absorbed by Vote 29.

On current GNP projections for 2009, this revised allocation means Ireland will spend approximately 0.54% of its GNP on ODA. It is also likely that with this level of funding Ireland will maintain its position as the sixth most generous donor per capita in the world.

### Freedom of Information.

146. **Deputy Enda Kenny** asked the Minister for Foreign Affairs the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5402/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Below in tabular format is a statistical breakdown of the Freedom of Information Requests processed by my Department in 2007 and 2008. It is the policy of my Department to make all requests and replies made under the Freedom of Information Act, which are not of a personal nature, publicly available. The Freedom of Information Requests Database is available on the website of my Department and contains copies of the non-personal requests made since April 2004 to date. The website of the Department of Foreign Affairs is *www.dfa.ie*.

In addition to requests for information under the Freedom of Information Act, my Department responds to requests for information, outside of the Acts, on a regular basis. My Department also assists members of the public to formulate their requests in order to ensure that accurate information in a user friendly format is provided to the requesting party.

2007 Requests

	Received	Granted / Part-Granted	Refused	Withdrawn	Withdrawn & handled outside FoI
January	9	4	1	3	1
February	1	1			
March	3	2		1	
April	2	2			
May	1		1		
June	5	5			
July	6	3	3		
August	4	2	2		
September	3	2	1		
October	3	3			
November	5	2		3	
December	2	2			

[Deputy Micheál Martin.]

## 2008 Requests

	Received	Granted / Part-Granted	Refused	Withdrawn	Withdrawn & handled outside FoI
January	5	1	1	2	1
February	9	3	3	2	1
March	5	3		2	
April	4	2		2	
May	12	8	3	1	
June	7	6			1
July	7	5	1		1
August	6	2	1	2	1
September	10	6	2	1	1
October	9	6		2	1
November	*12	4	2	3	1
December	*2	1			

\*A number of requests are still pending either clarification or deposits from requesters.

### Human Rights Issues.

147. **Deputy Denis Naughten** asked the Minister for Foreign Affairs the contact he has had with the Nigerian Embassy regarding the practice of female genital mutilation in that country; and if he will make a statement on the matter. [5407/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The practice of Female Genital Mutilation (FGM) regrettably occurs in many countries throughout the world. Irish Aid is a member of the Joint Consortium on Gender Based Violence, which aims to promote a more coherent and co-ordinated response to gender-based violence, including female genital mutilation, amongst its members, who include Irish human rights, humanitarian and development organisations, as well as government departments. In the White Paper on Irish Aid, the Government has made a commitment to working against gender-based violence as a matter of priority.

FGM has been prohibited by law in a number of Nigerian states and the Government of Nigeria publicly opposes the practice. Neither I nor my Department have discussed this issue with the Embassy of Nigeria. However, I note that the Nigerian Ambassador to Ireland has been very clear in communicating the position of her government in regard to FGM. Moreover, in January 2009 the Ambassador of Ireland to Nigeria met with the Nigerian Federal Minister for Justice and Attorney General to discuss FGM, and the Minister stressed that his Government strongly opposed and vehemently condemned the practice.

When the human rights situation in Nigeria was reviewed under the Universal Periodic Review (UPR) process at the United Nations Human Rights Council in Geneva earlier this month, Ireland took the opportunity to raise the issue of FGM, among a number of other issues, with the Nigerian Government. In our statement, we welcomed the steps taken by Nigeria to combat FGM, notably through the adoption of the Child Rights Act (2003). We also asked the Nigerian Government what further legal, administrative and educational measures it intended to implement, at federal and at state level, to eliminate FGM. Finally, we encouraged the Nigerian Government to undertake an awareness raising campaign about the practice.

### Overseas Development Aid.

148. **Deputy Tom Hayes** asked the Minister for Foreign Affairs his views on a policy (details supplied) in view of expenditure on staffing for foreign aid. [5423/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** I welcome suggestions in relation to overseas volunteering in support of the work of the Ireland's aid programme and of the development work of Irish NGOs and individuals. The interest in volunteering demonstrated by the Irish people in recent years is impressive, and encouraging. Currently, more than 3,000 Irish volunteers and development workers are working with development agencies and missionaries with the support of Irish Aid. Information and advice on volunteering opportunities is available through the Irish Aid Volunteering and Information Centre, which last year hosted 64 events related to volunteering. The website for the Centre is [www.irishaid.gov.ie/centre](http://www.irishaid.gov.ie/centre).

It is important to recognise that volunteering in an overseas development context can be both challenging and demanding for all concerned. The challenges involved in establishing a volunteering scheme that simultaneously promotes local development and provides the volunteer with an opportunity to make a meaningful contribution should not be underestimated. In order to help organisations develop the capacity to address these issues, Irish Aid has supported the establishment of a Code of Practice for volunteering organisations, which promotes best practice in volunteering. It addresses training and induction needs as well as issues relating to cultural awareness, appropriate assignments, logistical support, transport and accommodation, health and safety, and monitoring, reporting and evaluation.

The Government is strongly committed to continuing to promote the development of the volunteering sector. In the current difficult economic context, all aspects of the aid programme are being examined in order to ensure that they contribute effectively to the overarching objective of poverty and hunger reduction in the developing world, and represent value for money. I can assure the Deputy that any new funding proposals will be fully assessed against these criteria.

*Question No. 149 answered with Question No. 15.*

### Human Rights Issues.

150. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs the extent to which genocide has been reported throughout the continent of Africa in the past 12 months; and if he will make a statement on the matter. [5483/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The crime of genocide, as defined in international law, involves the committing of acts with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such. These acts may include killing members of the group; causing serious bodily or mental harm; deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; imposing measures intended to prevent births within the group; or forcibly transferring children of the group to another group. Situations which fully meet this definition are thankfully extremely rare.

Nevertheless, there are a number of current situations in Africa which give rise to extreme concern. These include situations which have given rise to allegations of genocide, war crimes or crimes against humanity.

I am particularly concerned by the current situation in Darfur, where serious human rights abuses, in particular against women and children, have been a constant feature of the conflict. In July 2008, the Prosecutor of the International Criminal Court (ICC) requested that a warrant

[Deputy Micheál Martin.]

be issued for the arrest of Sudanese President Al-Bashir on charges of genocide, crimes against humanity and war crimes in Darfur. It is now up to the appropriate bodies of the ICC and, where appropriate, the UN to determine what action they intend to take in response to the Prosecutor's request. International efforts to end this violence include support for African Union and United Nations mediation, and the presence of a joint AU-UN peacekeeping force.

The situation in the east of the Democratic Republic of Congo (DRC) has also been a cause of much unease. Fighting involving DRC government forces and a range of rebel groups has had a devastating effect on the civilian population of the region, and more than 1 million people are currently displaced. Of particular concern are the continued atrocities committed by the Ugandan Rebel group, the Lord's Resistance Army, in north-eastern DRC. This group, notorious for its use of child soldiers, has killed up to 900 civilians in the past few months, and caused the displacement of an estimated 150,000. Here too, the international community is working to bring about a negotiated end to the conflict in the Kivu provinces, and the UN is working to protect the civilian population through MONUC, its largest peacekeeping operation.

The international community recognises its responsibility to work to prevent genocide, and it is notable that the Constitutive Act of the African Union expressly endorses the right of the AU to intervene in a member state in respect of grave circumstances, including genocide. In addition, the 2005 World Summit of the United Nations acknowledged that the international community has a responsibility to protect against genocide, while nonetheless recognising that each State bears the most fundamental responsibility to protect its own population against serious crimes of this nature. This was reaffirmed in 2006 by UN Security Council Resolution 1674.

The international community also has a responsibility to ensure that serious crimes, including genocide, do not go unpunished. It was for the purpose of ending impunity for such crimes that the international community, by adopting the Rome Statute, created the International Criminal Court. Ireland has been a consistent and strong supporter of the ICC, recognising it as an essential means for bringing to justice those responsible for the most serious international crimes.

### **Overseas Development Aid.**

151. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs the locations in Africa to which aid is being directed in 2009; the action taken to ensure that all such aid arrives to those for whom it was intended; and if he will make a statement on the matter. [5484/09]

153. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs if he is satisfied that aid intended for African countries goes to those for whom it was intended; and if he will make a statement on the matter. [5486/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** I propose to take Questions Nos. 151 and 153 together.

It is a matter of particular importance to the Government that the funding provided for our aid programme benefits the poorest and most vulnerable people of the countries in which we operate. The Government's development cooperation programme, which is implemented by Irish Aid, provides assistance to over ninety developing countries. The overarching objective of the programme is the reduction of global poverty and hunger. It has a particular focus on Africa, which has 34 of the world's least developed countries. Seven of the nine countries designated as Programme Countries for Irish Aid are in Africa: Ethiopia, Lesotho, Malawi,

Mozambique, Tanzania, Uganda and Zambia. We are committed to long term strategic assistance in partnership with the Governments and people of these countries.

Irish Aid funding is protected by rigorous monitoring, accounting and audit controls, which are in place in all countries where we provide development assistance. The objective is to ensure that funding is directed effectively to those areas most in need.

In the Programme Countries, strategies are developed in consultation with national Governments in support of their own poverty reduction strategies. These agreed strategies outline the programmes and projects which Irish Aid will support over a three to five year period. They contain monitoring frameworks with indicators and targets against which to measure improvements in basic services. The promotion of good governance is an essential element of all country strategies. Irish Aid works in cooperation with other international donors to strengthen public financial management systems and institutions of Government, such as the Auditor General function.

The monitoring of national programmes and projects is carried out in the first instance by national Auditors General, and, on an annual basis, by donors and civil society groups. In this process, particular attention is paid to progress on the numbers of people living below the poverty line and on improvements in access to basic health, education and water and sanitation.

In addition, Irish Aid has put in place rigorous accounting and audit controls. Programmes are regularly audited and evaluated by independent audit firms, by Irish Aid's own Evaluation and Audit Unit and by the independent Audit Committee of the Department of Foreign Affairs, in order to ensure that funds are used for the purposes intended and in respect of clear outcomes, and that they represent value for money.

The results from our aid programme and from our cooperation with partners can be clearly demonstrated, in Africa and elsewhere. The incidence of extreme poverty is falling in a number of Programme Countries. In recent years, economic growth in Africa has been the highest in a generation. More children are at school than ever before. The context remains challenging, especially in the face of the international economic crisis, but real progress is being made.

*Question No. 152 answered with Question No. 38.*

*Question No. 153 answered with Question No. 151.*

154. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs if he is satisfied that various African countries are likely to receive adequate aid to combat hunger in 2009; and if he will make a statement on the matter. [5487/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** Hunger is one of the critical issues facing the world today as almost one billion people go to bed each evening without adequate food. This number is continuing to rise, as the impact of hunger is compounded by the global economic crisis. The first Millennium Development Goal, to reduce by half the proportion of those suffering from hunger, is not on target to be reached in Africa.

The eradication of hunger is a cornerstone of Ireland's development aid programme and a key component of the Government's foreign policy, as indicated by our establishment of the Hunger Task Force and acceptance of the thrust of its excellent Report. We are committed to combating hunger in Africa and throughout the world. I firmly believe that the seriousness of the hunger crisis behoves all of us in the developed and the developing world to increase our commitment to combating hunger, with both immediate and longer-term initiatives.

[Deputy Peter Power.]

The UN Secretary General last April established a High-Level Task Force on the Global Food Crisis to address longer term food security issues. Ireland is committed to playing an active role in supporting the UN High Level Task Force in developing a future global partnership for agriculture and food security, and is providing financial support and expertise to the Task Force. In addition to this cooperation at an international level, in 2009, we will also allocate approximately €40 million towards increased agricultural productivity and long-term food-security measures in developing countries.

To address the immediate needs of the hungry, food assistance will comprise a significant element of Ireland's funding for hunger in 2009. Some €2.5 million has already been approved for the World Food Programme's activities in West Africa, Chad, Zimbabwe and Somalia. This is in addition to a total of €7 million disbursed to Common Humanitarian Funds in the Democratic Republic of Congo, Central African Republic and Sudan. At the global level, Ireland is the seventh largest contributor to the UN's Central Emergency Response Fund (CERF), with an initial 2009 contribution of €10 million already disbursed.

We will also continue to support our NGO partners in emergency food assistance interventions. To date in 2009, over €3.5 million has been allocated for NGO projects and programmes dealing specifically with food and nutrition assistance, or the promotion of food security in Africa. There are six years left to achieve the global goal of halving poverty and hunger by 2015. Ireland will continue to play an important role in seeking to meet this challenge.

*Question No. 155 answered with Question No. 15.*

#### **Middle East Peace Process.**

156. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs the extent to which he will assist in the context of influencing the EU and UN toward resumption of peace negotiations and address the human rights situation in Gaza; and if he will make a statement on the matter. [5490/09]

157. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs the initiatives he has taken to encourage engagement in a peace process in the Middle East; and if he will make a statement on the matter. [5491/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 156 and 157 together.

The priority right now, for all sides, remains the consolidation of the existing fragile ceasefire arrangements in Gaza through the full implementation of UN Security Council Resolution 1860. Only when peace and security are fully restored to Gaza and southern Israel will the parties be able to fully focus on reviving the peace process. With that in mind, I am encouraged by recent reports that an Egyptian-brokered permanent ceasefire deal may be imminent. Any such permanent ceasefire also needs to be coupled with full re-opening of border crossings into Gaza to end the unjustified economic isolation of the people of Gaza which has existed over the past eighteen months.

Beyond the immediate crisis in Gaza, the international community must work to restore momentum and credibility to the Middle East peace process. For a renewed political process to be credible, it must not only address the core issues of the conflict but must also aim to improve the daily lives of the people most affected. For a start, the parties must be encouraged to implement their obligations under the Quartet Roadmap. This must involve an end to all violence in and from the Occupied Territories, the lifting of checkpoints, the easing of restric-



tions on movement for Palestinians, and the end of the confiscation of Palestinian land. Prisoner releases would also make a significant contribution to the reduction of tensions.

I am particularly alarmed, however, by yet more reports of increased Israeli settlement construction in the West Bank. As I have stated repeatedly, continued settlement construction has a direct, negative impact on the political process. It also prejudices the outcome of final status negotiations and threatens the viability of an agreed two-State solution. If Israel is serious about reaching a political settlement, it must impose a genuine freeze on settlement expansion and I hope that this is an undertaking which is pursued by the new Israeli government. I have made this point directly to the Israeli Ambassador, to the Israeli Minister of Education when I met with her in January, and indeed to Foreign Minister Livni during my visit to Israel in July 2008.

Ireland will continue to work closely with our EU partners to ensure that the European Union continues to play a leading role in promoting a comprehensive settlement in the region. It remains a strategic priority, both for Ireland and for the EU, to contribute to the achievement of a negotiated two-State solution. I believe that there is now a clear opportunity, in light of the recent Gaza crisis and the election of a new Administration in the United States, for the European Union to step up its engagement in search of a comprehensive settlement in the Middle East and to play a more active role in its own right and alongside the other members of the Quartet (US, UN, Russia). The desire to see such a stronger EU engagement was clearly communicated to me during my recent visit to Syria, Lebanon and the United Arab Emirates.

One particular way in which the EU could increase its engagement in the region is through increased cooperation between the EU and the Palestinian Authority. In December, my Cypriot colleague and I sent a joint letter to all members of the EU External Relations Council urging that we explore ways in which we might further enhance our relationship with the Palestinian Authority. I believe the earliest and full implementation of the EU-PLO Interim Association Agreement, as well as the initiation of a more structured dialogue with the Palestinian Authority, would serve to increase the EU's capacity to influence events on the ground.

### Freedom of Information.

158. **Deputy Enda Kenny** asked the Minister for Arts, Sport and Tourism the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5394/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** The tables below set out the number of Freedom of Information requests received in the Department each month for the years 2007 and 2008. The Deputy should note that at the end of each year a number of requests will be carried forward into the coming year.

Freedom of Information Requests 2007

Month	No. of Requests Received	No. of Requests Granted	No. of Requests Part-granted	No. of Requests Refused
January	4	1	0	0
February	2	1	1	0
March	3	1	2	1
April	5	3	0	0
May	2	0	0	0

[Deputy Martin Cullen.]

Month	No. of Requests Received	No. of Requests Granted	No. of Requests Part-granted	No. of Requests Refused
June	5	3	1	1
July	2	0	5	0
August	2	1	1	0
September	3	0	1	0
October	4	1	3	0
November	6	1	1	0
December	0	0	3	2
Total	38	12	18	4

## Freedom of Information Requests 2008

Month	No. of Requests Received	No. of Requests Granted	No. of Requests Part-granted	No. of Requests Refused
January	4	0	0	2
February	6	0	4	0
March	2	1	3	1
April	5	0	1	1
May	10	0	1	2
June	3	3	8	1
July	3	1	1	1
August	3	2	1	0
September	9	0	0	0
October	4	5	3	0
November	4	1	1	0
December	1	1	1	0
Total	54	14	24	8

**Sports Capital Programme.**

159. **Deputy Willie Penrose** asked the Minister for Arts, Sport and Tourism when application forms will be available for community and voluntary organisations to make submissions for National Lottery funding in 2009; the level of funding which will be available for such organisations; and if he will make a statement on the matter. [5529/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** Under the Sports Capital Programme, which is administered by my Department, funding is allocated towards the provision of sports facilities at national, regional and local level. Over 7,400 projects providing a range of essential sports facilities have now benefited from sports capital funding since 1998 bringing the total allocation in that time to over €725 million. In 2008 over €50m was allocated towards 685 separate sports facility and equipment projects. As I announced in the House recently, no decision has been taken about the timing of future rounds of the Programme.

**Community Development.**

160. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs if, in relation to previous parliamentary questions (details supplied) regarding towns which are

excluded from the LEADER programme, he will provide an alternative provision for these towns. [5387/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** I refer the Deputy to my reply to Questions Nos. 301 and 302 of the 3rd February 2009 in which I outlined the reasons behind the exemption of certain urban areas from the Rural Development Programme.

As the Deputy is aware, my Department administers, delivers and funds a wide range of measures, programmes and schemes including those supportive of urban communities and urban areas.

A detailed description of each of the programmes and schemes operated by my Department, including relevant guidelines and eligibility criteria, are available on the Department's website at [www.pobail.ie](http://www.pobail.ie)

### Freedom of Information.

161. **Deputy Enda Kenny** asked the Minister for Community, Rural and Gaeltacht Affairs the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5396/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** The number of Freedom of Information requests received by my Department on a monthly basis in 2007 and 2008 are reflected in tabular format below.

In 2007, a total of 12 requests were granted, 5 requests were part granted, 6 requests were refused and 2 requests were handled outside of the Freedom of Information Act. In 2008, a total of 20 requests were granted, 14 requests were part granted, 9 requests were refused, 1 request was withdrawn and 2 requests were handled outside of the Freedom of Information Act.

Month	Freedom of Information requests received in 2007	Freedom of Information requests received in 2008
January	4	9
February	1	2
March	4	5
April	2	3
May	0	5
June	2	3
July	2	2
August	3	0
September	1	8
October	0	4
November	8	7
December	0	5
Total	27	53

### Charities Regulation.

162. **Deputy Leo Varadkar** asked the Minister for Community, Rural and Gaeltacht Affairs

[Deputy Leo Varadkar.]

the action he, or agencies of his Department will take to address the problem of bogus charities collecting old clothes and household items by means of door to door collections; and if he will make a statement on the matter. [5472/09]

**Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy John Curran):** The practice of collecting goods, and particularly clothing, door-to-door, supposedly for charitable purposes, is an issue of concern.

I am particularly concerned in relation to certain collectors of clothing and bric-a-brac who convey the impression in their promotional literature that they are a charity, when this may not actually be the case. This may lead some people to donate to such collections in the belief that they are supporting a charity and helping to alleviate hardship. I consider that this is unfair both to donors, whose intention in donating such items is to help those in need, and to bona fide charities that are losing out on donations as a consequence.

However, measures in the Charities Bill 2007 will help to address this situation. The Bill, when enacted and commenced, will make it an offence for an organisation that is not on the register of charities, which is to be established, to describe itself or its activities in such a way as to cause the public to reasonably believe that the organisation is a registered charity, irrespective of the terminology used by the organisation in leaflets etc. This will limit the scope for non-charities to suggest to the public that they are charitable in nature. This will in turn help the public to distinguish between genuine charitable and non-charitable collections, and to make more informed decisions about which collections they choose to support.

#### **Inland Waterways.**

163. **Deputy Willie Penrose** asked the Minister for Community, Rural and Gaeltacht Affairs the position regarding his plans to extend the Glasson Canal in towards the village at Glasson, County Westmeath; if a feasibility study has been completed in this regard, as was promised in earlier replies to parliamentary questions; his plans in this regard; and if he will make a statement on the matter. [5525/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** I am informed by Waterways Ireland that, in order to develop the Strategic Environmental Assessment of the Glasson Village Plan and at the request of Westmeath County Council, it has recently commissioned an assessment of the Extension of Navigation to Glasson under Article 6 of the EU Habitats Directive to ensure that the proposal is in compliance with the Habitats Directive. It is anticipated that this assessment will be completed by the end of June 2009.

I am further informed that Waterways Ireland, in accordance with Department of Finance requirements, will also be updating the economic appraisal of this project over the summer and would expect to be in a position to consider submission of a planning application by the end of the year.

#### **Pension Provisions.**

164. **Deputy John Deasy** asked the Minister for Social and Family Affairs the correspondence she has received from the European Commission regarding possible infringement of Article 8 of Directive 2008/94/EC, as interpreted by the European Court of Justice; and if she will make a statement on the matter. [5526/09]

172. **Deputy John Deasy** asked the Minister for Social and Family Affairs the measures she has put in place regarding measures to protect workers who have lost their pensions and defined

benefit security; the minimum level of protection which exist for employees' pensions which are required under the EU insolvency directive; and if she will make a statement on the matter. [5500/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I propose to take Questions Nos. 164 and 172 together.

The pension rights of scheme members are protected through trust law and by provision in the Pensions Act 1990 as amended. Defined benefit pension schemes are required to comply with the funding standard provision set out in the Pensions Act. This funding standard requires defined benefit pension schemes to maintain sufficient assets to enable them discharge accrued liabilities. Where schemes do not satisfy the Funding Standard, the sponsors/trustees must submit a funding proposal to the Pensions Board to restore full funding within three years. The Pensions Board can allow a scheme up to ten years to meet the standard in certain circumstances.

In recognition of the current market difficulties and the difficult decisions that pension schemes will face, the Government has put the following short-term measures in place to ease the pressure on defined benefit schemes: granting additional time for the preparation of funding proposals, as a temporary measure; dealing as flexibly as possible with applications for approval of funding plans; allowing longer periods for recovery plans (i.e., greater than ten years), in appropriate circumstances; allowing the term of a replacement recovery plan to extend beyond the end date of the original plan where the scheme is part-way through a previous recovery plan but is off track due to investment losses; taking into account voluntary employer guarantees in approving recovery plans; ensuring that these extensions are not seen as a weakening of supervision, the recovery plans which fail to demonstrate an appropriate investment approach will be rejected.

The EU insolvency directive 80/987/EEC requires member States to put certain measures in place to protect the pension rights of employees in the event of the insolvency of their employer. In this regard, I should point out that, in its review of the transposition of that Directive, the Commission gave an assurance that Ireland had adequately transposed the provision in that Directive.

The ruling by the European Court of Justice in the Robins case in relation to Article 8 of this directive is being considered in the context of the issues relating to the security of defined benefit schemes. I can confirm that the Department has recently received correspondence from the European Commission in relation to this ruling.

Proposals to address overall security of pensions will be considered as part of the development of a long term framework for pensions which the Government plans to announce shortly.

### **National Disability Strategy.**

165. **Deputy Richard Bruton** asked the Minister for Social and Family Affairs her views on introducing a system whereby all people who have a significant disability could be recognised and provided with a smart card which could act as a passport to different entitlements across the tax, health, social welfare and other service systems and would facilitate easy access and make it simple for private sector agencies to offer concessions; if she will arrange to study systems in other countries where this type of recognition has been provided; and if she will make a statement on the matter. [5378/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** In line with the provisions of the Disability Act 2005, the National Disability Strategy and Towards 2016, and as reflected

[Deputy Mary Hanafin.]

in the various Departmental Sectoral Plans published in 2006, the continued development of services for people with disabilities to ensure their financial security as well as their maximum participation in society is a key goal for the Government.

Given that the suggestion advanced by the Deputy extends beyond the realm of social welfare and would cover all age categories, any such development would appear to be contingent, in the first instance, on the availability of a comprehensive assessment of needs process for people with disabilities. This process is in course of being undertaken by the Department of Health and Children in the context of the implementation of Part 2 of the Disability Act 2005. In light of the outcomes of that process, further consideration could then be given to the issue raised by the Deputy.

**Freedom of Information.**

166. **Deputy Enda Kenny** asked the Minister for Social and Family Affairs the number of freedom of information requests received by her Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if she will make a statement on the matter. [5405/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The Department received 370 requests in 2007 and 485 requests in 2008, under the Freedom of Information Acts, 1997 and 2003. A monthly breakdown for these years is contained in the accompanying tables.

The majority of refusals involve cases where the records requested do not exist, the records relate to a third party, or the requestor sought the identity of a person who reported suspected abuse of a social welfare scheme.

The figures for the Social Welfare Appeals Office are returned separately to the Office of the Information Commissioner, and are not included in the first two tables.

FOI requests received within the Department of Social and Family Affairs

Month/Year	Granted	Partial	Refused	Withdrawn	Total
Jan-07	28	10	3	1	42
Feb-07	34	2	5	0	41
Mar-07	26	7	5	3	41
Apr-07	21	6	5	0	32
May-07	20	7	4	3	34
Jun-07	24	9	6	2	41
Jul-07	23	7	5	0	35
Aug-07	33	5	3	0	41
Sep-07	19	3	3	0	25
Oct-07	24	6	2	0	32
Nov-07	21	9	4	2	36
Dec-07	30	7	1	0	38
<b>Total</b>	<b>303</b>	<b>78</b>	<b>46</b>	<b>11</b>	<b>438</b>
Jan-08	35	5	5	1	46
Feb-08	37	10	3	0	50
Mar-08	27	7	2	1	37
Apr-08	30	7	2	1	40
May-08	31	9	2	1	43



Month/Year	Granted	Partial	Refused	Withdrawn	Total
Jun-08	34	5	3	1	43
Jul-08	35	13	3	1	52
Aug-08	23	5	3	1	32
Sep-08	40	8	2	2	52
Oct-08	51	12	1	2	66
Nov-08	38	12	1	0	51
Dec-08	34	6	7	1	48
Total	415	99	34	12	560

*Note:* The Information Commissioner has instructed that where a request deals with records held in several areas of the Department, it is counted as one request. The end of year figures returned to the office of the Information Commissioner are amended to reflect this. The above reflect the figures before this reduction.

FOI requests received within the Social Welfare Appeals Office

Month/Year	Granted	Partial	Refused	Withdrawn	Total
Jan-07	3	1	0	0	4
Feb-07	1	1	0	0	2
Mar-07	3	0	0	0	3
Apr-07	2	2	0	0	4
May-07	2	0	0	0	2
Jun-07	4	1	0	0	5
Jul-07	5	3	0	0	8
Aug-07	4	1	0	0	5
Sep-07	2	2	0	0	4
Oct-07	4	0	0	0	4
Nov-07	0	2	0	0	2
Dec-07	5	1	1	0	7
Total	35	14	1	0	50
Jan-08	1	4	0	0	5
Feb-08	1	1	0	0	2
Mar-08	6	0	0	0	6
Apr-08	4	1	0	0	5
May-08	2	1	0	0	3
Jun-08	2	0	1	0	3
Jul-08	5	2	0	0	7
Aug-08	5	0	0	0	5
Sep-08	5	1	0	0	6
Oct-08	3	1	0	0	4
Nov-08	6	1	0	0	7
Dec-08	12	0	1	0	13
Total	52	12	2	0	66

The figures for the Social Welfare Appeals Office are returned separately to the Office of the Information Commissioner, and are not included in the first two tables.

### Social Welfare Benefits.

167. **Deputy Paul Connaughton** asked the Minister for Social and Family Affairs the reason persons (details supplied) in County Galway have had their rent allowance reduced to €35 per week; if her attention has been drawn to the fact that they applied to Galway County Council over five years ago for housing; if the rent allowance will be increased; and if she will make a statement on the matter. [5440/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The supplementary welfare allowance (SWA) scheme provides for the payment of rent supplement to eligible people whose means are insufficient to meet their accommodation costs. Rent supplement is administered on behalf of the department by the community welfare service of the Health Service Executive.

Rent supplement is normally calculated to ensure that a person, after the payment of rent, has an income equal to the rate of supplementary welfare allowance appropriate to their family circumstances less a minimum contribution of €18 which recipients are required to pay from their own resources. Many recipients pay more than €18 because recipients are also required, subject to income disregards, to contribute any additional assessable means that they have, over and above the appropriate rate of supplementary welfare allowance, towards their accommodation costs. The minimum contribution payable towards rent was increased from €13 to €18 a week with effect from January 2009 as part of Budget 2009.

The Executive has advised that the person concerned had been in receipt of rent supplement of €114 per week based on household income from his jobseekers allowance. The weekly household contribution towards rent was €26, consisting of the rent supplement recipient's minimum contribution of €13 and a contribution of €13 from a non-dependent member of the household.

The Executive has advised that as the spouse of the person concerned was awarded disability allowance in December 2008, entitlement to rent supplement had to be recalculated. The supplement is being reduced to €35 per week to take account of current household income comprised of the recipient's jobseeker's allowance, his spouse's disability allowance, the increase in the minimum contribution to rent from €13 to €18 a week for the applicant and the non dependent member of the household.

Local Authority housing is allocated in accordance with each council's scheme of letting priorities. Queries relating to housing applications should be directed to the relevant local authority.

168. **Deputy Denis Naughten** asked the Minister for Social and Family Affairs the steps which she is taking to deal with eligibility difficulties facing the self-employed applying for jobseekers allowance due to the fact that the means assessment is based on the previous tax year; and if she will make a statement on the matter. [5453/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Jobseekers allowance is a means tested payment made to those who fulfill certain conditions which includes that the person is available for work, looking for work and satisfies a means test.

The means of a self-employed person would be taken as the net profit that they will earn in the coming 12 months. While their income from the previous twelve months is used as an indication in estimating their likely future earnings, it is not simply assumed that the previous year's earnings will be received in the coming year. Instead, account is taken of the potential for significant upward or downward variations in income from one year to the next.

For example, if a self-employed person lost a contract and was unlikely to find a substitute contract in the coming year, this would be factored into the assessment of future income. The implications of the present downturn in the economy would of course be taken into account.

If a self-employed person's situation changes after they have made an initial claim for job-seeker's allowance, they can apply to have their means reviewed in the light of their changed circumstances. In addition, if a person is dissatisfied with the means assessed, it is open to them to appeal to the Social Welfare Appeals office.

The Department will continue to ensure that the mechanisms used for assessing means for the jobseekers allowance are sufficiently adaptable to meet the challenges presented by the current economic situation.

### Social Insurance.

169. **Deputy Leo Varadkar** asked the Minister for Social and Family Affairs the amount paid in 2005, 2006, 2007 and 2008 in employers PRSI. [5475/09]

170. **Deputy Leo Varadkar** asked the Minister for Social and Family Affairs the amount paid in 2005, 2006, 2007 and 2008 in employees PRSI. [5476/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I propose to take Questions Nos. 169 and 170 together.

The amounts received in Employer's and Employee's PRSI in 2005, 2006, 2007 and 2008 are laid out in the following table. The figures for 2008 are provisional at this time. People who are self-employed also pay PRSI contributions. The relevant total amounts received are also included in the table, for completeness.

PRSI Receipts

Year	2008 Provisional	2007	2006	2005
	€ million	€ million	€ million	€ million
Employers PRSI	5,944	5,762	5,167	4,512
Employee's PRSI	1,634	1,539	1,380	1,218
Self-Employed PRSI	406	421	374	380

### Social Welfare Code.

171. **Deputy Leo Varadkar** asked the Minister for Social and Family Affairs the savings which would be made in 2009 if social welfare rates were maintained at their 2008 levels. [5477/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Budget 2009 provided for improvements in all weekly personal, qualified adult and qualified child rates of payment as well as improvements in family income supplement, back to school clothing and footwear allowance and the national fuel scheme. The amount provided in Budget 2009 for these improvements was €503 million.

*Question No. 172 answered with Question No. 164.*

### Social Welfare Appeals.

173. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs if she will

[Deputy Bernard J. Durkan.]

reconsider the refusal of disability allowance in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [5535/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Disability Allowance is a weekly Allowance paid to people with a specified disability who are aged over 16 and under 66. The disability must be expected to last for at least one year and the allowance is subject to a medical assessment, a means test and a habitual residency test.

Habitual Residency is intended to convey a degree of permanence of residing in a country, evidence by a regular physical presence enduring for some time, beginning at a date usually in the past and intended to continue for a period into the foreseeable future. It implies a close association between the applicant and the country from which payment is claimed and relies heavily on fact. The legislation underpinning Habitually Residency for Disability Allowance is contained in Sections 210(9) and 246 of the Social Welfare Consolidation Act 2005, as amended by Section 30 of the Social Welfare and Pensions Act 2007, EEC Regulations and Directives and EC Case Law.

In deciding if a person is Habitually Resident a Deciding Officer takes into consideration all circumstances of the case and in particular the following:

- (a) The length and continuity of residence in the state or in any other particular country
- (b) The length and purpose of any absence from the State
- (c) The nature and pattern of the person's employment
- (d) The person's main centre of interest and
- (e) The future intentions of the person concerned as they appear from all the circumstances.

Habitual Residency took effect from the 1 May 2004 and applies to certain Social Welfare Assistance Payments and Child Benefits and affects all applicants regardless of nationality.

The person concerned applied for Disability Allowance on 27 November 2008. His application was refused with effect from 3 December 2008 on the grounds that he is not habitually resident in the state. A letter issued to the person concerned on 29 January 2009 notifying him of this decision and giving him the option of sending in more documentary evidence or information he thinks is relevant to his case within 21 days and the decision will be reviewed by a Deciding Officer. It is also open to the person concerned to appeal directly to the Independent Social Welfare Appeals Office.

The Department of Social and Family Affairs is not obliged to concur with the decision made by other organisations such as the HSE with regard to Habitual Residency. On foot of new information supplied on behalf of the person concerned the Social Welfare Appeals Office has agreed to open an appeal in this case. The Social Welfare Appeals Office will be in direct contact with the person concerned.

#### **Social Insurance.**

174. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when a PPS number will issue in respect of a person (details supplied) in Dublin 15; and if she will make a statement on the matter. [5536/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** There is no record of an application for a PPS number having been made by the person concerned. Applications for PPS numbers are generally dealt with on the day the person attends the particular PPS Centre.

### Social Welfare Benefits.

175. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs the grounds on which the habitual residence clause is used to refuse unemployment allowance or benefit in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [5537/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The person concerned was refused jobseeker's allowance on 3 February 2009. The deciding officer, having examined all the circumstances, considered that the person concerned did not satisfy the habitual residence condition as her centre of interest within Ireland and future intentions to remain in Ireland have not been clearly established, in view of her employment record here or any alternative means of support while living here.

The person concerned was notified of the decision in writing on 3 February 2009 and informed of the right of appeal against the decision.

The requirement to be habitually resident in Ireland was introduced as a qualifying condition for certain social assistance schemes and child benefit with effect from 1 May 2004. It was introduced in the context of the Government's decision to open the Irish labour market to workers from the 10 new EU Member States, without the transitional limitations which were imposed at that time by most of the other Member States. The effect of the condition is that a person whose habitual residence is elsewhere would not normally be entitled to social welfare assistance or child benefit payments on arrival in Ireland.

Under Social Welfare legislation, decisions in relation to all aspects of claims are made by statutorily appointed Deciding Officers. Each case received for a determination on the Habitual Residence Condition is dealt with in its own right and a decision is based on application of the legislation and guidelines to the particular individual circumstances of each case. The habitual residence condition requires the applicant to satisfy the Deciding Officer that they meet certain conditions, including that their centre of interest is in Ireland and that their future intentions, as demonstrated, are to remain in Ireland.

EEA nationals who have been employed since arriving in Ireland may be entitled to Supplementary Welfare Allowance, even if they do not satisfy the HRC condition for Jobseeker's Allowance. Such persons should enquire with their local Community Welfare Officer as to their possible entitlement to Supplementary Welfare Allowance as a migrant EU worker.

176. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when persons (details supplied) in County Galway will qualify for child benefit; and if she will make a statement on the matter. [5540/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** In order to qualify for a range of Social Welfare payments, including Child Benefit, applicants are required to satisfy the Habitual Residence condition (HRC) which was introduced on 1 May 2004. The HRC requires the applicant to satisfy the deciding officer that they meet certain conditions, including that their centre of interest is in Ireland and that their future intentions, as demonstrated, are to remain in Ireland.

A Child Benefit application was received from the person concerned on 19 September 2008. The Child Benefit section sent a Habitual Residence form (HRC1) to her on 9 February 2009 for completion. A decision on her entitlement to Child Benefit will be made when the completed HRC1 form is returned.

177. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs if widow's pension or disability allowance is more beneficial in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [5541/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Disability Allowance is a weekly Allowance paid to people with a specified disability who are aged over 16 and under 66. The disability must be expected to last for at least one year and the allowance is subject to a medical assessment, a means test and a habitual residency test.

The person concerned was awarded Disability Allowance on 2 October 1996 and is currently receiving the weekly basic rate of €204.30 plus €23.90 Free Fuel Allowance. She is also in receipt of a travel pass and Free Schemes i.e. Electricity, Television & Telephone. If the person concerned satisfies the conditions for Widows Contributory Pension, she may be entitled to the basic rate of €209.80 Widows Contributory Pension and Free Fuel Allowance of €23.90. However, she would not qualify for a travel pass or Free Schemes until she is 66 years.

178. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs if a person (details supplied) in County Kildare qualifies for invalidity pension on medical and contribution grounds; and if she will make a statement on the matter. [5542/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Invalidity pension is a payment for people who are permanently incapable of work because of an illness or incapacity and who satisfy certain social insurance (PRSI) contributions. To qualify for an invalidity pension a person must have a total of 260 weeks' PRSI contributions paid and 48 weeks PRSI paid or credited in the last complete tax year prior to application.

The Department records show that the person concerned has only a total of 250 PRSI contributions paid and only 40 credited in 2008. On this basis, the person does not currently qualify for an invalidity pension.

Social insurance paid in a county covered by EU regulations or in a country with which Ireland has a bilateral social security agreement can be used to qualify for an invalidity pension. An invalidity pension application form has been issued to the person in case extra social insurance that would help her to qualify was paid outside Ireland. Medical eligibility is assessed after the PRSI contribution conditions are satisfied.

179. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when outstanding payments of unemployment allowance or benefit or supplementary welfare will be made in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [5548/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The person concerned was in receipt of Jobseekers Allowance at the weekly rate of €197.80 up to 19th August, 2008. Payment was suspended on that date on receipt of information that the person was no longer living at his stated address. He failed to make contact with the office and the claim was subsequently closed. The person made a new application for Jobseekers Allowance on 21st October, 2008 and despite a number of calls to his stated address, a social welfare inspector was unable to contact him. Furthermore, the house owner has confirmed to the Department that he is not resident at this address. In the circumstances his application for Jobseekers Allowance was closed on 3rd February, 2009. If the person concerned is still unemployed he should make immediate contact with his nearest local office.



**Freedom of Information.**

180. **Deputy Enda Kenny** asked the Minister for Defence the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5397/09]

**Minister for Defence (Deputy Willie O’Dea):** The information as requested by the Deputy in relation to the number of Freedom of Information requests received by my Department is as follows.

2007

Month	Month Total	Granted	Part Granted	Refused	Handled outside FOI / Withdrawn	Transferred
January	3	1				2
February	2	1				1
March	3	1			2	
April	1	1				
May	1			1		
June	2	2				
July	6	1	1			4
August	1	1				
September	0	0				
October	2	1			1	
November	6	3	2	1		
December	1	1				
<b>Total</b>	<b>28</b>	<b>13</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>7</b>

2008

Month	Month Total	Granted	Part Granted	Refused	Handled outside FOI / Withdrawn	Transferred
January	2	1	1			
February	5	2	1		1	1
March	3	1		2		
April	4				1	3
May	3	3				
June	7	2	4			1
July	5	2	1			2
August	4	1	1		1	1
September	6	3	2			1
October	9	2	3		1	3
November	4	2				2
December	8	4		2		2
<b>Total</b>	<b>60</b>	<b>23</b>	<b>13</b>	<b>4</b>	<b>4</b>	<b>16</b>

### Naval Service Vessels.

181. **Deputy Brian O'Shea** asked the Minister for Defence if he has received the recommendation of Coiste an Asgard regarding the proposed salvaging of the *Asgard II* (details supplied); and if he will make a statement on the matter. [5414/09]

**Minister for Defence (Deputy Willie O'Dea):** I have received the recommendation of the Board of Coiste an Asgard regarding the proposed salvage of Asgard II and I will be announcing my decision in the matter in the coming days.

### Defence Forces Property.

182. **Deputy Edward O'Keefe** asked the Minister for Defence if he has agreed to a decision on an issue (details supplied). [5434/09]

**Minister for Defence (Deputy Willie O'Dea):** The property in question is surplus to military requirements and consideration is being given to its disposal. In this connection, Department officials met with the stakeholders in December 2008 to ascertain if they would have an interest in acquiring the portion of the property that they currently occupy. The matter remains under consideration in my Department with a view to making a formal offer to each of the parties based on valuations, which will be obtained in the coming weeks.

### Defence Forces Operations.

183. **Deputy Brian O'Shea** asked the Minister for Defence his views on the reason the number of hoax call outs to suspect explosive devices increased from 11 in 2007 to 58 in 2009; the action he will take to address this issue; and if he will make a statement on the matter. [5435/09]

**Minister for Defence (Deputy Willie O'Dea):** The primary responsibility for the maintenance of law and order rests with An Garda Síochána. The Defence Forces, pursuant to their role of rendering aid to the civil power (ATCP) assist the Gardaí as required. The Explosive Ordnance Disposal (EOD) Team respond when a request is made by An Garda Síochána, to the relevant Brigade, for assistance in dealing with a suspect device or for the removal of old ordnance. EOD teams operating in ATCP provide a unique response capability within the State to deal with EOD incidents. This capability has been developed over many years in operational environments, both at home and overseas. The determination as to whether a suspect device is viable or hoax can only be made following detailed inspection by the EOD Officer.

### Housing Grants.

184. **Deputy Finian McGrath** asked the Minister for the Environment, Heritage and Local Government if persons (details supplied) in Dublin 5 will be supported. [5360/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** I refer to the reply to Question No. 1038 of 27 January 2009. The position is unchanged.

### Water and Sewerage Schemes.

185. **Deputy Joanna Tuffy** asked the Minister for the Environment, Heritage and Local Government the status with regard to the proposed new sewerage scheme for Courtmacsherry and Timoleague, County Cork; when he expects work to commence; and if he will make a statement on the matter. [5369/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Courtmacsherry/Timoleague Sewerage Scheme is included for funding in my Department's Water Services Investment Programme 2007 — 2009.

My Department is examining Cork County Council's Preliminary Report and cost estimate for the scheme and they are being dealt with as quickly as possible.

186. **Deputy Ruairí Quinn** asked the Minister for the Environment, Heritage and Local Government the steps he is taking to ensure that those responsible for the errors in the capacity and operation issues at Ringsend water treatment plant are held accountable for their mistakes; the steps he will take in this matter together with Dublin City Council; and if he will make a statement on the matter. [5375/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I refer to the reply to Question Nos. 8, 18 and 33 of 27 November, 2008.

In addition, in writing to the City Council following receipt of the Report, my Department asked, in relation to the odour limit prescribed in the tender document, that the City Council urgently examine the extent to which there may be any consequent liability on the part of any relevant parties and whether such liabilities may be amenable to a claim by the Council against their professional indemnity insurances. I understand that this issue is being examined by the City Council.

#### **Freedom of Information.**

187. **Deputy Enda Kenny** asked the Minister for the Environment, Heritage and Local Government the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5400/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** My Department received 105 Freedom of Information requests in 2007 and 135 such requests in 2008. A monthly breakdown of the requests along with the number of requests granted, refused, withdrawn and part granted, is in tabular format as follows.

2007

	January	February	March	April	May	June	July	August	September	October	November	December
Applications Received	11	5	10	5	3	12	7	16	4	12	12	8
Granted	5	0	3	4	0	4	1	5	1	6	3	5
Part Granted	1	2	1	0	1	4	3	6	1	1	2	2
Withdrawn	1	0	1	1	1	2	3	4	1	3	6	0
Refused	4	3	5	0	1	2	0	1	1	2	1	1
Totals	105											

2008

	January	February	March	April	May	June	July	August	September	October	November	December
Applications Received	15	17	3	11	13	3	12	6	13	15	9	7
Granted	5	12	3	7	7	3	5	3	6	4	2	5
Part Granted	3	3	0	1	4	0	4	2	3	9	4	1
Withdrawn	3	0	0	2	2	0	0	0	1	0	1	0
Refused	4	2	0	1	0	0	3	1	3	2	2	1
Sub-Totals	124											
Cases where decision made but pending fees	10											
Case where initial fee sought	1											
Total	135											

### **Housing Policy.**

188. **Deputy Phil Hogan** asked the Minister for the Environment, Heritage and Local Government if he will establish an authoritative property index to properly inform housing policy particularly relating to State intervention; and if he will make a statement on the matter. [5431/09]

My Department collates and publishes a wide range of housing statistics that inform the preparation and evaluation of housing policy. Among the areas of activity covered are statistics on:

- the delivery of various social and affordable housing supports
- housing construction activity
- inspections in the private rented sector
- house prices and lending activity
- The full range of data compiled can be viewed on my Department's website, [www.environ.ie](http://www.environ.ie).

My Department's index of new and second-hand house prices is collated on the basis of data supplied by lending institutions which are based on loan approvals, not loans paid out, and this is published on a quarterly basis.

My officials have been in consultation with the Central Statistics Office regarding the possible development of a new house price index which, if developed, would allow for better disaggregation of data and therefore more detailed analysis of the type of housing bought and of the categories of purchaser. It is hoped that this index would encompass data from all the main lending institutions operating in Ireland and my Department has met with representatives of the banking sector to brief them on the proposed project.

Work on this index is still at a developmental stage. Depending on the outcome of feasibility analyses and on the resources that can be allocated to the project I would hope to see progress on this by the end of 2009.

### **Water and Sewerage Schemes.**

189. **Deputy Paul Connaughton** asked the Minister for the Environment, Heritage and Local Government when work on the new Athenry treatment plant, County Galway will commence; if the money is available for same; if the contract documents have been signed; and if he will make a statement on the matter. [5443/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Athenry Sewerage Scheme is included for funding in my Department's Water Services Investment Programme 2007-09. Galway County Council's Design Review Report for the scheme is being examined in my Department and is being dealt with as quickly as possible.

### **Local Authority Funding.**

190. **Deputy Joanna Tuffy** asked the Minister for the Environment, Heritage and Local Government the steps he will take to ensure local authorities are not imposing rates on businesses that in view of the economic downturn are not sustainable for businesses to pay; and if he will make a statement on the matter. [5459/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):**

Rates are local property taxes that are levied by local authorities on commercial properties that are rateable under the Valuation Act 2001. The determination of the annual rate on valuation which is applied to property valuation to calculate rates is a decision taken locally by the elected members of a local authority in their annual budget and I have no function in this matter.

For 2009, I have allocated €935 million in General-Purpose Grants to local authorities from the Local Government Fund. These grants are a significant contribution to the current funding of local authorities. In allocating these grants, I specifically requested that local authorities again exercise restraint in setting any increases in commercial rates in their 2009 Budgets, in order to support competitiveness in the economy, nationally and locally, and to protect the interests of communities. Local authorities have responded positively to previous requests for restraint and, in light of the current, challenging environment for business, I strongly urged that they continue this restraint. This year, local authorities have again responded positively to this request and the national average increase in annual rates on valuation is 1.15%.

Many initiatives have also been undertaken in recent years to support efficiency and value for money in the local government sector, including the new financial management systems, multi-annual capital investment programmes, value for money auditing, expanding e-enablement and the new costing system which will facilitate authorities in assessing their unit costs over time and in comparing costs, on an appropriate basis, with other local authorities. In addition, the establishment of audit committees with a wide remit and financial expertise will, over time, further improve efficiency and value for money in local authority operations.

I have also asked elected members and management of local authorities as part of the 2009 budgetary process to continue to widen and deepen their examination of the scope for efficiencies and rationalisation of expenditure arrangements in all service areas in 2009.

The sources of funding for local authorities are being broadened with the introduction of a new charge to be levied on the owners of non-principal private residences. The new charge will come into effect during 2009. I will bring forward legislation at an early date to give effect to the new charge.

**Building Regulations.**

191. **Deputy Finian McGrath** asked the Minister for the Environment, Heritage and Local Government if he will clarify his role in ensuring that all city council and town council offices are accessible for people with a disability (details supplied). [5467/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** My Department's Sectoral Plan, as provided for in section 36 of the Disability Act 2005, was developed in consultation with people with disabilities to assist the Department and local authorities in supporting an inclusive society with accessible buildings, facilities, services and information. There are statutory provisions, codes of practice and guidelines available to assist local authorities in addressing the requirements of the Sectoral Plan.

Local authorities are required, firstly, to carry out access audits to identify what remedial action is necessary to make public buildings and facilities accessible to people with disabilities, and secondly, in light of the access audits to draw up implementation plans setting out a programme of works to address deficits identified during the access audits.

Each implementation plan, when adopted, is published and placed on the authority's website with targets and timeframes for carrying out the required works. Priority is given to local authority buildings and other facilities to which people with disabilities most frequently require



access, including footpaths, public amenity areas, information and other services. To date, 33 implementation plans have been received in the Department. One more local authority has yet to submit an implementation plan. Local authorities are required to publish their plans and forward a copy to the Department.

My Department has provided €58 million since 2005 to local authorities to assist them in carrying out actions identified in their implementation plans. The Department is monitoring progress on the implementation of the plans and seeks reports, as appropriate, as required by the Sectoral Plan.

### **Telecommunications Services.**

192. **Deputy John O'Mahony** asked the Minister for Communications, Energy and Natural Resources if it is through the mobile network that a company (details supplied) will provide the broadband signals; his views on whether this network has the capacity to supply a service to every customer here who needs it; and if he will make a statement on the matter. [5385/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Following the conclusion of a technology neutral procurement process, which was open to all broadband service providers from across all platforms, my Department has entered into a contract with “3”, a Hutchison Whampoa company, for the delivery of the National Broadband Scheme (NBS).

3 will extend its network to provide mobile broadband services into the NBS area. The mobile broadband service will be delivered using Internet High Speed Packet Access (I-HSPA) technology and will cover up to 95% of the NBS coverage areas. It is an industry leading technology which allows operators to offer high quality broadband services. In recognition of the fact that some areas will be very difficult and costly to reach using standard infrastructure, 3 will make available a satellite product which is expected to cover around 5% of the NBS coverage areas.

My Department has assessed the technical solution and the design proposed by 3 with regard to the technology that will be used, the number of base stations that will be deployed and the traffic that the network is expected to carry. I am satisfied that this network has been designed from the ground up to provide a quality service to meet the broadband needs of the NBS coverage areas.

The quality of the broadband service will be monitored for the duration of the NBS contract. Upgrades of the network and its capacity are automatically triggered at contractually agreed levels of traffic to ensure that the quality of the broadband service is maintained.

193. **Deputy John O'Mahony** asked the Minister for Communications, Energy and Natural Resources when the exchange at Urlaur, County Mayo will be enabled to provide broadband; and if he will make a statement on the matter. [5386/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** I have no function in the matter of the enabling of exchanges owned by private companies for the provision of broadband services. It is anticipated that the facilitation of greater competition via the introduction of broadband from different technology platforms should encourage the more rapid enabling of exchanges for broadband.

### **Freedom of Information.**

194. **Deputy Enda Kenny** asked the Minister for Communications, Energy and Natural Resources the number of freedom of information requests received by his Department each

[Deputy Enda Kenny.]

month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5395/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** The following tables show the details of Freedom of Information (FOI) requests handled by my Department during 2007 and 2008, in the format requested.

During 2007, 9 of the requests received were transferred to other Departments for response and 8 applicants withdrew their requests. During 2008, 6 requests were transferred to other Departments for response and 10 applicants withdrew their requests.

Details of FOI requests dealt with by my Department are available on the Department's website.

FOI Requests 2007

Month	Number of Requests Received	Number of requests Granted or Part Granted	Number of Decisions to Refuse Request
January	10	8	2
February	13	5	7
March	5	4	4
April	10	5	1
May	2	5	3
June	7	0	1
July	6	0	0
August	2	9	1
September	4	4	1
October	8	0	2
November	8	5	3
December	2	1	2
Totals	77	46	27

FOI Requests 2008

Month	Number of Requests Received	Number of requests Granted or Part Granted	Number of Decisions to Refuse Request
January	6	2	2
February	9	6	1
March	5	4	0
April	8	6	1
May	9	3	3
June	0	5	2
July	3	2	0
August	5	1	0
September	9	4	1
October	6	2	2
November	4	3	2
December	8	2	2
Totals	72	40	16

The data in the tables reflect the numbers of requests received and granted or refused in each calendar month as requested. Those granted and those refused within a particular month may, due to statutory deadlines under the FOI Acts, have been received in previous months.

### **Telecommunications Services.**

195. **Deputy Paul Connaughton** asked the Minister for Communications, Energy and Natural Resources the progress his Department has made in ensuring that when the new Tuam town drainage scheme which commences in summer 2009, that all the stakeholders, such as the ESB, Telecom Éireann and broadband services will be co-ordinated to use the open trenches to provide their services without having the streets of Tuam dug up a second and perhaps a third time; if his attention has been drawn to the fact that Galway County Council does not have the €750,000 needed to carry out this function; the progress his Department has made on this matter since he met a deputation of Deputies from the area a few months ago on this issue; and if he will make a statement on the matter. [5442/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** The position in relation to the provision of funding for the installation of broadband ducting in Tuam in tandem with the main drainage scheme remains as stated in my reply to the Deputy's Question No. 221 of 11th December 2008.

### **Food Security.**

196. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Fisheries and Food the efforts expected to ensure adequacy and security of food supply throughout the EU having particular regard to the World Trade Organisation; and if he will make a statement on the matter. [5481/09]

**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, including our responsibilities under the WTO, and the need to remain competitive on EU and world commodity markets. The CAP has responded to change through a series of reforms in recent decades. For example, 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.

In the initial discussions on the shape of the CAP after 2013, I and other Ministers, have emphasised the crucial importance of ensuring the security of supply of safe, high quality food for European consumers.

### **Grant Payments.**

197. **Deputy Ulick Burke** asked the Minister for Agriculture, Fisheries and Food when farmers in the County Galway area can expect to receive their payments under the farm waste management scheme in respect of applications submitted by the closing date of 31 December 2008; and if he will make a statement on the matter. [5346/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The arrangements for payment of grants under the Farm Waste Management Scheme on a phased basis have now been confirmed with 40 per cent being paid this year as claims are approved. A further 40 per cent will be paid in early January 2010 and the remaining 20 per cent in January 2011. Payment of the initial 40 per cent to farmers will be made as expeditiously as possible.

#### **Food Industry.**

198. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food his views on the fact that some indigenous food suppliers (details supplied) are experiencing financial difficulty due to unfair trading conditions and currency challenges; the measures he will take to assist businesses here in facing such difficulties; and if he will make a statement on the matter. [5347/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Many suppliers of fruit and vegetables are experiencing trading difficulties in the current economic turmoil. Some of the difficulties are due to currency developments but they are mainly due to decisions made by the market outlets. These are commercial decisions made by private organisations and not something in which I would be entitled to intervene.

I understand that the enterprise to which the Deputy refers is currently trading reduced volumes and that its staff are on protective notice because its contracts with one of the multiples have been wound down. However, the enterprise in question apparently intends to continue in business. This enterprise has received substantial support from my Department, including under the NDP schemes, and if it continues in business it will be entitled to apply for assistance under future schemes.

#### **Grant Payments.**

199. **Deputy John O'Mahony** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will receive their payment under the farm waste management scheme; and if he will make a statement on the matter. [5356/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. My Department is currently examining the application and a decision will be made as soon as possible.

#### **Installation Aid Scheme.**

200. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food his views, in relation to the suspension of a scheme (details supplied), on making a special provision whereby applicants who had been deemed eligible and had the legal transfer carried out could be accommodated under the scheme. [5388/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Only fully completed applications made under the Young Farmers' Installation Scheme and received by my Department up to and including 14 October 2008 are being processed. I have no proposals to re-open the Scheme.

#### **Freedom of Information.**

201. **Deputy Enda Kenny** asked the Minister for Agriculture, Fisheries and Food the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5393/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The following tables set out, by month as requested by the Deputy, the number of FOI requests received, the number of requests granted, refused, part refused or withdrawn in the years 2007 and 2008. The monthly breakdown does not facilitate a direct co-relation between the requests received and the replies to those requests.

Freedom of Information Requests received in 2007 by the Department of Agriculture, Fisheries and Food

Month	No. of requests received	Requests Granted	Requests Refused	Requests Part-granted	Other (transferred, withdrawn, etc.)*
January	11	3	1	0	1
February	15	3	2	3	2
March	19	8	8	1	1
April	13	5	0	0	0
May	16	6	1	4	9
June	10	5	1	6	2
July	18	2	5	1	3
August	16	4	3	8	0
September	11	2	4	5	1
October	11	0	6	3	2
November	10	4	1	0	1
December	6	7	1	1	3
Totals	156	49	33	32	25

\*These figures represent the number of requests where records were transferred to another Department/Agency, withdrawn or information was supplied outside of the Freedom of Information Acts. Agreement was reached with the requester in each case.

Freedom of Information Requests received in 2008 by the Department of Agriculture, Fisheries and Food

Month	No. of requests received	Requests Granted	Requests Refused	Requests Part-granted	Other (transferred, withdrawn, etc.)
January	10	0	1	1	0
February	17	2	3	4	4
March	16	8	2	3	0
April	15	10	1	7	2
May	28	0	3	8	1
June	13	4	1	7	1
July	25	6	4	12	5
August	21	3	1	2	3
September	16	9	2	5	1
October	24	15	10	14	6
November	14	11	1	4	5
December	18	1	1	3	4
Totals	217	69	30	70	32

\*These figures represent the number of requests where records were transferred to another Department/Agency, withdrawn or information was supplied outside of the Freedom of Information Acts. Agreement was reached with the requester in each case.

**Grant Payments.**

202. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food when a farm waste management grant for a slatted house will be awarded in respect of a person (details supplied) in County Galway; and if he will make a statement on the matter. [5436/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. My Department is currently examining the application and a decision will be made as soon as possible.

203. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food when a grant under the farm waste management scheme will be awarded in respect of a person (details supplied) in County Galway; and if he will make a statement on the matter. [5438/09]

**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.

204. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food the reason a grant for a slatted house has not issued in respect of a person (details supplied) in County Galway; and if he will make a statement on the matter. [5441/09]

**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.

205. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be granted the farm waste management grant. [5455/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. My Department is currently examining the application and a decision will be made as soon as possible.

206. **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. [5456/09]

**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.

207. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when persons (details supplied) in County Mayo will be awarded a REP scheme four. [5457/09]

**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 persons named and it is currently under further examination.

208. **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. [5458/09]

**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.

209. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be awarded the farm waste management grant. [5460/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person concerned is an applicant for grant-aid under the Farm Waste Management Scheme. My Department is currently examining the application and a decision will be made as soon as possible.

210. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will receive payment under the suckler cow welfare scheme. [5461/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment of €80 in respect of one animal was issued to the person named on 14 November 2008. One other calf will not qualify for payment as it was registered outside the statutory requirement of 27 days from the date of birth. A letter in the matter issued on 10 February 2009.

Eight other calves showed errors on the animal event dates. These have now been resolved and payment will issue shortly in respect of these eight animals. The remaining seven calves were born in December 2008 and will become eligible for payment in due course if all the measures are carried out.

211. **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. [5462/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** My Department has no record of an application for REPS 4 from the person named. A REPS 3 payment application was received from him and it will be processed within the period set out in the current Charter of Rights for Farmers.

212. **Deputy Frank Feighan** asked the Minister for Agriculture, Fisheries and Food when he will provide funding to his staff in order that approved applications under the waste manage-

[Deputy Frank Feighan.]

ment scheme for payments since December 2008 can be awarded; and if his attention has been drawn to the fact that farmers under financial pressure are forced to wait months for payments while they are paying high interest in banks on outstanding loans. [5524/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The arrangements for payment of grants under the Farm Waste Management Scheme on a phased basis have now been confirmed with 40 per cent being paid this year as claims are approved. A further 40 per cent will be paid in early January 2010 and the remaining 20 per cent in January 2011. Payment of the initial 40 per cent to farmers will be made as expeditiously as possible.

213. **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. [5531/09]

**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 the completion of detailed administrative checks on all applications. Payments are currently issuing to REPS 4 applicants whose applications required no correction following the administrative checks. Further payments will be made as applications are cleared.

#### **Physical Education Facilities.**

214. **Deputy Ulick Burke** asked the Minister for Education and Science if he will make funding available for the support of physical education facilities at a school (details supplied) in County Galway; and if he will make a statement on the matter. [5345/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The project referred to by the Deputy is at an advanced stage of architectural planning.

The progression of all large scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

#### **Schools Building Projects.**

215. **Deputy Bernard Allen** asked the Minister for Education and Science the position regarding a school (details supplied) in County Cork; if sanction will be granted for the commencement of the project; and if he proposes to accept the invitation extended by the management of the school to visit it. [5350/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The School to which the Deputy refers applied for a large scale extension project. The long term accommodation needs of the school have been determined as an 8 classroom school.

The progression of all large scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

It is my intention to visit the school in the near future.

### **Institutes of Technology.**

216. **Deputy Charles Flanagan** asked the Minister for Education and Science, further to Parliamentary Question No. 404 of 20 May 2008, the number of complaints, both formal and informal, in respect of bullying, harassment and intimidation which have been lodged to date with the human resources section of a college (details supplied) each year since 1 January 2000; the number of persons who have lodged complaints of bullying, harassment or intimidation, both formal and informal, broken down by year; the expenditure on investigating such complaints, broken down by year; and the cost to date of such investigations to include the expenditure on legal fees in respect of dealing with such complaints, or defending the educational institution against litigation brought. [5354/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Institutes of Technology are statutory bodies established under the Institutes of Technology Acts 1992 to 2006. Under the terms of these Acts, the governance and day-to-day management of the Institutes, including procedures for dealing with allegations of bullying and harassment, are matters for which the Governing Bodies and the Management of the Institutes are responsible.

All Institutes of Technology have in place formal procedures for dealing with allegations of bullying and harassment which provide for investigation of such matters by a third party. These procedures have been endorsed by the Governing Bodies of the Institutes and neither I nor my Department have any role in relation to such matters.

### **Higher Education Grants.**

217. **Deputy Ciarán Lynch** asked the Minister for Education and Science the criteria applying to a grant under the Higher Education Access Route; the way it would apply to a person (details supplied) in County Cork; and if he will make a statement on the matter. [5355/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Higher Education Access Route (HEAR) is a third-level admissions scheme for students from socio-economically disadvantaged backgrounds. The scheme is operated by eight Higher Education Institutions — UCD, UCC, NUIM, NUIG, TCD, UL, DCU and DIT. These institutions provide third-level places on reduced

Leaving Certificate points to students who meet specified socio-economic criteria and attend schools that are linked to the institution’s access programmes.

I understand that there is no specific HEAR grant associated with the scheme. However, the institutions involved may, resources permitting, provide students with some post-entry financial and/or academic supports from the institution. The provision of such supports is purely a matter for the institutions involved.

### **Schools Building Projects.**

218. **Deputy Joanna Tuffy** asked the Minister for Education and Science the progress in relation to the proposed new school building for a school (details supplied) in County Cork; when he expects work to commence on the project; and if he will make a statement on the matter. [5370/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The second Schools PPP bundle, which consists of six schools including the school referred to by the Deputy, was handed

[Deputy Batt O’Keeffe.]

over to the National Development Finance Agency (NDFA) in May 2008. The NDFA advertised the bundle in the Official Journal of the European Union (OJEC) on 20th May 2008.

This tender competition is being procured using the competitive dialogue procedure as provided for under Community Directive 2004/EC/18 and three Shortlisted Candidates were invited by the NDFA to commence the dialogue process on the 18th September 2008. During this process, the Candidates will develop their design and construction solutions as well as commercial proposals for each of the six schools.

A number of formal meetings are underway with each of the Candidates to assess the developing solutions during the dialogue, at the end of which process the NDFA will then invite final, fixed price tenders. The expected timeframe for these final tenders is summer 2009.

Following evaluation of the tenders received, an announcement on the appointment of the Preferred Tenderer, being the most economically advantageous tender, is anticipated in early autumn 2009. Construction is expected to commence, subject to the planning process, in early 2010.

219. **Deputy Joanna Tuffy** asked the Minister for Education and Science the position in relation to the proposed new school building for a school (details supplied) in County Cork; when he expects work to commence on this project; and if he will make a statement on the matter. [5371/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The school to which the Deputy refers have applied for a new School Building. The progression of all large scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

#### **Freedom of Information.**

220. **Deputy Enda Kenny** asked the Minister for Education and Science the number of freedom of information requests received by his Department each month in 2007 and 2008 in tabular format; the number acceded to; the number refused; and if he will make a statement on the matter. [5398/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The following tables provide the information requested by the Deputy on statistics regarding Freedom of Information (FOI) requests received by my Department in the years 2007 and 2008. All FOI requests received by my Department are processed in accordance with the provisions of the Freedom of Information Act 1997, as amended in 2003, and are either granted or refused on that basis.

Over 70% of the requests which were refused during 2007 and 2008 were personal requests seeking the records of former residents of Industrial and Reformatory schools. The Residential Institutions Redress Unit at my Department refuses many FOI requests under Section 10(1)(a) of the FOI Act on the grounds that records do not exist in the Department. My Department maintains records relating solely to children who were committed to some 59 Industrial and Reformatory Schools over varying periods of time following a court hearing. Many children

were placed in schools by alternative means, e.g. Health Board referrals, voluntary placement, etc. and in such instances, the Department generally doesn't hold any records.

Department of Education Freedom of Information Requests 2007

Month	Total Received	Granted	Part-Granted	Refused	Withdrawn or Dealt with Outside of FOI	Transferred
January	42	5	15	12	4	6
February	67	4	33	18	2	10
March	54	7	21	14	5	7
April	36	3	17	11	0	5
May	29	0	15	9	2	3
June	40	8	21	6	0	5
July	48	6	20	16	3	3
August	37	4	16	9	2	6
September	37	6	15	11	3	2
October	36	6	15	14	1	0
November	30	8	12	7	3	0
December	13	1	4	8	0	0
Total	469	58	204	135	25	47

Department of Education Freedom of Information Requests 2008

Month	Total Received	Granted	Part-Granted	Refused	Withdrawn or Dealt with Outside of FOI	Transferred
January	38	5	19	11	3	0
February	46	8	20	16	2	0
March	34	4	9	14	7	0
April	42	8	22	8	4	0
May	37	5	16	11	3	1
June	30	5	15	9	1	0
July	33	6	11	14	2	0
August	27	4	9	13	0	0
September	38	8	13	12	4	0
October	43	6	17	16	3	0
November	55	6	15	17	13	1
December	34	7	10	9	6	0
Total	*457	72	176	150	48	2

\*9 cases from 2008 remain live.

### Special Educational Needs.

221. **Deputy Denis Naughten** asked the Minister for Education and Science, further to parliamentary Question No. 666 of 8 July 2008, the steps he is taking to deliver on the commitment to preschool children with a special educational need; and if he will make a statement on the matter. [5409/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** As I indicated to the Deputy in my response to Parliamentary Question 666 on 8 July 2008, the commitment to ensuring early intervention for preschool children with special educational needs is being addressed in the context of the implementation of the EPSEN Act 2004 and Disability Act 2005.

In the light of the current financial circumstances, it is not possible to proceed with the full implementation of EPSEN in 2010 as originally envisaged. However, the Government will keep the matter under review and is committed to the full implementation of EPSEN at the earliest possible date.

Meanwhile, my Department is providing supports to certain preschool children with special educational needs. Approval for 36 early intervention classes attached to primary schools, for children with autism, have now been approved around the country. The National Council for Special Education (NCSE) will continue to establish more classes as required. The classes operate at a PTR of 6:1 with a minimum of two special needs assistants. Where a school place is not available, a home tuition grant may be provided for a child with autism while a school place is being sourced. My Department operates a visiting teacher service for deaf or hard of hearing children and children with visual impairments. Specially trained teachers, based in regions throughout Ireland provide the service. Visiting teachers aim to be a support to both the parents/guardian and the child. The support service can begin shortly following the birth of the child and follow through to third-level education where appropriate.

As announced on Budget day, an additional €20m has been provided — €10m for education services and €10m for health services — to strengthen and enhance services and continue the preparation for the full implementation of the Act at a later date.

The additional funding being allocated to my Department will provide for an expansion of the National Educational Psychological Service (NEPS) so that all schools in the country will be covered by the service. The additional funding available to NEPS, which represents a 33% increase over the 2008 allocation, will facilitate the recruitment of up to 50 further psychologists. It is envisaged that this will bring the number of NEPS psychologists by the end of 2009 above the proposed 200 incorporated in the Programme for Government.

This investment will significantly enhance the capacity of our educational psychologists to directly support schools in the development and delivery of appropriate interventions for children with special educational needs.

Additional funding is also being provided to the National Council for Special Education (NCSE) in 2009 to increase the Council’s capacity in the move towards the full implementation of EPSEN. The additional funding will enable the Council to continue to improve, plan and co-ordinate the delivery of services for children with special needs.

I have also provided for further investment in teacher training in this area. This will ensure that teachers are provided with opportunities to access continuing professional development so that the learning and teaching needs of all pupils with special educational needs continue to be met. The provision of high quality training ensures that pupils learning opportunities are enriched and learning outcomes are optimised.

An integrated approach is being adopted by the education and health sectors to target these additional resources to the areas of greatest need. Progress in both sectors will be kept under review by the Office for Disability and Mental Health and the Cross-Sectoral Team of the Departments of Education and Science, and Health and Children during 2009.

I want to take this opportunity to emphasise that priority will continue to be given to provision for children with special educational needs. I intend to build on the progress that has been achieved in recent years which has seen a huge increase in resources for special needs.



The NCSE will continue to support schools, parents, children and teachers. Along with all other areas of expenditure provision is dependent on the resources available to the Government.

### **Schools Building Projects.**

222. **Deputy Brian O'Shea** asked the Minister for Education and Science, further to Parliamentary Question No. 267 of 5 February 2009, if there is a realistic prospect of construction starting in 2009; and if he will make a statement on the matter. [5412/09]

**Minister for Education and Science (Deputy Batt O'Keeffe):** The Deputy will be aware that earlier today I announced 43 major building projects to proceed to tender and construction. The project to which the Deputy refers was not included in this announcement therefore, it is unlikely that this project will be progressed to construction in 2009.

The progression of all large scale building projects, including the school to which the Deputy refers, from initial design stage through to construction phase will be considered in the context of my Department's multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

### **Institutes of Technology.**

223. **Deputy Brian O'Shea** asked the Minister for Education and Science if he will announce his decision on the application of Waterford Institute of Technology for upgrading to university status before the Easter 2009 recess; and if he will make a statement on the matter. [5415/09]

**Minister for Education and Science (Deputy Batt O'Keeffe):** The position is that applications have been received from three higher education institutions for designation as Universities; Waterford Institute of Technology, Dublin Institute of Technology and Cork Institute of Technology.

The issue of university designation does not just affect the institutions and the regions from which applications have been received; it will also have a major impact on the future structure of the higher education system throughout the country. The Government wants to build on our strengths and to provide an environment where all our higher education institutions can develop in a way that best serves the country as a whole as well as the regions where they are based. Consideration of the three applications will be finalised as soon as possible.

### **Schools Building Projects.**

224. **Deputy Seán Sherlock** asked the Minister for Education and Science if he will prioritise the building of a new school (details supplied) in County Cork which was recently flooded and is awaiting formal planning approval and tendering; when this project will be given the go ahead; and if he will make a statement on the matter. [5430/09]

**Minister for Education and Science (Deputy Batt O'Keeffe):** A project for a new 12-classroom generic repeat design building for the school to which the Deputy refers is at the early stage of architectural planning. In this regard, a revised stage 2a submission (developed sketch scheme) is being examined in my Department. The progression of all large scale building projects, including this project, from initial design stage to construction phase, will be considered in the context of my Department's multi-annual school building and modernisation programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

**Education Welfare Service.**

225. **Deputy Brian Hayes** asked the Minister for Education and Science the amount it costs to run the administration of the National Education Welfare Board; the number of local officers in place to follow up on reports made by local schools; the number of cases against parents that have been taken by the NEWB since its establishment; and if he will make a statement on the matter. [5447/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** The Education (Welfare) Act, 2000 established the National Educational Welfare Board as the statutory body with responsibility for school attendance. The general functions of the board are to ensure that each child attends a recognised school or otherwise receives a certain minimum education. The board's service has developed incrementally and the board now has a total of 109 sanctioned posts. Some 90 posts are allocated in the direct service delivery, of which 85 are currently filled. The board operates through five regional teams at 30 locations nationwide. The budget allocation to the board has also followed an incremental trend, as follows: 2003; €4.310 million; 2004, €6.514 million; 2005, €7.838 million; 2006, €8.150 million; 2007, €9.808 million; and 2008, €10.085 million.

The board's network of educational welfare officers is the key means by which the board delivers on its statutory remit to ensure that each child attends and benefits from education. The officers deal with approximately 10,000 cases, involving children with reported school attendance difficulties, per annum. They work closely with the family, the school and other support services to address the particular issues for each child. In line with Government policy, the board prioritises its resources to support the most disadvantaged areas and schools participating in DEIS, the action plan for educational inclusion. The officers provide an intensive service in those areas. Outside of those areas, priority is given to children who are out of school or have significant difficulties with school attendance. The many reasons for non-attendance are complex. For example, some parents fail to enrol their child in a school or ensure that their child attends school regularly.

I have been advised by the National Educational Welfare Board that legal action for non-attendance at school is only taken when all other steps have failed and following consultation with the school and other services. Court action must ultimately be in the best interests of the child. A school attendance notice is the first step in enforcing the law. When a notice is issued, the situation is monitored and the parent is given every opportunity to address the underlying issues. Occasionally, the involvement of other services with the family may be sufficient to bring about change. In exceptional cases, if there is no change and the child remains out of school, the board will consider taking a prosecution. The first notices for non-attendance at school issued in 2005. A total of 460 notices issued between 2005 and the end of 2007. The provisional data available for 2008 indicate that approximately 315 notices issued during 2008. When a notice is issued, the board monitors the situation and gives the parent an opportunity to address the underlying causes of poor attendance. Occasionally, the involvement of other services with the family may be sufficient to bring about a change. The first legal cases for non-attendance under the Education (Welfare) Act 2000 were heard in the District Courts in 2006. In 2006 and 2007, some 89 summonses were issued against parents in respect of 53 children. Provisional data for 2008 indicate that 51 summonses were issued in 2008 in respect of 34 children. This brings the number of summonses issued against parents by the board since its establishment to 140, relating to 87 children.

226. **Deputy Brian Hayes** asked the Minister for Education and Science his proposals in respect of amending the legislation which established the National Educational Welfare Board to include in the scope of the act school going children under the age of six years. [5449/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** The Education (Welfare) Act, 2000 established the National Educational Welfare Board as the statutory body with responsibility for school attendance. The general functions of the board are to ensure that each child attends a recognised school or otherwise receives a certain minimum education. The board's network of educational welfare officers is the key means by which the board delivers on its statutory remit to ensure that each child attends and benefits from education. The officers deal with approximately 10,000 cases, involving children with reported school attendance difficulties, per annum. Under the 2000 Act, parents are required to ensure that children aged between six and 16 attend school regularly. The Act increased the compulsory school leaving age from 15 to 16. In addition, a student must have reached the age of 16, or completed three years of post-primary school, whichever is the later.

The 2000 Act requires the principal of a recognised school to maintain a register in respect of all students attending that school. It is mandatory under the Act to report on attendance. The Act requires certain categories of absence to be reported to the board, including a student with more than 20 days of absence during a school year, a student who is suspended for more than six days cumulatively, a student whose name is removed from the register by the principal, a student who is not attending school on a regular basis or where the school has a concern for the student. In addition, the principal is also required to maintain, in respect of each school year, a record of the attendance or non-attendance on each school day of each student registered at the school. On receipt of such a report, the educational welfare officer must consult the student concerned, his or her parents, the principal and any other appropriate person and make all reasonable efforts to ensure that provision is made for the continued education of the child and his or her full participation in school.

The work of the welfare board is one aspect of the comprehensive framework the Government has put in place to improve school attendance and encourage more young people to finish school. Home-school community liaison co-ordinators work with parents to promote school attendance and emphasise its importance for success in school. School attendance is a central objective of the school completion programme, with attendance tracking a core feature and one of its preventative strategies. Access to these services is available to all schools participating in DEIS. In keeping with Department policy on closer integration of support services, the board is working with these programmes to improve the delivery of service to address school attendance. This approach aims to ensure that optimum use is made of the resources deployed. There are no proposals to amend the existing legislation in relation to children under six years of age.

### **Schools Building Projects.**

227. **Deputy Brian Hayes** asked the Minister for Education and Science the banding/Departmental rating of each of the schools announced by him recently in respect of allowing the respective schools building project advance to the construction stage. [5450/09]

**Minister for Education and Science (Deputy Batt O'Keeffe):** Information on the band rating of the ten major school building projects I announced in January for retender and construction is contained in the table that follows this reply. The projects will create almost 2,500 new school places at primary and post-primary levels. The projects, all of which were previously tendered, are to be offered to the market again to get better value for money. These school building projects will provide permanent primary school places for over 1,850 pupils in three new schools and in six extended and modernised schools. In addition, 600 students will benefit from a new post-primary school. The following nine primary school projects and one post-primary school project are to be re-tendered with a view to going on site as soon as possible:

[Deputy Batt O’Keeffe.]

School Details	Project Details	Band Rating
Scoil Náisiúnta Tulach a Mhíle, Corlough, Co Cavan. (RN 06998Q)	New three-classroom school and GP room.	2.2
Scoil Náisiúnta an Bráthair M. Ó Cléirigh, Creevy, Ballyshannon, Co Donegal. (RN 17268N)	Three-classroom extension, GP room, alterations, demolition work, refurbishment and associated works.	2.3
Scoil Mhuire Og 1, Loreto College, Crumlin Road, Dublin 12. (RN 16964F)	Five-classroom extension, GP room, library and associated works.	2.5
Scoil Bríde C, Palmerstown, Dublin 20. (RN 18324C)	Two-classroom extension and major refurbishment to 14 classrooms. Temporary accommodation project in place to facilitate building work.	2.3
Marymount National School, The Rower, Inistioge, Co Kilkenny. (RN 15160G)	Extension of 667sq/m and alterations.	2.4
Convent of Mercy National School, Borris-in-Ossory, Co Laois. (RN 07442U)	New eight-classroom generic repeat design school.	2.1
Kilfinane National School, Co Limerick. (RN 13026P)	New six-classroom school, GP hall and associated works.	2.2
Scoil Náisiúnta Cronáin Naofa, Dromakeenan, Co Offaly. (RN 17523D)	Three-classroom extension, GP room, refurbishment and associated works.	2.4
Scoil Náisiúnta Cor Na Fola, Co Roscommon. (RN 01607T)	Five-classroom extension, GP room, refurbishment and associated works.	2.2
Presentation College, Bray, Co Wicklow. (RN 61800D)	New three-storey school and PE hall for 600 pupils.	2.2

### Schools Refurbishment.

228. **Deputy Willie Penrose** asked the Minister for Education and Science if he will take steps to allow a refurbishment project at a school (details supplied) in County Longford to proceed to tender; and if he will make a statement on the matter. [5530/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I am pleased to inform the Deputy that a refurbishment project for the school to which he refers is included among the list of major school building projects which I announced today to go to tender and construction this year. My officials will shortly be contacting each school on the list about the next steps they should take to progress their projects.