

DÁIL ÉIREANN

TU AIRISC OIFIGIÚIL—*Neamhcheartaithe*
(OFFICIAL REPORT—*Unrevised*)

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DÁIL ÉIREANN

Dé Céadaoin, 1 Aibreán 2009.
Wednesday, 1 April 2009.

Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m

Paidir.
Prayer.

Leaders' Questions.

Deputy Enda Kenny: Last month's unemployment figures on the live register were 354,000, which was up 26,000 on the previous month and 165,000 on the previous year. The Minister for Social and Family Affairs last night indicated that the figure for this month, due to be published in half an hour and now available to the Government, would show a further increase. What are the figures for the live register for the end of last month?

The Taoiseach: They are to come out this morning. The live register to the end of March was 371,300, which represents an increase of 16,863 on last month. The standardised unemployment rate for March is expected to be 10.9%. The rate has continued to rise strongly but it has shown some signs of abating. A fall is, however, unlikely in coming months and seasonal factors mainly associated with holidays in the educational sector will further disimprove the position in June.

Deputy Enda Kenny: If I have the figures correct, the rise to over 371,000 represents a massive increase of more than 16,000. It is appalling that this number of educated, healthy and fit people are expected to walk around with nothing to do. We have been in this House month after month and have heard from the Government benches the necessity for solidarity, constructive proposals and the backing of the country and its people. In fairness, Fine Gael has consistently produced a range of such proposals, and I would like to put two to the Taoiseach again today.

Given the scale of unemployment, the shock caused to people and the loss of dignity and social structure, Fine Gael last week published a detailed document presenting the opportunity to create 100,000 jobs through an economic recovery authority. It would be financed by the National Pensions Reserve Fund, an economic recovery bond and private equity and the document set out a holding company with six commercially driven State companies reporting to the Department of the Taoiseach. It would afford the opportunity to create 100,000 jobs around the country dealing with broadband, renewables, biomass, smart grids, telecommunications and so on. These are real opportunities and not fantasy.

Deputy Paul Kehoe: Hear, hear.

Deputy Enda Kenny: We made this suggestion in the House already and Deputy Coveney produced a detailed document thereon. In the spirit of what Ministers have been saying about

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the need to support the country, will the Taoiseach consider this real proposition to give people hope, confidence and a sense of realism? There is the potential for 100,000 jobs in the Fine Gael plan.

In the context of preparation for a budget next Tuesday, will the Taoiseach give this serious consideration and provide an opportunity to have it debated in the House? The Minister of State at the Department of the Taoiseach, Deputy Pat Carey, broadly welcomed it and the Taoiseach yesterday stated he would not pour cold water on it. There is an opportunity for discussion about real jobs for men and women, farmers, chemists, scientists, engineers or whatever.

Deputy Paul Kehoe: Hear, hear.

Deputy Enda Kenny: My second suggestion is in respect of this appalling increase in unemployment figures on the live register. I will not pull any punches. Most, although not all, of our domestic mess is the result of incompetence in the Government. I suggest that the Government deal now with a reduction in the lower end of VAT from 13.5% to 10%, as this directly affects the tourism, hospitality, construction and infrastructure industries, where jobs can be protected and created. It would offer some opportunity to people who are strangled by red tape and bureaucratic difficulties and where business is going down the tubes before our eyes.

The Taoiseach as Head of Government has the opportunity to do something about this. I make these two suggestions in the spirit of a constructive proposal. I know a VAT reduction from 13.5% to 10% would require, in part, approval from Europe. This party's connections in Europe are much stronger than those of Fianna Fáil and I am prepared to go out there at my own expense along with the Taoiseach to seek support from the European leaders for whatever approval is necessary.

(Interruptions).

Deputy Alan Shatter: Hear, hear.

Deputy Paul Kehoe: Hear, hear.

Deputy Enda Kenny: This is an emergency.

Deputy Seán Power: The Deputy might need to bring his name tag with him.

Deputy Paul Connaughton: It is the same voices the whole time.

Deputy Enda Kenny: Nobody in Europe will deny the Government emergency approval for a VAT reduction like this because we have a decision to make later in the year about completing the architecture for a new Europe of 500 million people.

Deputy Timmy Dooley: The Deputy should get his own party in order first.

Deputy Enda Kenny: I will accompany the Taoiseach in order to assist him and co-operate with him in the country's interests.

Deputy Bernard J. Durkan: Deputy Johnny Brady is going to have to take it easy over there on the Government side.

Deputy Enda Kenny: My proposals are in line with what the Government has been saying and I ask the Taoiseach to take them on board in that spirit.

Deputy Paul Kehoe: Deputy Breen wiped Deputy Dooley's eye for him last week.

(Interruptions).

The Taoiseach: As stated on previous occasions, it is not for me to become involved in a *contretemps* with the Leader of the Opposition regarding any policy documents he may put forward. When they have been properly examined and assessed, such documents should be debated in the House. There are aspects to the Deputy's proposals about which we have serious concerns.

Deputy Paul Connaughton: I am sure that would be the case.

The Taoiseach: I would prefer if such matters were dealt with as part of a formal debate. I look forward to the opportunity to debate these proposals in detail. The introduction of the budget next week will allow people to provide their initial views on the Deputy's proposals. I do not wish to seem churlish or to give the impression that I am not prepared to consider everything. However, we would be obliged to discuss and examine in greater detail the question of establishing a holding company to bring all semi-State bodies under the control of one entity——

Deputy Enda Kenny: It would be under the control of the Department of the Taoiseach.

The Taoiseach: ——the implications of so doing and the extent to which such a development would contribute to competition and innovation. I do not wish to say any more than that. Deputy Kenny has put forward a policy document and we can debate it when the opportunity arises.

In the context of rising unemployment and during a period in which the economy is contracting to a considerable degree, we are cognisant of the fact that people's very real concerns lie behind the statistics. Some 224,000 are in receipt of payments in respect of being unemployed for a full week and over 50,000 are receiving payments in respect of being unemployed for part of the week. In the context of the budget, we will do all in our power to reallocate existing resources into areas where activation, reskilling and other opportunities can be created in order to assist people who were unfortunate enough to lose their jobs in recent months.

I cannot discuss taxation at this particular juncture. The Minister for Finance will outline his position in that regard in full on Tuesday next. The major problem with the Government finances in recent months relates to the fall-off in tax revenues. We must seek to replace those revenues. A structural deficit has emerged because, as a result of the change in activity in the economy, the tax revenues that have been lost are not likely to be replaced from the same sources of income from which they were originally collected. That deficit could be of the order of 8% or €16 billion. There will be a need to examine tax expenditures and consider other means of raising taxes. We will also be obliged to cut expenditure programmes that are no longer regarded as necessary or to redesign them in light of the new circumstances in which we find ourselves. The challenge the Government faces not only in the context of next week's supplementary budget, but also in the coming years, is to redesign the tax base and the systems relating there to in order to ensure that they will be sustainable. The gap that has emerged cannot be bridged by relying on the sources of income on which we relied in the past. That is what we mean when we refer to closing the structural deficit.

We are in a recession and world trade is down. As a result, there is less demand for our goods and services abroad. However, that demand will return as growth returns. That is the

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distinction we are seeking to make in trying to analyse what happened and communicating to the public the nature of the problem and the changes that must be made in the context of putting in place a new taxation system. Some of those changes will relate to increased income tax, while others will come about in due course on foot of a broadening of the tax base. There is a fine judgment to be made with regard to Deputy's proposal in respect of reducing VAT or other taxes. As already stated, I do not wish to pre-empt what the Minister for Finance may wish to say in respect of these matters on Tuesday next. However, I hope I have provided some indication of the Government's thinking.

Deputy Eamon Gilmore: These unemployment figures are extremely bad. This is the third successive month in which the figure for unemployment has been the highest ever recorded in the history of the State. There are now some 371,000 on the live register. This represents an increase of over 200,000 on the figure that obtained at Christmas 2007. The figure of 371,000 does not include the 240 jobs that will, as announced yesterday, be lost at Schering-Plough, nor does it include the 1,200 jobs that will be lost at Dell's Cherrywood facility in my constituency or the 1,200 that will be lost at SR Technics.

The Taoiseach referred to the gap in the public finances. We acknowledge that such a gap exists and we are focused on what to do about it. However, the decline in the number of people at work, the associated loss of tax revenue and the increase in social welfare payments are causing the problem. The job losses to which I refer are engendering fear across the economy to such an extent that even those who are in employment are afraid to spend and tax revenues are decreasing further as a result.

Two weeks ago, the Labour Party put forward eight specific proposals to address the immediate problems relating to those who are losing their jobs and who are likely to be out of work for some time. Those proposals related to the provision of education, training, etc., so that some of the difficulties to which I refer might be addressed. Unfortunately, the Government voted them down.

I wish to focus now on what can be done to save jobs. I do not accept that we must throw in the towel, as the Government appears to be doing, in the context of trying to save jobs. Neither must we accept that jobs which can be saved are going to be lost. SR Technics is involved in the aircraft maintenance sector. Ireland is an island and if SR Technics goes, we will end up without an aircraft maintenance facility. SR Technics' business is being moved to Switzerland, which is hardly a low-cost economy. The equipment and hangars relating to aircraft maintenance are already in place at the SR Technics facility at Dublin Airport and a great skills base has been built up among the company's employees over the years.

We are informed that the proposed management buy-out at SR Technics will cost in the order of €25 million. That may seem like a great deal of money. However, if these people lose their jobs, the Government will be obliged to spend that amount next year in social welfare payments, refunding redundancy payments that will have to be made and paying secondary benefits to people. In addition, account must be taken of the tax revenue that will be lost. Why will the Government not respond positively to the proposal for a management buy-out at SR Technics? This buy-out would save 900 of the 1,200 jobs at the company, would lead to the retention of what is a viable business and a valuable skills base and would ensure that the country will continue to have an aircraft maintenance facility. Why does the Government not respond positively to the proposal for a management buy-out at SR Technics and save 900 of those jobs?

The Taoiseach: I do not accept that the Government, in tandem with the State agencies, is not seeking to find a solution to this problem or a viable way forward for the company in question. There have been some serious expressions of interest and, as the Deputy is aware, our efforts in respect of the company are ongoing. Government Deputies and Ministers and other Members have been seeking a solution that will ensure jobs are retained. That is ongoing and they are continuing to assess the various proposals received. I am aware of the views of trade union representatives and others who are trying to find a way forward. The provision of financial and other supports by the agencies will be dependent on a company or companies submitting proposals for consideration and seeking approval for State support in the normal way. We have to see in what way we can move forward this situation, given that there have been a number of inquiries, the current position and the confirmation that everyone is working to find a solution to the problem.

Deputy Eamon Gilmore: I do not accept that the Government is working sufficiently hard or urgently to find a solution to this problem. The current position is that 600 of those employees will walk out the door next Friday and, therefore, there is not much time left. My colleagues, Deputies Broughan, Shortall and Costello met with the Industrial Development Authority last night to discuss ways in which this facility can be saved and among the things they learned was that the Department of Transport had known about the difficulties in SR Technics for some time but apparently had not communicated them to the Department of Enterprise, Trade and Employment and to the IDA. There is incompetence——

Deputy Noel Dempsey: That is untrue. That is a lie.

A Deputy: That should be withdrawn.

Deputy Eamon Gilmore: It is a lie like the lie that the Minister did not know about Aer Lingus pulling out of Shannon. That was a lie too, was it not? If the Minister for Transport was doing his job——

An Ceann Comhairle: The Minister, Deputy Dempsey, must withdraw the word “lie”.

Deputy Noel Dempsey: I did not say the Deputy was lying; I said “that is a lie”.

Deputy Eamon Gilmore: Is the Minister withdrawing it?

An Ceann Comhairle: He is not saying Deputy Gilmore is telling a lie.

Deputy Eamon Gilmore: Butter would not melt in his mouth.

Deputy Noel Dempsey: The Deputy’s spokesman is telling the lies.

(Interruptions).

Deputy Eamon Gilmore: If the Minister for Transport or any of the other Ministers on that side of the House were as good at doing their jobs and saving the jobs of people who are losing them as they are at casting political attacks in this direction, we would all be much better off.

(Interruptions).

Deputy Noel Dempsey: The Deputy is too sensitive.

An Ceann Comhairle: Deputy Gilmore, without interruption.

Deputy Eamon Gilmore: The fact of the matter——

An Ceann Comhairle: Let him finish.

Deputy Eamon Gilmore: There are 600 employees in SR Technics who will lose their jobs this Friday. Another 600 will lose their jobs further down the line. Nine hundred of those jobs can be saved if the Government gets off its butt and does what is required to save them. A management buy-out plan has been put forward, but the Government is not responding promptly or adequately to it. All we are hearing from the Taoiseach is that they are doing their best, they will wait and see, they will do this, that and the other and it is business as usual. It is business as usual that is costing the loss of these jobs. These jobs can be saved. This facility can be kept in business. There is no reason for this country to lose its aircraft maintenance operation and facility.

I have met the employees in that company. They tell me they have the business, the customers, the equipment, the skills and the will. They are prepared to make whatever changes are necessary in work practices and in the way business is done at the facility in order to save the jobs. They need help from the Government now. The Government will end up spending taxpayers' money keeping those people on the dole when that money would be better used if it were invested now to keep those people in employment.

Deputies: Hear, hear.

The Taoiseach: First, what will keep people in employment, which is the objective of the Government as well as everyone else, is to obtain and provide a viable way forward for the company. Deputy Gilmore is not alone in his concern or in relation to the work that has been ongoing on this matter for some months.

Deputy Noel Dempsey: Hear, hear.

Deputy Dermot Ahern: Hear, hear.

The Taoiseach: Second, the Government will make every effort consistent with obtaining a viable proposal with the purpose of having an aircraft maintenance facility in Ireland. That is the purpose for which the work is ongoing, with the agencies as well. I presume the Deputy does not regard the people in IDA Ireland or Enterprise Ireland as being not interested in trying to maintain employment, although he can throw his political attacks at the Government.

Deputy Paul Connaughton: Sometimes.

The Taoiseach: That is predictable but I heard political attacks coming from his spokesperson this morning. There is no harm in balancing that out for a moment. We are focused on trying to see if there is a way forward that will maintain employment in a viable way.

Deputy Emmet Stagg: There is a way forward if the Government would do it.

The Taoiseach: There is a continuing evaluation taking place and discussions are ongoing in regard to that matter. That is not the done deal Deputy Stagg would suggest it is, much as I wish it were, but we are working to see if there is a viable way forward.

Ceisteanna — Questions.

Official Engagements.

1. **Deputy Enda Kenny** asked the Taoiseach if the arrangements for his proposed visit to Washington DC in March 2009 have been finalised; and if he will make a statement on the matter. [8758/09]

2. **Deputy Enda Kenny** asked the Taoiseach if he has received an invitation to the White House during his forthcoming visit to Washington DC; and if he will make a statement on the matter. [8759/09]

3. **Deputy Eamon Gilmore** asked the Taoiseach if the itinerary for his visit to the United States around the St. Patrick's Day 2009 period has been finalised; and if he will make a statement on the matter. [9523/09]

4. **Deputy Caoimhghín Ó Caoláin** asked the Taoiseach the arrangements for his visit to Washington DC; and if he will make a statement on the matter. [9855/09]

5. **Deputy Enda Kenny** asked the Taoiseach if he will report on his recent visit to the United States; and if he will make a statement on the matter. [10602/09]

6. **Deputy Enda Kenny** asked the Taoiseach if he will report on his recent meeting with US President Obama in Washington DC; and if he will make a statement on the matter. [10603/09]

7. **Deputy Enda Kenny** asked the Taoiseach if he convened a meeting of the Irish America Economic Advisory Board during his recent visit to the United States; and if he will make a statement on the matter. [10604/09]

8. **Deputy Eamon Gilmore** asked the Taoiseach if he will make a statement on the outcome of his visit to the United States during the St. Patrick's Day 2009 period. [10881/09]

9. **Deputy Eamon Gilmore** asked the Taoiseach if he will make a statement on his meeting with President Obama during his visit to the United States. [10882/09]

10. **Deputy Eamon Gilmore** asked the Taoiseach if he will make a statement on his meetings with political leaders during his visit to the United States. [10883/09]

11. **Deputy Eamon Gilmore** asked the Taoiseach if he will make a statement on his contacts with the Irish community during his visit to the United States. [10884/09]

12. **Deputy Denis Naughten** asked the Taoiseach if he will report on his visit to Washington DC; and if he will make a statement on the matter. [11065/09]

The Taoiseach: I propose to take Questions Nos. 1 to 12, inclusive, together.

I travelled to the United States on 14 March accompanied by the Minister for Foreign Affairs, Deputy Mícheál Martin.

On Sunday, 15 March, I launched a major review of Ireland-US relations entitled, Ireland and America: Challenges and Opportunities in a New Context. This review, prepared by the ambassador at my request, reflects the changing nature of the Irish-American relationship and

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sets out how we can re-energise and renew that relationship. It is the first significant review of diplomatic relations with the United States since the 1930s and includes a number of recommendations that will re-energise and ultimately transform how Ireland does her business in America.

On Monday, 16 March, I led a successful trade mission on behalf of Enterprise Ireland. This involved up to 100 exporters and contracts worth \$130 million with their US customers in this year alone. I believe the value of those deals will ultimately reach more than \$500 million in the coming years. These contracts demonstrate the faith US industry has in the capability and potential of Irish-owned companies.

Later that day, I attended the US-Ireland Council event hosted by Tourism Ireland where I placed a particular emphasis on promotion of Irish tourism in the valuable US market. I briefed business leaders on the Government's strategy to tackle the challenges of a contracting global economy and to encourage further investment into Ireland. Later that afternoon, I travelled to Washington to attend the annual American Ireland Fund dinner.

On the morning of St Patrick's Day, before I went to the White House, I met with the Friends of Ireland group led by Congressman Richie Neal. I briefed the group on the situation in Northern Ireland, the review of US Ireland relations, and immigration reform was also discussed.

At my bilateral meeting with President Obama at the White House, I updated the President on recent developments in Northern Ireland. I was heartened by the President's strong message of support for the peace process. He also made it clear that the United States will always stand with those who work for peace.

President Obama and I also discussed the global economic situation, the banking crisis and trade and investment between the US and Ireland as well as a range of international issues. Later, at the shamrock ceremony, I presented the President with the traditional gift of shamrock to symbolise the friendship and deep ties between Ireland and the United States. I also invited the President to visit Ireland and I hope he will be able to take up that invitation at some time during his term of office. President Obama also announced the appointment of Dan Rooney, a long and valued friend of Ireland, as US ambassador to Ireland.

Later that afternoon, I was honoured to attend lunch with President Obama and our friends on Capitol Hill hosted by Speaker Nancy Pelosi. Following lunch, I met with Senators Patrick Leahy and Chris Dodd before meeting the Ireland America Economic Advisory Board to discuss economic issues and how Ireland can position itself for future economic growth. At all of my meetings I emphasised that Ireland is taking every step to ensure support for the banking sector, that we are working hard to improve the position of the public finances, restore competitiveness and maintain and create as many jobs as possible.

Later that evening, I addressed a reception hosted by the ambassador in co-operation with Enterprise Ireland. I then went to the White House where the President and First Lady hosted a St. Patrick's Day reception and where I also met Vice President Biden. The visit demonstrated the enduring links between Ireland and the United States at so many levels; political, cultural, economic and community.

Deputy Enda Kenny: This was an important visit by the Taoiseach, which I supported. In fairness to him, the reports were to the effect that he was not unduly phased when he started

to read President Obama's speech and that he got over that little glitch without any problem. Fair play to him.

I welcome the appointment of Dan Rooney as ambassador to Ireland. I met Mr. Rooney on a number of occasions when I was Minister for trade and I am sure he will do a first-class job in terms of relations between the United States and Ireland. Does the Taoiseach believe the American Government will proceed with its comprehensive immigration legislation? There is division over what should be done. Should we proceed on a bilateral basis or push for a comprehensive immigration legislation package? It is a complex area. The Minister for Foreign Affairs spoke to the Secretary of State for 45 minutes and there has been some movement since the beginning of the Obama presidency.

The list produced following the Taoiseach's announcement of a review of US-Ireland relations is quite comprehensive. It indicates the intention to appoint new consuls to Atlanta and Houston. Will these appointments require acquisition of property?

The Taoiseach mentioned the strong partnership with the Irish-American community and the US authorities in caring for the forgotten Irish. I have visited these locations. Elderly Irish people who went over to work as navvies or in domestic service find themselves isolated, often in tied-rent in buildings surrounded by many different nationalities, making it difficult for the Irish community to care for them. What strengthening of that partnership does the Taoiseach see to give effective contact with those people? It is not all about money; from meeting some of these people, it is clear there is a real need for continued human contact with the Irish.

The Taoiseach: I discussed immigration reform with President Obama and he is open on the issue. It is a difficult domestic issue in the United States for many reasons and there are many caucuses apart from the Irish caucus that have an interest in it. Finding a comprehensive approach to immigration reform is the best way forward in terms of engaging the Administration and, most importantly, Congress, because Congress determines the laws in these matters as well as whatever initiatives emanate from the Obama Administration.

One of the issues that has emerged from the debate is the need for the American public to feel reassured about the safety of its borders. When there is public confidence on that issue, the question of dealing with those who have travelled to the United States illegally might be addressed in a more positive way than is possible at present. We have been making certain initiatives regarding short-term visas as a means of keeping the item on the agenda and also of finding a pragmatic way forward which might not sort out the question of illegal immigrants in the near term, because that must be dealt with more comprehensively, but at least it indicates that progress can be made on this issue generally. The strategic review we outlined provides ideas on which we will continue to work.

On opening additional consulates in the United States, other economic hubs have been built up since the 1930s when we first established our physical locations in the country. The southern United States offer obvious opportunities and Atlanta and Houston would be regarded as places where we should have a consular presence. Atlanta is the location of the headquarters of Coca Cola which made a €300 million investment in Wexford recently. That is a first choice and can be developed from within existing resources.

When I was Minister for Foreign Affairs, I instigated a review of the emigration question. A full report was published under the chairmanship of Paddy O'Hanlon that recommended the establishment of an unit for the Irish abroad, bringing various departmental activities within the scope of the Department of Foreign Affairs and that has proved to be a great success. It is a small unit and it is very well run and administered. All of the welfare groups have seen a sea change in terms of the cohesion and coherence of the approach to the issues they deal with in

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these communities, particularly in Britain, the United States and Australia. That unit has proven its worth.

There has been in the past the ability to provide increased resources to many of these welfare organisations. I met them myself. During my trip to New York in July 2008, I attended a function attended by many elderly people who have been in the United States for many years. Some of them still live in the neighbourhoods that were traditionally Irish in the past but are no longer as strongly connected to Ireland. Many of them maintain good connections through their own initiatives, activities and involvement in Irish organisations down the years. Welfare organisations also have effective outreach initiatives that ensure people who are now living alone or who do not have the same family support are assisted and helped in every possible way, including through social networks. This is all important work and has less to do with resources than with the fact that there are many highly motivated people who are committed to the Irish community in America and who have developed and maintained these organisations to great effect.

Deputy Enda Kenny: Did the Taoiseach discuss with President Obama the continuation of the post of Special Envoy to Northern Ireland? There was a rumour that it might not continue, although I hope that is not the case. We in this country greatly value the continuing interest of successive United States Governments in our problems.

While we know this country is not regarded as a tax haven, the definition used by the General Audit Office in the USA is very loose and equates Ireland with countries such as Liechtenstein and other locations that are clearly tax havens. This is not the case for Ireland and it is important we make that crystal clear. Those responsible for inward investment from the United States should not be under any illusions on that point. For general consumption we should deal with the matter.

The last time I was in New York, I met a group of young Irish-American businessmen and women. Many of them had never been to Ireland. As a result of their genuine interest in building relations between their generation and Ireland, it would be worthwhile to put in place a programme for young business people who would be brought here from the States to see the developments we are making in software, intellectual property and our capacity for research and future innovation, and *vice versa*. As the Taoiseach is aware, at least 80,000 people work in Irish-owned firms in the United States. A reciprocal business programme on a six-month or yearly basis would be beneficial.

Most Irish university presidents must raise money in the States from philanthropic sources and so on. The detail given by the Taoiseach stated there would be a co-ordination of activities of Irish universities and higher education institutes. This is the key to the future. The world will change utterly again in the next 20 years with developments in the Internet, genetics and robotics. What sort of co-ordination of activities is envisaged?

The detail also stated there will be extended secondary school linkages and development of curriculum materials between the US and Ireland. What is meant by co-ordinated links between schools in the States and Ireland? Will a programme be set up whereby Irish secondary schools can travel to the States for classes and *vice versa*? Will the Taoiseach elaborate on the development of curriculum materials?

The Taoiseach: The US President confirmed a US envoy to Ireland would be appointed. I welcomed this as an envoy has a role to play in the bedding down of the peace process. Most important, the contribution of the United States in emphasising the economic dividend of the

peace process has been highly effective. It has leveraged much goodwill and investment projects not only in Northern Ireland but the island of Ireland.

The tax haven issue arose in some documentation relating to audits that emanated from one of the congressional offices. It has been taken off the list since our diplomats in the United States brought it to attention. There is no indication or question of the US President or others regarding Ireland as a tax haven. They understand we have double taxation treaties and meet all the relevant transparency criteria.

Tax deferrals are more complex issues. The challenge is to strike the right balance between supporting domestic employment and staying outward looking in ensuring US companies are in a position to invest in countries such as Ireland and maintain competitiveness overseas. I made the strong point to the US President that every \$1 invested by US companies in Ireland brought a return investment of \$3.50 to the US. By internationalising their business, they become more competitive.

Concerning Deputy Gilmore's earlier question on Leaders' Question on job losses, this is about competitiveness and being able to provide goods and services for which there is international demand. A world economic downturn for the first time in 25 years and the worst in 80 years will have an effect on small open economies to a greater extent than others. The reduction of the growth in the Irish economy is mirrored by the experience of Singapore, Taiwan and South Korea, the ASEAN tiger economies, which have also been affected by the international economic downturn. It is not surprising given the small domestic markets that are available to absorb what we produce and our reliance on exports as a large percentage of we produce.

The strategic document sets out for the next 20 years, at least, what the relationship with America should mean. It highlights the approach needed rather than allowing some people to characterise it as being based on sentimentality or the vacuous suggestion our relationship with the US should be reduced to the presentation of a bowl of shamrock on St. Patrick's Day. Those who characterise it in that way are usually expressing their own latent anti-Americanism. The relationship with the US is far more than that and has brought much progress to this country. It is bilateral and has been of mutual benefit. Ireland now has a developed economy rather than a developing one. Irish industry has become internationalised in the United States, as elsewhere, providing direct jobs which are commensurate to the number of jobs provided by US companies in Ireland. That is not well known in Ireland, let alone in the United States. It is an important point that needs to be made rather than characterising the relationship as Ireland being less than an equal, where it must go cap in hand to the United States. That is not the way either we or the US sees the relationship. There are still a few in this country who like to see it that way as it suits their dated thinking.

The question is how we can engage with America in a way that will bring mutual benefit. It is in the same way we want to engage in Northern Ireland with those of a different tradition to bring mutual benefit. The way is through the various recommendations outlined in the ambassador's excellent and comprehensive report. It is not an operational programme; there are ideas, such as contacts between education systems and schools, that need to be developed. Through Science Foundation Ireland and the university sector, genuine efforts are already being made to bring research talent from the United States to work with Irish science teams in developing the goods and services of the future which can be commercialised for the jobs of the future.

The undertaking of the strategic review was timely. It was the first initiative I took when I became Taoiseach and visited the United States last July. I am grateful for the work on the document by the ambassador and his team. It involved wide consultations with an engaged

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Irish-American community which appreciated the initiative and has seen much good come from it. It sets the scene for developing the relationship in a substantive way in the years ahead.

Deputy Eamon Gilmore: I acknowledge the Taoiseach's visit to the United States and his meetings with US President, Mr. Obama, were a diplomatic success. I compliment the Taoiseach and all concerned on this and I welcome the proposals, arising from the visit, for the strengthening and deepening of relations between Ireland the United States.

I understand the Taoiseach gave an undertaking to the US President that he would convey to the recent European Union summit Mr. Obama's wish that Europe should match the stimulus package of the United States to restimulate the global economy. One newspaper, however, reported the outcome of the summit was the rejection of the Obama proposals. Did the Taoiseach convey President Obama's views to the summit? What is his reaction to the fact that it appears the American package got short shrift in Brussels?

I welcome that President Obama was reported as saying he does not consider Ireland to be a tax haven. Is the Taoiseach satisfied, arising from his discussions with the US President, that no jobs in Ireland will be at risk as a result of any tax changes which may be made by the US Administration?

Concerning the proposed new visa arrangements and the position of the undocumented Irish in the United States, prior to his visit the Taoiseach spoke about a reciprocal visa arrangement similar to that which applies between Australia and the United States. Has any progress been made on that or will we see any progress on that idea?

Finally, in the course of an interview with CNN, the Taoiseach is reported to have said that he would welcome or be willing to accept a number of released Guantanamo detainees to Ireland. That is at variance with what the Department of Justice, Equality and Law Reform has been saying up to now. Will the Taoiseach confirm to the House that Ireland will be accepting detainees from Guantanamo and can he give an indication as to the numbers he has in mind?

The Taoiseach: My apologies for being at variance with the Department of Justice, Equality and Law Reform. That is unforgivable.

Deputy Eamon Gilmore: I would not say that was the first time the Taoiseach was at variance with the Department of Justice, Equality and Law Reform. He should wear it as a badge of honour.

Deputy Simon Coveney: The Taoiseach should do it more often.

The Taoiseach: Wolf Blitzer was the gentleman's name in CNN. The official position is that the EU is currently taking a common position on this matter and is engaging with the United States on the Guantanamo issue. All countries have adopted a common position. When asked a straight question, I made the point, which I stand over, that Ireland will not be found wanting in terms of making some contribution toward resolving this question. Given that we were one of the first governments to call for its closure we should perhaps be able to come up with some way of contributing to the consequences of its closure and to do so in a way that can be done.

I recall that in the past when I was Minister for Foreign Affairs we took into Ireland some Palestinians who had been involved in a stand-off with the Israelis. A siege had taken place some years ago and part of the way to resolve it was for those who were calling for it to end to take some of those people out of where they were to Ireland. We did that. The same principle should apply in this case. The detail of that will have to be worked out but if a request

comes from a friend to assist it will be considered. If one welcomes the initiative taken by the Obama Administration, as I do — and I know Deputy Gilmore does — that Guantanamo should be closed, then we need to show that we will assist in that effort. That is totally consonant with our values and also with the friendship we enjoy with the United States.

On the question of a tax haven, it is very early days in terms of the tax deferral issue. Deputy Gilmore will be aware that many things have been said, as there always are during election campaigns, and one has to await the settling in of an administration to find out precisely what the intention may be or what may be the legislative intention of Congress in that area. One of the first points President Obama made in my conversation with him was important. He spoke about the recognition that all of us need to stay open to avoid undue protectionism. In other words, the worst response to the present world recession is for everybody to turn in on themselves and not to be committed to more open trade between each other. That was an important indication to me that philosophically he is very much of the view that America and American industry has a global presence.

By the same token, he is very strongly of the view that there seems to be some instances where in respect of areas of the world that are not involved in the international tax treaties to which we subscribe, the system of nameplating, as they say, where a lot of companies are situated in various parts of the world for financial purposes who do not have a substantive presence there but who are using it as a means of availing of the benign tax environment that is located in those places. He clearly feels that is something he as President, and Congress, need to address. That is an understandable domestic objective from his point of view.

That is not to say President Obama is inimical to American investment in Ireland. They are two totally separate and different issues, although one is often mixed up with the other. While I cannot give any commitments as to where all that will end up, I am satisfied, based on my discussions, that President Obama's remarks are not targeted at American industry in Ireland. He has other people in his sights and we are not top of his agenda in that respect. I was very pleased to hear that, and to hear from him that wider philosophical view that he believes America needs to be engaged with the world not only in political and diplomatic terms but also in economic terms and that it is not a question of an America first policy, *simpliciter*, it is a question of finding a balance, which is understandable from his perspective given the very serious economic challenges he faces and the employment issues he has to contend with as well.

I did not talk to my colleagues at a formal session but I mentioned my visit informally. The characterisation of what Deputy Gilmore said arose from what Larry Summers had to say in interviews a week or so before that. What was being emphasised by European leaders is that we have in the European model this question of economic stabilisers so that when one considers what a stimulus is, the stimulus in Europe includes not just a direct fiscal stimulus into the economic activity of the economy but also the fact that when people lose their jobs there are social security nets and income supports. These have the effect of helping to stabilise people's move to joblessness and then to return to work through training, etc. There are also various social supports and other retraining models that provide income support for people out of work.

Such social supports are not similar in the United States and therefore when one considers the full impact of the stimulus package, President Barroso would make the point that the impact of the European package is of the order of 3.3% GNP into the European economy this year. That compares favourably with stimulus packages in other parts of the world, including the United States. It is a question of a discussion taking place between Europe and the United States as to the impact of the measures each respective administration is making. I hope and believe the G20 meeting this week will indicate that there is not the same level of discord as perhaps is being suggested between both regional blocs.

[The Taoiseach.]

The other point Deputy Gilmore raised related to the visa programme with Australia. We are trying to develop the Ireland-US bilateral visa arrangements with a new reciprocal and renewable two-year working visa arrangement. There is not a reciprocation arrangement in the Australian set-up. We believe it is preferable to have such a system so that there is a benefit to the citizens of the United States in the same way as there is for our citizens. For that reason we believe this has its attractions and that it will gain support in Congress.

Deputy Eamon Gilmore: I have one brief additional supplementary question. Will the proposed new consulates in Atlanta and Texas be hit by the recruitment embargo announced by the Government since his visit to the United States?

The Taoiseach: That will have to be taken into account. It was not intended that they would be set up immediately. The consulate in Atlanta will be set up in the first instance and Houston in due course. It is hoped that this can be done from within existing resources. We have to take cognisance of the financial situation also, but I believe those consulates will emerge in time as the priorities suggest.

Deputy Martin Ferris: I wish to associate myself with the complimentary comments made by Deputy Gilmore with regard to the Taoiseach's visit to the United States.

Undocumented Irish people from every county in the country are virtually in limbo in the United States. Some people who went there during the previous recession in the 1980s have not been back here since. Since many of those young people left, they have suffered family bereavements but have been unable to return home because of the fear of not being able to return to the United States. Many of them have, effectively, settled in the United States. Can anything practical be done for these people, particularly those who have been bereaved during this period or those who have been there since the 1980s?

With regard to the Middle East, did the Taoiseach have any discussions with President Barack Obama with regard to the disgust and abhorrence felt by the Irish people during the siege of Gaza, the continuing situation there and the actions carried out before the Israeli election when over 1,300 people were killed in Gaza, many of them by phosphorus bombs that are, apparently, illegal for use against civilian targets? If he did, what was President Obama's response.

The Taoiseach: I thank the Deputy for his comments. The question of the undocumented Irish is a very difficult and long-standing issue. There are real hardships and human consequences to the inability, thus far, to regularise people so that they can come and go. People miss funerals of family members and are not in a position to attend other functions one would hope they could attend. This tells a tale of upset, worry, concern and anxiety for people on both sides, both the families at home and those located in the United States who are not in a position to return because of their status. We have all attended county association meetings at which part of the night has been taken up as almost a constituency clinic to discuss the issue with people with this problem who want to know if there is any way the situation can be resolved. We are all aware of many genuine and heart-rending stories and know the families and individuals concerned. I accept what the Deputy has to say in this regard and the impact it has on people.

For that reason, we must continue to put the case patiently in the corridors of power within the United States at all levels. However, we must do so in a way that is respectful of the fact that this is also a major issue for Americans. There is no lack of goodwill towards the Irish people and there will always be a recognition that they have contributed positively. Those who

have gone to the United States have done well and what they have achieved through their progress, efforts, hard work and sense of community down the years reflects well on their country and families. However, in the current circumstances, it is important we understand we cannot make demands in this regard. We need to empathise with and understand the American point of view in terms of the problems immigration causes generally in the United States and the tensions that can arise because of that, particularly in the context of significant unemployment in many parts of the States affected by the recession.

There is, however, an enlightened majority of people — President Obama is one of these — who understand the positive contribution immigrants have made to the narrative of the United States. They have made it the country it is, and the Irish are a particularly well respected ethnic group in that context. Therefore, we on both sides of this isle must work with the Administration and Congress to find a solution that is acceptable to them, to Americans and to those of us who would like to see our diaspora regularised as quickly as possible. There is a way forward and a solution can be found if we continue to adopt the right approach and are conscious of their difficulties. If we proceed on those lines, there are prospects. There are no guarantees the situation can be resolved, but it is a serious domestic issue within US politics. There are many people of goodwill on both sides in positions of power who are interested in trying to devise a way forward but they have not been successful to date.

With regard to the Middle East, the issue did not arise specifically in my discussions with President Obama in the limited time we had, although the questions of Afghanistan and climate change did. The Minister for Foreign Affairs, Deputy Micheál Martin, had a long discussion with Secretary of State Clinton on those matters on the previous day. Perhaps the Deputy should put a question to him to elicit her official response. One point President Obama made in my meeting with him was that he characterised Ireland as a beneficial presence on the world stage. He recalled a story told by George Mitchell, that when talking to Palestinians he referred to progress on Northern Ireland, notwithstanding the 800 year duration of the problem, only to elicit the response that by contrast with the Middle East that was such a recent conflict.

Deputy Denis Naughten: I have three brief questions for the Taoiseach. On tax haven legislation, is it not the case that the legislation currently being proposed goes far beyond the issue of tax havens and that US companies operating legitimately outside of the United States could be taxed on the double? For example, the Bank of America has 14 subsidiaries here in Ireland. What we will do is handicap US businesses investing in countries such as Ireland. Will the Taoiseach outline how we can progress this issue? It is of crucial importance to our part of the country where many US multinational companies are based.

The Taoiseach mentioned the bilateral deal with Australia and spoke about putting in a provision regarding a reciprocal arrangement for visas. How feasible is the proposal put forward by the Taoiseach? Also, have we considered the situation regarding US nationals based in Ireland who may have similar problems regarding residency? Could we use that mechanism to put forward proposals regarding the Irish in the United States?

My final question relates to Guantanamo and the commitment given by the Taoiseach to the US authorities in his interview. The Taoiseach made the point that if people were to come to Ireland under that scheme, we would keep a very close eye on them here. We cannot do that. Many immigrants here currently have disappeared from the system while being processed. How then will we have the resources to monitor additional people coming into the country? I note the Minister for Agriculture, Fisheries and Food is beside the Taoiseach. I understand President Obama raised the issue of Afghanistan and, perhaps, the role Ireland could play in that regard. I understand the Taoiseach made the suggestion that because of our strong background in

[Deputy Denis Naughten.]

agriculture, we might be able to provide assistance in Afghanistan in the growing of crops other than poppies. Will the Taoiseach elaborate on that point?

Deputy Simon Coveney: I welcome the Taoiseach's comments on Guantanamo, notwithstanding the problems raised by Deputy Naughten. However, in the context of those comments, did the Taoiseach raise the issue of extraordinary rendition? There has been a link between Irish airports and, certainly, aircraft that have been used for extraordinary rendition in the past. Has the Taoiseach received assurances from the US authorities that the policy of extraordinary rendition is over in the context of the new approach towards detainees and detention generally and the so-called war on terrorism adopted by the United States?

The Taoiseach: No, I did not seek those assurances because I have accepted those I have received to date. I would not regard it as very diplomatic to question, at the first meeting with a new US President, the assurances I have received. It would not be very sensible or judicious. Given that the US Administration is closing Guantanamo and that the question of rendition thereto arose internationally in the first place, it would not be right of me to raise the matter. There is no necessity for me to do so.

Deputy Simon Coveney: I would have believed the new US President would have welcomed the opportunity to clarify the issue.

The Taoiseach: The new President had already made his position clear. One way to make friends is not to question the assurances one has already received. It is not necessary to question them. There has been no evidence whatsoever of any rendition from this country and we have received assurances to that effect. There are many people who would like to suggest there is rendition but there is none.

Deputy Simon Coveney: That is actually not true. I am not suggesting people have been transited through Shannon Airport but aircraft certainly have passed through it.

The Taoiseach: I am sorry but I am not getting involved in an argument with the Deputy. I am answering the question he has raised and giving him my strong view on these matters. There is no equivocation by my Government on these matters. There is none on either the issue itself or the nature of the assurances I have received from a country that I regard as a friend of this country.

On Deputy Naughten's question on Afghanistan, President Obama noted our record on development and believed it offered a range of opportunities for co-operation. He indicated that a review of the Afghanistan issue by General Jones is under way. He cited crop substitution programmes, judicial reform and literacy campaigns as areas in which Ireland and other countries could have a positive input.

With regard to tax deferral, the issue is at a very early stage of legislative intent, given that there is to be legislation. Suggestions have changed regarding tax deferral and it must not have significant implications for us. President Obama said he was mindful of our interest in this issue and that the United States will not take action without consultation. He said he was aware that these are complex issues with an impact on global financial flows. There was strong sentiment in the United States that the tax system should not encourage an exodus of jobs. That was a very fair point on President Obama's part. He stated the challenge was to strike the right balance between supporting domestic employment and staying outward looking and that it is a question of ensuring US companies are in a position to invest in countries such as Ireland and maintain competitiveness overseas. He also made the point that this is not an issue to be

resolved over night. Over time, it might be possible to develop a package that involves issues for domestic economic policy in the United States. President Obama is mindful of the possible impact on Ireland and he will act with caution and will be ready to discuss any potential unintended consequences.

Deputy Denis Naughten: Was there bilateral discussion on the impact on US citizens in Ireland?

Deputy Brian Cowen: Yes. We have set out in our strategic review ways and means by which, short of granting citizenship entitlement, we could recognise people's Irish ancestry through certification of various kinds. The strategic review outlines ways and means by which we can develop networks beyond the Irish-American community. For Ireland, the Irish-American community should be used as a gateway to the wider American community.

Two great developments emerged from the peace process with regard to our relationship with the United States. First, thankfully, there is now highly informed public opinion on what contemporary, modern Ireland is about, on our objectives, on the way in which we do our business and on the way in which we intend to proceed down the democratic path. That is now accepted. Thankfully, we no longer have any significant element of our diaspora that is at variance with official Government policy on these matters. The circumstances that obtained heretofore comprised a great constraint on the development of our relationship with the diaspora and on how we could use the diaspora as a resource in comparison to how we can use it now. This is a highly significant change not only in the United States, but also in Britain, Australia and other parts of the world. Since people are highly informed and since our opinion does not differ from that of significant parts of the diaspora, we are in a position to use that diaspora far more positively than was the case in the past.

Second, the diaspora can provide a gateway to the wider American community. I do not refer simply to the benefits of developing the ethnic connection but also to the fact that the Irish-Americans, who are Americans themselves, can now become spokespersons for the modern Ireland in which we live today in terms of investment, trade, business and social networks and a range of areas. We have seen other ethnic groups in the United States develop particularly well and, therefore, it is not at all a question of resources but of ensuring that the links between Ireland and its diaspora are substantive, meaningful, relevant and mutually beneficial. That gives substance to the relationship. As I stated, those who try to reduce it to a sentimental one are way off the mark.

Requests to move Adjournment of Dáil under Standing Order 32.

An Ceann Comhairle: Anois, iarratais chun tairisceana a dhéanamh an Dáil a chur ar athló faoi Bhuan Ordú 32.

Deputy James Bannan: I seek the adjournment of the Dáil under Standing Order 32 to raise a matter of national importance, namely, the urgent need for the out-of-touch, paralysed Government to increase spending on social housing to maximise economic and social return. With over 56,000 households on waiting lists throughout the country, the prevention of an escalated housing crisis would offset Exchequer shortfalls by increasing activity in the construction sector, as every 1,000 units built provides 1,000 construction jobs.

Deputy Dan Neville: I seek the adjournment of Dáil Éireann under Standing Order 32 to raise an important matter of national interest, namely, the need to publish immediately, as promised by the Minister for Health and Children, the Mental Health Commission's report into the care and treatment practices at St. Michael's unit, South Tipperary General Hospital,

[Deputy Dan Neville.]

Clonmel, and St. Luke's Psychiatric Hospital, Clonmel, including the quality and planning of care and the use of restraint and seclusion and to report to the Mental Health Commission.

An Ceann Comhairle: Tar éis breithnithe a dhéanamh ar na nitheardaithe, níl siad in ord faoi Bhuan Ordú 32.

Order of Business.

The Taoiseach: It is proposed to take No. 16, statements on the European Council, Brussels; No. 14, Housing (Miscellaneous Provisions) Bill 2008 [*Seanad*] — Second Stage (resumed); No. 15, Broadcasting Bill 2008 [*Seanad*] — Order for Report and Report and Final Stages; and No. 3, Health (Miscellaneous Provisions) Bill 2009 — Order for Second Stage and Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that the proceedings on No. 16 shall, if not previously concluded, be brought to a conclusion after 85 minutes and the following arrangements shall apply: the statements shall be confined to the Taoiseach and to the main spokespersons for the Fine Gael Party, the Labour Party and Sinn Féin, who shall be called upon in that order, who may share their time and shall not exceed 15 minutes in each case, a Minister or Minister of State shall take questions for a period not exceeding 20 minutes and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes; the suspension of sitting under Standing Order 23(1) shall take place at 1.30 p.m., or on the conclusion of No. 16, whichever is the later, until 2.30 p.m.; and in the event that a division is in progress at the time fixed for taking Private Members' business, the Dáil shall sit later than 8.30 p.m. tonight and business shall be interrupted on the conclusion of Private Members' time which shall be taken for 90 minutes tonight and Standing Order 117(3) shall not apply.

Private Members' business shall be No. 52, motion re social welfare and consumer debt (resumed), which is to conclude at 8.30 p.m. tonight, if not previously concluded.

An Ceann Comhairle: There are three proposals to be put to the House. Is the proposal for dealing with No. 16, statements on the European Council, Brussels, agreed to? Agreed. Is the proposal relating to the suspension of the sitting under Standing Order 23(1) agreed to? Agreed. Is the proposal that the Dáil shall sit later than 8.30 p.m. tonight agreed to? Agreed.

Deputy Enda Kenny: Yesterday, I asked the Taoiseach about the delay in the Defamation Bill, which has reached Committee Stage, and he indicated a number of amendments are being drafted by the Attorney General and the Minister for Justice, Equality and Law Reform. Today, I read reports that the Minister intends to introduce a privacy Bill. Has the Government made a decision on this because it is not included under any of the headings in sections A, B or C of the legislative programme? Is this a new Bill being proposed by the Minister for Justice, Equality and Law Reform? Has the Government decided on it and, if so, when is it likely to appear?

What progress has been made on No. 48, the education (patronage) Bill which is due for publication in 2009? There is a great deal of contention throughout the country with regard to No. 44, the fisheries (amendment) Bill which proposes to abolish seven regional boards and amalgamate them under one central board. It is due for publication in 2009. At what stage is that Bill?

The Taoiseach: The heads of the fisheries (amendment) Bill were cleared a few weeks ago and it is progressing to detailed drafting. The heads of the education (patronage) Bill are expected shortly for consideration. The Privacy Bill is on section D of the list because it was

published in 2006. The questions of defamation and privacy were to be considered. It has been published for a long time and is waiting a hearing. The Minister has indicated that he intends to proceed with the consideration of the Bill.

Deputy Eamon Gilmore: Previously, I raised with the Taoiseach the legislative implications of the announcement to amalgamate certain State agencies made in last October's budget by the Minister for Finance. Among these is the Equality Authority. The legislation has not been published but in the meantime the budget of the Equality Authority has been cut and it is proposed to decentralise the authority. The Minister for the Environment, Heritage and Local Government told his party conference that he had secured the reversal of these decisions. Yesterday, the Minister for Justice, Equality and Law Reform told the House that there was no reversal and that the decentralisation would increase from 16 to 23 in the time ahead. Will we see legislation on this matter? Is the reason for the continued absence from the House of the Minister for the Environment, Heritage and Local Government that he is licking his wounds following the statement yesterday by the Minister for Justice, Equality and Law Reform?

I also wish to discuss a circular issued last week by the Department of Finance to all Departments in connection with the embargo on recruitment in the public services. The circular is very belt and braces and states that no recruitment of any kind may be pursued by Departments or agencies. I understand this includes a complete embargo on the renewal of fixed-term contracts.

An Ceann Comhairle: This is not relevant to the Order of Business.

Deputy Eamon Gilmore: It is and I will explain why it has to do with the business of the House.

Deputy Pádraic McCormack: It is very important.

Deputy Eamon Gilmore: I expect the circular and its implications will give rise to parliamentary questions. The problem is that the circular expressly states that individual Departments no longer have discretion in this matter and that any exemption from the embargo must have the approval of the Minister for Finance. In asking this question, I seek guidance from the Ceann Comhairle. If we table questions to a line Minister in connection with the embargo or the renewal of fixed short-term contracts in Departments or agencies will the question be answered or will we be told that, as a consequence of the circular, the Minister no longer has responsibility for the matter? It is clear from the circular that responsibility is being transferred from line Ministers and their Departments to the Minister for Finance. What is the position if a Member tables a question, on services at an agency where contracts are not being renewed, to the Minister for Transport or to the Minister for Health and Children, a Department in which I think many issues on this will arise, or to the Minister for Justice, Equality and Law Reform? Can the Minister answer the question and how will he or she do so if, as a consequence of the circular, the Minister no longer has responsibility for it?

Deputy Pádraic McCormack: They never answer them anyway.

The Taoiseach: With regard to the second matter, the moratorium decision applies to a range of people, including the temporary appointment on a fixed-term basis and the renewal of such contracts. Any exceptions to this principle, which will arise in very limited circumstances, require the prior sanction of the Minister for Finance. This sanction will be forthcoming only when the Minister is satisfied that the post is essential to the delivery of a public service or to the performance of an essential function and that every effort has been made to fill the post by redeployment. The consent and agreement of the Minister for Finance is required to ensure

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we have control over public service numbers as a component of controlling public finances generally.

With regard to the Equality Authority, recently the Minister agreed in principle to a request from the chair of the Equality Authority to delay on hardship grounds the transfer of staff from Dublin to Roscrea. He asked his officials to work out details on a case by case basis with the acting chief executive officer of the authority and to review the situation again in 2011 when other aspects of the wider decentralisation programme are due to be reviewed. I have not seen the reply given yesterday to which the Deputy referred. Whether it took account of this arrangement which was expressed by the Minister for the Environment, Heritage and Local Government at his party conference, this is the situation.

Deputy James Bannon: While the day that is in it seems to have given *The Irish Times* scope for an apparent flight of fancy that would see tax exiles electronically tagged in line with sheep and certain criminals, the financial services (miscellaneous provisions) Bill is long overdue. When can we expect publication, with or without the tagging provisions?

Deputy Joan Burton: On the same point, is it true that tax exiles or fugitives who return to Ireland tagged will then be sent to Longford?

The Taoiseach: The idea was that one was supposed to have a sense of humour and laugh at it.

Deputy Bernard J. Durkan: We were.

Deputy Bernard Allen: We laugh at a lot of things these days.

Deputy Eamon Gilmore: We said they should be taxed, not tagged.

The Taoiseach: The financial services (miscellaneous provisions) Bill is due later this year.

Deputy Ciarán Lynch: On the same point, perhaps we could recycle the e-voting machines into tags for tax exiles?

Deputy Tom Hayes: Is legislation promised or proposed on people charged with serious crime who have caused consternation in a locality and who are out on bail?

Deputy Bernard J. Durkan: Hear, hear.

Deputy Tom Hayes: There is widespread concern and the public perception is that nothing is being done.

Deputy Bernard J. Durkan: Hear, hear.

An Ceann Comhairle: Never mind that, Deputy Hayes must be specific if he wants to ask a question.

Deputy Dan Neville: Tipperary Town.

Deputy Tom Hayes: I am speaking about my own locality which featured much in the media. The public is concerned that these people are being brought before the courts but are being released on bail. Yesterday, another incident occurred in a nearby village.

An Ceann Comhairle: I suggest that the Deputy puts a question to the Minister for Justice, Equality and Law Reform or raises it on the Adjournment in order that we can discuss it. If the Deputy has a question about specific legislation, that is fair enough.

Deputy Tom Hayes: People are frightened and concerned that nothing is being done.

Deputy Bernard J. Durkan: Hear, hear.

Deputy Tom Hayes: I want to know whether legislation will be introduced to at least——

An Ceann Comhairle: The Deputy must state the name of the legislation and, if the legislation is not promised, the question is not in order. That is the way it works. I do not make the rules, I merely enforce them.

Deputy Pádraic McCormack: It is a long long way to Tipperary.

Deputy Denis Naughten: With regard to secondary legislation laid before the House yesterday, No. 8, the European Communities (Good Agricultural Practice for Protection of Waters) Regulations 2009, will it introduce a duplication of inspection from the Department of Agriculture, Fisheries and Food and local authorities with regard to water quality. In light of the current economic circumstances and given that we do not have resources to provide home help, why are we introducing a second layer of inspections on the agricultural community? Will we have an opportunity in the House to debate S.I. No. 101 of 2009?

An Ceann Comhairle: Is this matter due? We cannot discuss why.

The Taoiseach: This refers to the nitrates directive and is a matter for the Department of the Environment, Heritage and Local Government. Perhaps a question can be tabled on it.

Deputy Bernard J. Durkan: Deputy Johnny Brady will be concerned about it.

Deputy Denis Naughten: It is on the Order Paper.

Deputy Ciarán Lynch: There are ongoing reports that 4,000, if not 6,000, affordable homes will be vacant by the end of this year. The Housing (Miscellaneous Provisions) Bill is before the House. I understand the Minister's Department is drafting no further amendments to the Bill. Given that this problem will develop further over the year, will the Government consider the introduction of emergency legislation if so required, in order that the prices of these houses can be rescheduled with local authorities——

An Ceann Comhairle: Is legislation promised on this?

Deputy Ciarán Lynch: I would like to finish the point.

An Ceann Comhairle: The Deputy can ask about the Housing (Miscellaneous Provisions) Bill, but that is about it.

Deputy Ciarán Lynch: With respect, it depends on how one defines a housing crisis. We had a housing crisis——

An Ceann Comhairle: No it does not. It depends on whether it is within the Standing Orders.

Deputy Ciarán Lynch: ——as far as the Government was concerned, when house prices were dropping.

An Ceann Comhairle: It does not depend on that. It depends on whether the Deputy's question is within the Standing Orders of the House. It does not depend on houses, extraneous matters, or extraterrestrial matters. It matters whether it is within the Standing Orders of the House.

Deputy Ciarán Lynch: If I can continue, I will remain in order.

An Ceann Comhairle: I will ask the Taoiseach to answer the relevant part, and I will move on. I cannot allow anything else, and the Deputy knows that.

Deputy Ciarán Lynch: There is a possibility of 8,000 affordable homes being vacant at the end of the year that will not be sold.

The Taoiseach: The Housing (Miscellaneous Provisions) Bill is on Second Stage today and there will be an opportunity to raise these matters and obtain a reply from the Minister when Second Stage has been wrapped up.

Deputy Ciarán Lynch: The Minister stated his Department will not draft any more amendments——

An Ceann Comhairle: The Deputy can raise that matter today when the Bill is being discussed.

Deputy Jan O'Sullivan: I welcome the announcement by the Government to ban the so-called party drug BZP. Have the regulations on this been implemented?

The second issue I wish to raise is the Adoption Bill 2009, which was on the list of legislation for this term. It is coming from the Seanad. There is a concern that the bilateral agreement between Ireland and Vietnam is coming to an end and that a time factor may cause serious difficulties for people adopting Vietnamese children. It is linked to this Bill. Does the Taoiseach have any information on the Vietnamese situation and on when the Bill will be before the House?

The Taoiseach: The Minister of State, Deputy Andrews, is seeking to extend that date for another few months, pending discussions that are ongoing with the Vietnamese authorities, so that the issue does not lapse. I will ask his office to contact the Deputy and provide her with the up-to-date situation.

The Minister for Health and Children stated yesterday that, following a Government decision, she had signed the statutory instrument required to give effect to the Council's decision to subject BZP to control measures and criminal sanctions. It is no longer for sale around the country, something that had been an issue of concern to the Deputy and others.

Deputy Martin Ferris: Given that we have the highest proportion of cystic fibrosis sufferers in the world and the worst facilities in Europe, where most die under the age of 30, when will the eligibility in health and personal services Bill be published? Will it address the rights of people, such as cystic fibrosis sufferers who have been betrayed by the Government, as it has broken its commitment to develop the essential unit at Saint Vincent's Hospital by 2010?

An Ceann Comhairle: We cannot ask about the content.

Deputy Martin Ferris: Will the Minister raise it at Cabinet?

The Taoiseach: There is no date for that Bill, but we will see what we can do regarding the other matter.

Deputy Liz McManus: The town of Bray was deeply shocked yesterday at the news that 240 jobs would be lost at Schering Plough. We all believed it was a good company and we knew it had a good workforce.

An Ceann Comhairle: We cannot discuss that now.

Deputy Liz McManus: Conscious of the fact that we have seen a series of major job losses, at AO Smith and Dell, there are now semi-derelict buildings in Bray as a result of such job losses.

An Ceann Comhairle: If the Deputy wishes to raise the issue on the Adjournment, her question will be considered.

Deputy Liz McManus: Can the Taoiseach ensure the Industrial Development Bill 2008 currently going through the House is amended to deal with the issues relating to the inaction by the IDA, the lack of an enterprise centre in my community——

An Ceann Comhairle: I must ask the Deputy to resume her seat.

Deputy Liz McManus: ——and the lack of support from Enterprise Ireland to ensure people can go back to work?

An Ceann Comhairle: Deputy McManus is entitled to raise the matter in another way, and every effort will be made to facilitate the Deputy. There is no point in both of us talking to ourselves. I call on Deputy Durkan.

Deputy Liz McManus: I asked a question about legislation.

The Taoiseach: Regarding the Industrial Development Bill 2008, all these matters can be discussed in that context. I make the point that the IDA is constantly——

Deputy Liz McManus: The IDA has sat on land in Greystones for over a decade. It turned away business.

The Taoiseach: The Deputy obviously does not want to hear my reply.

Deputy Bernard J. Durkan: The Ceann Comhairle will no doubt be relieved to know I do not propose to raise the ongoing issue of the increased levels of crime but, with his permission, I will raise it next week. I would like clarification in respect of promised legislation in two areas. I did not hear the Taoiseach correctly yesterday when he spoke about the preparation of legislation relating to estate management companies. I still do not know whether the legislation that comes before the House has been fully agreed between the various Departments that had an input, and if it will be brought into the House as a matter of urgency.

The Taoiseach: It is being prepared and we should have it for the next session.

Deputy Bernard J. Durkan: When is it proposed to bring in the legislation for the establishment of a national biofuels obligation scheme and to provide amendments to the Act, in light of the developments to facilitate NORA's ongoing activities? I am not certain what NORA's ongoing activities are, but perhaps the Taoiseach might be able to give us some indication as to when the legislation will be produced in the House?

The Taoiseach: NORA is an oil reserve agency, just in case there is any excitement on the far side of the House.

Deputy Bernard J. Durkan: In view of the serious elements of that legislative proposal, is it intended to expedite it?

The Taoiseach: The heads of the Bill are expected later this year.

Deputy David Stanton: I believe a bilateral agreement on adoption between the Irish and Vietnamese authorities is to be laid before the House at some stage. There is a hold up in the Department on that issue, and it would be good if the Taoiseach could expedite it.

We have been promised proposals on Dáil reform by the Government for some time. Will we see them this side of Easter, or is there any sign of them at all?

The Taoiseach: The Whip has a working group examining that issue, and the matter will come to the House as soon as it is completed.

Deputy David Stanton: When will that happen?

The Taoiseach: It will be during this Dáil.

Deputy David Stanton: So it will be sometime in the next year and a half.

Deputy Billy Timmins: It will be in the lifetime of the building.

The Taoiseach: It is one way of being proved right.

Deputy Enda Kenny: The signs are up. Men at work.

The Taoiseach: There is much discussion with the Vietnamese authorities on the matter we discussed earlier.

Deputy Michael D. Higgins: When will we see the competition (amendment) Bill, especially section 4 which affects trade union participation? When the foreshore legislation is published, who will be the lead Minister for it? Will it include coastal zone management?

The Taoiseach: I understand the foreshore issue will be between the Department of the Environment, Heritage and Local Government and the Department of Agriculture, Fisheries and Food. It will be published later this year, as will the competition (amendment) Bill. We will have a busy second half of the year.

Deputy Michael D. Higgins: Is it envisaged that those responsible for coastal zone management will transfer from the Department of Agriculture, Fisheries and Food to the Department of the Environment, Heritage and Local Government? Which Minister will sponsor the legislation?

The Taoiseach: I understand the coastal zone management will be transferred to the Department of the Environment, Heritage and Local Government.

Deputy Michael D. Higgins: That is the end of that.

The Taoiseach: I do not know whether that is a good thing.

Deputy Emmet Stagg: Deputy Higgins is being dumped on again.

Deputy Joan Burton: That is not a 1 April joke.

The Taoiseach: I am a partisan of agriculture myself.

Deputy Liz McManus: Is that the colour of the Minister now?

Deputy Joanna Tuffy: Last night on “Prime Time” a young man who wished to set up a new business in a heritage development near the Grand Canal was interviewed. He could not get the back to work enterprise allowance because to be eligible he had to be on the dole for two years. Yet he had a good business proposal. Is there upcoming social welfare legislation to bring back the period during which one may qualify for back to work allowances including the enterprise allowances?

An Ceann Comhairle: Is legislation promised in this area?

The Taoiseach: I agree with Deputy Tuffy that we must examine these issues to ensure people who have ideas are not deprived of doing something because of the application of an unrelated rule.

Deputy Joe Costello: When does the Taoiseach propose to transpose the temporary agency workers directive into legislation? When can we expect the Bill?

The Taoiseach: Is the Deputy referring to the employment agency regulation Bill?

Deputy Joe Costello: Yes.

The Taoiseach: That should be this session.

Deputy Joan Burton: I wish to ask the Taoiseach about two European directives concerning financial services which were meant to be transposed into Irish regulations. The first is the payment services directive, due to be implemented in Ireland by November. There are companies such as Western Union, Flexco in Kerry and providers of services to these companies which require the directive to be implemented as soon as possible to retain service capacity in Ireland. The UK authorities propose to have its implementation of the directive in place with regulations by 1 May. The Department of Finance is unable to give an indication, other than to say it will do its best to have it some time by the autumn. In terms of job retention policy, there are probably 400 to 500 jobs in total between direct and support services between Dublin and Kerry in this area alone. Will the Taoiseach put in place someone in the Department of Finance to have this on a priority watch to ensure we are not beaten to it by the United Kingdom and that we do not again weaken our hold on job retention.

In the same vein, I asked the Taoiseach some weeks ago about the anti-money laundering directive which also must be transposed into Irish regulations. No party in the House has any difficulty with either of these regulations. There are firms employing significant numbers of people in financial services which, if the directives are not implemented, would have a difficulty with other EU countries in terms of competition. We will give the Taoiseach any support he needs in this area. Will he indicate if and when matters can be expedited to ensure we keep these jobs?

The Taoiseach: Deputy Kenny raised the first point yesterday and I indicated to the House that the Tánaiste had met with representatives of these companies, or certainly with one of them. She indicated that she would take up the matter with the Department of Finance. It is my understanding that the Department has had a good record in ensuring we always get timely enactment of directives which have an employment content, or in which there is an importance attaching to an activity in Ireland, to ensure we do not create a competitive disadvantage *vis-à-vis* other jurisdictions which implement these directives as we must do. The payment services

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issue is something that will be taken in hand. The other directive is also important. I will take it up with the Minister concerned.

Deputy Thomas P. Broughan: The Dublin Transport Authority Bill was passed several months ago but there is no sign of the organisation being established. Given the chaotic transport problems we have at present and the grotesque incompetence of the Minister sitting beside the Taoiseach, is it intended to bring forward the body, or are we to wait for other legislation?

Deputy Ciarán Lynch: That is not the correct Minister. It is the next one down.

Deputy Joan Burton: It is the other one two places down.

Deputy Thomas P. Broughan: I realise he is two places down. Must we continue to wait for the new road traffic and transport Bill?

We will not see the Taoiseach in the House again this week. All his agencies and civil servants are saying that a political decision is necessary in respect of saving jobs at SR Technics. That is the Taoiseach's decision.

An Ceann Comhairle: The Deputy has been allowed to raise that a number of times.

Deputy Thomas P. Broughan: Will the Taoiseach take that decision? The ball is in his court.

The Taoiseach: Deputy Broughan is saying that, not anyone else. In respect of the questions on the Dublin Transport Authority, I understand there is a recruitment process underway for the chief executive of that organisation.

Deputy Eamon Gilmore: The Ceann Comhairle heard the Taoiseach's reply to my earlier question in connection with the recruitment embargo. He stated that all exceptions to the recruitment embargo would require the approval of the Minister for Finance. Do I take it, therefore, that as these issues arise, for example, there are nurses on short-term contracts which must be renewed, and where parliamentary questions are tabled arising from these decisions, that such questions should now be addressed to the Minister for Finance? Is my understanding of the position correct?

The Taoiseach: I cannot tell the Deputy exactly who will be answering the questions. The questions should be answered, whether by a line Department or the Department of Finance. The officials in the Department of Finance give consent to the appointment of these employees if they are to be reappointed. Presumably, the question of the detail would relate to the line Department.

Deputy Eamon Gilmore: I am sorry to labour the point, but I have seen the circular sent by the Department of Finance to every Department. It is manifestly clear from the circular that the line Departments have no discretion whatever on this matter.

The Taoiseach: I am not suggesting they have; I am saying the ultimate discretion lies with the Minister for Finance.

Deputy Eamon Gilmore: Practical issues are coming up all the time. Some of these short-term contracts are expiring. Our attention has already been drawn to instances where services are being affected as a consequence of the contract not being renewed, whether for a nurse or a care worker. The issue of whether it will be renewed arises. The Taoiseach told us, the circular from the Department of Finance emphasised and the notes on the website state that

all exceptions to the embargo must be approved by the Minister for Finance. We will have a duty as Members of the House to table parliamentary questions in respect of some of these individual contracts and where such cases arise. I wish to establish to which Minister we should address those questions. There is no point in addressing them to the line Minister if the line Minister has no say in the matter.

The Taoiseach: The purpose of the question is to elicit information. The information sought would be whether consent has been granted. The people who would have that information available to them would be either Minister.

Deputy Eamon Gilmore: Let us suppose I wish to table a question — the Taoiseach should bear with me as we still have some parliamentary rights — to a Minister asking if he or she will grant an exemption for, let us say, a contract nurse or a contract care worker or whatever in a given hospital or a given part of the service. There is no point in my addressing that question to the Minister for Health and Children who may have no decision making authority on the matter. I am simply asking the question. It is probably a matter for the Ceann Comhairle to consider and perhaps I should let him have——

Deputy Pádraic McCormack: Apart from——

Deputy Eamon Gilmore: ——something to say on it. There is no point asking a Minister if that Minister cannot decide. Should all such questions now go to the Minister for Finance?

An Ceann Comhairle: If it is helpful to Deputy Gilmore, the position is that if the line Minister is not in a position to reply to a given question it is open to that Minister to then transfer that question to the Minister for Finance for what I would describe as a collective response.

Deputy Eamon Gilmore: The Taoiseach replied that only the Minister for Finance can decide this matter. If I ask the Minister whether he will, for example, approve the renewal of certain contracts in the health service, will the Ceann Comhairle allow the question?

An Ceann Comhairle: As I understand it, the question must be addressed to the line Minister in the first instance.

Deputy Eamon Gilmore: The line Minister has no responsibility.

An Ceann Comhairle: If the line Minister is not in a position to reply to a given question, it is open to him or her to transfer it to the Minister for Finance——

Deputy Pádraic McCormack: Irrespective of whether he answers.

An Ceann Comhairle: ——who will reply to the question. The transfer of any given question is not a matter for the Chair, but for the Government. The procedural outline that I have provided is the correct one.

Deputy Eamon Gilmore: It sounds like a lot of paperwork.

Deputy Michael D. Higgins: And a lot of wasted time.

Deputy Eamon Gilmore: At a lot of extra cost.

An Ceann Comhairle: That is the way it is.

National Archives (Amendment) Bill 2009: First Stage.

Deputy Mary Upton: I move:

That leave be granted to introduce a Bill entitled an Act to amend the National Archives Act 1986 by providing for the transfer to the National Archives of departmental records which are more than 15 years old; and to provide for related matters.

An Ceann Comhairle: Is the Bill opposed?

Minister of State at the Department of the Taoiseach (Deputy Pat Carey): No.

Question put and agreed to.

An Ceann Comhairle: Since this is a Private Members' Bill, Second Stage must, under Standing Orders, be taken in Private Members' time.

Deputy Mary Upton: I move: "That the Bill be taken in Private Members' time."

Question put and agreed to.

European Council: Statements.

The Taoiseach: I attended the meeting of the European Council in Brussels on Thursday and Friday, 19 and 20 March. I was accompanied at the meeting by the Minister for Foreign Affairs, Deputy Martin, the Minister for Finance, Deputy Brian Lenihan, and the Minister of State with responsibility for European Union affairs, Deputy Roche. The agreed conclusions have been laid before the Houses.

The global economic and financial crisis inevitably provided the backdrop to our discussions, as we discussed issues such as stimulating economic recovery and the need for improved financial regulation. However, we also covered other topics, such as energy security and climate change. Policy in each of these areas can bring tangible benefits to Ireland, but by our participation within the Union, we are exercising not only our capacity to shape European issues, but also to influence global issues. Whether on the G20 summit, which will take place tomorrow, Thursday 2 April, the future development of the International Monetary Fund, IMF, the Copenhagen climate change conference later this year or our relations with European countries to the east of the Union, Ireland is helping to shape the Union's policies and how it influences global responses where they are possible.

I will first turn to the economic and financial crisis. In advance of the Council, there was considerable discussion of the different attitudes to economic stimulus. This discussion has continued in the lead up to the G20 summit, with different perspectives on the appropriate scale of the Union's efforts, but we must not lose sight of the relatively generous social protection payments in Europe that are of direct and immediate effect. The scale of the total EU stimulus, both national and central measures, is estimated at about 3.3% of GDP or €400 billion.

There was a shared view that the primary focus of stimulus efforts must be on preserving jobs while ensuring that measures adopted do not amount to distortions of trade or protectionism. As a small trading nation, Ireland depends on access to open trading markets refereed by trusted institutions. A move towards protectionism would hit us harder than most, so we welcome the commitment to keeping markets open on the road to recovery.

We discussed the linkages between the financial and banking crisis and the real economy and the impact on people's lives. The Council welcomed good progress by the European Invest-

ment Bank to boost the availability of financing to the small and medium enterprise, SME, sector. We have seen the fruit of that work in recent days with arrangements between the EIB and Irish banks to provide additional lending facilities for SMEs in this country.

On the international financial front, the Council agreed that IMF resources should be substantially increased so that the fund can help members in difficulties. In terms of specific crisis support, EU member states indicated that they are ready to provide on a voluntary basis increased IMF lending capacity of €75 billion. The Council also welcomed the Commission's intention to make a proposal for doubling to €50 billion the overall ceiling for loans for medium-term financial assistance to member states that have not adopted the euro and are experiencing or are threatened with difficulties in their balance of payments. This strengthening of the IMF and the Union's own capacity to act reflects the interdependence of countries and markets, but also the readiness of the EU to ensure that mechanisms to support countries in difficulty are sufficiently robust.

The Council also agreed to accelerate work on more effective mechanisms to regulate financial institutions operating across borders. Building on the De Larosière report, ECOFIN will take this work forward to enable a more detailed discussion at the European Council in June, followed by legislative proposals in the autumn.

The Council agreed the Union's approach to the G20 discussions tomorrow. The Union aims to lead international action to promote a swift return to sustainable economic growth, keeping markets open, strengthening the international institutions such as the IMF so that they can manage and prevent crises, improving the regulation of financial markets to avoid the errors of the past and supporting developing countries in responding to the crisis.

As part of the measures to stimulate economic activity across the Union, the Council agreed on a financing package of €5 billion for certain infrastructure projects. This agreement is very important for Ireland. We have secured funding of €110 million for the east-west electricity interconnector between Ireland and Britain. In addition, there is potential to obtain funding relating to the North Sea grid component of the offshore wind energy initiative and we will also be able to pursue new funds agreed for rural development and rural broadband.

The €110 million funding contribution to the interconnector project is a major achievement. This project is an essential piece of infrastructure for the country for a number of reasons. It will connect our grid to a much larger market, helping to reduce the cost of electricity. It will help energy security by establishing an important new supply route. It is essential for our plans to increase electricity production from renewables, particularly wind energy, as access to larger markets will make it more economical. The EU is supporting this project because it will add to the integration of EU energy markets. This, in turn, is very much in Ireland's interests, improving both supply and efficiency.

The Council's discussion on climate change focused on the UN summit at Copenhagen later this year. The EU continues to give leadership through our unilateral commitment to cutting emissions by 20% and our willingness to do more if others are prepared to play their part in a fair global deal. It is likely that this work will form a key part of Sweden's Presidency, which begins in July of this year.

The Council also adopted a declaration launching the eastern partnership to promote stability, good governance and economic development in those countries to the east of the Union's borders — Armenia, Azerbaijan, Georgia, Moldova, Belarus and Ukraine. The partnership will be formally launched on 7 May in Prague. The Czech Presidency has invited all Heads of State and Government to attend.

I wish to conclude my remarks to the House with some comments about the Lisbon treaty. As we know, there is agreement on the need to reform the Union and the Lisbon treaty is the

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agreed way of doing that. I spoke earlier of how the agenda at this Council reflected very much our domestic agenda, but of course it is only through our participation in the Union that we can shape the necessarily international response to many of the current challenges. So we need a Union that is effective. For example, on energy, even were the Union not supporting the interconnector, we would want to see our energy market more integrated with the rest of the EU because that is in our interest both as generators and consumers of electricity.

During the Council, I was invited by the Presidency to provide colleagues with a brief update on progress in fleshing out the commitments made to Ireland at the December European Council regarding the Lisbon treaty. I made clear that we are continuing to work towards the June Council as the point at which we would hope to secure agreement on guarantees for Ireland. I reminded my colleagues of the importance of the commitments given last December, including agreement that should the treaty enter into force, the number of Commissioners would not be reduced. I stressed that these guarantees promised in December must be legally robust in order to reassure the public about the treaty. While I respect the fact that other member states do not wish to re-ratify the Lisbon treaty, I made it clear that, for my part, the legal guarantees will have to be attached to the EU treaties at the next possible opportunity.

Presuming that we reach a satisfactory outcome over the coming months, I believe we will have a good basis for consulting the Irish people again later this year. I informed my colleagues that the Government has begun discussions with the Council Secretariat and legal service and remains in close contact with the Czech Presidency to which I expressed my thanks for its support.

We are very much on track for the timeline we envisaged in December, that is, agreement on the guarantees by mid-2009 preparing the way for a referendum before the end of the term of the current Commission. Recent poll figures suggest a favourable disposition among the public towards Europe. It may reflect greater recognition of the importance of the EU to Ireland in these economically challenging times, but I can assure the House that we will not be complacent.

This House and its Members will have an important role to play in ensuring that the public fully understands the issues before it. I recall the commendable work of the Sub-Committee on Ireland's Future in the European Union and I acknowledge that those Opposition parties in favour of the Union and a Europe that can deliver for its people have approached these issues in a constructive manner.

Recent events have, I believe, underlined how vital membership of the Union is to Ireland. However difficult people may find today's challenges, we benefit immensely on a daily basis from our guaranteed full participation in the Single Market and our membership of the euro. These are real strengths, without which our future would be far more difficult. If there is one message that came from the Council meeting, it is that we are stronger when we work and act together. The Council again demonstrated that member states can find the compromises necessary in pursuit of the shared goal of a return to sustainable economic growth and the minimisation of the impact on jobs of this current crisis.

For the information of the House, I had a prearranged meeting with the President of the Commission at the margins of the Council at which we discussed the current economic situation and the situation pertaining to the Lisbon treaty. I also wish to inform the House that I have told President Barroso that I will support his re-appointment as President of the Commission later this year. I believe he has displayed the right balance of leadership and consideration and that the Union will be well served by a second term with President Barroso at the helm of a strong Commission.

Deputy Enda Kenny: I wish to share my time with Deputies Timmins and Creighton.

An Ceann Comhairle: Is that agreed? Agreed.

Deputy Enda Kenny: I am glad the Taoiseach has stated he will support the reappointment of President Barroso as President of the Commission. At present, he appears to be the only candidate from the EPP group at least. Moreover, while the leader of the Conservative Party in Britain, Mr. Cameron, may decide to remove his Conservative Party from the EPP, he indicated to me that in the event of that party either forming or associating itself with another centre-right group, there still would be willingness to support Mr. Barroso. I welcome the Council meeting's focus on the economic crisis. Following from that focus, the next Council meeting should concentrate on the Lisbon Agenda, the original intention of which was that Europe should be able to compete with and match job provision and creation in, the United States. Europe fell down on that, it never happened and the impetus should be on this issue for the next Council meeting.

I welcome the support that is being made available from the Union, through the European Central Bank, for different countries. However, there is a need for much stronger recognition of solidarity within the Union for whatever decisions any country takes to protect its own banking and financial systems and so on. While it is fine to have the ECB as a central core, there must be visible support from the Union for whatever decisions are taken within each individual country. One does not wish to see the individual growth of so-called economic nationalism.

I hope the G20 summit meeting in London this week will produce something tangible. I welcome President Sarkozy's statement that he hopes some common ground can be found this week. There was a measure of criticism of the Americans within Europe at the margins of the Council Meeting, pertaining to the pressure exerted by America to the effect that Europe should match American funds in this regard. No less a person than President Barroso himself pointed out that after six months in the United States, a car worker who has been made unemployed will be in receipt of food vouchers. The difference between the United States and Europe is very deep in this regard.

The Taoiseach attended the meeting of the European liberal party leaders in advance of the European Council, which is a matter for the Fianna Fáil Party itself. If Fianna Fáil decides to join the liberal group or if the Taoiseach has decided to so do, he will have an opportunity to use his position as one of the few heads of Government within that group. Given the potential that exists in Ireland as an outstanding location for the production of food of the highest quality, the growth in world population and the clear requirements that exist for further food production, the Taoiseach should try to address the liberal group's view in respect of the Common Agricultural Policy. Its view differs greatly from ours in this regard and I am sure the Taoiseach will be able to use his undoubted strength and influence in this regard.

I welcome the making available of €110 million for the interconnector, which is very important. However, potentially there are a number of other projects in Ireland that could be put into line for approval in this regard. For example, I refer to Ireland's capacity for pumped storage, whereby wind turbines would drive water up mountains from lakes or the sea that then is used to generate power coming back down again. While a major investment programme would be required, from my experience of international power corporations looking at locations in Ireland, some of the projects envisaged could provide half the needs of the country. I welcome the Libertas organisation's decision to contest the European elections in Ireland. These elections cannot be turned into a proxy referendum because we will vote again on the Lisbon treaty. Deputies Timmins and Creighton will deal with this issue. However, I am concerned

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about the manner in which this organisation has gone about registering itself as a European party. This issue must be addressed. My concern becomes greater on learning that the founder of the organisation has agreed personally to pay back the loans of the Libertas organisation in Poland, contrary to Polish electoral law. I am further concerned that the Libertas organisation has stated that it will produce all evidence regarding expenditure for the future and that it will bring forward proposals in this regard. It first should comply with the SIPO regulations in Ireland and have its obligations in this regard above board before going on to proffer suggestions and solutions for everyone else.

I look forward to the Lisbon treaty referendum in the autumn and welcome that the IFA recently signalled, through its retiring general secretary, that the farm organisation would wholeheartedly back the treaty the next time. It is a pity that many organisations did not do so in the past. The Taoiseach should deal in sequential order with all the issues that were of concern but that were not relevant to the Lisbon treaty. He can rest assured that the Fine Gael Party will campaign openly, strongly and forcefully for its ratification. It is necessary to the futures of all in the new, expanded Europe.

Deputy Billy Timmins: An issue of concern to Fine Gael in recent weeks has been the internal political situation within the Czech Republic. While the Taoiseach did not allude to it, I believe he has outlined how it would not have an impact on the operation of the EU and the Czech Presidency in the months ahead. Perhaps the Minister of State with responsibility for European affairs, Deputy Roche, might respond to or deal with this issue during the question and answer session because it will be important that the guarantees we have sought are put in place.

It also is important to be aware that we do not want complacency to set in with regard to the second Lisbon treaty referendum. I acknowledge the opinion polls show overwhelming support for the treaty at present as there is more time to consider the issue, even though no campaign is under way. People must familiarise themselves to a greater extent with the detail of what it actually involves and in addition, economic circumstances have changed in a manner that has concentrated minds. However, Members cannot become complacent and nor should they assume that the next campaign will be fought on the same grounds as was the last one. Members must anticipate and prepare for this because those who state they are pro-Europe but anti-Lisbon are opportunistic and do not know whether they are pro-Europe. I strongly believe they are disingenuous, will move the goalposts and that the arguments the next time will be completely different. Members must anticipate this and, most importantly, rather than getting bogged down in its detail, we must set out in broad narrative terms what the Lisbon treaty is about and how it benefits Ireland, particularly in respect of the economic difficulties we have encountered recently.

Deputy Kenny mentioned the G20 summit which is taking place in London starting today. The Joint Committee on European Affairs has discussed the de Larosi re report, which contains 31 proposals on how the financial regulation of Europe might be progressed. While I believe it is important to have global regulation, I do not believe this will be possible because of opposition from the United States. Does the Minister of State have a view in this regard? In addition, is there uniformity within the EU regarding the sort of regulation that should be adopted? It was not prescriptive and I could not ascertain this yesterday, but is there uniformity with respect to what should be the bonuses and incentives? Is there a barometer by which all countries in Europe would agree to abide?

Until we joined the EU we did not have sovereignty in this country. Now we are clamouring for protection in a common fiscal approach, which is not dealt with in the Lisbon treaty. The

Taoiseach referred to an aid package of €50 billion, increased from €25 billion, for the EU countries that are not part of the eurozone. He also mentioned the €75 billion allocated for other countries. Is that for European countries or is it worldwide? How will we make a contribution to this? Where will the money come from?

I refer to the reconstruction of Gaza, which was dealt with at the Council of Ministers meeting. Europe must take the lead. During the Bush presidencies Europe was content to stay in the background. We should seek to drive this because until we get an agreement to the Palestine-Israel crisis we will have difficulties in the West and the East, if I may put it in simplistic terms.

I acknowledge the presence of Mr. John Ging, who appeared before the Joint Committee on Foreign Affairs. I compliment him on the excellent image he projects of the UN and this country. We could take our line from him because in Ireland the issue can be divisive. It is not a case of right and wrong; it is a case of rights and wrongs.

Deputy Lucinda Creighton: I refer to a number of the conclusions of the Council meeting. Regarding the objective of member states acting in a more co-ordinated fashion on a response to the economic crisis, I wish to hear the views of the Taoiseach and the Minister of State on the Government's position on enhancing the ability of the EU to impose sanctions in the sphere of economic policy as opposed to monetary policy. That area has been left untouched in respect of subsidiarity and the wishes of the member states. That position is unsustainable in the long term because, if we are to compete with emerging economies and have a more co-ordinated approach from the EU and particularly in respect of the eurozone, we must examine greater co-ordination coupled with the ability to impose sanctions.

At the meeting of the Joint Committee on European Affairs yesterday we discussed the De Larosière report. Some of the recommendations were quite far-reaching in respect of cross-border, almost criminal sanctions for the breach of financial regulations by member states and potentially institutions and companies. That would move the EU in a new direction. I would support it but we must examine this from a national perspective and adopt a clear position on it. It would have an impact on our position on justice and home affairs as well because we have, unfortunately, opted out of that to date. Perhaps we can re-evaluate much of what is going on in the economic sphere.

I refer to the commitments at the Council meeting on the reduction of VAT rates. It is an aspiration and an objective rather than a definite agreement but it is relevant in the context of the national debate, particularly in light of the forthcoming budget. Everyone accepts that a grave mistake was made at Government level with the 21% VAT rate increase. Now that there is a stated objective from the Council meeting, the reduction of VAT rates, in addition to the commitment on the European Investment Bank supporting SMEs and trying to create a better system of financing of SMEs, will we see a tangible result from these in next week's budget? It is a stated commitment of all member states.

The Stability and Growth Pact in respect of the conclusions of the Council meeting was to create sound public finances. We accept that Ireland has deviated far from sound public finances. I am interested to hear if the Taoiseach has picked up tips or new ideas in light of discussions at the Council meeting.

There is much talk about creating an appropriate crisis mechanism for energy security. This is important in the context of what happened in central and eastern Europe at Christmas time. What will that involve?

The Lisbon treaty will be dealt with at the next meeting in June. Will texts be presented to us on the concessions and agreements pursued by the Government at European level? Will the

[Deputy Lucinda Creighton.]

texts be laid before the Dáil or made available to the Opposition? Will we receive them in one tranche or will we have texts on neutrality preceding texts on family policy?

I urge the Taoiseach to reconsider the matter of justice and home affairs. This is too important for Ireland to opt out of and we must acknowledge that a mistake was made with that Cabinet decision. I hope it will be reconsidered in the context of the forthcoming Lisbon treaty referendum.

Deputy Joe Costello: I welcome the contribution made by the Taoiseach on the Council meeting of 19 and 20 March in Brussels. The spring summit built on the winter 2008 summit in addressing the financial and economic crisis. When we consider the package, including what was introduced on 19 and 20 March, it indicates the strong co-ordinated response from the EU to the crisis. It shows the level of commitment to solidarity that can be achieved and how valuable the EU is in the framework context for Ireland and other member states. Already a fiscal stimulus of €400 billion, 3.3% of the GDP, has been injected into the EU economy. In October €30 billion was provided from the European Investment Bank, from which small and medium-sized enterprises may borrow. At the summit, a further €75 billion was made available for borrowing by member states to meet a crisis situation where states were unable to meet the balance of payments. That is a bail out proposal of the last resort. Some €50 billion was announced for financial assistance for non-EU member states. The final package was a €5 billion package, including €110 million for the interconnector in Ireland. That is a sizeable combination of stimulus packages and infrastructure packages. I compliment the Irish Government and officials on presenting the interconnector plans at such an advanced stage that we are in a position to draw down this infrastructural funding when other countries may not be as prepared.

The interconnector is a valuable link. Bord Gáis is spending €4 billion on providing a transmission and distribution grid throughout the country. This is starting from and largely based around the Corrib gas field. At the same time, I am not sure Shell has made any contribution to that distribution and transmission link. This transmission grid link will cost the State €4 billion and the interconnector will allow transmission to the Continent if required. On that basis, does the Taoiseach not believe the support framework deserves some contribution from one of the major beneficiaries? This relates to the parties which discovered the Corrib gas and oil field, namely, Shell.

This compares very poorly to the amount of money invested in ocean energy. I understand there is approximately €26 million going into that. The grid itself costs €4 billion on the island of Ireland alone, with approximately €26 million going into the development of ocean energy, which could be a major sustainable energy supply in future for us.

The elephant in the room was still the Lisbon treaty. The loss of a confidence vote by Prime Minister's Topolanek's Czech Government has handed the initiative to the deeply Eurosceptic Czech President Vaclav Klaus and the Czech Senate as we move towards the final ratification process. That is not a very positive development.

The Taoiseach has stated this House has a major role to play on the Lisbon treaty but we would like to know when it will do so. The Government has already reneged on the commitment given to engage with the main Opposition parties in preparing the text of the legal guarantees and assurances that are directed to bolster the prospects of a successful second referendum. It is now three and a half months since the December summit and neither we nor the country is wiser about the Government's intentions. We do not know the date of the next referendum or the text of the referendum provisions and there is no sign of enabling legislation.

There is no sign either of the Referendum Commission and there is no explanatory documentation in the public domain to inform the electorate.

It seems as though history is repeating itself, although the previous referendum was only in 2008. The Government's carelessness at that time was a major contributory factor in the loss of the first referendum and its lack of preparedness and carelessness could easily be the determining factor in the second referendum in 2009. In the growing current economic and political instability, it is crucial that every effort be made to keep Ireland at the heart of the European Union and I would like to see a more proactive response from the Government on the way forward at this time, with only a few short months left until the Irish electorate will be asked to vote again in a referendum.

With regard to the economic crisis, the Council commended the member states for their financial recapitalisation measures and it was agreed to continue to act in a co-ordinated fashion in accordance with European Commission guidelines. The Council also agreed that there was a need to reshape the macroeconomic global management and regulatory framework for financial markets and investment in financial institutions. Most importantly, it agreed that the high-level group on financial supervision, chaired by Jacques de Larosière, was the basis for regulatory and supervisory action.

It was also agreed that the first decision would be taken at the summer summit in June on a new supervisory and regulatory financial system. Under the report the member states must first put their own houses in order in accordance with strict guidelines. The EU will then establish three supervisory authorities to cover banking, investment and insurance institutions.

Although it is a detailed and complex document, the de Larosière report is a very valuable initiative as it marks the end of the neo-liberal light regulation policy which was pursued by the Commission and particularly by our own Commissioner McCreevy. This facilitated the destruction of many financial institutions and economies, with the loss of millions of jobs and the impoverishment of millions of people. This light regulatory mechanism permitted such events.

The availability of loans is a very important part of the approach by the European Union and I have previously raised this matter, to which the Taoiseach also referred. The European Council welcomed progress on the €30 billion fund made available to provide credit for small and medium-sized enterprises but there has not been much progress in Ireland in this regard. The fund was made available by the Commission on 3 October, approximately six months ago.

Ulster Bank, AIB and the Bank of Ireland have just got approval for €100 million each in loans that will be distributed over 18 months to small Irish businesses. That is a drop in the ocean and I cannot understand why it has taken so long to begin to draw down the funding. None of it has entered the economy yet. Bank of Scotland was able to draw down the money in December 2008 so why has it taken the Irish banks so long to draw down a cent of the money available for the hard-pressed small and medium-sized enterprises? One can consider that nearly two thirds of private sector employment and 50% of all jobs are in the small and medium-sized enterprise sector, which consists of over 800,000 workers, so it is unforgivable that Irish banks are neglecting it.

The recapitalisation of AIB and Bank of Ireland was completed yesterday with the transfer of €7 billion of taxpayers' money, following on from the €500 billion guarantee scheme. Surely the Government can now insist on the banks doing what they are supposed to. Instead of destroying the economy — which they have done in many ways — they should support it because of all the investment and support we have given them.

Small and medium-sized enterprises are unable to source a regular credit flow and the failure of banks to lend their own money or draw down some of the €30 billion waiting in the EIB is

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depriving small businesses of the lifeblood of their daily operation. It is a scandal and the private banking system has already brought the economy of this and many other countries to their knees through irresponsible lending and private greed.

This cannot be allowed to hold the country to ransom in this time of crisis. It is time to look at a new financial vehicle for protecting the interests of the economy and the citizen. It is time to reflect on the role played by the ACC and the ICC in ensuring the flow of credit to the agricultural and corporate sector in Ireland in the past. It is time to establish a State investment bank which would have a special role in lending to the small and medium-sized business sector and drawing down European Union funds when available. It seems the nationalised Anglo Irish Bank has the potential to be that vehicle. It must first be cleared of toxic debts and be reconfirmed as a State bank before being recapitalised and given the new role and, finally, a new name.

These were the main issues addressed at the meeting of the Council. The employment summit, which was briefly referred to, was meant to take place in May 2009 in Prague. It concerns the maintenance and creation of jobs and at the summit all the Heads of State would have participated. It now seems that the leaders will no longer attend the meeting and it will be downgraded to the Troika of countries attending and reporting back.

That is a major disappointment because we cannot speak of financial stimulus, recapitalisation and guarantees for banks unless we talk about protecting and creating jobs. That meeting is even more important than what was going on in the Council in March and which will continue with financial and regulatory measures in June. Will the Government seek to act as an honest broker or another major role in the issue? Given that the British and French Governments are the major players involved in downgrading this summit, Ireland should work with other small European states to ensure that it will be upgraded again and that the emphasis will once more be placed on employment, the creation and retention of jobs and the Lisbon Agenda.

An issue which exercised the House, the Joint Committee on European Affairs and the Joint Committee on Foreign Affairs was the siege of Gaza and the developments that have taken place in the interim. Was the situation in the Middle East discussed to any great extent by the European Council? None of the reports issued indicates whether it was discussed. If it was discussed, what determinations were reached in respect of it?

Deputy Aengus Ó Snodaigh: Last month's meeting of the European Council focused on finding solutions to the current economic crisis. Once again, the Council came up very short.

Is mór an trua nár thapaigh an Chomhairle Eorpach an deis. Is am cinniúnach dúinn agus don Aontas é seo. Tá geilleagar na hÉireann agus an geilleagar domhanda i gcruachás. Tá dúshlán mór romhainn. An mí seo caite, measaim go raibh deis ag an Chomhairle Eorpach déileáil leis an cheist seo. Is trua nár deineadh é sin. Tá súil agam go ndéanfar i bhfad níos mó amach anseo.

Not only were the solutions arrived at by the European Council inadequate, they failed to recognise that policies such as deregulation, liberalisation and privatisation — which have been pursued fanatically at member state and EU level — are at the heart of the current global recession. If we are to come to grips with this crisis, these policies must be reversed.

Má táimid chun eacnamaíocht an tír beag seo, atá ar imeall na hEorpa, a tharrtháil, caithfimid féachaint ar cúiseanna na fadhbanna sin, atá luaite agam cheana. Tharla caimiléireacht éaguimsithe de thairbhe teip iomlán na margaí aigeadais. Níor dheineamar na margaí a rialú, nó a riaradh, i gceart. Chuidigh sé sin leis an meon “rip-off” a bhí i measc an lucht gnó agus na

bainc, ní hamháin sa tír seo ach ar fud an domhain freisin. Measaim nár dhein cruinniú an Chomhairle Eorpach aon rud chun roinnt de na fadhbanna sin a réiteach.

The absolute failure to properly regulate the financial markets was always a road to rip off and corruption. Obsessive deregulation and privatisation of public services has, and will, if left unchallenged, continue to prevent sustainable economic growth which will deliver a fair society.

The Taoiseach: Gabh mo leithscéal, a Theachta, tá orm imeacht anois.

Deputy Aengus Ó Snodaigh: Ceart go leor.

The Council refused to acknowledge that the same failed economic policies which have led us to our current position are exactly those which are reinforced in the Lisbon treaty. These policies have been exposed as being in contradiction with the economic needs of the moment. However, the Council persists with the myth that the Lisbon treaty is necessary to deal with the crisis.

Neoliberalism has failed. Its excesses and the logic behind it have put at risk the hard work of an entire generation and threaten to plunge whole populations into poverty. The simple fact is that ratification of the Lisbon treaty would make matters worse rather than better.

There is a need for a fundamental change in EU policy and in its treaties. These matters should have been the subject of European Council's deliberations. The protection of jobs and creation of new employment must be the absolute priority in the midst of this economic crisis. The haemorrhage of jobs must be stopped and that will require proactive interventions by the governments of member states.

Political leaders are casting about for solutions without understanding the nature of the problem. If we do not put the needs and interests of people at the heart of the future economic system, that system will also be doomed to failure. The approach of political leaders to the Lisbon treaty is exactly the same. In light of the major changes that have taken place during the past six months, it is bizarre to listen to EU leaders trying to force through a treaty which was designed to deal with an entirely different economic and political environment. We believe the treaty was a bad deal then and it is probably an even worse one now. The Lisbon treaty is old hat and is a charter for the policies of failure. We need a new treaty for a new time.

The media reported that the Taoiseach would use the opportunity presented by the summit to update his European colleagues on the Lisbon treaty and the development of the so-called legally binding guarantees agreed at a previous EU summit held last December. It is absolutely astonishing that he updated his colleagues in Brussels on the Lisbon treaty and the development of guarantees for Ireland but that he feels no compulsion to extend the same courtesy to the Irish electorate. For some months, Sinn Féin has been calling on the Government to publish the wording of those guarantees if, in fact, any such guarantees have been secured. I wonder whether these will be guarantees at all or whether they will be mere legalistic verbiage.

In light of their reluctance to speak out on this matter, it appears that the broader issues of the EU's democratic deficit, its erosion of workers' rights and public services, its emerging foreign and defence policy agendas and its promotion of free trade over fair trade have not been dealt with. Ensuring that the facts emerge may well provoke a debate in which the Government does not wish to engage prior to the European elections.

A meeting of the 27 member states' Commissioners also took place last month. The reason for this meeting was to discuss a strategy for Ireland's rerun of the referendum on the Lisbon treaty that the Government is due to hold later in the year. The Commission's representative in Ireland warned those gathered in Brussels that the political and economic situation in Ireland could lead to a second "No" vote. The people gathered for the Commission's "brainstorming"

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session also discussed the €2 million they intend to spend on an advertising campaign which will precede the rerun of the referendum and which will try to promote the pro-Lisbon agenda. A spokesperson for Commission President José Manuel Barroso claimed that it was their intention to distribute factual information on EU policies and the Lisbon treaty to citizens in Ireland and in other member states in order to allow a vigorous debate to take place. However, the last thing EU leaders want is a real debate taking place either in Ireland or elsewhere in the Union.

What is proposed is a waste of €2 million, which, in view of the current crisis, could be better spent on social projects. The Irish electorate will not be bought by the European Commission or bribed by it or anyone else to vote in favour of the Lisbon treaty. We have already made our decision and, in my view, this decision will be reinforced if the Government proceeds with its plan to rerun the referendum.

If the Commission, the Council or the Parliament truly want a vigorous debate on the Lisbon treaty or on the current direction of European policy, they would not have done everything possible in the wake of the rejection of the proposed EU constitution by the Netherlands and France in 2005 to ensure that there would not be a popular vote on the treaty in member states. The Commission does not want an open debate on the Lisbon treaty; it merely wishes to persuade us of its way of thinking. This will not happen.

The people of Ireland and Europe deserve better than the Lisbon treaty. We need a new treaty for new times. Ireland's place is firmly within Europe. The Irish people have been loud in their support for the European Union but they will not accept a bad deal for Ireland. They do not want to hand decision making power over our future to unelected bureaucrats in Brussels.

The people of Ireland want a different Europe, and they have stated that in a referendum. Member state citizens across the Union want a different Europe but they have not been given the opportunity to state that in a referendum. We want a Europe based on solidarity and fairness, a Europe of peace that respects the right of each member state to make its own decisions on sovereign matters and one that prioritises workers' rights and public services — a Europe of equals. That is the opportunity before us. The people are ready to take up the challenge, and it is time for the European leaders to catch up. Ireland must remain at the heart of Europe but we want a change of policy direction in Ireland and also in Brussels. We need a new treaty for a new time, a new dispensation. We need new political leadership but it is not coming from the opposite side of the House.

I refer to the question of the Palestinians, previously raised by Deputy Costello, and the onslaught by Israel over the new year which resulted in the slaughter of over 1,500 people in the Gaza area. Given the logic of the position of the Minister for Foreign Affairs, Deputy Martin, as espoused at the Fianna Fáil Ard-Fheis, will the Minister of State indicate whether anything was said about the Palestinian situation at the recent Council meeting? Were the Minister's views common to other European leaders because he stated: "It is very clear to me that very serious offences and almost certainly violations of international humanitarian law were committed by both sides". On the use of white phosphorous by Israeli, he went on to state: "The use of such weaponry in a densely-populated area such as Gaza is completely unacceptable and does represent in my view a violation of international humanitarian law and raises serious questions regarding the conduct of its military campaign in Gaza which the Israeli Government will have to address".

Questions must be raised at European level about the Euro-Med agreement, the preferential trade agreements with Israel, and the fact that the European Union is continuing with them

despite breaches of humanitarian law and international territorial law. If it has not been done to date, will the Minister give a commitment at the next European Council summit meeting that he will be to the fore in demanding the suspension of the trade agreement, which is the logic of his statement?

I draw the Minister of State's attention to comments made by the United Nations special rapporteur on human rights in the Palestinian territories, Richard Falk, on the Geneva Convention and the requirements for warring forces to distinguish between military targets and surrounding civilians. He stated: "If it is not possible to do so, then launching the attacks is inherently unlawful and would seem to constitute a war crime of the greatest magnitude under international law". A war crime dictates to the European Union that the trade agreement must be suspended.

On a related matter, has the European Council re-examined its policy of excluding Hamas and not dealing directly with the elected Government of the Palestinian people, and the effects its policies are having on those under siege in Gaza and the West Bank? Has any thought been given to suspending the trade agreement due to Israel's ongoing policy in the West Bank, namely, the capture of land and the illegal settlement, another issue which would be sufficient to conclude that the agreement must be suspended?

Will the Minister of State indicate if there was any discussion on how the EU, as a member of the Quartet, would help in lifting the ongoing siege of the Palestinian territory called Gaza? It is no longer on the media's radar but there is an ongoing siege and humanitarian aid, food and reconstruction equipment cannot get into an area which was bombarded continuously for three weeks. That serious question must be addressed. I hope it will be addressed and that the Minister of State can give a commitment that there will be more discussion at future EU Council meetings.

Acting Chairman (Deputy Kathleen Lynch): We will now have a question and answer session for 20 minutes. I call Deputy Creighton.

Deputy Lucinda Creighton: I refer again to a point I raised in my contribution, which concerns the justice and home affairs measures contained in the Lisbon treaty. I would like a response from the Minister of State as to whether there is at least an openness at Government level to reconsidering the position adopted by the Cabinet in advance of the Lisbon treaty referendum last June. In my view and that of my party it was a flawed decision. It contributed to the negative outcome in the referendum. There is an opportunity now to address that and adopt the correct position. It would also lend considerably more support to the outcome of the next referendum.

Minister of State at the Department of Foreign Affairs (Deputy Dick Roche): I would like to deal with a number of the points raised by Deputy Creighton, all of which are germane.

Our position on justice and home affairs measures was not discussed during the course of the European Council and is not covered in the conclusions. I should make the point that we had a lively debate on that particular issue last year, and there is a three year review built into it.

I will link that to a number of the other points made. Deputy Creighton and other Deputies asked about a number of specific issues. Deputy Creighton touched on the issue of the need for better regulation and how Europe could lead in that. There was a lengthy discussion on the issue. There are two important documents before us at the moment. One of them is the Solvency II arrangements, which are very important in dealing with the insurance industry. The elements within that are of vital importance. I firmly believe that better regulation in that industry is critical. If we consider that the meltdown commenced from the moving of toxic

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assets in the United States, which affected the whole of the financial services industry, it is clear that something is being done in that regard.

I understood Deputy Creighton to make the point, and I fully agree with her, that this illustrates how critically important it is for Ireland to be at the heart of the European Union and to be part of the eurozone because the decisions that must be made under the Solvency II arrangements, for example, which will take up to 2012 to come into operation, can only be made by 27 sovereign states sitting around the table and working them out. Contrary to the contribution from Sinn Féin, which is, to use the expression, “from the teeth out” in its support for the European Union, this is one of those practical examples of why the lives and livelihood of every citizen, small, medium and large businesses, our banking systems and the entire financial system, is very much determined by how we play a part in Europe.

Deputies Costello and Timmins mentioned the de Larosière report. The report argues a prudent move to back to better regulation in banking. As Deputy Timmins said, and I believe Deputy Costello made the point also, there are 31 key rules in this. I would agree with Sinn Féin on this point, and I am surprised its Members have not been jumping up and down supporting this, because the report suggests a move back to more prudential banking controls. We are a small, open economy. That will not occur through Ireland taking decisions in isolation but only if Europe as a whole moves in that direction.

Justice and home affairs did not form part of this discussion, it was a domestic discussion where we made our own decisions subject to review in three years.

Deputy Joe Costello: There will be a summit in Prague in May on job creation and job protection. It is one thing to provide financial support for loans but it is another thing to address the fact that every country is haemorrhaging jobs. If we could retain and create jobs, economies could stabilise. We need a combination of financial stimulus, job maintenance and creation and upskilling. Could Ireland play a prominent role in restoring that summit to its original intention, that it would have the Heads of Government of all 27 member states coming up with proposals and then, with assistance from the European Union, delivering them to the member states? If that summit is downgraded and the Heads of State of the main countries do not turn up, we will not make much progress. Could we play the white knight and push the issue with other countries?

The Lisbon treaty debate was an afterthought at the Council meeting. What degree of detail did the Taoiseach offer his colleagues? Very little information has been given to Members of this House, despite commitments. When is the Taoiseach going to share this information and when will he ask for dialogue on the legal preparation of texts? When will this stop being a secret where discussions are going on behind closed doors? A referendum is a public matter where we change the Constitution.

Will the Minister of State explain why the Irish banking system has not availed of the money available in the European Investment Bank to inject into the Irish economy? The banks said they do not have a problem with recapitalisation but they are not giving money to those who need credit and they are not drawing down money from Europe to lend out. Is it because they are not getting the returns they want or because they cannot be bothered? Why is the Government not using its muscle, having guaranteed and recapitalised the banks, to ensure the banks start to resource the Irish economy by providing lines of credit to small and medium enterprises? This is why we have Council meetings, to ensure these decisions are taken and then implemented. If our institutions do not implement them what are we going to do about it?

Perhaps the Minister of State will address my suggestion about a State investment bank so we could bypass the private banks, which have reneged on their responsibilities.

Deputy Dick Roche: As Deputies know, I spent a lot of time lecturing on public administration and it is interesting to read the debates on the creation of ICC and ACC to see how relevant those debates are to the current situation. Deputy Costello is right, the banking system has gone through an extraordinarily fiery period. The banks drew this on their own heads, greed rather than prudence drove many banking decisions. The Deputy mentioned Royal Bank of Scotland drawing down some of the funds already. Given that corporation's history, I would not use it as a model but I see the point. Is it not extraordinary, as we both agree, although Sinn Féin would not agree, that on this occasion rather than taking money out of banks, something Sinn Féin is more familiar with than most of us, we are willing to provide support through the banking system for small and medium enterprises?

On the Lisbon treaty, my door is open, I am willing to talk to anyone, including those who oppose us. Information should flow but we are still working on texts. There is no desire to withhold information and I am willing to provide briefings for Deputies. We did this successfully in the second Nice referendum, although I accept we were less successful during the first Lisbon campaign. In preparation, however, we should have more direct co-operation. Co-operation will flow as soon as we have a text, there is no point in talking before then.

I believe, given the circumstances, that the Czech Presidency has been successful to date. It was always made clear that the major priority in the first half of the Czech Presidency, until the spring Council, would be the economic crisis and institutional issues related to Lisbon would be taken in the second half.

I was inclined to the Deputy's point of view when it turned out that the summit on jobs was in effect a troika plus social partners. The point can fairly be made that there was a special meeting of the Heads of Government on 1 March and a spring Council. An excessive number of formal summits can be counter-productive because it is hard to see how we can produce decisions that will dramatically change from those made four weeks earlier. Meetings between the troika that acts as the driving force in the EU and social partners are a new format and might be a good one. There could be a lot of benefit from a more flexible format than the traditional summit. European summits are highly institutionalised and formalised and a smaller arrangement will facilitate more informal changes. It could have the beneficial effect the Deputy is seeking.

Deputies mentioned the Middle East peace process. This was discussed at the Foreign Ministers element of the summit meeting and last Thursday and Friday at the Gymnich meeting in the Czech Republic. One of the main concerns at the meeting was the lack of progress and the failure to open the border crossing points. I met with Mr. John Ging, as Members did on the previous day, and was able to brief him on our concerns. The Minister for Foreign Affairs, Deputy Martin, has also made his concerns clear. It is again a pity that Deputy Ó Snodaigh, having asked the question, has found it necessary to leave the House.

Ireland's position on this matter has been firm and clear that the two-state solution is the way forward. Europe's interaction with the Israeli Government and the Palestinian governing authorities will be determined by their performance. The Minister for Foreign Affairs is the lead proponent at EU Council meetings, and elsewhere, for the bilateral approach and that Europe needs to drive the solution to the humanitarian crisis in Gaza. I have repeatedly made the point that ghettoising, or imprisoning, an entire population is the worst way to create the conditions for peace. If there is any lesson that comes from history, it must be that the collective punishment, such as that visited on the Palestinian people, is counterproductive. It is surprising and disappointing that the Israeli State has not recognised this point.

Deputy Ó Snodaigh wilfully ignores the fact that Europe is the leading provider of support to the Palestinian people. Europe has been the leading advocate of peace, democracy and

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human rights in the entire region. There have been vigorous contributions from myself, the Minister for Foreign Affairs, even at official level, about the concerns commonly shared by the Irish people on the Middle East and the condition of the people in Gaza.

I thank Members for their contributions. The Taoiseach earlier said he would have stayed for the entire debate but events meant he was taken away from us.

The recent EU Council summit was significant and occurred at a critical time when the world is mired in an unprecedented economic and financial crisis. Yet again, it showed how important it is for Ireland to be at the heart of the European Union. Deputy Ó Snodaigh spoke, like the *Libertas* founder has, of unelected elites. I do not expect better from the founder of *Libertas* who has only a passing acquaintance with truth or accuracy. I would, however, expect a person elected to this House to recognise that a summit of 27 different Heads of State, Foreign and Finance Ministers is not a meeting of unelected bureaucrats or faceless individuals. It is time that the fundamental dishonesty that has been injected into the debate about Europe is put to one side. I have no difficulty in engaging with Deputy Ó Snodaigh or anyone else on issues. Bogus soundbites, however, are a disservice to democratic debate.

All member states accept there is no foolproof way out of the economic crisis and that solely national solutions would not be effective. Concerted international action is imperative. The EU is well equipped to offer international leadership at this time of great difficulty. It is the only regional body worldwide that has that capacity.

At the recent Council summit, important decisions were taken. The Heads of State pledged to do everything necessary to restore economic growth. I was impressed by Deputy Costello's iteration of the €400 billion recovery injection into the European economy, 3.3% of EU gross domestic product. The fiscal stimulus measures are focused and will achieve results, generate new investment, boost demand and create jobs.

The agreement on €5 billion in EU spending as part of the European recovery plan also sent out an important message about European solidarity and cohesion. Members referred to the importance of the €110 million injection into the east-west interconnector. Energy security is one of the most critical issues facing Ireland and can only be achieved in the European Union. Ireland will also benefit from funding for projects such as the extension of rural broadband coverage and the Common Agricultural Policy healthcheck. The recent European Investment Bank release of €300 million funding for the Irish banks is welcome. The banking system must get these moneys into the country quickly and out to SMEs. The doubling of the ceiling of aid to member states not using the euro to €50 billion provides significant support from the euro-zone to central Europe. This is a fundamentally sound indication of the solidarity at the heart of the European Union, counter to the mendacious debate heard from *Libertas* and Sinn Féin.

A pledge of an additional of €75 billion in support for the IMF again demonstrates Europe is heavily involved in finding solutions to a worldwide crisis. Looking forward to the G20 summit in London tomorrow, the EU spelled out the common position on how to improve regulation and oversight of international financial services. I believe Europe is right in this regard. Those who are sceptical of moving towards better regulation should remember that one factor in the current economic crisis was a lack of appropriate and functional regulation.

The Council also highlighted the importance of EU member states working together under the EU umbrella to cope more effectively with the challenges we face. On the Lisbon treaty, the Taoiseach offered his EU colleagues an assurance that we are on track to finalise our legal agreements by the time of the June Council meeting. In the coming months, we will be seeking to give effect to what was agreed at the December Council. It was never intended that the

Council meeting in spring would take the final decision on this. Any Member who wants to be briefed on any issue in my particular purview will find my office door open.

Work on the texts will intensify over the coming period. I am confident the spirit of solidarity we saw since last year's referendum will be reflected and we will be successful in delivering on the commitments made at the December Council meeting. We belong to a Union which cherishes and respects diversity and the solidarity which exists between member states. Our experience last June has highlighted the value of European Union membership. The retention of our position at the heart of Europe will be determined by the vote we take later this year on the Lisbon treaty. We cannot expect to be treated as the golden-haired boy of Europe if we do not play our part in it.

I thank Members for their contributions. The upcoming meetings at international level will be critical. The Government will continue to work on the issues raised by last June's treaty referendum. When we reach finality on these, we will be talking with all parties in the House.

Sitting suspended at 1.40 p.m. and resumed at 2.30 p.m.

Ceisteanna — Questions (Resumed).

Priority Questions.

Corporate Governance.

Question No. 26 follows Question No. 32.

27. Deputy Willie Penrose asked the Tánaiste and Minister for Enterprise, Trade and Employment when she will introduce the legislation promised (details supplied) to ban cross-directorships and to prevent chief executives from becoming chairmen of their companies; and if she will make a statement on the matter. [13646/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I assume the Deputy is referring to comments made by my colleague, the Minister for Finance, concerning the establishment of a new central banking commission, possible inappropriate cross-directorships and circumstances where the appointment of a chief executive as chairman may not be in accordance with best corporate governance practice.

The House will be aware that the Taoiseach recently announced that a new central banking commission will be established, which will incorporate the responsibilities of the Central Bank and the supervision and regulatory functions of the Financial Regulator. This will build on best international practice and it is intended that the banking commission will have the necessary powers to ensure the financial health, stability and supervision of the financial sector.

In the area of company law, which falls within my responsibility, the Deputy will be aware that the companies consolidation and reform Bill, which is currently being drafted by the Office of the Parliamentary Counsel, sets out the corporate governance duties of directors, company secretaries and auditors on a general basis for companies across all sectors. The Bill will implement the recommendations of the Company Law Review Group in that the fiduciary duties owed by directors to the company will be stated in the new companies' code.

At present, company law does not prohibit cross-directorships, whereby a person is a director of more than one company at the same time. Any consideration of a change in this position for the general cohort of companies operating in Ireland would need to take account of the

[Deputy Mary Coughlan.]

contribution that non-executive directors make by imparting their mix of expertise and the cross-fertilisation of ideas from other areas of the business community.

On the issue of a chief executive becoming chairman of a company, at present there is no prohibition in the Companies Acts that would prevent that taking place in the case of companies generally. However, this issue is dealt with on a “comply or explain” basis in the combined code of corporate governance that applies to companies whose securities are listed and traded on the Stock Exchange.

The Government and I are committed to ensuring that our corporate governance regime for the financial sector and the corporate sector generally accord with best international practice. I will be working closely with the Minister for Finance to take account of the lessons which emerge from current inquiries arising from recent developments and we will address, as appropriate, any concerns in this area.

Additional information not given on the floor of the House.

Separately, the Deputy will be aware that, yesterday, I announced that the Government has approved my proposals to make immediate amendments to the Companies Acts to ensure that the annual accounts of companies that are licensed banks will disclose loans made to named directors, rather than the aggregate of such loans as applies at present. The amendments will also ensure that the maximum amount of each director’s liability during the year is published, rather than just the outstanding balance at the end of the financial year.

The Deputy will also be aware that I asked the Director of Corporate Enforcement if, arising from his current investigations, there were any legislative amendments that he considered of immediate importance for the carrying out of his work. The amending Bill will, as a result, also include provisions requested by the Director of Corporate Enforcement: clarifying the right of access of his office to certain records of a company under investigation and to certain related third party records; reducing the evidential requirement on the Director of Corporate Enforcement so that he will not have to prove a director was wilfully in breach of the loans to directors provisions of company law; strengthening the provisions dealing with search warrants; and providing a mechanism for the courts to determine whether legal professional privilege attaches to some seized material. I hope to bring the Bill before the House at the earliest opportunity.

Finally, I can also confirm to the Deputy that I have granted the Director of Corporate Enforcement’s request last week for additional staffing and that I have instructed my Department to put these resources in place as a matter of urgency. This will facilitate the carrying out of ongoing investigations and allow his office to continue to perform its other functions to the highest standard.

Deputy Willie Penrose: I thank the Tánaiste for her reply. I put it to her that for the ordinary person corporate governance and the cross-over of directorships must remind them of the old song “Lanigan’s Ball” — “I stepped out and you stepped in again”. That is about the height of it. One could meet a small cohort of people on nearly any board. When one individual resigned from a board, he also had to step down from positions in four other places. It is all right to talk about the cross-fertilisation of ideas.

A person whom I have not met in years, but who is from my town, is the managing director of Grant Thornton, Mr. Paul Raleigh. As its managing partner, he urged the Government to introduce new legislation to incorporate into law key provisions of the combined code of corporate governance and serious sanctions for non-compliance with the code. I think what he was saying is that one can complain but as long as one can explain, everything is all right. Does

the Tánaiste agree that it is important in the context of regaining our international credibility, which is most important after the recent controversies?

Will the Tánaiste ensure that, first, chief executives do not go on to become chairmen and become combined executive chairmen? That happens a lot. Second, if I am on two or three boards of listed companies at the same time how can I, as an independent director, be effective in terms of the amount of time I am able to devote to each company? How can I dot the i's and cross the t's? How can one carry out one's fiduciary duty as a non-executive board member if one is looking after one's own business and sitting on three or four boards? Some of them are shaking hands with one another as they leave. Let us not talk about cross-fertilisation; it is the cross-directorships that are important. If a board wants particular expertise it would be better for it to buy it in. It has been said that corporate cronyism has reached a height in this country. Has the Tánaiste examined how the system operates in other countries, for example, the London Stock Exchange?

Deputy Mary Coughlan: In the context of this discussion, I wish to identify the area about which the Deputy is inquiring. I assume the Deputy does not refer to small to medium-sized enterprises?

Deputy Willie Penrose: No.

Deputy Mary Coughlan: Family businesses——

Deputy Willie Penrose: No, there is never any problem with them.

Deputy Mary Coughlan: I am just trying to seek clarity. The second issue is the combined code of corporate governance for listed companies, plcs in the main.

Deputy Willie Penrose: That is what I am inquiring about.

Deputy Mary Coughlan: That matter is being considered in the context of company law. It is important to be careful. The Minister for Finance is also considering this issue in the context of banking institutions. It is within those confines that I agree with the Deputy that we can progress this matter from a “comply and explain” basis into a legal framework.

Deputy Penrose is aware that I announced amendments to the Companies Acts yesterday arising from my concerns that the Director of Corporate Enforcement would have robust legislation available to him arising out of those issues. After my initial inquiries, he reverted to me and indicated that he needed some matters facilitated. That is what I announced yesterday. Equally, I asked whether he had the relevant resources to have that carried out and that this would be provided. We are *ad idem* on this issue in the differentiating of the companies to which the Deputy referred.

Deputy Willie Penrose: Will the Tánaiste take——

An Ceann Comhairle: The time is up.

Deputy Damien English: We have bundles of time.

Deputy Willie Penrose: Will the Tánaiste consider limiting the number of directorships of boards which people can hold?

An Ceann Comhairle: The time for the question has expired.

Deputy Willie Penrose: Was the Tánaiste surprised at the Stock Exchange's response to Mr. Raleigh's report? It said there appeared to be a disconnect between the findings of the report on corporate governance for Irish plcs and commentary contained in the study. Has the Tánaiste examined that? Basically, Grant Thornton was recommending that the Tánaiste introduce new legislation to incorporate those key provisions, in particular, relating to the roles of audit committees and directors. I found the comment of the Stock Exchange puzzling to say the least.

Deputy Mary Coughlan: I would not care to comment on that because we have not come to finality on the issue yet. I am sure Deputy Penrose is aware that we are only a small country with a certain number of people available to participate on many of our boards. We should be cognisant of that point. The initial inquiry regarding the change from a code to a legislative framework is being carefully worked through between the Minister for Finance and I.

Skill Shortages.

28. **Deputy Deirdre Clune** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on recent comments (details supplied) regarding skill shortages in engineering and technology areas; the steps she has taken to address this situation; and if she will make a statement on the matter. [13740/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Seán Haughey): As a leading knowledge economy, Ireland has a significant demand for the key skills of engineering, mathematics and information technology. In the competitive labour market over recent years supply side constraints and strong demand did create some difficulty at times for individual companies in recruiting suitable personnel.

The recent expert group on future skills need report — Future Requirements for High-Level ICT Skills in the ICT Sector 2008 — concluded that the market for high-level ICT skills is tightening and that projected demand is set to exceed domestic supply. The report identified a range of actions that can be implemented in the short, medium and long term to maximise career opportunities and jobs within the sector. The higher education sector in Ireland has responded to the demands of the labour market through a series of skills initiatives arising from this and other analysis by the expert group. On the basis of the expert group's recommendations for new courses, the Higher Education Authority invites proposals from higher education institutions to provide courses in targeted disciplines.

In addition, a number of measures to promote science, engineering and technology in schools and colleges, as well as raise awareness of the importance of these disciplines in wider society, are being taken by the Higher Education Authority, ICT Ireland and Discover Science and Engineering.

Deputy Deirdre Clune: I thank the Minister of State for his reply but he seems to be on a different planet to me. The Tánaiste attended a jobs announcement by Intel recently at which it announced it was investing €50 million in jobs in research and development. Mr. Walsh of Intel said on that occasion that the State was not producing enough graduates or post-graduates in computer science and electronic engineering. Management at Havok, which is owned by Intel has also said it cannot get adequate numbers of quality staff here. These comments contradict the response of the Minister of State.

There is a shortage of qualified workers. We have a problem in that we do not attract enough students into the mathematic, science, electronic and engineering areas. Fine Gael put a question to the Minister for Education and Science on this last week but his response was less than satisfactory. Will the Tánaiste or Minister of State outline what engagement their

Department has had with the Department of Education and Science to address this serious issue? We have a significant shortage of students and graduates in this area. Companies like Intel, Havok and Google have all said there is a problem in attracting and sourcing graduates in these areas. The Government has announced plans for a smart economy but if we do not have the students and graduates to deliver that, where are we going?

What specific action is the Department taking to deal with the issue? The Minister of State mentioned the Higher Education Authority but he seems to be looking backwards rather than concentrating on encouraging the take-up of science and engineering. He mentioned the discover science and engineering programme but it has not provided measurable numbers of students. Instead, we see a fall-off year in and out in the numbers of students attracted to these areas.

Deputy Seán Haughey: The problem was identified over the past number of years and that is the reason we commissioned the expert group on future skills needs to examine the area. The group came forward with a report on future requirements for high-level skills in the ICT sector. Currently we have an upskilling co-ordination group and an interdepartmental committee, which I chair, working to bring about co-operation between the two Departments. They also aim to bring about an implementation plan for the national skills strategy. That work is continuing.

Figures just released show there has been a 20% increase in first-choice applications for science to the CAO for the forthcoming academic year. That said, we continue the work to deal with the situation. A number of Government actions are being taken to promote science, technology, mathematics and engineering, including various post-graduate programmes; the ICT champion programme; the discover science and engineering programme; and the project maths programme, which will yield great results and which was introduced by the Department of Education and Science on a pilot basis and will be rolled out nationwide. Measures have also been taken by the industry advisory group. We have too the national centre for excellence in maths and science, mathematics support centres and the Strategy for Science, Technology and Innovation 2006-2013. A number of recommendations are being implemented in that regard.

I assure the Deputy that the expert group on future skills needs has issued a document identifying shortages and what we need to do up to the year 2020. Measures are being taken to deal with the situation. The interdepartmental committee is finalising an implementation plan for the national skills strategy. Work is continuing and the various programmes have been put in place to deal with the situation.

Deputy Deirdre Clune: The report of the expert group on future skills needs was produced in December and the National Competitiveness Council supported many of its recommendations. However, last week the Minister for Education and Science did not indicate he would implement any of the recommendations, specifically the ones recommending bonus points for maths to encourage a take-up of maths or reconsidering the methods of teaching maths and science. It is only by addressing the issue at primary and secondary level that we will get the necessary feed for third level. Will the Minister of State respond to that?

Deputy Seán Haughey: The overall view emerging with regard to the position on bonus points for higher level maths is that the introduction of bonus points is unlikely to dramatically increase uptake of higher level maths. A report from the points commission on this matter in 1999 came out against this recommendation on the basis that it would lead to a narrowing of the range of subjects taken by students and create pressure on students to make early career choices.

Deputy Deirdre Clune: That was ten years ago. The future skills group has now recommended it.

Deputy Seán Haughey: The 1999 report suggested it would also give rise to equity issues where the subject was not available and that this would lead to distortions in third level access and provision. The issue has been given serious consideration again in recent months, but the overall view emerging is that we should not do it. It is only one recommendation. I mentioned already the project maths programme is being rolled out.

Deputy Deirdre Clune: The National Competitiveness Council recommended it be implemented immediately.

Deputy Seán Haughey: It is a matter of getting agreement following discussion and consultation. I do not agree that the Minister for Education and Science is not in favour of implementing the recommendations of the national skills strategy.

Live Register.

29. **Deputy Willie Penrose** asked the Tánaiste and Minister for Enterprise, Trade and Employment if, in view of the further increase in the number of people on the live register, published on 4 March 2009, she will indicate the steps she is taking to stem the number of job losses; if she has plans to provide new training opportunities for those who have lost their jobs and to encourage the creation of new employment opportunities; and if she will make a statement on the matter. [13647/09]

Deputy Mary Coughlan: The total number of people on the live register for March 2009 is 371,300, a monthly increase of 16,863. It should be noted that the live register is not designed to measure unemployment and includes part-time, seasonal and casual workers entitled to unemployment benefit. Based on the live register figures, the CSO estimates the standardised unemployment rate in March to be 10.9%.

The rise in unemployment is particularly unwelcome and is a sign of the difficult times that all economies face. The Government is determined to do all in its power to tackle the issue of the rising number of people who have lost their jobs. My Department, and its agencies are working together to respond quickly and effectively to the rise in unemployment.

In terms of job search supports, FÁS employment services, together with local employment services, have put in place measures designed to provide increased capacity for the rise in referrals from the Department of Social and Family Affairs. The implementation of these measures has increased the monthly capacity of job search services from 6,500 to 12,250 persons per month. In order to assist individuals through the provision of education and training opportunities, I announced 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 and are specifically tailored for individuals who wish to add to their existing skills level and improve their prospects of re-entering the labour market.

In response to the significant downturn in construction related activity since the beginning of 2008, FÁS, in addition to the usual supports that it provides to redundant workers, has established a training fund to enable them to provide a timely response to identified training and retraining needs for low-skilled and redundant craft workers from the construction sector. The Government is also determined to assist redundant apprentices complete their apprenticeships. We have initiated several measures, which will see over 2,700 redundant apprentices being able to progress their apprenticeships this year. The measures to assist redundant appren-

tices include the employer based rotation scheme, which will assist up to 500 individuals, the agreement between ESB networks and FÁS to provide training opportunities for up to 400 redundant electrical apprentices and the interim changes introduced by FÁS to enable 1,200 redundant apprentices progress to their next off-the-job phase without having completed the previous on-the-job phases.

The Government remains intent on achieving greater capacity to meet the ongoing challenges in the labour market. In this context we will continue to bring forward further measures to make training and education services available to a greater number of unemployed persons to ensure timely and comprehensive access to the full range of services provided by FÁS.

Additional information not given on the floor of the House

While activation measures will assist individuals in securing employment and enhancing their skills, the key to addressing our unemployment problem is the creation of more jobs. That is why the Government remains strongly focussed on supporting and promoting enterprise development to create new jobs. In this regard the enterprise development agencies of my Department, including IDA Ireland and Enterprise Ireland, are working to ensure that we continue to grow the economy and jobs even in the current more challenging climate.

Deputy Willie Penrose: I thank the Minister for her reply. Is it not time to start afresh with new thinking? For example, can we not eliminate all the lead-in times for the determination of eligibility for the back to work allowance scheme, the back to work enterprise allowance scheme and the back to education scheme? We should get rid of the lead-in times or reduce them to three months. The Minister heard a man from Dundalk refer on “Primetime” last night to what I have spoken about for the past few months. The lead-in times and such measures should be eliminated. New thinking is required.

SR Technics is seeking €25 million for a management buyout. Nine hundred jobs multiplied by €20,000 per job amounts to €18 million. This does not take into account secondary benefits and the 60% the Department will have to contribute for redundancy payments. If these were taken into account along with the loss of spending power in which the loss of 900 jobs would result, the cost would amount to approximately €40 million. It therefore makes good economic sense to invest €25 million in this necessary industry. We need aviation and aeronautical engineering and technology and the 900 employees have the necessary skills. Why would an island nation do away an industry in which these people are needed? Let us start thinking outside the box. If we invested the €25 million we would have 900 people at work. The Minister should start thinking in this way.

Consider the issue of VAT on insulation materials. Some 40% of our housing stock was built prior to 1963 and virtually none of the houses in this category is insulated. While there is an insulation scheme worth €300 million, it is negligible. Windows and doors need to be included, not just insulation. VAT must be removed from insulation products.

If the Minister got a job tomorrow, she would be involved with the VAT regime as soon as she had a turnover of €37,500. A rate of 21.5% or 13.5% applies if one is supplying services. If one’s turnover is over €70,000, the same provisions apply. The threshold of €37,000 should be increased to €60,000 or €70,000 while the €70,000 threshold should be increased to €140,000. Let us be innovative. The Exchequer is losing money at present and the addition of people to the unemployment list is costing the State a huge amount. I would say the Minister of State, Deputy McGuinness, agrees with me. I know he is examining county enterprise boards but he should do so quickly. We heard last night about micro-enterprises and these must be borne in mind. Some 750,000 are employed by 250,000 small and medium enterprises.

[Deputy Willie Penrose.]

The Minister is working with Mr. Barry O'Leary, Mr. Frank Ryan and others, which is great, but she knows the difficulties that exist and that there is a lead-in time of a year and a half or two years. People are now willing to start up enterprises. The Minister, who is a rural person like myself and knows what I am talking about, realises such jobs comprise the structural fabric of rural Ireland. We need them and should start thinking outside the box.

Deputy Mary Coughlan: On SR Technics, I hope we can get to the question and that I will be able to address the issues raised.

Deputy Willie Penrose: The Minister will not address my question.

Deputy Mary Coughlan: I hope to address the House on it.

On the insulation scheme, those of us who were local representatives will know there was no grant aid for insulation. This is why it now comprises a specific energy measure and why it is outside the remit of all other schemes.

With regard to the back to work enterprise allowance and the back to education scheme, the late Minister for Social and Family Affairs, Seamus Brennan — God rest him — introduced a change to the back to education scheme whereby those who were made redundant could enter the system automatically. That has been progressive and one will see a considerable number of new entrants to education. The Minister for Social and Family Affairs stated in the Chamber last night that she is evaluating the schemes on the basis referred to by the Deputy, namely, activation measures in respect of which there has been keen interest by people who have been made redundant.

We are in the middle of a budgetary framework and are dealing with our public finances. We must therefore evaluate how we can do this in the best way.

Deputy Willie Penrose: Is there good news for the people to whom I refer?

Deputy Mary Coughlan: Yes, the Deputy is correct to talk about new, innovative schemes. Within my Department, the Minister of State, Deputy Kelleher, and I have been working very closely to reorientate the emphasis of our investments, particularly within FÁS, from people within work to people who are unemployed. It is a question of ensuring people still have contact with the labour force. It is a question of linking in with the views of the Minister of State, Deputy Haughey, on skills needs and of providing skills for the future as opposed to having them evolve in the normal way. This work is ongoing and progressing quickly.

I appreciate making progress can be frustrating, it is as frustrating for me as everyone else. With regard to county enterprise boards, the Minister of State will be making an announcement in the near future, in his reply to a parliamentary question, on how he believes we can support micro-enterprises. We are acutely aware that these new activation measures will have to encompass the realities that exist. The ratio between the two types of unemployed persons is nearly 50:50. Some 50% are in the highly skilled and motivated category while 50% are in the semi-skilled and low-skilled category. In normal circumstances during my 23 years in this House, we dealt with only one category. It is on this basis that new suites of initiatives are being worked through by all of us in the Departments of Education and Science, Social and Family Affairs and Enterprise, Trade and Employment.

Departmental Programmes.

30. **Deputy Damien English** asked the Tánaiste and Minister for Enterprise, Trade and Employment the financial support or grant aid schemes from her Department and State agen-

cies under her aegis that are available to businesses here; the number of businesses that have applied to date in 2009 for such schemes; the number of applications that have been successful, unsuccessful, subject to payment and not processed to date for each scheme; the way in which this compares to the same periods in 2007 and 2008; and if she will make a statement on the matter. [13741/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness): My Department, primarily through our enterprise development agencies, funds a range of enterprise support programmes and initiatives aimed at assisting businesses to grow and maintain jobs in Ireland.

At any given time, Enterprise Ireland has approximately 3,300 active client companies. Supports to these companies include funding for exploring new opportunities; high potential start-ups; research and development; capital assets; management development; the growth fund; and innovation partnerships and the innovation voucher scheme. Funding is provided for local business infrastructure, including through the community enterprise centre scheme. In addition, Enterprise Ireland operates a number of programmes that provide direct supports to companies with the purpose of transforming research and development activity in enterprises under our strategy for science technology and innovation for the period 2007 to 2013.

IDA Ireland offers a range of grants as part of the marketing strategy of the agency to attract foreign direct investment into Ireland. The four main types of grant offered by IDA Ireland to its clients are employment grants, fixed-asset or capital grants, research and development grants and training grants.

Financial support is provided by Shannon Development to companies investing in or relocating to Shannon. In addition, the county and city enterprise boards, CEBs, support individuals, firms and community groups provided that the proposed projects have the capacity to achieve commercial viability. The CEBs deliver a series of programmes to underpin this role and provide both financial and non-financial assistance to a project promoter. The forms of financial assistance that are available, subject to certain restrictions, include capital grants, employment grants and feasibility study grants. InterTradeIreland – the North-South enterprise body — also provides business support programmes under two broad headings, namely, sales and marketing supports, and science, technology and innovation supports.

My Department funds the FÁS competency development programme, which provides financial support for the up-skilling of employed people and in particular low-skilled workers and managers of SMEs. Further enterprise supports are delivered through the national training fund, Skillnets, disability supports and through our work-life balance initiative. All these are funded through my Department.

With regard to the detailed statistical data sought by the Deputy, my Department has not been able to collate all the information in the short time since the question was tabled. In that regard, the allocation of grants to individual businesses is a day-to-day matter for the agencies themselves. However, I am arranging for the information to be collated and made available to the Deputy at the earliest possible opportunity.

Deputy Damien English: I thank the Minister of State for his reply and look forward to the data. I was hoping the Minister of State might be able to tell me about proposed new schemes but they may be announced in the budget next week. We need new schemes and businesses need new forms of help.

The Minister of State said FÁS is under his Department and that training is provided to businesses and business managers. Word went out from regional managers yesterday that there will be no additional funds this year for FÁS training for businesses. Can this be confirmed?

[Deputy Damien English.]

The training providers are very annoyed and small businesses contacted me yesterday on this matter. If it is true that there are to be no additional funds, it is disgraceful. The managers are being told they can only spend on their training programmes money that was committed last year. That seems to be very serious. Will the Minister of State comment on this today or revert to me at another time?

Businesses are under immense pressure. Enterprise boards received additional funds, which I accept, but they need more. They have now been told that there could be a delay in receiving the funds and that they may have to seek approval from the Department of Finance if they approve a project at board level.

How many grants have been paid? There are unnecessary delays in making such payments to businesses. I urge the Minister of State not to support the requirement that every small capital grant for employment will have to be signed off by the Department of Finance. We need fast decisions and money to be made available quickly. I had hoped the Minister of State would speak about making available more grant money for businesses to employ people. This involves a cross-over with social welfare. If a business needs a person for one or two weeks' work, much red tape and paperwork is involved in taking people off the dole, putting them to work and putting them back on the dole again. Can the Minister of State invent a scheme to facilitate a business which wants to employ people for a number of weeks but cannot guarantee them full-time work which will make it simpler to take people off social welfare, provide them with work and let them go back on social welfare? It is wrong when there is work to be done that people cannot do it because it is too awkward and involves too much red tape or that they lose out. Can a new scheme be introduced to straighten this out?

It is a very serious matter if FÁS has no money for training. The Minister of State will probably tell me that training is going to unemployed people but businesses still need training and so do managers. On numerous occasions here I have stated that they need professional help and advice and business coaching to get their businesses through these tough times. Do not pull this plug on small businesses.

Deputy John McGuinness: Many of the questions asked by Deputy English relate to the budget.

Deputy Damien English: No, they do not. They are related to my question.

Deputy John McGuinness: The Deputy should relax. I will answer him if he gives me a chance.

Deputy Damien English: I care about this.

An Ceann Comhairle: Allow the Minister of State to answer.

Deputy John McGuinness: Many of the questions Deputy English asked about innovative new schemes are part and parcel of the discussions about the budget and he will receive the overall answer on these schemes on budget day.

Deputy Damien English: I was told that in October.

Deputy John McGuinness: With regard to money already allocated, Enterprise Ireland has €291 million and it is dealing with it in the normal course of events. With regard to the IDA, this time last year the payout was €3.1 million as against its budget of €74 million. This year it

is €5 million against its budget of €75 million. The enterprise boards have had an increase so let us acknowledge it.

Deputy Damien English: I acknowledge that, but what about payment of it?

Deputy John McGuinness: I share Deputy English's concern that approval for proposals in the schemes are on hold until budget day. While businesses are under pressure, they must work with the Government and understand what we are about so we can put a shape on the finances. On budget day we can deal with these issues through a short-term measure.

With regard to training, if the county enterprise boards obtain approval for training it is in principle and they must wait for the finance department to clear it. Again, this is a short-term measure and will be dealt with in the context of the budget. FÁS is the same.

Deputy Damien English: Yesterday, a regional manager stated that it is not a short-term matter and that no money is being allocated for training for businesses.

Deputy John McGuinness: That is not true.

Deputy Damien English: That is what we are being told.

Deputy John McGuinness: Is Deputy English speaking about county enterprise boards?

Deputy Damien English: No, I am speaking about FÁS.

Deputy John McGuinness: I stated that FÁS would be dealt with in the budget.

Deputy Damien English: It is not as simple as that. Word went out yesterday that no new money is available for training or up-skilling people in business. Is this true? It is a serious matter.

An Ceann Comhairle: Time is up for this question but the Minister of State may reply.

Deputy John McGuinness: All programmes are being reviewed and there is no question about this. The Cabinet is dealing with in the context of the budget which will be announced by the Minister for Finance. I cannot give the Deputy a direct answer by stating that funding has been withdrawn.

Other Questions.

Media Mergers.

31. **Deputy Ruairí Quinn** asked the Tánaiste and Minister for Enterprise, Trade and Employment if it is intended to implement the recommendations contained in the report of the advisory group on media mergers published on 2 January 2009; and if she will make a statement on the matter. [13366/09]

Deputy Mary Coughlan: Under the media provisions of the Competition Act 2002, my role as the Minister for Enterprise, Trade and Employment involves consideration of media mergers in the context of the "relevant criteria" set out in section 23 (10) of the Act. These criteria essentially relate to diversity and plurality, the strength and competitiveness of the media businesses indigenous to the State and the dispersion of media ownership among individuals and other undertakings.

[Deputy Mary Coughlan.]

In 2008, my predecessor, the Minister, Deputy Micheál Martin, initiated a review of the legislative provisions applying to media mergers. This was aimed at examining the criteria and arrangements for considering and assessing how a proposed merger might affect the diversity of views and the concentration of ownership within and across media businesses.

The media merger advisory group was established to assist in this review, which was undertaken as part of my Department's wider review of the operation and implementation of the Competition Act 2002. My Department is currently considering the recommendations contained in the advisory group's report. It is my intention to bring forward legislation during the course of this year which will reform aspects of competition law, including with regard to media mergers and which will also implement the merger of the National Consumer Agency and the Competition Authority as announced in October last year.

Deputy Willie Penrose: I thank the Minister for her reply. The Minister knows the importance of the media in any democracy. It is important that this is recognised by statute and that an amendment is made to include a definition of "media". The definition of "media business" also needs to be defined and amended to include the publication of newspapers and periodicals and the broadcast of certain audio-visual material over the Internet because this is where much is happening.

I tabled this question because more and more newspapers and television and radio stations are becoming concentrated in the hands of a few; the Minister will accept this is the case. Her job is to protect the public interest. Therefore, I put it to her that the relevant criteria which she is examining with regard to the public interest is too narrow as defined in the Competition Act. This needs to be expanded to include the new forms of media presentation. This is extremely important to ensure plurality in the ownership of the media. Does the Minister consider that media ownership at present is concentrated in too few hands?

Deputy Mary Coughlan: I should not care to answer that question.

Deputy Willie Penrose: Everyone knows that it is. Certainly if one is on the left of the spectrum, it is concentrated in too few hands.

Deputy Mary Coughlan: The reason this was introduced in the first place is exactly as Deputy Penrose stated. The issue of relevant criteria and their expansion is very important and is being evaluated. I had anticipated more retort or at least more response from outside the Department on this issue when the report was launched. Unfortunately, we did not receive a huge amount of traction on it.

Deputy Liz McManus: Many people did not know the report was launched.

Deputy Mary Coughlan: I launched it.

Deputy Willie Penrose: The Minister launched it on 2 January.

Deputy Mary Coughlan: Yes. It is out there.

Deputy Willie Penrose: We thought it was a bad day.

Deputy Mary Coughlan: I thought there would be an avalanche but there has not been. I am very conscious of the relevant criteria and I believe that plurality is extremely important. We are working through a number of the recommendations. Deputy Penrose is correct that one of the recommendations is on the new types of media and this will be incorporated.

Deputy Willie Penrose: Will it be before the end of the year?

Deputy Mary Coughlan: Yes, it must be because of other legislation. If Deputy Penrose wishes to put forward a view, I will be happy to take it on board.

Deputy Willie Penrose: I thank the Minister.

FÁS Report.

32. **Deputy Billy Timmins** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she will make a reasoned response to the report of the Committee of Public Accounts on mismanagement at FÁS; her views on the recommendations; when she will implement them; and if she will make a statement on the matter. [13503/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): I welcome the report of the Committee of Public Accounts on FÁS and commend the committee for the work carried out in this matter. I note that while the report in general concentrates on what went wrong in FÁS, it also points out that the good work being done by the staff should not be overlooked in any commentary.

Many of the issues contained in the report have already been aired in public. Previously, I have expressed my concerns in respect of various matters raised by internal audit reports in FÁS and subsequently taken up by the Comptroller and Auditor General in his earlier report on a number of public bodies.

Since the publication of these reports, a series of steps has been undertaken to deal with the matters raised. In particular, FÁS has clarified its procedures and strengthened its internal controls, including in the audit and procurement areas, and has passed certain issues to the Garda for investigation. A copy of the internal audit report INV 137, which was the basis for the Comptroller and Auditor General's report, has been sent to the Office of the Director of Corporate Enforcement. The Comptroller and Auditor General has commenced a wide-ranging investigation in FÁS, which includes internal controls, governance arrangements, marketing and advertising and specific follow-up of matters raised in the course of hearings of the Committee of Public Accounts. The chairman of FÁS, following a request from my Department has provided an undertaking that FÁS is now fully compliant with Department of Finance regulations on foreign travel. The board of FÁS has stated that whatever additional actions are necessary arising from the report will be fully implemented.

In keeping with standard practice, a formal response to the Committee of Public Accounts on this report will be contained in the minute of the Minister for Finance on the Report of the Committee of Public Accounts on the Fourth Interim Report on Special Report 10 of the Comptroller and Auditor General and FÁS 2007 Accounts. Officials in my Department and FÁS are currently preparing their inputs into the Minister of Finance's minute.

Deputy Deirdre Clune: I thank the Minister of State for his response. I am glad to hear that the internal report INV 137 is being referred to the Director of Corporate Enforcement because this was one of the strong recommendations of the report. Many of the recommendations cited in the Minister of State's reply relate to FÁS and to its board. Recommendations were also made with regard to the structure of the board and that the Labour Services Act should be amended to make the director general more accountable. Have these been addressed by the Department?

Deputy Billy Kelleher: We are taking into account the findings of the report of the Committee of Public Accounts. In fairness, much previous commentary was against the backdrop of

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these investigations. We will await the report of the Comptroller and Auditor General and then do a full evaluation. It would be appropriate that we would only allow the Comptroller and Auditor General to investigate and make recommendations. On foot of that, there will be a full review and analysis of FÁS on all aspects of the Comptroller and Auditor General's report.

Deputy Deirdre Clune: Does the Minister of State believe the board needs restructuring or that there should be more accountability? Members of the board are appointed directly by the Minister, yet they do not report directly to her. Are there proposals to restructure the board?

Deputy Billy Kelleher: The board is made up of the constituent parts of the social partnership process. There are nominations from the social partners, but we will await the outcome of the report of the Comptroller and Auditor General. A constitutional position like that deserves respect, and we will do a full evaluation on the report when he publishes it. We have not ruled anything in or out, as the old cliché goes.

Deputy Arthur Morgan: It is important to agree with the Minister of State that good work is being done by staff at FÁS. Will he implement the recommendations of the report?

Deputy Billy Kelleher: Is the Deputy referring to the report of the Committee of Public Accounts or the report of the Comptroller and Auditor General?

Deputy Arthur Morgan: Will he implement the recommendations of the report of the Comptroller and Auditor General? When will they implemented?

Deputy Billy Kelleher: I appreciate the Deputy's comments. Many staff experienced anxiety during the turbulent period before Christmas. We should acknowledge that, especially for frontline staff. The first thing we should do is await the report. When it is finalised and published, there will be broad discussions on its content.

I cannot comment on a report that has not been completed.

Deputy Leo Varadkar: My concern is that there is not any sense of urgency to deal with the issues that have arisen in FÁS. The scandal that came to light in FÁS occurred almost a year ago. We have since had a report published by the Committee of Public Accounts, while the Comptroller and Auditor General is compiling his report now.

Much good work is done in FÁS, but it is also an agency with a budget of more than €1 billion. Much of the work done by that agency is no longer fit for purpose. The Minister of State was with me on "Prime Time" last night, and he heard the stories of the new unemployed, people with skills but for whom FÁS has very little. There is a great opportunity to re-found the agency to make it more relevant to the times in which we live. We can also make it accountable and implement some of the changes in the report of the Committee of Public Accounts. I do not understand why there is no sense of urgency from the Government on this.

Can the Minister of State at least give us a timeframe? Will we have to wait until the recession is over before these measures are implemented? The Government has claimed it is dealing with the structural deficit in the budget and that the Fianna Fáil deficit will be cleared in five years.

Deputy Billy Kelleher: There is much urgency in this. At the time these problems arose, the Tánaiste requested the Comptroller and Auditor General to go in and do an evaluation. As the Committee of Public Accounts had initiated hearings and discussions, the Comptroller and Auditor General indicated, out of respect for that committee, that he would await its report

on FÁS. The Comptroller and Auditor General is in there now. It is a constitutional position and we should afford him the time to investigate and compile a report. When that report is completed, we will have a full discussion on it.

A new CEO will be appointed to FÁS in the very near future. We are very conscious of what is happening. There is a simplistic debate about FÁS and its budget of more than €1 billion. Much of that budget is used as a paymaster budget for allowances, training programmes and so on. It is not a €1 billion budget that is spent on training courses; it is also spent on the allowances for the trainees on those courses. More than 2,200 staff are employed by FÁS and they provide frontline services to the unemployed and in re-training. The idea that €1 billion is being sloshed around the place is factually incorrect, and the Deputy knows that as well as I do. We all accept that FÁS must rise to the challenge, and it is doing that. However, the idea that €1 billion is being spent on training is not correct. It is being spent on the people who are participating in the training programmes.

An Ceann Comhairle: Priority Question No. 26 was in the name of Deputy Varadkar. I put it to the end of priority questions, but the Deputy was unavoidably detained. I can take it now as an ordinary question, but that will require the agreement of the House. Is that agreed? Agreed.

Skill Shortages.

26. **Deputy Leo Varadkar** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will ensure there will be no reduction in funding to Skillnets in 2009; her views on proposals to include newly redundant people in Skillnets training; and if she will make a statement on the matter. [13739/09]

Deputy Billy Kelleher: Government funding of the Skillnets training networks programme, which supports enterprise-led training in the workplace, has increased in recent years. Public funding of all training networks and in-company training programmes managed by Skillnets Limited amounted to €26.7 million in 2008. This level of funding has been indicative of the Government's commitment to upskilling persons in employment, with particular emphasis on those with low basic skills, in order to retain and enhance employability and maintain competitiveness. The programme's budget is provided through the national training fund, with levels of matching funding provided by the private sector.

The changed economic and employment market has meant many of the workers who would have benefited from training programmes for those in employment are now unemployed. In my view, this means we must adjust our training programmes to the new reality of the labour market. That is why my Department is implementing a number of initiatives to increase training for the unemployed. This will mean refocusing some of the finite budgetary resources for training towards activation measures aimed at training greater numbers of unemployed persons. It is because of this that the Skillnets training network programme allocation for 2009 is under review in the forthcoming April budget.

I am aware that proposals have been made to my Department from Skillnets on how the enterprise-led Skillnets training network model might potentially be of assistance in the training and up-skilling of the unemployed and of part-time workers. These proposals are currently under discussion with the Department. All departmental budgets are under review. Any re-allocations that result will reflect the funding priorities that have been agreed by the Government and the changes necessary to support their delivery.

An Ceann Comhairle: As this question is being taken in ordinary time, any Deputy may intervene. I call on Deputy Varadkar.

Deputy Leo Varadkar: I thank the Ceann Comhairle and the Minister of State for agreeing to allow the question. Skillnets does an excellent job. It is one of the examples of money that is well spent. It provides excellent training, it is largely employer-led and it gives the people who work in those industries the skills they need to improve the competitiveness of the industry and to go on to promotion and better jobs. I would not like to see it cut, and if it is cut, the Minister of State can be sure it is one cut Fine Gael will definitely reverse in Government.

When will the Minister of State tell us about cuts? There are 100 Skillnets companies across the country, and they have been told their budgets will be cut by 26% this year. We are already half way through the year, and the companies must make commitments. Will we know by next Tuesday whether the Government is going to cut Skillnets? I also understand that the Minister of State is analysing the idea of including some unemployed people in the Skillnets programme. Does he not think that makes much sense? In the past, we have isolated unemployed people and put them on their own with other unemployed people doing separate training? Does he not think it makes good sense to take newly unemployed people and involve them in skills programmes with people who are in work and in business?

Deputy Billy Kelleher: Skillnets has been already given its budget for 2009. There has been a reduction of 26% in the budget for the provision of training for those in work. It is part of the national skills strategy and the one step up programme for training people in unemployment. Let us be under no illusions. We must refocus and rededicate the scarce resources to provide training for people who lose their jobs. Many of the people who would have trained in Skillnets were low skilled workers and have recently lost their jobs. The priority obviously is to train those people and provide upskilling support for them.

Skillnets has already got its budget, but we will evaluate the resources for those who find themselves unemployed in order to train them.

Deputy Leo Varadkar: Will the Minister of State tell us by next week?

Deputy Billy Kelleher: I will tell him when the decision is made.

Deputy Leo Varadkar: Does the Minister of State not understand the damage being caused to the country by this uncertainty? People do not know what is happening. They do not know how much they will be paid next month, or how much they will be taxed next month. We need certainty.

Deputy Billy Kelleher: A budget will be introduced next week and that will bring finality to many of the issues being raised by the Deputy. Skillnets has been given its allocation for 2009. It is the case that there is a reduction, but the priority must be with people who now find themselves unemployed and no one in the House could disagree with that. We must use all our resources to ensure such people at least have some form of training, re-skilling and reorientation of their skills available. This will assist their efforts to try to find work in the limited opportunities available, but at least when the upturn comes, they would have been given that opportunity.

Deputy Deirdre Clune: Does that mean there has been no change in the Skillnets budget?

Deputy Billy Kelleher: There is a reduction. It was 26.7% last year and it has been reduced by in excess of 25% this year.

Job Losses.

33. **Deputy Jim O'Keeffe** asked the Tánaiste and Minister for Enterprise, Trade and Employ-

ment her plans to combat inefficiency in her Department; the way in which she will speed up redundancy payment rebates to small businesses from her Department; the waiting time for such a payment; and if she will make a statement on the matter. [13551/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Jimmy Devins): The significant increase in the number of redundancy payment claims lodged with the redundancy payments section of my Department in the latter part of 2008 and to date in 2009 is unprecedented and is giving rise to delays in the processing of redundancy payments for individuals and companies within a reasonable timeframe. The scale of the challenge is evident from the statistics which indicate that, at the end of the first quarter of 2009, the number of new claims lodged with my Department was 19,742, which equates to almost 50% of the entire level of applications lodged in 2008. It is equivalent to 78% of applications lodged in 2007. The number of claims received is averaging 1,600 per week. The Tánaiste and I are acutely aware of the difficulties which the inability to deliver an acceptable turnaround of redundancy rebate payments gives rise to for both individual employees and the business community. We are taking steps to address the issue.

Until mid-2008, our customer service targets for processing correctly completed redundancy claims were, in order of priority, four to six weeks for statutory redundancy lump sum claims to employees whose employers failed to pay the statutory entitlement; six weeks where claims were correctly submitted on-line; and ten plus weeks for manual claims sent in by employers. By and large these targets were met.

However, because of the huge surge in the number of claims received in redundancy payments in 2008, customer service targets have slipped as existing staff levels are insufficient to cope with such a significant increase in claim numbers. Actual timeframes being achieved are, in order of priority, between six and eight plus weeks for statutory lump sum payments to employees whose employers had failed to pay the statutory entitlement; 12 plus weeks for correctly submitted on-line claims; and 16 plus weeks for manual claims sent in by employers.

There has been a reallocation of an additional nine persons to the redundancy payments section since the start of the year and I have identified an additional 12 persons to be reassigned in the coming days and weeks. However, there is a limit to the number of people that we can reassign internally, because other areas of the Department are equally busy, for example, on labour force activation issues and in the employment rights bodies. Therefore, we are also in discussions with the Department of Finance to establish the extent of the scope for the assignment of additional staff, possibly from other Departments, as occurred in the case of the Department of Social and Family Affairs.

Additional information not given on the floor of the House.

One of the problems is that people — quite rightly — are concerned about their redundancy claims and are telephoning frequently to check on progress. While this is understandable, it is adding to the delays as it means that staff are tied up on phones and not processing the claims. Therefore, we are making arrangements such that the dedicated call centre of the National Employment Rights Authority will be able to give out better and more up-to-date information to callers about the status of their applications.

I assure the Deputy that this matter is under constant review in my Department and that every effort is being made to deal with an increasing backlog in an attempt to ensure that claimants get the best possible service at, what is for them, a very difficult time.

Deputy Leo Varadkar: I welcome the announcement that the Minister of State intends to appoint more people to that section, which is important. However, the Government has made

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several commitments recently. It committed to paying its bills on time and to paying redundancy refunds on time, but these commitments are not being honoured. As a customer, the Government is putting businesses out of business, because it will not pay the money it owes for services provided within a reasonable timeframe, that is, between ten and 14 days, nor will it pay for redundancy refunds which are paid from employers' PRSI, let us not forget. They are refunds. As a result, more businesses are going to the wall and more jobs are being lost. Does the Minister of State accept responsibility for his Department's inefficiency and the fact that it is causing more people to lose their jobs in addition to those jobs the Government has already destroyed? Will the Government give a cast iron commitment or when will it honour its commitment to pay all its bills within 14 days? Who will resign if that commitment is not delivered?

Deputy Jimmy Devins: I thank the Deputy for acknowledging that we have reassigned nine people. Between today and tomorrow, another six people will be reassigned to deal with the matter. We are very conscious of the fact that the redundancy payments should be met on time.

Deputy Leo Varadkar: Will they be?

Deputy Jimmy Devins: Some of the staff are currently occupied by answering the telephone from people made redundant with understandable queries. I beg the indulgence of the House to say that if people have a query, they should telephone 1890 80 80 90 to get a generic reply.

Deputy Leo Varadkar: Do you think they are listening?

Deputy Jimmy Devins: If they require a specific reply there is an e-mail address which will provide an immediate response and which I can pass on to the Deputy afterwards.

Deputy Willie Penrose: The people suffering most are those in small businesses. They are on their knees. Many such people have said that the Government is able to organise a bank bail out in days but they are still waiting. Those expecting payments from October and November are still waiting and the waiting period is significantly in excess of six weeks. I suggest the Minister——

Deputy Billy Kelleher: I mentioned those small businesses already.

Deputy Willie Penrose: I will make a worthwhile suggestion. Any employer who has made staff redundant could offset the 60% refund due to them against any tax liability which arises, whether PAYE or whatever. This suggestion came from a business person. The Government should hand it over, because the Revenue is still putting pressure on small businesses. This morning I heard of a contractor in the building industry. He collected money from the sub-contractor. The process is circular and the money goes back into the same pot. Will the Minister consider the suggestion? I accept the Minister is trying to deal with the matter, but it will necessitate a significant number of staff. It will require more than the number mentioned by the Minister of State to deal with the current level, especially if redundancies keep coming through. Will the Minister consider that suggestion? There could be a payment offset against liabilities or any money due to the Revenue. The Government has the money in any case, so no one would go out of business. A 60% refund could be offset against PAYE, PRSI, capital acquisitions tax, capital gains tax, income tax or whatever else. Let us engage in forward thinking and join up those computers.

Deputy Jimmy Devins: I can inform the Deputy that has been agreed with the Chairman of the Revenue Commissioners.

Deputy Willie Penrose: I congratulate the Minister of State.

Deputy Mary Coughlan: We are thinking ahead.

Deputy Leo Varadkar: The Minister of State might have said as much in his reply.

Deputy Willie Penrose: I applaud when a job is well done.

Deputy Damien English: Questions have been asked many times regarding payments, but will the Minister of State get the message through to the various Departments and staff that businesses are under immense pressure? The UK immediately brought in a ten day rule, but we have not done so. We are doing quite well in some cases, but whenever there is any problem with red tape, a missing dot on an i or cross on a t, there are very significant delays throughout the Departments. Businesses are under very serious pressure. Get the message through to those doing the work for the Government that this is urgent. It is no longer a joke and it should not require Deputies to make phone calls to speed up payments, whether for social welfare, redundancies, grants or whatever else. It should not be necessary in the current climate. Everyone should have woken up to the position in which we find ourselves. There are problems and those employed by the Government could solve them if they moved at the necessary pace.

Deputy Jimmy Devins: I thank the Deputy for the suggestion. We are getting the extra staff and we are very conscious of the fact that the payments should be processed as quickly as possible.

Deputy Damien English: It applies throughout all Departments, not only the Department of Enterprise, Trade and Employment.

Departmental Agencies.

34. **Deputy Jack Wall** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she expects to receive the report commissioned from the Comptroller and Auditor General into the effectiveness of FÁS's financial management and control systems; if pending the receipt of the report, she will take action arising from allegations of financial irregularities; and if she will make a statement on the matter. [13357/09]

Deputy Willie Penrose: This question should have been taken with Question No. 33.

Deputy Billy Kelleher: It is very similar to the previous question. Will I read the reply into the record?

An Ceann Comhairle: The question is on its own.

Deputy Billy Kelleher: It is the same answer.

An Ceann Comhairle: If it is the same answer, there is no point in reading it again.

Deputy Willie Penrose: I would not impose on the Minister of State. I know Mr. Eddie Sullivan is in there.

Deputy Billy Kelleher: It is a very good answer.

An Ceann Comhairle: I am sure it is an exceptional answer.

Deputy Willie Penrose: Earlier, I spoke of Lannigan's ball and I was right. I understand Mr. Sullivan is the acting director general of FÁS at present. When does the Minister of State

[Deputy Willie Penrose.]

intend to set up interviews for appointing a director general who will obviously have to take on board the numerous recommendations of the Committee of Public Accounts? When does the Minister of State anticipate that the Comptroller and Auditor General's report will be available to him? I appreciate he cannot comment on something he has not read. Is there any indication of when that report might become available to the Government and other Members?

Deputy Billy Kelleher: The appointment of the new director general of FÁS will be made today. Interviews have been finalised such that there will be an announcement on that issue.

Deputy Willie Penrose: I am running very fast to stay still.

Deputy Billy Kelleher: The Deputy is asking all the right questions. Putting a deadline on the report would not be possible. We must understand that the Comptroller and Auditor General is a constitutional position. When requested, he agreed to do this. Out of respect to the Committee of Public Accounts, which was investigating the issue at the time, he decided to await its findings. FÁS is implementing some of the PAC's recommendations.

When the report is finalised, we will have a full and frank discussion in which many of its aspects can be taken on board. It would not be fair or possible to request a timeline, as this detailed and wide-ranging analysis and investigation of FÁS will take time. Once the report is published, I am sure everyone will comment on it.

Deputy Willie Penrose: I acknowledge the good work of the many people at ground level in FÁS.

Deputy Leo Varadkar: People are facing pay cuts and higher taxes. People on training schemes are not paid well, nor are most FÁS workers on the ground. In this context, is the remuneration package of the director general of FÁS, which is worth more than €200,000, not excessive and inappropriate? Should the Minister of State not announce that the chief executive's salary will be capped at, for example, the level of a Minister of State? This should be made clear in order that people interviewing for the job will not be under the illusion that they might get a highly paid job presiding over an agency staffed by people who are not particularly well paid and trainees who are paid appallingly.

Deputy Billy Kelleher: The setting of remuneration for such a position is a matter for the Department of Finance. Given the backdrop, people are trying to make sacrifices to ensure the broader public buys into our attempts to face current challenges. In light of how things are going, someone might not take the job were he or she paid a Minister of State's salary.

Deputy Willie Penrose: It is a slash and burn approach.

Deputy Billy Kelleher: I understand Deputy Varadkar's opinions, which are being echoed elsewhere. People are conscious of the need for remunerative packages to be set in accordance with our current backdrop.

Job Losses.

35. **Deputy Damien English** asked the Tánaiste and Minister for Enterprise, Trade and Employment the actions she is taking to ensure the survival of an avionics and aircraft maintenance industry at Dublin Airport; the actions she is taking to ensure that employees of a company (details supplied) are not short changed in terms of pensions or redundancy payments; and if she will make a statement on the matter. [13513/09]

46. **Deputy Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment the correspondence she has had with a company (details supplied); and if she will make a statement on the matter. [13398/09]

Deputy Mary Coughlan: I propose to take Questions Nos. 35 and 46 together.

The Government is anxious that as many jobs as possible be secured at Dublin Airport. We would like to see the SR Technics Group do what it can to facilitate this, such as helping to promote the capabilities and skills available at the Dublin facility, agreeing to an orderly wind down of the facility to give IDA Ireland an opportunity to promote the location to interested parties and maintaining assets and equipment at the site for at least six months. I have conveyed these points, and the widespread concern that every effort be made to maintain the maximum number of jobs at the facility at Dublin Airport, to SR Technics at group level.

IDA Ireland and Enterprise Ireland, EI, have formed a project team to promote the operation through the IDA overseas network of offices and to meet with and assess expressions of interest. A number of parties have expressed interest in acquiring at least elements of the business and both IDA Ireland and EI are exploring options with them. IDA Ireland and EI are continuing to examine proposals. Actual involvement by both in providing financial or other supports will be dependent on a company or companies submitting commercially viable proposals for consideration and seeking approval for State support in the normal way.

Regulatory responsibility for the oversight of pensions funding is the responsibility of the Pensions Board under the auspices of the Department of Social and Family Affairs. The Government is conscious of the pressures on scheme trustees and employers sponsoring pension schemes arising from the significant losses incurred by pension funds in the past year. While measures were announced last December to ease the funding pressures on pension schemes, the Government is considering a comprehensive framework for future pensions to set out a new model that will aim to secure the future of social welfare, private, occupational and public service pensions.

The services of the State's industrial relations machinery have been made available to assist in resolving the issues in dispute. All-day conciliation talks were held in the Labour Relations Commission on Tuesday, 24 March. However, a resolution to the issues in dispute could not be agreed and the issues involved were referred to the Labour Court. A Labour Court hearing was held on the morning of Monday, 30 March, and the court issued its recommendation yesterday. I understand this covers increased *ex gratia* redundancy payments and full funding of the pension schemes by the company. I hope the recommendation will be accepted by all parties to the dispute.

It should be recalled that the State provides free of charge the industrial relations dispute settlement machinery to assist this process which, in line with the general principles of industrial relations in Ireland, is voluntary in nature. Responsibility for the resolution of trade disputes is a matter for the parties involved.

The State agencies will continue to engage with all groups, indigenous and overseas, interested in building commercially viable and sustainable operations to secure as many of the jobs as possible at Dublin Airport.

Deputy James Reilly: I thank my colleagues for allowing me to contribute on this matter of importance to Dublin North and the whole of the region. A rebate of €15 million is due to the company. It was due some €20 million from the Dublin Airport Authority, DAA, for the return of the hangar and the lease on same. The Tánaiste should correct me if my figures are wrong, but they were given to me by a trade union official not one hour ago.

[Deputy James Reilly.]

IDA Ireland may be requested to provide €25 million for the most interested party that wants to retain SR Technics as a going concern. If the company goes to the wall in the first year, it will cost the taxpayer €50 million. We can exercise a certain amount of muscle with the company. Did someone say something?

Deputy Jimmy Devins: Not on this side of the House.

Deputy James Reilly: I apologise, as I believed I heard someone talking.

An Ceann Comhairle: A foreign channel.

Deputy James Reilly: An bhfuil sé as Béarla nó Gaeilge? On Friday, 600 people will be let go; which 600 is not known. One hour ago, I was told via telephone that the SR Technics Group has refused to abide by the Labour Court recommendation and that the workers are meeting among Dublin Airport's hangars to discuss their future as we sit in the Chamber. In this light, what assistance can the Government provide them? Without breaching EU law, will it undertake to make funds available to IDA Ireland in order that it can sustain a takeover of the company and retain the jobs?

On Friday, 600 people will lose their jobs. If they are dispersed, knowledge and expertise will be lost to us forever, which we cannot afford. Recently, the Government's thrust has been in respect of creating and retaining jobs. This situation is an acid test and one I hope the Government will pass, given how much hangs on it.

Deputy Mary Coughlan: Saying a number of things would be appropriate. First, several people have tabled management buy-out proposals, which are being evaluated. As I indicated to the unions today, it is important that they evaluate the proposal under discussion in the House and take on board its implications for workers. I am not referring to work practices, but to the use of redundancy funds. Second, if a viable commercial proposal is tabled to IDA Ireland or EI, we will support it. There is no two ways about that. The viability of any proposal must be examined in the normal context of EI or IDA Ireland criteria.

As I indicated, it is important that we consider the proposal's elements realistically. Unfortunately, the proposal is more complex and complicated than normally would be the case. However, we are working through it and we will do everything we can to assure people that everything possible will be done to sustain employment at Dublin Airport.

It is equally important to highlight that the companies outside of the State that have expressed an interest have not done so within the same framework as the expressions under examination. I assure people that, if a viable proposal is tabled to the Government, we will support it. It must be a business proposition and people must have the prerequisite funding to make the company a viable operation.

I have met many Opposition and Government Members regarding this issue. A number of people have been forthcoming in supporting different projects, which are being examined. I again met representatives of the IDA on this matter this afternoon. There also have been discussions today with the unions on this matter. When they met me recently, the unions were anxious that we would do all we could to sustain employment in that area and it is my clear intention to so do to the best of our ability.

Deputy Aengus Ó Snodaigh: Has consideration been given to nationalising the facility, at least on a temporary basis, to allow the continuation of work while the proposals the Tánaiste has just mentioned are being discussed? If the service or contracts are broken at this point, it

will be extremely difficult for the plant to get back on its feet again. As a temporary measure, the State could step in for at least the three or four months in which the aforementioned proposals were discussed or their viability investigated.

Deputy Mary Coughlan: The answer to the Deputy's question is a categoric "No". The Government cannot involve itself in line or base maintenance.

Deputy Aengus Ó Snodaigh: It did so in respect of the banks.

Deputy Mary Coughlan: It is not the Government's intention to take over SR Technics for a number of months in order that a viable proposition could be put forward. In the normal course of meetings with me, the Minister for Transport, Enterprise Ireland, the IDA and all the State agencies, there is a clear indication, when working with the unions or otherwise or with whoever comes forward, to do as much as possible to sustain jobs, employment and skills at Dublin Airport.

Deputy Leo Varadkar: The Tánaiste stated she was highly committed to sustaining jobs in that part of the world.

Deputy Mary Coughlan: At Dublin Airport.

Deputy Leo Varadkar: I remind her that Members are discussing north County Dublin, which is a few miles away and not Argentina or India. It is located in Deputy Reilly's constituency at present and will be in mine quite shortly.

Deputy Billy Kelleher: Will the Deputies still be friends?

Deputy Leo Varadkar: Members should be aware that Irish jobs, located just down the road, are under discussion. What is happening at SR Technics is a scandal. While many jobs have been lost in the economy, many of the major job losses in large industries in Dublin and elsewhere have occurred in industries that were on the way out anyway as they may not have been profitable or their jobs models were of a different age. SR Technics is different because it still is viable. It still is a potentially profitable company, which should be and must be saved.

The Tánaiste has stated a few times that if a viable proposal comes forward, it will meet with the full support of the State. I took a call earlier today from a representative of the trade unions in SR Technics, in which I was informed that a viable commercial proposal for the takeover of the entire business has been made. Is this the case and if so, why will the Tánaiste not support it?

Deputy Mary Coughlan: I must respect the confidentiality of those who have approached the IDA and Enterprise Ireland.

Deputy Leo Varadkar: The Tánaiste said "if", which means such a proposal has not been made.

Deputy Mary Coughlan: At present, three proposals are being evaluated by the IDA. A meeting took place in confidence on Friday with these companies. They were asked to revert to the IDA on Monday and there will be further discussions with them. Therefore, discussions are ongoing. Some slight confusion has arisen about a number of these proposals but I believe that one in particular, which is perceived as a management buy-out in consultation with the unions, is the proposal that everyone is discussing. While that project is being evaluated at present, the IDA has indicated that the basis on which it has been put forward warrants full examination, to ascertain what exactly is the proposal in the first place. It will be at that point

[Deputy Mary Coughlan.]

that people will be able make up their minds. However, a considerable number of other entities have expressed interest in parts of the company.

It is important to note that I must uphold the confidentiality of those who have expressed interest. Second, if the proposals put forward to the IDA are commercially viable and pass the criteria whereby they can be recommended to the respective boards, the Government of course will support them. The Government will continue to work with everyone to ensure that this happens to the best of everyone's ability. However, it will be important to achieve a balance between the workers, their rights and access to the redundancies to which they are entitled, and the creation of a new viable company.

I met representatives of this company in Zurich some time ago and have followed on with a number of meetings. Together with my officials and the IDA, I have been working with this company for a considerable number of months, on foot of the loss of the contracts with Aer Lingus, because it had a need that we were trying to meet. Unfortunately, the framework and plan that went to the company's head office in Zurich was not accepted by it on the basis that globally, SR Technics was in financial difficulties and had made the decision to get out of baseline maintenance and to move on to the more high technology side. This is the framework in which we are working at present.

Deputy Willie Penrose: As an island nation, the implications in respect of this company are national and are not limited to north Dublin. A cohort of people are highly skilled in the aeronautical and aviation industries. Does my earlier suggestion make good sense? Rather than paying 900 or 1,000 people, which will cost the guts of €20 million in social welfare payments and forgone income tax, would it not be as well to consider the proposals? I appreciate they must be evaluated in respect of viability. Workers also should get their due entitlement but that is a matter to be worked through with workers and their trade unions. They could ascertain whether another issue exists in respect of reinvestment. As this will cost €20 million in social welfare payments anyway, why not invest it to keep at work those who have the necessary skills and entrepreneurial spirit to ensure they survive?

Second, approximately 70 or 80 third and fourth year apprentices work there. Has a lesson been learned from developments at SR Technics to the effect that when a problem arises regarding job placement work, we now will ensure the institutes of technology are capable of bringing forward their third and fourth year theory components? One should ensure that apprentices do not lose out and such components should be brought forward to develop their educational acumen and skills. This should be done as I believe FÁS has done so.

Third, does Aer Lingus now regret its decision to withdraw the contract from SR Technics? Perhaps it does.

Deputy Mary Coughlan: On the final question, I will leave it as stated. However, the decision had a direct implication on the viability of SR Technics.

Deputy Willie Penrose: My information is it may not be getting on as well at the place to which it went.

Deputy Mary Coughlan: Moreover, the reason it still operates in Switzerland is because it is tied to SwissAir.

Second, on the question of the apprentices, the Deputy had a meeting with the Minister of State, Deputy Kelleher, and I and he is working with DCU on that issue on their behalf. It would be great, were another component company or an organisation similar to the ESB in a position to take on these people. However, we are working through this issue.

There is a simplistic view being expressed across the House that one takes the money people have as a personal entitlement and put it into the company, which then will keep going. That is not the position.

Deputy James Reilly: No one suggested that.

Deputy Leo Varadkar: They would have to agree to it.

Deputy Mary Coughlan: The point is the IDA and Enterprise Ireland have the requisite resources to support an application being made to them. There is no problem in this regard. My agencies have the necessary resources and finance to support a viable strategic proposal. It is important to clarify again that there is no problem other than the viability of a business proposal must be such that it stands up. Were we to intervene on the basis of a motion, I would not want a situation to arise in which Deputies sought my resignation in six months' time, on the basis that I had made a bad business decision. I am not looking forward to such a debate and therefore——

Deputy Leo Varadkar: It would be a good reason to resign

Deputy Damien English: The Tánaiste should be happy to get six months.

Deputy Leo Varadkar: The Tánaiste is immune from accountability in that party.

Deputy Mary Coughlan: No, I am not. However, it is important not to make a mistake when making such decisions on the basis of viability. The skills are there and the framework is in place.

Deputy James Reilly: The biggest mistake would be not to move quickly and to lose these jobs.

Deputy Mary Coughlan: It is our clear intention to do our utmost to support these people. It is important that the message is given.

Deputy Leo Varadkar: If the jobs were in Donegal the Minister would move with greater speed.

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 Leo Varadkar — the provision of a primary health care centre in Corduff, Dublin 15; (2) Deputy Mary Alexandra White — the rates levied on community groups with charitable status; (3) Deputy Thomas Byrne — the need for new Garda stations in the rapidly expanding towns of County Meath that currently are without Garda stations; (4) Deputy Joe Costello — the need to proceed, without delay, with the metro north and Luas BX/D projects; (5) Deputy James Bannon — the need for the Minister for Arts, Sport and Tourism to explain the reason applications forms for funding under the national lottery sports grants for 2009 are not yet available and when he envisages such grants will be paid; (6) Deputy Beverley Flynn — the provision of school transport to pupils attending scoil naisiúnta An Trianlair and Srah national school, County Mayo; (7) Deputy Dan Neville — the palliative care-hospice support unit in St. Ita's Community Hospital, Newcastle West, County Limerick; (8) Deputy Andrew Doyle — the marketing and labelling of seafood products worldwide; (9) Deputy Alan Shatter — the

[An Ceann Comhairle.]

failure of the Department of Education and Science and the Department of Finance to implement the Labour Court decision No. FTD 0819 made on 10 December 2008 in favour of Margaret Moran of 90 The Rise, Mount Merrion, and the prejudice being caused to her and to public confidence in the value of determinations made by the Labour Court applicable to the State and State agencies; and (10) Deputy Róisín Shortall — the provision of replacement housing for the 500 families still living in Ballymun flats, Dublin.

The matters submitted by Deputies Mary Alexandra White, Róisín Shortall, Andrew Doyle and Beverley Flynn have been selected for discussion.

Housing (Miscellaneous Provisions) Bill 2008 [*Seanad*]: Second Stage (Resumed).

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

Deputy Aengus Ó Snodaigh: Aréir bhí mé ag labhairt ar an cheist seo sa chéad chuid den méid a bhí le rá agam. Luaigh mé go bhfuil 60,000 daoine ar an liosta feithimh le haghaidh tithíochta agus gur scannal é sin. Is gá dúinn, toisc go bhfuil an fhadhb seo againn san eacnamaíocht, déileáil leis seo. Is féidir linn déileáil le dhá rud ag an am céanna — tithe a thabhairt do dhaoine agus an eacnamaíocht a spreagadh. Tá dúshlán ann agus tá seans ag an Aire agus ag an Rialtas gníomhú chun déileáil leis an fhadhb seo.

We have reservations on the section dealing with anti-social behaviour. It lacks clarity and direction. Hopefully we can tease some of it out on Committee Stage. We believe a different approach is needed and we will table amendments to address that. We urge the Government to do the right thing on Committee Stage and to examine anti-social behaviour. The promotion of good estate management should be the priority of any anti-social behaviour strategy. Communities must be able to access well-resourced initiatives for the reduction and prevention of anti-social behaviour, including but not limited to family intervention and mediation services.

There is an urgent need to strengthen the Private Residential Tenancies Board as well in respect of landlords and tenants. There are a number of complaints in my constituency where local authority housing is next to private rented flats. The latter are prone to anti-social tenants in some areas. I refer to the inability of the local authority, the Garda Síochána and the landlords to address these tenants. One example concerns an area I visited last week, which has been totally regenerated. I refer to Fatima Mansions, where work is ongoing to finish the regeneration. Much work has been done by the community. Leading up to it, on St. Anthony's Road, there are a number of properties owned by the same family of landlords. Each dwelling has been sub-divided and the landlords seem to have gone out of their way to get the most troubled, difficult and disturbed tenants in Dublin.

The stories of residents put in context what they must deal with and amount to a cry for help to us to do something. The community has pulled together to do something about it but there must be a quicker mechanism. One woman moved into a new home in this regenerated area and said she was so excited about moving into her new home. She had been waiting years for it. She says she used to sit in the kitchen looking out at the kids playing but now she sits in the back room because she cannot sit in the front room watching the comings and goings on the road. She says that this includes drug dealing and people going to the toilet in doorways, especially No. 14, with the black steel door, and that the noise level, the filth on the road is horrible. She says it is much worse than the flats in the bad old days and wishes that somebody can do something because the landlords just want money.

I regularly visited Fatima Mansions in the bad old days and for an old resident of Fatima Mansions to compare the situation today with the old days shows the scale of this problem. Another woman says that since she moved into her home on St. Anthony's Road, she has had

the horrendous experience of dealing with rat infestation relating to the houses adjoining hers. She says this is related to the dumping of rubbish, she has spent hundreds of euro trying to address this and has contacted the environmental health officer, Dublin City Council, public representatives and anyone who would try to help her with these problems. She says she has young children and has had to move them out of their bedrooms when they heard rats behind the walls in partitions. She says the ongoing difficulties of anti-social behaviour is terrible and that people are living in shocking conditions.

I want this Bill to address the fact that people are in receipt of rent supplement, are benefiting from the State subsidising landlords and there does not seem to be the same degree of caution or help given to these tenants. A proposed tenant for local authority housing is vetted. There are now tenancy training schemes but that does not apply to those in the private rented sector, nor does it apply to landlords so that they do not put a concentration of people with difficult problems, whether drug dealing or psychiatric cases, in one set of buildings. This greater concentration adds to the problem. There must be some mechanism so that if there is concentration, support is in place from the HSE, the local authority and the Garda Síochána if required. If there is a continuation of these problems there must be a quicker remedy for the community. Landlords have a duty to their tenants to keep their dwellings in a fit state and a duty to the community around the dwellings they are letting and making a profit from. I hope the Minister will address some of these issues.

With the collapse of the PPPs, there is concern that a number of flat complexes in this city earmarked for regeneration, in areas such as Cherry Orchard, have become vacant and have been boarded up pending regeneration. In St. Teresa's Gardens a number of dwellings have been boarded up with no prospect in the near future of the regeneration scheme taking off. The same is true of Dominic Street and St. Michael's Estate. This creates its own problems, with dereliction and the vacant look attracting the anti-social, hooligan element. This brings down the tone of the area and destroys the spirit of those who are holding out in the hope of regeneration. I ask the Minister to try to address this, and the collapse of the PPPs. We need more social housing so we can deal with the shortfall that will occur. All of the properties in the Dublin City Council housing stock that are lying vacant will not be replaced by new dwellings as promised when the State went down the foolish road of public private partnerships.

4 o'clock The Bill mentions schemes of lettings but I do not see a standardised scheme in it. As one goes across the country from local authority to local authority, why do we have different schemes of letting and different points schemes? It is absolutely crazy. Locally elected representatives, Deputies and the public should be able to understand the system rather than having to bounce through one, two or three variations. In this city there could be four local authorities with four different schemes, which would be absolutely crazy. I hope the Bill will produce a standardised scheme so everybody in the country will know where they stand in regard to the scheme of lettings.

I welcome the Minister's proposals to outlaw bedsits in the private sector. For years in this city we have been waiting on local authorities to replace bedsits in local authority flat complexes; this has not happened as quickly as was possible and the matter must be addressed.

The issue of subsidising private landlords was raised last night by Deputy Fahey. He bemoaned the amount of money spent by the State in subsidising private landlords and for once I agree with him. It was interesting, particularly as the issue was raised by him. The amount of money involved in this has gone through the roof. The latest figures for rent supplement amount to an increase of 20,000 people from this time last year. That money would be much better spent on local authority housing. Rather than spending such funding on private

[Deputy Aengus Ó Snodaigh.]

landlords through the rent supplement or rental accommodation scheme, the local authorities should buy up the empty apartments and houses around the country to replenish housing stock and address local authority housing waiting lists.

Deputy Seán Ó Fearghail: I value the opportunity to contribute to the debate on this multifaceted Bill, which aims to address a number of issues of significance in the housing area. At the outset I pay tribute to the Minister of State, Deputy Finneran, and his predecessor in the portfolio, Deputy Noel Ahern, for the work that they and their officials have done in putting together a piece of legislation that has to date won broad-based support.

I have personally long been convinced of the critical importance of public policy on housing and social housing in particular. There are few who would argue with the fact that a quality built environment impacts on a household's quality of life. It also has an influence on the individual sense of personal worth, educational attainment, health and well-being and employment potential. Any legislation in the area is of major importance.

Sections 14 to 18 of this Bill introduce a requirement for local authority members to make and adopt a services plan for their jurisdiction and imposes subsequently on the authority manager a requirement to bring forward a housing action plan to implement the members' proposals. On the face of it this is a very sensible approach, building on the existing system of local area plans, county plans and county housing strategies. The introduction of the housing services plan and a managerial implementation plan completes the circle.

The problem may be the risk which exists for those thousands of families on our nationwide housing list that the making of these plans becomes an end in itself and that we continue to see inadequate or inconsistent output from our local authorities. Since the launch of the strategic management initiative and the advent of the Better Local Government strategy — which, in my opinion, has given worse local government — we have seen a significant increase in the output at local authority level in particular of glossy plans and reports with no commensurate improvement in the quality, extent and range of services delivered in all areas under local authority remit.

Social housing provision is a case in point. The Government has regularly been castigated in this House for the growing waiting lists but the Government has sought over many years to encourage and pressurise urban and county councils into increasing their output and availing of the funding on offer from Government. Whereas some authorities have responded admirably, many have not, including some controlled by the parties which have been critical of Government. In response to a parliamentary question on outputs in my own county tabled in late 2007, it emerged — to my surprise — that Kildare County Council had drawn down on average only 69% of available funding between 2002 and 2007 for social housing construction or purchase.

I acknowledge that the situation has improved significantly since 2007 in County Kildare but it is nonetheless the case that when I was elected to this House in 2002, I expected to have to lobby Departments and Ministers to secure funding for infrastructure for Kildare, including housing, and not the reverse, where my local authority had to be pressurised to avail of what was on offer.

The difficulties which have existed with some local authorities around the country in terms of their social housing output, and notwithstanding the fact that overall output may have increased, indicate that housing has lost its position as a primary local authority function. Had it not, and had elected members and county managers in particular not pursued other agendas, far more could have been achieved during the years of plenty. It is to our considerable discredit

as a nation that those on our local authority waiting lists remain among the most marginalised people in Irish society.

Sections 19 to 24 of this Bill address the areas of social housing support, and in particular the making of an allocations scheme, or a scheme of letting priorities as it would have been commonly known. This was referred to by Deputy Ó Snodaigh. It is important that in making an allocations scheme, local authority members are cognisant of the fact that they have a crucial role not just in building houses but also in building communities. That is a far more difficult challenge. It is necessary, particularly in the allocation of new housing schemes, for this fact to be taken into account, and any scheme made should ensure the diversity which exists in society at large and in the county in question is reflected in the new local communities created in these estates. In other words, it is essential that new housing schemes include people who vary in age and nationality, people who are single and married, people with disabilities, people who are unemployed and people who work every day.

Achieving this type of balance and integration would go a long way towards preventing the anti-social behaviour which many Members have referred to and the marginalisation of social housing projects around the country. To achieve this end, the allocations schemes adopted around the country will need to be a lot more comprehensive and sophisticated than they have ever been in the past.

On the issue of allocations, I acknowledge the work done by environmental health officers. In counties like Kildare they carry out individual assessments of need on the housing applicants and at all times they demonstrate consummate professionalism. In this regard I suggest the need to introduce professional training to all those working in the housing area so that housing management in itself can be regarded as a lifelong profession rather than something people dip in and out of.

The sections up to and including section 27 deal with the rental accommodation scheme, an enlightened initiative on which I congratulate the Minister. It gives some significant security of tenure to people in private rental positions. This scheme must be resourced and promoted at local level, where its merits are not yet fully understood by either tenants or landlords, and I congratulate the Minister on placing the scheme on a statutory footing.

Sections 21 and 31 propose to remove the procedure whereby local elected members must give approval for the disposal of land or a dwelling in accordance with section 183 of the 2001 Local Government Act. I would be grateful if the Minister would indicate why the matter of disposal would arise in respect of the rental accommodation scheme. In any event, I object, as a matter of principle, to any provision that removes powers from local councillors.

Sections 28 to 34 deal with control and management and allow local authorities, by way of reserved function, to delegate the management and control of houses or estates to designated bodies, including those comprising residents of an area. This is a progressive move and I warmly welcome it.

Section 34 also deals with anti-social behaviour. As already stated, a better allocation system, coupled with Garda vetting of prospective tenants, would assist in preventing this growing phenomenon. However, in estates where such behaviour already exists, far stronger action, including, if necessary, court proceedings and eviction, must be taken by local authorities. The local joint policing committees have a major contribution to make in this regard in order that the perpetrators will be penalised and the innocent victims can enjoy the security of their homes and neighbourhoods. In many people's experience it has been the victims who have been obliged to flee their estates while the perpetrators of anti-social behaviour are allowed to continue to engage in their nefarious activities.

[Deputy Seán Ó Fearghaíl.]

The incremental purchase scheme, which is covered in sections 35 to 40, is another positive new initiative to add to the variety of other schemes that support home ownership. The scheme involves a number of restrictions and I ask the Minister to outline how housing authorities and approved bodies will identify the properties to be sold. The scheme is generous in its provisions, particularly as it is intended to set the initial purchase price at 40% of the construction cost with the balance offset over 30 years of occupancy at 2% per annum. Funds from these sales, whether completed by local authorities or approved bodies should, I suggest, be ring-fenced for further capital projects and should not be subsumed into current spending.

Sections 41 to 43, inclusive, deal with matters including the housing adaptation grants for older people and the disabled person's grant. This topic was addressed by Deputy Áine Brady at some length. While I wholeheartedly agree with the points she made, I am of the view that the Bill could be further strengthened by the inclusion of a provision which would address the plight of applicants in counties such as Kildare, where the local authority has traditionally made totally inadequate provision in its estimates in respect of the matching funding required to make grant schemes work effectively and to meet the demand which inevitably arises on foot of the presence of a growing and ageing population. I fail to understand how it is possible for the local authority in County Kildare to justify to the people who live there the fact that it allocates approximately €1.6 million in respect of these grants, whereas the council in County Donegal, which has a smaller population, allocates in excess of €4 million per annum.

Voluntary and co-operative housing has been an area of massive growth, particularly during the past decade. At present, there are 679 approved bodies which have constructed and are managing in the region of 20,000 properties. The quality of the units built and the management of the estates are, with very few exceptions, of a very high standard. The sector, having made good use of the capital assistance and capital loan and subsidy schemes to provide specialised housing and meet the needs of mainstream housing applicants, can be extremely proud of its achievements. The providers in this area vary in nature, from local conferences of the Society of St. Vincent de Paul and local community bodies — providing in the most part for the needs of small groups of elderly people and of those with disabilities in their local areas — to major organisations such as Respond, which is responsible for in excess of 3,500 units at present, which has a nationwide remit and which addresses a broad spectrum of social housing provision, including that of agency services to local authorities. I congratulate the Minister on granting to local authorities the power to devolve to such bodies further functions, including those relating to estate management. In many instances, the bodies to which I refer have proven to be more effective than local authorities, particularly in the area of estate management.

I must declare an interest in respect of voluntary housing because for more than 15 years I have been actively involved with local communities in County Kildare in the establishment and management of locally-based voluntary housing associations. To date, these associations have built or purchased in excess of 260 family units. The relatively small but effective housing associations in County Kildare operate on the basis of a self-help philosophy and see social housing need as something that can be addressed, at least in part, by local communities using the financial supports that Government provides. In practice, the experience in County Kildare has been that those in need of housing have come together to help themselves. These people have anchored themselves in their local communities by establishing locally-based associations or by joining existing associations that is managed with the active support and participation of established community activists who bring with them project development and management expertise. Without exception, the Kildare projects have been successful in the context of cost-efficient unit delivery and estate management. At a number of locations, Kildare County

Council has co-operated with these associations to deliver part of its own social housing programme on a joint-venture basis.

In the context of the Bill, however, a number of issues arise. Section 22 confers on county managers the authority to make allocations in accordance with an allocation scheme drawn up by members in respect of dwellings provided by approved voluntary housing bodies. In County Kildare, some 100% of units allocated under the former rental purchase scheme — currently the capital loan and subsidy scheme — have been allocated to households drawn from local authority waiting lists following consultation and agreement with the local authority. Will the Minister ensure that there is nothing in section 22 which would prevent or discourage self-help initiatives of this type, which have worked successfully in County Kildare, particularly in circumstances where the power might be given to a county manager to allocate houses on a scheme to qualifying applicants other than those who had been directly involved in the development of the project as a self-help initiative?

I warmly welcome the fact that the Minister has decided to include the sector in the incremental purchase scheme. In light of the difficulties that exist, I acknowledge the pragmatic approach that he is adopting in the Bill in allowing voluntary providers to determine the extent to which they will participate in the process. While the incremental purchase scheme is a forward-looking initiative, the Bill fails to address the plight of those who already live in properties provided by voluntary associations. Very few of those who live in homes funded by the capital loan and subsidy scheme have chosen this form of accommodation over local authority accommodation. Rather it is the case that there was no other reasonable alternative available to them.

We now have two forms of social housing provision, namely, that provided by local authorities and that provided by the voluntary sector. Both forms are being 100% funded by the Exchequer and both providers have drawn their tenants from the same local authority waiting lists. Those who have chosen the voluntary accommodation have done so because, in the vast majority of cases, they have had no real alternative.

At present, local authority tenants can avail of tenant purchase schemes whereas tenants of voluntary housing associations cannot do so. In view of the position I have outlined, it is fundamentally unjust that voluntary tenants cannot avail of tenant purchase schemes. I implore the Minister to amend the Bill to address this issue or to at least indicate that he will bring forward a new legislative proposal, within a reasonable timeframe, to address a matter which I firmly believe runs contrary to natural justice. Nowhere is that injustice more evident than in the schemes in County Kildare I referred to earlier where tenants, who came together to cause the housing project to be built, see their joint venture neighbours in council owned properties avail of tenant purchase while they, whose initiative caused the houses to be built in the first instance, cannot. That is an indefensible position and something that must be addressed.

I refer to the remedial works scheme. Deputy Upton spoke yesterday of the importance of the schemes currently under way and the type of developments throughout the country which gave rise to the need for remedial schemes. Valuable work has been done in my own constituency in locations such as Kilcullen, Newbridge and Athy. The Minister has an application on his desk for a remedial scheme for St. Patrick's Park in Rathangan, and I urge him to look positively on that. I express a fear that as we move, not just pressed by developers, bankers or others, as suggested by Deputy Upton, towards creating a much more dense urban environment as advocated largely by professional planners, in some cases we may be bringing into existence the sort of housing scheme that will need to be remediated in the future. I am particularly concerned about local authorities that build high density properties that are very small and which do not provide for lifelong living. That is something that must be addressed. I compliment local authorities generally on the high standard of properties they are building throughout the

[Deputy Seán Ó Fearghaíl.]

country, with the possible exception of the area of high density, because the quality of the design has improved beyond belief in recent years.

I refer to the issue of Traveller accommodation. Deputy Connaughton attended a meeting of the health committee with me recently where we heard concerns expressed by the Traveller community, and advocates on their behalf, about the high infant mortality and the low life expectancy in the Traveller community compared with the population at large. At least part of that problem derives from the inadequacy of the accommodation available to that community throughout the country. I support the Minister in the positive initiatives he is taking to address this intractable problem. I am happy to recommend the Bill to the House.

Deputy Paul Connaughton: The Bill is like one of the omnibus Bills that come before the House in that it means well but whether it will deliver is another story. I agree with some of the remarks made by Deputy Ó Fearghaíl. I have heard the talk from so many Ministers in all Governments about the importance of the over-arching policies and strategies that are required in council housing and so on. It is important to have those, and there are many aspects of the Bill with which I have no major problem, but I have a major problem with one aspect which has been mentioned by colleagues on all sides of the House, namely, the number of glossy magazines, plans and so on laid before councillors and Deputies throughout the country, with very few houses being made available.

I have nothing but the highest praise for what the Minister of State, Deputy Finneran, is trying to do. There is hardly anyone in this House who understands the position better because he has been through the local authority system for many years. To put the problem in context, yesterday evening I got the details of the number of people on the housing list for Galway County Council — everyone is concerned with their own geographical area — and I was astounded to be told that there were 2,250 on it. The normal level is approximately 1,200 or 1,400 but the shocking aspect of that statistic was that 500 were added to the list in the past three months. That speaks volumes, and every Member of this House knows that only too well, but regardless of what we know about it one can imagine the effect of it on the people concerned because they are saying, in effect, that they have nowhere else to turn to for housing other than the local authority. The message is that there is nowhere to go. From the point of view of the moneys made available by the Department I accept that some local authorities maximised the opportunities made available to them. However, there are so many people currently waiting legitimately for a house in County Galway that the entire allocation for the country could be used to solve that problem.

Unless the Minister of State, the Minister and the Government decide to further capitalise the allocation to housing in the next four or five years, we will see much longer housing waiting lists because there will be no funding from any other source. Unlike the position in previous years, there are other ways in which the Minister can act in this area and I will compliment him if some of the measures he is trying to implement, including the long term leasing scheme, work.

There are not that many ways for a person who has not got the money for a house and who cannot borrow or repay a mortgage can actually get a house. If one considers it, there are not that many places for them to go. Variations of schemes were introduced over the years. There was a multiplicity of them. In fact, there was such a difference between one local authority and another one would think they were not in the same state.

I was a Minister of State in the 1980s in what was so-called the worst of times and in the period since then there were never more of what we used to call local authority houses or social houses built. Some people will say that in terms of value for money we must be careful about the people to whom the houses are allocated and that there a more efficient way to

proceed financially, from the taxpayers' point of view, in terms of putting a roof over their head. That matter has been discussed at length in every council chamber for many years. Something I have seen over the years is that when various schemes are tailor made to help young people build their own house or get a house through the shared ownership scheme, the procedure is so bureaucratic that before it is over the council staff and the applicants are fatigued, and the scheme dies.

I refer the Minister of State to his recent announcement on the new home loans scheme. I was prepared to give that a reasonably good chance but when I read through the details — I assume the Minister of State must have seen it because he operates almost on the same terrain as myself — I saw there were a number of aspects that would ensure it could not work, and it did not. I understand only four or five have been assessed for it. There is almost no uptake and one of the reasons for that is that there is a floor area restriction — I believe it is approximately 1,300 sq. ft. — on the house above which one would not be entitled to draw down a loan. I refer here to the 92% loan.

Some of the houses being built in the private sector are so big they are obscene. I cannot for the life of me see why people build five bedroom houses when they only hope to have two children. It is their right, and even members of my own family are at it so I am no position to criticise, but there is no question that there has been a huge overdoing of house sizes. Under the home loan system, when people build a house, it must be well insulated and as efficient as possible, but that has an effect. People are being asked to build a house half the size of their neighbour down the road in the private sector so they do not go for the loan. If the Minister wants that loan system to work, he should look at the size of the house. I am not suggesting it be increased to 2,400 sq. ft. but another extra room on to the floor area would make a dramatic difference.

Everyone is talking about anti-social behaviour but not much is being done about it. I wonder if the will exists to clamp down on the people who upset the lives of ordinary decent people and devalue their estates. Estates I am used to are much smaller than those in Dublin but it does not matter if there are 20 houses in an estate or 200 houses if there is an undesirable element creating havoc in the area. People become so tired waiting for the authorities to shift those people that eventually they leave, unable to continue living under those conditions. I have come across the greatest band of pups in my time in a few of the housing estates across east Galway. They have created havoc and the joint policing fora, the HSE, the gardaí, the local authorities and all the mechanisms that are in place did not work because they were too slow.

When those people are evicted for serious wrongdoing in council estates, what do we do with them when they are evicted? Where do they go then? That is a problem the Judiciary faces but, one way or another, if people are committed to bringing up their children and living their lives in a local authority estate, they have enough problems to face without being damned by those anti-social elements. These people are becoming bolder, more daring and harder to handle. There is not a Deputy in the House who does not know of the sort of character I have described. Whatever is in the Bill, I hope it is strong enough to address that problem.

I mentioned the schemes for the homeless and those on housing lists to acquire a council house. Whatever about over-arching strategy and new strategic approaches, I sincerely hope the Department of the Environment, Heritage and Local Government and county councils will never shy away from the single rural house where it is appropriate. It is hugely important that account is taken of people who have a commitment to the land because there is nowhere more appropriate to house the family than in the village where they were born and reared. Some people say we should have a continental approach, where those who farm would live in a

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hamlet along the Danish or Dutch lines. That is not what Irish people want. While numerically the number of houses should be small, the policy should never change.

I remember when the affordable housing proposals were made. There are eight such houses in my village of Mountbellew that were built when the scheme was first established and they were good value. The wheel has fallen off that wagon, however, as it has in much of the building industry. Now there are some affordable houses that are more expensive than houses on the open market. Some local authorities have been trying to sell affordable houses at those prices and no one will buy them. Something must be done immediately because those houses were built for a specific purpose. The applicants have been assessed and the loans made available so surely there must be a mechanism to reflect the downturn in house prices. The Department is not immune to the downturn in the housing market and if some local authorities are trying to get the same price for an affordable house now as they would have got three or four years ago, they are living in cloud cuckoo land.

I assume they are trying to keep the price up so the money can be reinvested elsewhere. The purchasers will not wear that. Something must be done because those houses must be sold at some stage. They were built to a high standard and people were delighted to apply for them so there is no point in them standing idle.

When I first started I regularly helped young couples with local authority loan applications. Many of the schemes, such as shared ownership, are a variation of that loan scheme. I have noticed over the years that there was always some bureaucratic daftness written into the scheme that would exclude people who genuinely needed housing and who could have repaid the loan. Unless there is a realistic effort by, and a desire on the part of, the Government to assist moving people off the housing waiting lists, many will remain on them. Under the Fine Gael-Labour Government in the 1980s, when there was not a penny anywhere, more houses were built for local authority tenants than in any time since. According to the Minister, resources are now limited. If the Government is not prepared to put money into social housing, a bonus-led system must be introduced which will allow local authority tenants, under certain conditions, to be responsible for their homes. It should not be like the approach with the new home loan scheme which excluded thousands.

In the past, several local authority tenant purchase schemes have worked well. Any government, where it is appropriate, must ensure every local authority tenant has an opportunity to buy his or her property. Once that threshold is passed, people become house proud. The replacement of window panes and doors, for example, becomes a matter for the tenant-purchaser to which they will respond positively.

Deputy Seán Fleming: I am glad to have an opportunity to speak on the Housing (Miscellaneous Provisions) Bill 2008. This wide-ranging legislation covers many issues relating to housing at local authority and other levels. It is an issue close to the heart of every public representative, both at national and local level, and is important considering the current economic situation.

I must give credit to the Minister of State at the Department of the Environment, Heritage and Local Government, with responsibility for housing, Deputy Finneran. He has more knowledge, expertise and practical experience of this area than the majority of Members, from his involvement at local authority level over the years, from the Seanad and from the Dáil. Such is his level of knowledge, he could give much information to staff in his Department and to housing officers across the country.

I am delighted the rental accommodation scheme is being put on a statutory footing. The scheme has operated over several years with a good take-up. Many of those on the scheme

would have been in the private rental market. The scheme gives security of tenure to those who avail of it. For those who were receiving supplementary welfare allowance from the Health Service Executive, if they took up part-time employment, they lost part of their rent supplement. This does not apply under the rental accommodation scheme. That scheme works as an incentive, whereas the old system was a disincentive to people to take up employment, creating a poverty trap in turn.

People in receipt of rent supplement through the Health Service Executive for private rental accommodation often refused offers of local authority housing. Under the differential rent system, the net amount they would have to pay as local authority tenants would be higher than that under rent supplement. In the last budget, moves were made to close this gap and I hope there will be further moves in the next budget. It is wrong that there should be a financial incentive for people to refuse a genuine and good offer of local authority housing.

With the numbers losing jobs, all Members are getting extra queries at their constituency offices about mortgage repayments. Many with mortgages who lost their principal source of income are falling into immediate difficulties with repayments. Understandably, they apply to the local community welfare officer for interest payments under the exceptional and urgent needs payment scheme.

While some 7,000 people have been assisted under the scheme, some applicants have run into difficulty. Several cases with which I have been dealing forced me to put down a parliamentary question on the scheme. In one instance, a community welfare officer made a decision that, in his opinion, the original interest being charged on the loan was excessive and refused any interest payment as a result.

By way of parliamentary question, I asked what criteria the Department of Social and Family Affairs had given to community welfare officers on reaching such conclusions. I was informed no criteria were issued; it is a matter for each community welfare officer in the Health Service Executive to make his or her decision.

That is a recipe for inconsistency and disaster. I have had to bring some cases to the social welfare appeals office. Essentially, one arm of the State claims a mortgage should not have been granted to purchase a house. However, the banking and financial institutions, regulated by another arm of the State, had no problems with the level of loans being approved. I am curious as to how a community welfare officer feels his level of expertise in this area is much greater than that of the financial services industry. It could well be that he is right because banks were giving out excessive loans. However, I want to know what criteria were used to determine some interest payments were excessive.

The Minister also informed me in the parliamentary reply that negotiations with the Irish Bankers Federation and other interested parties are ongoing to come up with a set of guidelines for this area. While I welcome these being introduced in due course, in the meantime people are falling through the cracks in the system. I understand there is pressure on the Department's budget but, that said, people should be given fair play. In the cases to which I referred, the applicants were not seeking amounts higher than they would have received under the rent supplement scheme. The outcome for them is that they may become homeless, which means they will fall back on the local authority only to be paid the full rent supplement scheme. Even if they wish to sell their homes to sort out the problem, they cannot put them on the market if they have an application for rent supplement or mortgage interest supplement.

While there are many good staff in local authorities, there are inadequate appeals mechanisms for those who feel they may have been harshly struck off a housing list. More to the point, a common feature of the past 12 months is that people are not being allowed onto housing lists. They are told they should not have moved out of the house they were in and that for a

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variety of reasons they are not being let onto a council's housing list. In many local authorities the person who makes a decision of that nature informs the applicant that he or she has a right of appeal. The appeal is sent to the director of service with responsibility for housing and he or she usually inquires of his or her colleague why the decision was made. Some 99 times out of 100 — I will not say nine out of ten — colleagues who work together in the same office support each other.

There is not a proper independent appeals system within local authorities, as in somebody who is not connected to the housing section. A number of those cases have gone to the Ombudsman. A better appeals system should be put in place. That would be in the interest of local authority staff who are in the front line dealing with difficult situations. I say that in a positive way. A proper appeals system would protect everybody involved. It does not need to be statutory, it just needs to be set up internally and it can be done as part of the housing strategy that any local authority and its elected members can pass.

I wish to discuss the voluntary organisations such as Clúid and Respond. I hope the ongoing issue of buying houses from voluntary housing schemes can be addressed at some point. People with houses from such organisations cannot get back onto a housing list as they are told they are adequately housed and do not have a housing need. That can happen in many towns. My constituency in Laois has many small towns. A local authority may build between 30 and 50 houses in one town. People who need housing can take up their tenancy and after a two-year period they can embark on a process to buy their house. In another town of the same size the housing needs might be addressed by Respond or Clúid. People in that town will never be able to buy their homes while their neighbours and cousins in the town up the road can buy their homes from the local authority. The public cannot understand why there is such a level of inconsistency. That is a valid point because, essentially, all those houses are being financed by the Exchequer in the first instance. I would like that issue to be addressed.

That leads me to an issue I have raised in the Chamber previously, namely, the tendering procedures for voluntary housing associations. Perhaps somewhere along the line it can be confirmed whether they come under the guidelines the Department of Finance issues for public bodies. Housing associations are not public bodies, they are voluntary organisations but in practice they are substantially funded by the Exchequer. While they are in that situation they are not strictly bound and they can have their own shortlist and tendering scheme that may not have the full rigidity and openness, which is what I am talking about, compared to when a local authority puts a similar housing scheme out to tender. There is a lacuna in the system. I consider such bodies as being essentially publicly funded.

In my constituency a voluntary organisation had grandiose plans for a development of 200 houses in a town. During the property boom it sold off a site. It made a killing on the sale of a site that had been bought with taxpayers' money, sold it off and then perhaps got involved in developments in other parts of the country. I have seen that happen. That is not what housing associations were set up to do. Some of them have been involved in straightforward land speculation. Such practices were funded by the taxpayer. Voluntary organisations have received their site and planning permission and then for some reason sold the site. Perhaps they did not have the funding to complete the project and offloaded it at major profit. They took the money out of the county and perhaps moved on to do some work in another area. I would like to see a bit more transparency in that regard.

A significant issue that is being addressed is antisocial behaviour in local authority estates. There is a big gap in the estate management procedure. I give credit to the voluntary housing organisations for their active engagement on a permanent basis with their tenants whom they meet on a regular basis. In comparison, local authorities tend to allocate a house, collect the

rent and the only contact they have with their tenants is to respond to calls about maintenance for doors or windows. The community and green areas in local authority estates regularly fall into poor condition because the people who are in the houses do not own them. They are only renting and the owners, namely, local authorities, have other priorities. There is a greater need for hands-on estate management from local authorities. That would help strengthen the bond between tenants and local authorities and would eliminate some of the antisocial behaviour occurring there also. I accept that happens to some extent but more needs to be done.

People who have local authority houses can find their incomes improve and they can afford to drive big cars and have Sky television yet they ring the local authority if something is wrong with the plumbing in the house. Somewhere along the line tenants should be responsible not just for basic repairs but also bigger maintenance jobs where they are in a position to do so. Most people agree that information should be shared on a restricted basis between key nominated staff members in local authorities, the Garda Síochána, local social welfare offices and the Health Service Executive to ensure proper cross-referencing of people and to ensure that people's histories are known before they are allocated local authority housing. That is happening on an informal basis but it should be put on a formal structure.

A feature of many new local authority estates is that they contain a large proportion of lone parents, especially women, raising young children. Many single parents have come to me with concerns about antisocial behaviour in an estate by bigger fellows who intimidate them. When they are in a house with young children they do not feel as capable of defending themselves against people who throw their weight around in an estate.

I wish to speak about the Part V targets versus the actual figures. I am not being parochial in saying I sincerely believe that the best housing authority in the entire State is Laois County Council. Its record of house construction and Part V agreements has been outstanding. The Deputy across from me is smiling but that is verified in the Department of the Environment, Heritage and Local Government's statistics. All local authorities had a five-year plan but Laois County Council not only met its target, it exceeded it.

The published statistics for 2007 and the first nine months of 2008 were given recently to the Joint Committee on the Environment, Heritage and Local Government. Laois County Council had a construction programme of 309 houses and 204 were constructed through the Part V scheme. That is in excess of 500 houses. Counties with ten times the population of County Laois did not achieve that level of house provision. We have substantially cleared much of the housing list but it is starting to creep up again with people losing jobs. People are going on the housing list in order to avail of rent supplement. The only reason they want to go on the housing list is so that the council will stamp the form that will allow them to seek rent supplement from the Health Service Executive. Such people may not have a housing need but they need financial assistance to pay their rent. That is quite a different issue from having a housing need.

Another matter that came to my attention in the statistics we were given in the committee last week is that in Laois we achieved a 50:50 balance under Part V between social and affordable housing, whereas only 36% of houses that came in under Part V in 2007 were social and the balance were affordable. In the first nine months of 2008 the figures were worse again. It was 27% nationally. I would like to see those figures at 50:50, as is the case in County Laois. There is a tendency among housing authorities to allow more of the affordable houses under Part V and in that way they are neglecting the people who could be accommodated by a traditional social housing programme, albeit under the Part V scheme.

At a time when new schemes to provide housing are being introduced, it is important people in local authorities are trained to deal with the issues. If local authority staff are to give advice

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to people looking for local authority loans, they must be able to explain the difference between fixed and variable loans. They need some level of financial expertise to be able to advise people in that regard. Sometimes people do not have that expertise and give a stab at the figures without having the required knowledge and information. People looking for loans think they are getting good advice when they get advice from someone in the local authority on these issues, but in some cases the information is not well founded. I would like to see extra training for people in those sections of local authorities.

I expect the Minister will bring forward some proposals with regard to the large stock of unsold affordable housing that exists. It is important this happens quickly because these houses are costing money. We are all aware the value of houses on the open market has gone down and as a result the affordable houses on offer from local authorities are now on offer at market prices which have dropped significantly. Local authorities, however, have not been able to drop their prices. As I understand it, the scheme was originally intended to be self-financing. Therefore, the local authorities cannot just wipe €50,000 off the price of an affordable house without some consequence or without somebody picking that up.

I urge all local authorities to ensure they put sufficient funds in their estimates to ensure they are in a position to draw down the maximum grants under the mobility housing aid scheme, the housing aid for older people and the housing adaption grant for people with disability. We get complaints year in and out that the Government does not provide the funds, but, regularly, this is the fault of local councillors not having put the portion required to be met locally into their estimates. This is what causes the shortfall and is the reason some people at local level do not get their grants. It is a two-way street. The Government provides good funding, but the local authority must provide a corresponding portion of funding, perhaps 20% of the total amount involved, out of its estimates.

I look forward to seeing this legislation proceed to Committee Stage and to it being enacted as soon as possible.

Deputy Joe Carey: I wish to share my time with Deputy Stanton.

Acting Chairman (Deputy Noel O'Flynn): Is that agreed? Agreed.

Deputy Joe Carey: I welcome the opportunity to speak on the Bill. In the time that I have been a public representative, formerly as a member of Clare County Council and latterly as a member of the Oireachtas, I can say without fear of contradiction that the provision of public homes and housing has been the single biggest issue I have encountered or will continue to encounter. This fundamental issue has a profound influence on how people participate in, contribute to or engage with society. It has been my experience as a public representative that once an individual or family's housing needs are addressed and sorted out, their lives and how they contribute to the overall social and economic well-being of society changes dramatically. It is for this reason a Bill such as this is so important.

Notwithstanding the enormous capital input into housing over the past 12 years by the Government, it is safe to say we have missed many targets. The specific approach of the Government to the provision of housing in general has had an undue influence on where we find ourselves today. It is interesting to note that Dr. Peter Bacon is back on the scene with regard to bad banks and such. This time, I hope the Government chooses to listen to what he may say because in ignoring many of his earlier recommendations for the housing market, it has put us in a very weak economic position.

When presenting the Bill to the House, the Minister of State asked whether we are getting value for money from our investment, whether we are efficient and effective and, most important, whether we are protecting the most vulnerable sections of our society. In order to answer the question on whether we are protecting the most vulnerable, the Minister of State must bring his proposals on homelessness before the House. He must also consider providing for this on a statutory basis. This issue was placed on the agenda during my first period as a member of Clare County Council and through the creation of the homeless forum all parties concerned sat down to work out a strategy for County Clare. This was an interesting exercise and members such as the local authority, the HSE, the probation service and the voluntary sector came together to create their own plan. That said, it was also interesting to see that some State agencies viewed it as an opportunity to absolve themselves of certain responsibilities, passing the buck, so to speak. Placing the issue of providing for homelessness on a statutory basis could, possibly, alleviate this type of behaviour.

I take this opportunity to commend voluntary organisations such as the St. Vincent de Paul on its Trojan work on the issue of homelessness. It was they, the representatives of the voluntary sector, who did most on this issue in Ennis in County Clare. On the broader issue of homelessness, it is ridiculous that local authorities can invest large capital sums in building shelters and facilities for homeless people, but that these remain closed and unused because the HSE refuses to pay to staff them. There must be a more integrated way to deal with the issue.

In response to the Minister of State's question as to whether we are getting value for money from our investment, we need only look at what went on throughout local authorities over the boom years of the Celtic tiger. It was quite common during the first six years of this century for county councils to buy back local authority housing which had been sold to tenants just ten or 15 years previously under the early tenant purchase schemes. These houses were sold at a very competitive price initially, but the local authorities found themselves having to buy back stock they once owned at six to ten times what they sold it for. This was ridiculous and is a prime example of just throwing money at a problem for the sake of it. The practice is unsustainable and I welcome the provision in the Bill for the incremental purchase scheme. This is a more natural approach to house ownership. I understand and agree with the principle of Irish people owning their homes, but we cannot allow a repeat of what went on over the past ten years. The State must have and maintain its own stock of housing that will allow people get on the path of home ownership.

This Bill is very much slanted towards local authorities, both executive and members, and the manner in which they go about their work. The Minister of State asked about efficiency and effectiveness. He need look no further than the voluntary housing sector and how it operates to find these. In the past number of years there has been a significant and worthy contribution from this sector towards the provision of housing for their own communities through the voluntary housing scheme. This housing provision works well.

In my constituency of County Clare, I have seen parallel housing provision from both the local authority and the voluntary sector. However, the projects that come from and of the community are invariably more successful. They do not seem to have the same problems as the local authority projects. This is not to take from the fine work that local authorities do. However, projects such as those provided at Kilmaley and Kilmihil in west Clare and, perhaps, the Áras Mhuire development in Tulla, are housing developments that have very strong roots in their communities. These projects create a sense of empowerment for both the individuals who finish up with a home and the local committees who steward the project. It is disappointing that this Bill does not reflect on this or provide any developments or improvements towards the concept of communities taking charge of their own housing needs.

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The cost of the rental accommodation scheme, RAS, is no doubt one that will come under the budget microscope. It cost the HSE some €441 million in 2008 and has increased by €91 million or 26% since its introduction. This is, surely, an indication that some of our housing policies are not working as they should. The Bill does not make provision to review the scheme. This is a mistake. The whole scheme should be more integrated into our local authority housing plans. Two questions must be asked about RAS. Does it provide the best value for money for the State? What type of security of tenure does it provide for the participants? If our housing policies were working correctly, we would see the aforementioned figure decrease year on year. Without proper assessment and analysis of the RAS in the current economic climate, it could become a millstone around the Government's neck.

I acknowledge the provisions within the Bill that extend more powers to local authorities to deal with anti-social behaviour. The Minister of State should note the extreme difficulties created in some estates by a small number of people who have bought out their houses through the shared ownership scheme or the tenant purchase scheme. The local authorities are left powerless in preventing them from engaging in anti-social behaviour. This is a growing problem within local authority estates and needs to be addressed. The local authorities should have the power to step in and deal with people who are creating absolute misery for their neighbours and the community at large. Will the Minister of State re-examine this issue and introduce a section on Committee Stage to tackle it?

Deputy Michael Finneran: Section 22.

Deputy Joe Carey: Is it dealt with in that section?

Fine Gael supports this Bill in principle and will table a number of amendments on Committee Stage, which I hope the Minister of State will take on board.

Deputy David Stanton: I welcome the Bill. It is very important and I am glad to have the opportunity to speak on it. The Bill has four Parts, 44 sections and three Schedules. Part 1 contains preliminary and general material but Part 2, pertaining to the functions of housing authorities, and Part 3 are the important ones.

The Bill makes provision for an allocation scheme or housing list and it will be mandatory that the details be made public. The housing authorities will have to create the list. From now on, people will know where they are on the housing list. Until now, this has not been the case in many local authorities. People do not know their position or who is ahead of them, how long they have been waiting or perhaps how they reached their current position. Very often in our clinics, people state they were on the list for six years while someone else, who may only have come to the country within that period, got a house straight away. I hope this provision will address this. It is important that the list be constructed properly, carefully and fairly.

Section 22(12) states:

The manager shall—

(a) prepare and submit to the members of the housing authority not later than 30 April in each year a written report on allocations made under its allocation scheme by specifying the different categories of dwellings and households

The manager, where he or she must submit reports for the members of the housing authority, should also make copies for the Members of the Oireachtas in his area. Will the Minister consider providing for this in the legislation? Quite often, Members of the Oireachtas are asked to make representations about housing. We must pass legislation and monitor how it operates.

Therefore, it is only fair that, where managers are required to furnish members of local authorities with their reports, they should also furnish them to Oireachtas Members in their administrative area. This would be simple and useful.

Section 11 contains a very welcome provision that refers to ancillary services. It is a pity such provision was not made years ago before the housing boom started. Ancillary services include roads, shops, playgrounds, places of recreation, parks, allotments, open spaces, etc. The Bill alludes not only to providing houses, which are basically boxes in which people live, but also to providing community services. By including shops, roads, playgrounds, parks, schools, etc., one is building community. This must be central to our vision if we are providing housing. This vision has been lacking.

Residents in some housing estates, perhaps in our own areas, will argue they do not have enough space in which to park their cars. Rows occur between neighbours over parking space because developers have concentrated too many houses in the same location. There is plenty of land in this country but people have had no room because developments have been too condensed. We need to give children space in which to play and ancillary services must be provided. The Bill states a housing authority “may” provide ancillary services if it considers them appropriate but the housing authority should insist that they be provided because they are essential.

Section 35 is a large section on anti-social behaviour. It is a very important section because people have a right to live in their own homes in peace without being interfered with in all kinds of ways. It is a very strong section. Subsection 35(5) states:

When drawing up a strategy, or before amending a strategy, a housing authority shall consult with—

- (a) any joint policing committee . . . ,
- (b) the Garda Síochána,
- (c) the Health Service Executive, and
- (d) any other person as the authority considers appropriate.

I have referred time and again to the importance of out-of-school youth services. Youth workers, youth clubs and youth organisations engage with young people on the streets. Young people are very often at a loss because of the lack of facilities in the housing estates we have constructed. They have nowhere to go because we have not been building community. I suggest to the Minister of State that youth services should play an integral part in preventing anti-social behaviour. I want to turn this into a positive proposal. Not only can properly resourced and supported youth services prevent anti-social behaviour, they can also harness to positive effect the energy and innate good-will of young people. Young people could contribute in a positive way to their communities.

Unfortunately, due to cutbacks, youth services are very often the first services to be hit. The anti-drugs strategy and other strategies are being hit across the board. When talking about anti-social behaviour, we must think positively and ascertain how to prevent it and turn things around such that those who engage in it will engage in positive behaviour instead. This is important.

Article 9(2)(VI)(f) of SI 412 of 2007 provides that one can refuse rent supplement twice and still not be debarred from receiving it in the future. If for some reason one refuses the offer of a house, perhaps for what one considers to be a very good reason, one is told in many local authority areas that one will be placed at the bottom of the list. I am sure all Members have

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encountered this. If a person refuses an offer of a house, he or she should not be put on the bottom of the list straight way. Although I have read the Bill, I have not noticed a provision in this regard. People who refuse a house should be subject to a provision such as that in SI 412 of 2007 such that they would be allowed two refusals before being placed at the bottom of the list. This would be reasonable.

I came across a case recently in which a single mother with a ten-year-old daughter refused a house. Not only was the house in very bad condition when she was offered it but her daughter was being bullied by a child in the estate where it was located. Her daughter was nervous and afraid of the other child, yet she was told she would be placed on the bottom of the list. The local authority did not take into account the mother's concern. This type of case may be provided for in the Bill — I am not sure — but, if not, it should be considered, if possible. It would make a difference because the person in question would be offered a second and third house.

It is important that there be discussion with applicants who refuse houses to ascertain the problem with them. If a person refuses a house, he or she should not be offered the house next door, which could very well happen. This should be addressed.

From time to time, someone is offered a house which is not in good condition. Will the Minister of State ensure that houses offered by local authorities are in good condition? The condition should be so good that the Minister of State would not mind moving in. These are the criteria we should have. I have come across cases of houses being offered to people which are in appalling condition with back gardens dug up, missing sewerage tank covers and drafty doors. People should not be offered houses in these conditions. People are then told to paint the house themselves.

In many areas, including my own, town councils and county councils are housing authorities and people must make two applications using the exact same application form. Is there any way this duplication can be avoided and a person can make one application which is sent to both housing authorities? This could be examined.

I know issues arise with regard to funding for disability grants and I have a suggestion for the Minister of State. Stair lifts are given to people who need them. Often, the stair lift is not taken back after the person passes away. Many such pieces of equipment could be taken back when they are no longer needed. The Bill contains much more we could discuss but I have touched on most of the points I wished to raise. Colleagues mentioned other points and I did not want to duplicate.

A buzzword at present is “energy conservation” but I do not see it mentioned in the Bill. Perhaps it is included in other legislation. It should be a priority to take advantage of sunlight to warm houses through glass and windows facing south. We should also ensure as far as we can that we maximise energy conservation. I wish the Bill speedy passage and the Minister of State good luck with it.

Deputy Seán Sherlock: I welcome this opportunity to speak on the Bill. How did we arrive at a stage in the country's development where thousands of people are on local authority waiting lists yet thousands of houses throughout the land are unoccupied? When did we, economically and socially speaking, decide that a house would become a tradeable commodity to be used as an instrument for investment primarily and not as a place of refuge or to raise a family? Until such time as we legislate in this area with people in mind and give up our obsession with the property market we are doomed to repeat the same mistakes. We have, through this legislation, an opportunity to provide decent housing for all those who need it, if only we can embark on a little lateral thinking.

My colleague, Deputy Ciarán Lynch, stated that recent figures published showed a massive jump from 43,700 on the social housing waiting lists to nearly 60,000 in just three years. How did we come to this point when so many houses were being built during this period? With the right thinking, this legislation provides a golden opportunity to address the imbalance that exists within the social housing sector.

The relationship between the Department and the local authorities needs to reflect the realities on the ground. For instance, in my constituency of Cork East, there is a local authority scheme at Stag Park in Mitchelstown where affordable houses remain unsold and are boarded up. I have queues out the door of my clinics in Mitchelstown with people on the social housing list who would dearly love to obtain one of these modern, well-appointed and fantastically designed houses. However, they will remain unsold until such time as the Department frees up the financial obligation of the local authority to the Department with regard to their sale. The current market conditions dictate that they will remain unsold because they have been boarded up for so long that a certain stigma is attached to them.

The Department must become more flexible in its approach. A house which is designated as an affordable house and which is unsold within a specific period must be allowed to be occupied at the discretion of the local authority if the local authority has made a decent attempt to sell the house. The Minister of State must examine this. Countless thousands of affordable houses throughout the State could be used for social housing but this cannot be done because of certain constraints placed upon them.

Generally, I am in favour of voluntary housing associations but I have certain reservations about trends that I have seen within this sector. I am anxious that voluntary housing associations would not supplant the role of the local authority in terms of the provision of social housing. It is true that they fulfil a need in terms of catering to a certain demographic. However, I have documented cases and had representations from quite a number of constituents who find that once they occupy a voluntary housing association property, they find they have no recourse to eventual purchase or to an independent arbiter with regard to the conditions of their tenancy. In one case I encountered, the rent of a couple on a fixed social welfare income was increased substantially by the voluntary housing association and they had no recourse to an independent arbiter when they sought to question the increase. This issue must be addressed.

Irish people will always want to own their own home. This is ingrained within our psyche. This trait must inform how we formulate policy. If one provides a social house it must be on the basis that it will become available for purchase in the medium to long term. This choice and right must exist even if it is not exercised. The current tenant purchase scheme is woefully inadequate, in that there would be a golden opportunity to sell off older housing stock if it were discounted at a more favourable rate. Most local authority houses I visit which have long-term tenancies have so much invested in them by the occupiers that the valuations they get when they seek to purchase the house have no bearing on the original real cost of construction and the amount invested in the intervening period.

If one wishes to purchase one's home in the current climate there is a discounted rate but it has become an instrument of the market by virtue of a valuation which must be sought. This is in spite of the fact that people have built communities around their homes and have ensured the upkeep of the houses for the duration of their tenancies. If we are to incentivise the ownership of houses we must create better conditions to allow older people to purchase their homes. There is a net benefit to the State in that it would yield a massive dividend and would provide an opportunity in terms of significantly reducing maintenance costs to local authorities.

Section 16 provides that making a draft plan is required. The country is facing a pensions nightmare for the future. On several occasions, I recall the Minister for Health and Children

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reminding us that life expectancy has risen dramatically since the Government came into office. I question her claim to fame in this respect, but if we are living longer, then any draft plans must be formulated on the basis that housing provision for older people in the future is encapsulated within such plans. We cannot keep shoving people into nursing homes, and sheltered housing is only part of the solution. Where a draft plan is formulated on foot of a county development plan, lands must be zoned specifically for housing for the elderly. There must be some degree of forward planning which must start now to deal with that issue.

If people are currently residing in quite large houses, they will want to downsize in the future. It is probable that there will be a demand for smaller units. County development plans — by extension, the draft housing plans — must take account of that kind of planning. We cannot just plan for the next two or three years, but for 20 years hence. We need a little bit of foresight in that respect. In my experience, I have found that planning policy units lack the necessary resources to carry out demographic studies of population trends for future housing provision. The Government must take cognisance of this. The CSO could be a viable instrument in assisting local authorities in that respect.

The rental accommodation scheme with which I am most familiar is in north Cork, and it has been well deployed. This is the case because the staff have used the scheme to best effect, which is a tribute to people who are using limited resources. How did we get to a stage where we would use taxpayers' money — approximately €450 million — to pay a rental subsidy to a landlord with a second or third home, to ensure housing provision for people on the housing list? There is an economic fallacy to that argument. It defies any kind of logic or common sense. We need to wean ourselves off this dependence on rent allowance. There would be no need for a rental accommodation scheme if resources were being allocated to provide houses for people in need. If we take approximately €450 million per annum, there is a multiplier from that which would adequately provide capital spending for all of the social housing needed. I am not railing against the scheme as it currently exists, because it has done well in the circumstances in which it operates, but there must be more lateral thinking about how we provide social housing. That is something that needs to be examined.

The over-supply of housing in large parts of the country in the recent past must teach us that the relationship between demand and supply must be a qualitative one and not based on quantity alone. We must re-jig our thinking in this area. I wish to speak specifically on antisocial behaviour in this respect. We had a scheme on Mallow Town Council whereby the council and other sources funded a tenant liaison officer. Since that officer's contract of employment had to be terminated because there was not adequate funding to meet the need the qualitative relationship between the tenants and the local authority has deteriorated. The work the person in question carried out on a three year contract was so valuable that the relationship between tenants and the local authority improved dramatically during that period and the incidence of antisocial behaviour reduced dramatically. One way to deal with antisocial behaviour is to build relationships by ensuring that a tenant liaison officer is appointed under statutory provision in every local authority jurisdiction. The relationship building process in this instance was done over time and with a very meticulous approach and it yielded results. That needs to be examined in this Bill.

Section 30 states that the housing authority can delegate some or all of its management and control functions in respect of its dwellings to a designated body. I would like the Minister to expand on that provision. I have a certain reservation that if we move to cede power to the voluntary housing associations, we would cede exclusive control of social housing policy to non-statutory bodies. The Minister should speak about this in his response.

There is land zoned in Mallow that is owned by the town council, in which a plan for more than 100 houses was formulated. The entrance to that site is currently no wider than the width of two cars. There is a lack of joined up thinking where land owned by a council is zoned for local authority housing. There must be proper access to the site. The land adjoins a private estate and if one considers the multiplier of 100 houses for cars and traffic movements, then without any rectification of the access, we are storing up difficulties for the future. We cannot speak about antisocial behaviour or about building communities unless we have proper zoning and proper access to local authority housing sites. That is something that needs to be addressed as well.

For too long, social housing has been a poor relation in long-term planning. Successive Governments have built houses with the sole aim of getting people off the list. That in itself is worthwhile, but we have never thought about the implications of crowding hundreds of houses into one area without any thought for the implications of lack of proper space, amenity space and proper access to the sites. That is why so many problems exist. There will be a great opportunity presently for the Government to ensure social housing provision in a way that provides for everyone in need of housing. We must have some foresight in our thinking in that regard.

Deputy John Deasy: I wish to share time with Deputy Tom Hayes. I have been in politics for ten years and part of that time was spent in a town council and Waterford County Council. I have come to understand the benefit of good housing policy generally. My experience of the 20% housing provision policy has been very good. I can appreciate the benefits, not only from the standpoint of people being housed in decent houses, but also the benefit to communities. People have found themselves in stable communities and there has been an effect on crime rates. The policy has allowed for social integration and has probably proven the benefit of innovative housing policy, which is necessary for the country.

This brings me to my next point, related to a circular issued to every local authority in February. Circular N3 of 2009 relates to social housing investment programmes and new leasing arrangements. As I understand it, this was done to try to identify more ways to facilitate social housing throughout the country. As we know, there are land banks or banks of houses throughout the country which are free at present. Local authority officers are calling the Department of the Environment, Heritage and Local Government to establish if the Department will fund their schemes and the answer they are receiving is “No”. The Department, rightly, is trying to be innovative and the circular proves this. As I understand it, the Department determines the status of the free houses in these estates and enters into long-term leasing arrangements, which is fine.

The local authority officers to whom I have spoken believe this is a good concept, but they wish to tweak the arrangements as they do not suit every local authority. The €20 million allocated for this idea is a reasonable amount of money, but for the purposes of the local authority and for those on the housing lists they believe it could be better utilised. For example, it is the case that some local authorities, especially smaller ones, cannot access such houses. Some local authorities have advertised in local and national newspapers and have received very little response with regard to the houses the Department believes are available. In some cases, the needs of local authorities are not met by the houses mentioned. For example, there is no good in putting 20 senior citizens in dwellings two miles outside a town centre.

Something very simple could be done within the Department. It could take the leasehold concept it devised, but use it for sites already identified by the local authorities, for which plans have been drawn up and where the builders have been identified. Local authorities could then enter into long-term leasehold arrangements such that the builder proceeds and builds the

[Deputy John Deasy.]

development and enters into a long-term leasehold arrangement for ten or 20 years after which the local authority is given the option to buy up the units in any such development. That would allow a degree of flexibility for local authorities to proceed and meet the requirements for the people on their housing lists and it makes more sense all round. Right now, the scheme produced by the Department bails out the builders and the banks to a certain extent.

Deputy Michael D. Higgins: Yes.

Deputy John Deasy: That is fine. It facilitates those on the housing list, but if the system is slightly tweaked to allow for long-term leasing options or arrangements, it could start money flowing through the local economies throughout the country. It could start building and construction again. People could go into a hardware store to buy goods which, in turn, could help to keep the local economy moving. The opportunity is there to use the €20 million allocation to pump prime local economies. If the Department diversifies the good concept explained in its circular somewhat it could achieve a good deal more for local authorities. That is the material point.

An allocation of €20 million is fine and it is clear from the circular that leasing proposals must ensure that accommodation is in a location and of a type which can appropriately meet the needs of persons on local authority lists. That is not the case for all local authorities at present. The interest shown from advertisements in the national newspapers was only very slight in some cases. The circular states that the Department is working with local authorities on early proposals with a view to developing this guidance further. We must take that very seriously. I believe many local authorities have called the Department and have been told the money is not available. However, if the system were changed a little and if local authorities were given the latitude to enter into long-term leasing arrangements, their needs could be met and it would allow money to start flowing into local economies throughout the country. That is as much as I wish to say on the Housing (Miscellaneous Provisions) Bill. I understand the Bill gives the powers to the Department to realise such suggestions. It does not require much thinking to diversify with regard to the relationship between the Department and local authorities and it could help the local economies.

Deputy Tom Hayes: I thank Deputy Deasy for sharing time. We have a wealth of knowledge in this area to help us to deal with the housing situation and the difficulties presented by any Bill which comes before the House. We come to the House with a great level of knowledge, having spent a good deal of time in local authorities in our constituencies. Dealing with housing issues is not a weekly but a daily issue. There are always people with issues in respect of housing or re-housing and related issues.

In recent years, antisocial behaviour has appeared in some of our housing estates. This must be dealt with using a very firm hand. I am unsure where the blame lies, but the increase in antisocial behaviour, especially in some of the newer housing estates, is unacceptable and must be dealt with in a very firm way. It is possible to be critical of what is occurring at local authority or Government level in this regard.

When one visits some housing estates in some constituencies, I could name some such as my own, for example, such behaviour is a fact of life. This is a terrible waste of taxpayers' money. The message this sends to people is worse again. It sends a wrong signal to people to see boarded up houses in any housing estate. Some young or unemployed people may get devilment into their heads. I realise the Minister of State has a great interest in the matter given his background in a local authority and I am pleased that such a person is dealing with housing and re-housing in the Department of the Environment, Heritage and Local Government. It is

a singular issue which must be dealt with. No local authority can claim to have only a few boarded up houses. At a time of high unemployment and increasing antisocial behaviour, having boarded up houses despite people waiting on the housing list is wrong. This issue, which must be addressed as a matter of urgency, can be dealt with even in this difficult economic climate.

Getting on housing lists can be difficult for young, single men who have no resources to repay loans and of whom there is an increasing number, given changes in society ranging from marriage breakdown to solitary living. Single men not being put on housing lists is grossly unfair. We must address this matter, particularly given the way in which society has changed for those men. Giving some of them houses would help to maintain the estates in question. If they were unemployed, they would give good leadership in many respects, including through night security and in community organisations. We have neglected this matter for many years.

In light of the rush to build in recent years, I question the quality of housing in many new estates. While great improvements have been made and there are good models of new local authority housing estates, an odd one might be questionable and we should keep an eye on the workmanship involved. In a debate on this Bill, it cannot be left unsaid that the Department has done considerable work to increase standards in recent years.

Since it is essential that there be play facilities, greater links with GAA, rugby or soccer clubs or other organisations in parishes and towns should be pursued so that new housing estates can be built close to them. In recent years, South Tipperary County Council has been involved in building good playgrounds to help communities. I encourage the building of more playgrounds because they allow activity, which is necessary in respect of young people, particularly during their holidays. On long summer evenings, there is nothing like fresh air and activity to focus young people's minds. They will go from the playground to the football, rugby or hurling field or whatever the case may be.

Acting Chairman (Deputy Charlie O'Connor): I would add soccer.

Deputy Tom Hayes: I mentioned it, but I refer to every organisation, including ladies' football and camogie among a wide array of sports. A considerable amount of activity is required.

People need more pride in the areas in which they live, since much leadership could come from it. Some months ago, I attended a presentation in my constituency at which various groups won prizes for keeping their estates well. When one drives into their estates, one sees people's pride in the upkeep. To instil this pride in people, there should be more competitions and encouragement.

In my local authority area, people who get two-bedroom houses are unable to purchase them later. People's economic circumstances change and, for various reasons, they would like to buy the houses, but there seems to be a regulation involved. Does it apply to my local authority area alone or has the Department ruled on the matter? We live in a country in which people like to own their own houses. In recent years, I have dealt with many cases of people who, after their financial circumstances changed drastically enough to allow them to make a purchase, wanted to buy their two-bedroom houses. Will the Minister of State clarify the situation and the Government's opinion on the matter. A rota of people would be necessary, but people should be allowed to buy their own homes if they can afford to do so. I would like to see changes in this respect.

As a nation, we like to have our own houses, live in our own communities, raise our families, stay with our parents or whatever the case may be. We should do everything to encourage good quality housing and a good environment in which people can live and rear their families. The main difficulty is the antisocial behaviour found in some housing estates. Recently,

[Deputy Tom Hayes.]

Tipperary town had a significant issue in this regard. People who were housed only a short time ago sent out a bad signal. It is a pity that towns get a bad name thanks to people who have been given top class houses by local authorities that bent over backwards to help them.

In the context of the Bill, the Dáil should acknowledge all of the work done by people in local authorities, including housing officers who try to overcome difficult situations.

Deputy Michael D. Higgins: This Bill is important in so far as it amends some of the basic housing Acts from 1966 to 2004. We should structure our discussion in terms of whether we are referring to a right to a home or to housing units in a speculative market. This point, which has been raised by a number of international observers of the Irish housing situation, relates to how housing was not exempted from the market and its dynamics. The right to a home was defeated by the decision to allow housing to become a feature of a speculative market.

It has had a number of results that have impacted, not only on those who would wish to have a home, but on the economy in general. For a period during the early emergence of the current economic difficulties, for example, how could one have a growth rate that was not sustained by exports?

It happened because of property revaluation. The Government was in receipt of revenue from new building and transactions to a certain extent. Consequently, the entire artificiality of the growth rate had as a contributor to it, the speculative housing market.

Perhaps it would be best were I to stick to facts as published in the Government's publications in respect of this matter. In 1996, the average second-hand house cost €85,629 while in 2005, such a house would cost €330,399. The average cost of new houses in 1996 and 2002 was €87,202 and €276,221, respectively. What happened in respect of housing was that it was regarded as being one of the main spaces and places for speculative investment. I am coming to the point where this subject affects the legislation before the House because the choice in the legislation is whether this is what one now seeks to recover and extend or whether one wishes to depart from it. The nominal value of housing stock in 1981 was €39.1 billion, while the equivalent figure in 2005 was €553.5 billion.

This has immense implications. Even though I have a slot that is longer than usual, I do not have the time to work them out in full. However, were one to examine comparative European figures, one could look at the ratio between value and loans. In other words, if a loan has been taken out for such a massively escalated valuation, what then happens if, in addition, a person has used the house that was his or her home as collateral for further liquidity and has made further borrowings on it? As the market has collapsed at present, clear implications arise. Although the madness of that economics is clear, such madness was not accidental. It was fuelled by property-related tax reliefs that were driven on in one budget after another by the then Minister for Finance and current Commissioner, Mr. McCreevy.

Goodbody's economic report contains some interesting figures as to the total cost of all this. For example, in 2008 the cost over the seven years between 1999 and 2006 in respect of the urban renewal schemes of tax revenue forgone was €1.423 billion. Moreover, in 2004, the Revenue Commissioners' report gave a figure for the annual cost of property tax reliefs of €8.4 billion per year. In other words, we were giving to the speculators, who now were taking the need for a home as a means of acquiring tax-evaded wealth, the equivalent of 22% of total taxation. It is interesting that I am making this speech this week because next week, Members will learn the degree to which an attempt will be made to claw back such relief or what such people's contribution will be to the position in which we now find ourselves with a deficit of 8% and €16 billion to be found. Members can discuss next week how it might be structured over a number of years.

In addition, what happened regarding capital gains tax also is interesting. When the rate for that tax was halved, where did people go with the cash they made, having cashed in some of their capital assets? They headed for the housing market, which is the reason we got such an inflator. The general argument from the McCreevy school of economics is that this will be good for everyone in the end. I noted elsewhere that some people were attracted to this notion in a manner reminiscent of Tawney's old adage as to the reason tadpoles put up with their miserable existence. They do so in the hope that one day, one of their number will sprout a jaw, jump to land and become a frog. Some people were lured into the notion that it might be their turn. However, of the 400 top earners in that version of the economy, in 2003 three of them had reduced their liability or in other words their effective tax, to zero, while another 48 had kept their liability below 5%.

I now will turn to the reason this is relevant. The background to this legislation is that the Government had the benefit of a number of reports. It need not believe anything I have just said. For example, it had reports from Dr. Bacon, the published work of Professor Drudy in Trinity College and Dr. Pádraic Kenna's work on housing dynamics. However, it decided not to act on any of them and in so deciding, it lived with it. It is very interesting that the National Economic and Social Council states how it got it wrong on page 83 of its report No. 118, which was published in March 2009 and I applaud it for so doing. It referred to how it had hoped for a soft landing and states:

It is important to acknowledge that the Council did not anticipate or fully understand the impact of the downturn in construction on the Irish economy. The Council's recent report on the Irish economy (NESC 2008) noted the dependency on construction and a likely decline in market completions, but did not predict the consequences now being experienced across the economy. The Housing Report (November 2004) identified the cyclical nature of housing and recurrence of asset bubbles and bursts phenomenon. In this, it relied on existing studies of affordability and stress tests in reaching the conclusion that, despite some overvaluation, the Irish market could slow down as supply met the underlying need for the additional housing. However, it also highlighted the need for new housing and argued that while output did exceed supply, there was evidence of "pent up" demand based, in large measure on the low number of households per 1000 in the population in Ireland and the need for more social and affordable housing.

I will turn to the legislation before the House. Where are these finished, completed but unoccupied houses? For example, if one examines their geographic dispersal, as someone who used to teach adult education in County Roscommon it is fascinating, while driving through that county, to see signs everywhere for town houses in villages with tiny populations of 1,000 or 2,000. This was the madness of the speculative drive in respect of housing.

Lest I forget to lay emphasis on what is being proposed and with respect to the Minister of State, I refer to his proposals such as, for example, the provision of a long lease for €20 million per year for 20 years, whereby local authorities effectively might supply tenants on lease for such unoccupied houses. At the end of the two decades, they then would go back to the property developers in a recovered market. This is an outrageous suggestion. I have listened to other Members speak about how market value is used to operate one of the purchase schemes. To invert, why not have the State become active as a purchaser and not a lessor in respect of such properties? Is this not the time to buy? Were this done now, the public would support the State's decision to relieve builders by offering to buy outright at cost such units as the State considers it needs and which would in turn make a contribution to a reduction in the social housing lists, which have become outrageous. How would a person in the street respond?

[Deputy Michael D. Higgins.]

The opening speech in this debate suggested there is a limited amount of funding for social housing and something must be done for the poor developers who are stuck with all the finished houses. It is proposed to spend €20 million a year for 20 years helping these people but at the same time I must tell those who rely on social housing that they must put up with their existence and that there will not be a significant increase.

I refer to the text of the Bill and the disposal of powers in the legislation. I operate from the perspective that a home is a right, a right that should be exercised through a number of options, as it is in many countries. Some 77% of homes in Ireland are owner-occupied, an aspiration one must respect. Equally, one has a right to live and have one's housing needs met as a tenant. I was a member of two local authorities for 18 years, from 1974 to 1992. In that period, particularly towards the end of it and now seeing it from the perspective of the Dáil, I watched a reluctance on the part of city and county managers to want to be managers of a housing stock with tenants. It began with a reduction in staff. At one time in Galway city, as Deputy McCormack will bear out, there was a clerk of works and a foreman who would visit properties and supervise the repairs for a particular week. People got windows, doors and leaks fixed. Gradually, staff were taken from repairs. Managers began to reveal their ideological prejudice against being managers of a housing stock. Different Governments began to place the emphasis on tenant purchase schemes. There were rows in the transition from the 1966 obligation to transfer the house in a habitable condition and whether that included the boundary walls. The management had the urge to get out of the difficult business of managing local authority stock and there was an underlying prejudice in housing design.

Some local authority housing has insulation of a higher quality than houses built on the private market. The notion that one is entitled to a housing space with amenities, not just a roof over one's head, and that people with families, people with none and older people can live in a community was not in the housing philosophy. Great concrete nightmares were being built. They were being built in the past ten to 15 years in Galway city. Some of these great concrete nightmares would not meet the standards of general accessibility laid down in European law.

One is entitled to a home, as a right, and equally to live in security in one's community. The contributions on antisocial behaviour were interesting. If one is a local authority tenant — many of whom are on low incomes — one has the same right to live in security, free from intimidation and threat, as any citizen. As I listen to local authority management systems speak, they are very negative. They always refer to responding to the problem, not eliminating the problems concerning design and provision of amenities and staffing.

Looking across all local authorities, some regard the position of housing liaison officer as a punishment station. In others, people ask for a year or two in the position but find it so socially stressful that they cannot handle it and ask to be assigned to other duties. That indicates that local authorities are struggling due to under-provision from central Government. This stems from the nightmarish populism of 1977, when the then Taoiseach, Jack Lynch, decided to abolish local revenue. The capital grant was to be replaced by central funds but it never happened. Allowing for the under-provision from central Government we still have a hopeless system from the local authorities. There are special policy committees, housing committees and so forth. I wonder whether such units can genuinely influence policy. If they could, the idea for constructing the strategy for the city or county should come from the elected representatives. The director of services could explain what is being proposed. In the classic version of Irish local government democracy, county and city managers have the notion that if they have shown it to people, they have consulted and people have been involved.

How much time do I have left?

Acting Chairman: I am fascinated by the Deputy's contribution. One minute and 40 seconds remain.

Deputy Michael D. Higgins: I am moved by the fact that the Acting Chairman is getting carried away by it all.

Acting Chairman: I was interested.

Deputy Michael D. Higgins: What is needed for local housing policy is genuine democratic structures. I agree with some of the principles in this Bill, such as the principle of integrated housing, something we did not have before.

I warn other Members who may speak on the matters in section 11. Considerable powers are being taken yet no one will ever be able to consult the Minister about an individual case. That is probably proper.

I will argue against particular details in the Bill. Section 20 states that a household will be ineligible for allocation of a house if, as a tenant of any housing authority, the household or any household member was in rent arrears for an accumulated 12 week period in the three year period immediately prior to the assessment. That should be removed from the Bill. We are facing into a situation where 500,000 people will be unemployed. Anything could happen to families and their incomes. The above provision, which may apply to any member of the household, will be inapplicable and should be removed. I look forward to exchanging views with the Acting Chairman on Committee Stage.

Deputy Pádraic McCormack: I propose to share time with Deputy Clune. I welcome the publication of this Bill, which is a long time in gestation. For three years I have asked on the Order of Business when this Bill would come before the Dáil. In February 2007 I asked the then Tánaiste, Deputy Harney, who was taking the Order of Business. Deputy Harney assured me the Housing (Miscellaneous Provisions) Bill would come before the House during that term. At the end of the term I asked whether the then Tánaiste was misleading the Dáil because the Bill still had not come before the House. She replied that she was not and that this term means the next term. I did not understand what that meant but we are now a good number of terms and one general election on from then. The extract from the Official Report on the date in question states:

Mr. McCormack: When will the necessary legislation be introduced to allow tenants of local authority apartments to purchase them? I refer to the Housing (Miscellaneous Provisions) Bill.

The Tánaiste: That Bill is due to be published in the early summer.

Mr. McCormack: Is that before or after the election?

It continues:

Mr. McCormack: That is a very important distinction.

An Ceann Comhairle: It is not possible to answer that question.

Mr. McCormack: I wish to clarify whether it will be before 1 June or after. What is the early summer in the Tánaiste's calendar?

Mr. F. McGrath: After the Seanad elections.

[Deputy Pádraic McCormack.]

Mr. McCormack: The Tánaiste does not have an answer.

This was after the Tánaiste assured me it would come before summer 2007. We have had a couple of summers since then and only now do we have the Bill.

I mention the delay in bringing this Bill before the Dáil because it has repercussions for the legislation's effectiveness. The purpose of the Bill is to improve housing services and their delivery by amending and extending the Housing Acts of 1996 and 2004 to give effect to the programme of social housing reform measures outlined in Delivering Homes, Sustaining Communities. These are very fine words and the Bill coming before us aspires to them but the country is broke and we have no money to follow through on the aspirations. If this Bill had come before the Houses when we were all looking for it two or three years ago and when the country was not as broke as it is now, we would have had the necessary finance to enable local authorities fulfil the aspirations in this Bill.

There is no money available to local authorities even to construct local authority houses. There is no money to deal with the housing waiting lists either. In Galway city there are 2,300 on the housing waiting lists and the number is increasing every day. There are more in the county as a whole on the waiting list. The housing officer there told me no later than today that the unit used to deal with approximately 20 applications a week and it now deals with 80 applications per week in Galway city alone. It received a circular from the Department this week indicating that if anybody is off sick or on maternity leave in the housing or other departments, they cannot be replaced. In other words, staff are physically unable to do their jobs.

Problems in contacting the authority are a fault of the system rather than the staff. On ringing the number, one gets through to an answering machine which will ask if one wants to speak in English or Irish, dialling 1 for English and 2 for Irish. One will then get through to another answering machine which asks what department is required and asks the person to dial 1, 2, 3, 4, 5 or 6. If 3 is for housing, one would dial that number. Another answering machine asks if the person wants to talk about rents, local authority housing and so on, and that number can be dialled. One could get through to another answering machine before the line would go dead.

That is my experience as a public representative trying to contact the housing authority. How in the name of God can an ordinary person deal with this? Every one of us in the House and outside it knows that is the position developing in local authorities and public bodies which people must contact. It is sometimes through no fault of operators but eventually when I get through to somebody — I should speak for myself — I am inclined to be a bit harsh on that person sometimes. One then gets the bad name of being contrary when making contact.

Frustration builds up as a result of the system we have allowed to develop. I have spoken to various managers about this and asked them to correct the issue but either nothing can be done or nothing is done about it. I am digressing somewhat. Like the Acting Chairman, I often speak about local problems when I get the chance.

Acting Chairman: That is no problem. We should have more speakers from Galway as both of the Deputies are brilliant.

Deputy Pádraic McCormack: Part 3 deals with tenant purchase schemes. The delay in bringing forward this Bill has probably cost local authorities a considerable amount of money, possibly millions of euro in some cases. It is great for the applicant that the Bill is coming through at this stage because the tenant purchase scheme is based on the market value of a house when it is purchased. The market value of the house is therefore much less than it was when we first asked for the Bill. Perhaps that will be to the benefit of tenants.

Deputy Michael D. Higgins: Getting the mortgage may be more difficult.

Deputy Pádraic McCormack: The Deputy is correct. When I inquired about this Bill three years ago and asked when it would come before the Dáil, I also queried the position of tenants in flats, maisonettes or apartments and if they would be entitled to buy out their apartments. There were many queries about this and I was assured the issue would be part of the Bill. I do not see it in the current Bill so I hope the Minister will introduce amendments to deal with the matter or accept amendments put down by the Opposition in this regard to allow tenants of maisonettes, apartments or flats to purchase them.

I do not see why this could not be included in the Bill as it would give a sense of ownership to people who wish to buy out their properties. Perhaps not everyone would want this but a sense of ownership could be given to those who want to buy out their homes. It would give more responsibility to such people for the necessary upkeep and repair of the properties, which some people would relish.

I also wish to speak on the many schemes that are now under funded, such as the housing aid for the elderly scheme. In Galway city, there was only enough money to pay out to people who were in need of repairs under this scheme and other related schemes such as the disabled person's grant up until last December. This means that many householders throughout the city and county who had participated in the scheme, been approved for grants, hired contractors, got work done and borrowed money to build a downstairs bathroom or a shower for an elderly relative, for example, have not received grants. This is despite their having borrowed for this purpose, which is a scandal.

I am very sorry but not surprised that very few Government Deputies have offered to speak on this Bill. The Government has squandered the finances of this State over the past ten years, although it blames the problem on the global economy and everything else. It should take responsibility for what it has done because the people on the front line are now suffering as a result of the policies of this Government. It is not that policies failed but that policies were successful in running us into the state we are in now.

Acting Chairman: There is a little over ten minutes left in the slot.

Deputy Pádraic McCormack: I will take the little bit then.

Deputy Deirdre Clune: Not the ten minutes.

Acting Chairman: It is a matter between the Deputy and Deputy Clune.

Deputy Pádraic McCormack: Deputy Higgins referred to antisocial behaviour and this Bill strengthens the hand of the local authority in this regard. There is nothing in the Bill to strengthen authorities with regard to antisocial behaviour in rented houses in private estates that are part of the rent supplement scheme. Nothing can be done about those, no matter what antisocial behaviour occurs. It happens in some isolated cases but there is nothing relevant here for such cases. Many times, the neighbours or other people involved cannot find the landlord in question.

If the HSE, which pays the rent supplement, had the authority to withdraw the payment for a week, two weeks or a month, the landlord would not be long turning up to ensure the rent would be paid or that tenants would cease any alleged antisocial behaviour. The matter must be addressed. I am sorry my time was so short.

Deputy Deirdre Clune: I wish to address a few different areas under this Bill. Many previous speakers gained experience while serving as members of local authorities and this informed their contributions to the debate.

Deputy McCormack referred to antisocial behaviour. The Bill attempts to strengthen the position of local authorities in dealing with such behaviour. It can be extremely difficult for other tenants or neighbours to be obliged to endure antisocial behaviour. The problem of illegal drug use can be dealt with under the Misuse of Drugs Act. Use of or dealing in such substances can be an issue for eviction, as can danger, injury or damage caused to any person who lives adjacent to the property of someone involved in such activity.

I have spoken to housing officials who attempt to deal with antisocial behaviour — I refer here to circumstances where such behaviour has given rise to extremely difficult situations — and I discovered that it is difficult to obtain evictions notices from the courts because, in many cases, judges state that local authorities have a responsibility to house individuals. It is difficult to argue with the logic of that. However, those obliged to cope with the perpetrators of anti-social behaviour are left to live in misery if the latter are not evicted.

The Minister stated that the Bill will transfer powers to local authorities, which will now have the ability to draw up their own charters. How will this stand up in court, particularly in circumstances where the State has a duty to house people and where local authorities are primarily responsible for the delivery of housing on behalf of the State? I will be interested in seeing how this will operate.

The way to deal with antisocial behaviour is to work with people, introduce tenancy schemes, base the allocation of houses on stricter criteria and build smaller combinations of units. With regard to the latter aspect, social unrest and bad behaviour have been more prevalent in large, sprawling housing estates. People in such estates who want to get on with their lives often find themselves in atrocious situations. A great deal must be done in the context of working with tenants and ensuring that they will not interfere with the lives of others. I accept that the latter is not always easy.

I am glad the issue of antisocial behaviour is being addressed in the Bill. However, it will be interesting to see how the relevant provisions operate in practice. Some people are obliged to live in appalling conditions where there is noise, intimidation, rubbish strewn about front gardens, etc. Certain individuals find such circumstances so intolerable that they will abandon their local authority homes. This, in turn, gives rise to even further complications. I hope the Bill will be successful in ameliorating the position for those who merely wish to get on with their lives.

Members have been contacted by those seeking to have the issue of homelessness addressed in the Bill. I received a submission from Sonas, which works with the victims of domestic violence and which is seeking that the needs of such individuals, if they have been obliged to leave their local authority homes, be addressed. Sonas wants these people to be recognised as being homeless and proposes that their names be placed on housing lists as a matter of urgency. This is a reasonable proposal and it reflects the position in which the victims of domestic violence, in most cases women with young children, find themselves.

The Bill will place the rental accommodation scheme on a statutory footing. I admit that the scheme has perhaps been slow in coming into operation which is due to the fact that the local authorities have not appointed adequate numbers of staff to oversee it. In addition, the staff who have been appointed may not have been sufficiently proactive in their approach. This valuable scheme, which is due for review during the current year, ensures that tenants have some form of security of tenure and that they are entitled to expect certain standards in respect of the accommodation they occupy. The latter is perhaps one of the reasons the scheme was

slow to get off the ground, particularly as many private rented accommodation units were not up to standard. However, local authorities are now dealing directly with landlords and are guaranteeing them three to four years' worth of rent. As a result, such landlords know who will be their tenants for three to four years and are aware that they will not be without rental income at any stage during that period. In addition, the interests of tenants are being protected by the local authorities.

I am of the view that the scheme is working well and is easing the pressure that obtains in respect of rent supplement. In recent years, landlords in our cities were demanding high rents because that was what the market dictated. As a result, the level of rent supplement available from community welfare officers could not match the expectations of many landlords and tenants found themselves caught between two stools. Rents are now decreasing. On Friday last, I spoke to a person who lives on the south side of Cork city and whose rent recently fell from €1,200 to €900 per month. As always, the market finds its own level. The rental accommodation scheme is extremely positive in nature. There are many empty apartment blocks, etc., in Cork city and the council has reached agreement with certain of the owners of those properties to allow them to be used as part of the rental accommodation scheme.

The Bill addresses the issue of affordable housing but not to any great extent. The scheme of affordable housing has worked well. However, the Joint Committee on the Environment, Heritage and Local Government was informed last week that some 3,700 affordable housing units have not yet been sold. Perhaps it is time to sell these units on the open market in order to facilitate people in owning their own properties. The economy is in a state of flux and property prices are falling. In many instances, the cost of affordable housing units is out of kilter with the price being charged on the open market. The affordable housing scheme is no longer attractive to buyers as a result of the potential clawback and the fact that they cannot upgrade or move on to other properties should they wish to do so. Circumstances are changing and it is my opinion that the affordable housing units to which I refer should be sold on the open market. This would facilitate those who can afford to do so to purchase their own properties.

I welcome certain of the provisions in the Bill. I hope they will give rise to improvements and will encourage those who wish to purchase their own properties.

Deputy Jack Wall: I welcome the Bill before the House. It is appropriate in that it allows us to reflect on the position of local authority housing and housing in general. I thank the housing section in Kildare County Council and Athy Town Council which I deal with on a regular basis, given that the number of people seeking housing in Kildare has been on the increase for years.

I listened to Deputy McCormack's contribution and I thank Kildare County Council for not having the same mechanism of telephone exchange that he is dealing with in Galway.

I have listened to the debate from the outset and an issue raised by speakers on both sides of the House is antisocial behaviour and how that problem can be dealt with. We can put regulations in place as long as the day is long but the problem is in implementing them.

The problem of antisocial behaviour goes back to when the first houses were allocated. The current procedure in Kildare County Council is that the council draws up a list which it gives to the environmental health officer of the Health Service Executive. He or she then travels throughout the county assessing the applications. Another meeting is held at that stage to compare files. A number of applicants are then put before the area committee of the council, which has an input at that stage. As Oireachtas Members, our only input now is in regard to letters of representation. In drawing up the list, the final part is done by the manager through the director of services, housing.

[Deputy Jack Wall.]

There has been a change in that regard. The original procedure was that if there were ten houses to be allocated, ten names were put forward. Comparisons could be made and information given but that is the position now. The procedure now is that there are 15 names on the list and the councillors have no part in the final say.

I understand the position in regard to emergencies. Emergencies will always arise where, unfortunately, people find themselves in need of houses due to family circumstances, a house being burned down or whatever but the one aspect that should not be interfered with is the geographical allocation of houses. The remit of the area should be examined in that regard because what often happens in many of these estates is that a sense of “them” and “us” develops and the local authority and even the residents find it difficult to establish the community activity one would want to associate with a new estate. I refer to a number of people who come to the area from a distance away. In some areas in Newbridge people from 20 or 30 miles away are allocated a house. They are taken out of their own environs and put into a totally new environ, and that creates a problem. That medium of allocation should be examined with a view to putting more thought into it.

At last week’s Labour Party conference I raised a question about the development of community. Many local authorities now have a liaison officer who sets up meetings with the tenants being allocated housing to try to encourage them to establish residents associations and so on but there is not enough involvement or trust in that process to create a community within each estate. That is a problem.

Regarding the design of estates, I have raised on several occasions the issue of the green areas within estates. When a new estate is established there are those who want to see roses and other flowers growing in every part of the estate and tension is raised when a young lad goes out with a ball or a young lady goes out with a hurley or a camogie stick and the flowers are damaged. There should be a small kick-about area in every estate at the side of a number of houses or elsewhere where children can roll in muck, kick a ball or do what they like without interfering with the overall outlook of the estate. I have those in one or two areas in Kildare and it was unbelievable to see the control on the part of the children. They did not go near the flower beds or anything else. They just went to their own area where they stayed, and there was no tension in the estate. That is something that should be considered because it has a great deal of potential. Children interacting in areas like this in many instances become lifelong friends. Even when families move away, the children maintain links with the area and are involved with the area. I have raised the issue a number of times in meetings with the county manager in Kildare and I hope there will be some movement in regard to it.

The tension caused by antisocial behaviour is unbelievable. As soon as one family comes looking to move from an estate because of antisocial behaviour, three or four come forward with the same request because of the tension that has built up in the estate. Is it possible for a meeting to be held with those residents to try to defuse the situation? If three people ask to be moved out, and the Minister knows this as well as the Chairman, it is not possible to do that at the drop of a hat. Some mechanism must be put in place to try to overcome the problem. It is not possible in terms of problems with drugs or alcohol but in the ordinary run of events it should be possible for the liaison officer to try to generate a community spirit in such areas to the benefit of everyone living in the estate.

I tabled a number of questions to the Minister of State on the disabled person’s grant and the house adaptation grant. I got a positive reply each time to the effect that he is going against the tide in that regard and increasing the grants. I hope the Minister will be able to honour that. I understand the current position where the Minister said there would be an increase of

8% in the overall funding. That funding has a major part to play in terms of each local authority. At the last meeting we had in Kildare, the county manager said he was committed to grants totalling €3 million. He said that apart from the €3 million he had €5 million on his books. One can see the advantage if one is able to deliver on the funding for those grants in that it will immediately provide a momentum to the building industry in each area. They may be small projects but they are all job related and cover a multiplicity of trades including bricklayers, plasterers, roofers, electricians, plumbers and so on. It is vital that we try to hold on to that. I understand the Minister is facing a battle, as is every Minister, but he has made a commitment in that regard. I hope the Minister for Finance acknowledges the effort he has made to ensure grants are made available to local authorities.

In addition to the building industry benefiting, the Minister will improve the standard of living of the most vulnerable in society, including those seeking house adaptation grants and the disabled person's grant. In general, standard of living will improve through the other grants also. I hope that after the budget next Tuesday he will be in a position to make funding available for those grants.

The Minister is putting in place a new mechanism regarding the purchases of houses, and possibly those in voluntary housing at present will be able to purchase houses outside the scheme. In many instances those in the schemes want to purchase the houses they live in because their family life revolves around them. Some of the voluntary housing schemes are superb and the tenants in them have been fighting for many years with many Ministers over this. We seem to be unable to complete the proposal. If they are removed from those places, their situation will not be improved because they have established links in these areas, their children are at school and their friends are there. In this instance the final hurdle should be cleared and people in voluntary housing should be allowed to purchase their houses. They have built the community, they are not just some group of people. We can see the community involvement when we are knocking doors.

It is a pity we are not in position to overcome that final barrier because it would be of great benefit. These are small estates of 20 to 25 houses that are ideal as communities. Instead of their being allowed to buy those houses, we are now saying that because they live there, the tenant must buy a house elsewhere. It is an error and it should be reviewed because it could be the final step in a system that has benefited many people. Even if there is a timeframe, whereby a tenant must live there for five or ten years, so be it. That finality should be offered because these people have been there since the initial stages. It is wrong to take them out and tell them they can buy the house down the road when they have built up their own communities.

Travellers also have housing needs that must be addressed. We must move on from halting sites. Travellers make their cases to me about a place for their horses and their traditions being broken by placing them in residential areas. We talked for many years about having sites to facilitate this but many Travellers are now in education and seeing a new facet of life. They do not want to break with tradition but we can develop this further. The fact that halting sites are sometimes in towns should be looked at and maybe we could rethink what we can do for them. They are doing the business themselves now, getting educated and bringing their kids to school for the betterment of the community in general. Housing needs must be looked at as part of that.

Housing lists should be transparent so people know where they are on them when they approach the local authority. The biggest problem with housing allocation is that people feel they were ahead of others on the list who have since got a house. I understand emergency allocation but I do not understand how people do not know where they are on the list. This argument goes on time and again and creates major problems for housing authorities when

[Deputy Jack Wall.]

people claim they were on the list and were not sent word or perhaps had moved. There should be an annual list updated each year so people know their position on the list. It would make the allocation of housing easier, eliminating many of the problems.

There is a sheltered housing scheme in Athy, with ten units for senior citizens, and it is the best scheme in the country. It is immaculate and well cared for by the people who live there. It is a model for other developments because senior citizens can live in such areas with no pressure as a result of antisocial behaviour. People will be more active if they know they are secure.

The only problem I see with the RAS scheme is the lack of play areas for children in apartment complexes. I know of one area where the apartments are beside the canal and the parents are concerned. The scheme is beneficial and I support it because it allows the tenant to deal with the local authority while the local authority deals with the landlord. It is positive and wipes out all the problems about the tenant having to find the landlord to get things done. There is a need for thought about families however, with more individual units in housing estates rather than apartments where problems might arise in terms of suitability for children.

I have recently had cases of people living in shared ownership units who re-mortgaged the house and then could not repay the debt. Is there any link between the shared ownership and a person re-mortgaging to his own detriment? In one instance there was a house on a lovely estate where the person who purchased it under the shared ownership scheme re-mortgaged and now a lending agency will be taking over the house because the person cannot repay the money borrowed.

Debate adjourned.

Private Members' Business.

Social Welfare: Motion (Resumed).

The following motion was moved by Deputy Olwyn Enright on Tuesday, 31 March 2009:

That Dáil Éireann:

noting:

- that the processing time of welfare applications, particularly jobseekers supports, is too long with some individuals and families waiting up to 16 weeks for their claim to be processed, and with potential delays of many months in processing appeals;
- official HSE figures which show an 85% increase in the number of requests for emergency welfare assistance over the past two years, while the number of community welfare staff has remained unchanged;
- the unacceptable delay in recruiting additional staff to deal with the dramatic increase in welfare claims;
- the 35% increase in the number of people seeking support from the Money Advice and Budgeting Service (MABS);
- that the Legal Aid Board has a function to provide legal advice and representation to people with debt problems;

- that there are currently more than 9,616 people in receipt of mortgage interest supplement, an increase of 134% (4,111) over the number in receipt of payment at the end of 2007;
- that the new code on mortgage arrears does not sufficiently protect borrowers and fails to include any sanctions for breaches of the code; and
- that problems experienced in repaying debt are not limited to mortgage debt, but that the recently unemployed face difficulties repaying a series of debts including: household bills, credit card repayments, car loans, personal loans, hire purchase agreements and so on;

considering:

- that 276 people were jailed last year for failing to repay debt, many of which were jailed for failing to repay loans to credit providers, and received an average sentence of 27 days and served an average of 20 days;
- that this Government has not taken any steps to update or reform the current system of debt enforcement which is ineffective in collecting debt, is extremely costly to taxpayers and wasteful of Court, Judge and Garda time;
- that unlike many other EU countries, Ireland has no system of regulation of debt collectors; and
- pending the completion of the Law Reform Commission Report, that there is a need for urgent measures to be taken, as set out below;

calls on the Government to:

- immediately increase the number of Community Welfare Officers, Social Welfare and Social Welfare Appeals Office staff by redeploying staff within the HSE and the Department of Social and Family Affairs;
- encourage MABS and the Legal Aid Board to co-operate more closely so that they can deal with the surge in people seeking advice and support for debt difficulties;
- expand the role of MABS into debt settlement and mortgage renegotiation, which will take less time, is less expensive to the taxpayer and offers a more integrated and effective approach when dealing with consumer debt;
- introduce legislation to regulate debt collection and to ensure that debt collectors are registered and vetted; and
- review legislation including the Enforcement of Court Orders Acts 1926 and 1940 and the Bankruptcy Act 1988.

Debate resumed on amendment No. 1:

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

- noting that the average processing time nationally for jobseeker’s benefit was three weeks in February and that the average for the jobseeker’s allowance was six weeks;
- welcoming the provision of extra staff to social welfare local offices and the process improvement initiatives and other steps that have been taken to reduce delays;
- acknowledging that jobseekers may get a supplementary welfare allowance from the community welfare officer while they are awaiting a decision on their claim;

- recognising that the HSE is currently reviewing the allocation of staff engaged in the delivery of the supplementary welfare allowance scheme and associated income support payments in the context of the Government policy on public service manpower levels;
- appreciating the importance of the mortgage interest supplement scheme in assisting mortgage holders and the provision of almost €30 million for that scheme in 2009;
- welcoming the publication of the statutory code of conduct on mortgage arrears;
- valuing the role of the money advice and budgeting service, MABS, in helping people to organise their debts and make arrangements with debtors and the Legal Aid Board in providing legal advice to people with debt problems;
- recognising that 90% of callers to the MABS helpdesk get the assistance they need over the phone without having to make an appointment;
- noting that the MABS is represented on the Legal Aid Board's consultative panel and that the two organisations do and will work together;
- further noting the commitment of the Minister for Justice, Equality and Law Reform to continuing to review legislation including the Enforcement of Court Orders Acts 1926 and 1940 and the Bankruptcy Act 1988; and
- recognising the review in the current Law Reform work programme on the examination on debt enforcement and securing interests over personal property; supports the Government's determination to:
- take further steps to reduce processing times in offices where they are much longer than the national average and to ensure that jobseekers receive financial and other supports as early as possible;
- continue to publicise the supports that are available through the MABS and to encourage people to contact them early before their debt problems accumulate;
- ensure that the MABS continues to play a vital role in negotiating with creditors on behalf of people with debts;
- assert that civil debt is generally a matter best mediated between the two parties involved;
- acknowledge that the current legislation includes safeguards that are there to ensure that imprisonment is a final resort and is invoked for breach of a court order or contempt of court; and
- note that it is necessary in the interests of competitiveness and the rule of law that third parties can ultimately rely on the courts to ensure that contracts can be enforced.

—(Minister for Social and Family Affairs, Deputy Mary Hanafin.)

Deputy Mary Upton: I thank the Fine Gael Party for tabling this Private Members' motion. It is a great shame the Government's amendment to the motion consists principally of platitudes on how well it is responding to this crisis. The amendment is heavy on generalities with no specifics included. One would get a different response if one asked the recently unemployed what they think of the State's support for them. Ask the recently unemployed computer programmer in Crumlin if she thinks it is acceptable that waiting times for jobseeker's allowance is almost seven weeks. Ask the unemployed bricklayer in Ballyfermot if he thinks it is right that he cannot access mortgage interest supplement as his wife is still employed. Ask the lawyer in the Liberties if she still feels the system treats her well when she has to queue up on Thomas

Street for an hour to get her social welfare payment. These are cases of people who have been in touch with me in the past weeks.

Figures released today by the Central Statistics Office show that 16,834 new people signed on to the live register in March, bringing the total number to 372,800, or 11% of the workforce. Unemployment has nearly doubled in a year. I remember when it was headline news when the queues outside the social welfare offices began to emerge in the autumn. Now it is matter of fact that the queues will be there day in, day out, and it is just taken for granted. It is unacceptable that people should have to stand in a queue for hours; it robs them of their dignity. A young man interviewed this evening on the news, said, "I am sick of it". His was a straightforward statement of frustration with the system. An element of hopelessness is creeping in that must be addressed and reversed.

The State's services for unemployed people are at breaking point. How could they not be, when the numbers utilising its services have effectively doubled year on year while its resources have not? Social welfare offices are bursting at the seams Community welfare officers are working unpaid overtime to try to process claims. Targeted action from the Minister is needed.

I welcome that additional staff have been hired and the Minister has introduced some measures such as on-line forms for jobseeker's allowance. However, contrast these measures against the procedures put in place to bail out the banks. In effect, the banking system could be tackled in the course of one night. Why can we not have this type of radical action from the Government to alleviate the problems for people on social welfare?

People should not have to wait for weeks for a payment. This drives them into the hands of money lenders, gets them into credit card debt or forces them to default on their mortgages. There must be flexibility in deploying people to where they are needed. For instance, staff from the Department of Health and Children could be trained up as community welfare officers.

There is a need also to co-ordinate the services and entitlements for people who find themselves in a new and frightening situation, where the system to them appears convoluted and difficult to access. Why should the onus be on the person to chase after that to which he or she is legally entitled? People have paid their taxes and their PRSI. Why should they not be told of the full gamut of supports to which they are entitled, shown how to claim them and where to go to get advice?

Like every other Member, I would like to extend my support to MABS and highlight the great work it does. Considering the unprecedented increase in demand for MABS advice, there must be a parallel increase in support for the service. Together with the citizens information centres, they have an invaluable store of sensible information for people who are looking for help with their finances or entitlements. MABS is under great pressure, however. Between the local offices and the telephone line, more than 8,100 new clients were in contact in the first two months of this year. The service must be given the resources to deal with the new influx of requests. There is an urgency about this and it cannot be shelved until next month or next year.

One issue not mentioned by the amendment or the motion is the role of the banking sector. One of the best ways to lessen the problems in social welfare offices is to prevent people losing their jobs. Despite the illusory guarantees the banks have offered, they are ruthlessly cutting overdraft facilities to shore up their vanishing balance sheets. Modest requests for credit have been refused with the consequence that small businesses are going to wall and individuals losing their homes.

This is an area where the Government must act to stem the closure of business and the haemorrhage of jobs in every village and town by forcing the banks, which took advantage of the State guarantee system, to offer real extensions of credit facilities. This is vital for employ-

[Deputy Mary Upton.]

ment, the economy and ultimately the banks themselves to have paying customers. More importantly, it is vital for the individual clients who are at risk of falling behind in their mortgage repayments, losing their homes and joining the ever-increasing dole queues.

Today the housing charity Respond called for banks to allow families in difficulty to renegotiate their mortgage repayments in line with their ability to repay. Numerous ways in which this can be tackled have been put out in the public arena. Various arrangements can be put in place, if the will is there to do it. It also is common sense. Repossession of homes means the State will have to provide social housing for those who lose their homes.

The banks are resolutely refusing to renegotiate mortgages for people on fixed rate terms. Unbelievable penalties are attached to mortgages when someone tries to move from fixed rate to tracker. It makes no sense for a mortgagor to attempt to change their terms and conditions.

The chaos in rent supplement and mortgage interest supplement must be sorted out. The number availing of mortgage interest supplement has increased by 175% since the end of 2007 to 11,000 people, yet there is no flexibility in the system. For example, in the case of a couple paying a mortgage, if one partner loses his or her job, the couple are not entitled to access mortgage interest supplement if the other partner is working. If they cannot afford their mortgage, this acts as an incentive to give up employment or acts as a disincentive to taking up new employment. This is a classic poverty trap that must be addressed.

The last any Member wants to say to a constituent at an advice clinic is that he or she would be better off on social welfare. However, it is coming to the point where this is likely to be the best advice. I wholeheartedly support the need for legislation on debt collection. There is a real fear that because of the developing demands on people who cannot meet their repayments that they will be driven into the hands of debt collectors who will treat them badly.

Deputy Thomas Byrne: I wish to share time with Deputy Margaret Conlon and Deputy Charlie O'Connor.

Acting Chairman (Deputy Brian O'Shea): Is that agreed? Agreed.

Deputy Thomas Byrne: I am pleased to speak on this motion, which relates to the most important issue we face as a country, namely, the joblessness situation. What we are concentrating on here is what we do in terms of an immediate response to provide some help to the increasing numbers of people who have lost their jobs. Currently, 11% of people are on the live register, 320,000 of whom are fully unemployed. It is crucial that they get the welfare they need as soon as possible and that any debts they may have taken on when they could afford to do so are dealt with properly and fairly. Above all, we must ensure that people do not lose their homes. That must be a top priority for the Government and the House that people are supported to remain in their houses. Not alone is significant damage done to individual families who lose their houses – thankfully the numbers who have lost their houses are still low – but when that happens extensive damage is done to the economy also.

One can say what one likes about it but one of the drivers of the economy was the increase in house prices and a decrease in prices is bad for an economy. That is accepted by economists all over the world. The more repossessions that take place the more availability that will create in the housing market, which will lower prices to an artificial level because supply is driven artificially rather than by the market. That will further lower prices, which does not help the property market in any way nor the economy generally. In addition, there are the costs of housing people who have lost their homes and the associated social costs.

One of the big issues we will have to face is that of negative equity. Some refer to it as people being under water in terms of their property value *vis-à-vis* the mortgage. According to economists, negative equity is one of the factors that reduce one's incentive to pay back one's mortgage even if one can. If one is still in a good job and one's family home or apartment has reduced by 30% or 40%, which has occurred, one has less of an incentive to pay the mortgage. Negative equity makes it almost impossible for people to re-finance to a cheaper mortgage when they are in difficulties. They might be able to continue to pay if the option of re-financing was open to them. Some foreign institutions, largely owned by our nearest neighbour — in effect state banks — are not passing on the full mortgage reductions announced by the European Central Bank.

Some people who have jobs are having difficulty paying their mortgage and if they could easily transfer it then those difficulties could be alleviated. However, negative equity is preventing them from doing that. In addition, one cannot expand or change one's home if one needs to do so. I am aware of people who bought a one-bedroom apartment who got married and had twins but they cannot move up the ladder because of negative equity. That is something we will have to tackle. It may be a matter for the Minister for Finance, the Department of the Environment, Heritage and Local Government or the Department of Social and Family Affairs to consider what can be done about negative equity.

I have examined schemes in America and other locations around the world that have not been altogether successful but, nevertheless, we should consider them. They involve the concept of debt forgiveness where the principal sum owed is amended and banks take the hit. All manner of excuses are offered by banks as to why they cannot do that. However, if the reality is that the banks will never recover the principal, or the value of the property will not recover in the immediate or mid-term future then there is no point in pretending a principal exists if a house is to be repossessed and the bank will have to take a hit at that stage. It would be preferable for banks to take the hit before that happens, thereby encouraging borrowers to keep paying their mortgage and make it easier for them to do that and in so doing to maintain the economy.

There are ways of doing it. Schemes have been introduced in some parts of the world whereby an institution forgives some of the principal but charges a slightly higher interest rate. There are pros and cons to the solutions that can be found. As people could take advantage of such schemes, at all times those solutions should only apply to principal family dwellings and to those who are most in need. We will have to consider the issue of negative equity. In a place such as Stamullen in my constituency nearly everybody has moved in since the 2001 census and many but not all of them are in negative equity. That is true of many of my neighbours, probably including me – I have not checked lately——

Deputy Olwyn Enright: One is better off not looking.

Deputy Thomas Byrne: ——but I am not moving house. I urge the Minister to deal with the issue as it links back into repossessions, one's ability to pay debt, helping families and the pressure on mortgage interest supplement. We should consider what people can afford to pay on their mortgage. One should not have to pay more than 35% of one's net income on a mortgage. The Government will have to take the lead and force the banks to do that. We are familiar with the term, postponing the inevitable. We must consider the alternative to that which is bringing forward the inevitable. That is what we need to do in many of these cases so as to prevent some of the problems that are arising in terms of the overloading of the Money Advice and Budgeting Service, MABS, mortgage interest supplement payments and the courts.

[Deputy Thomas Byrne.]

I made another suggestion on repossessions to the Minister for Justice, Equality and Law Reform, which was to take all family home repossession cases out of the High Court. The Minister told me he does not think that is possible, but it should be possible to introduce legislation to restrict all repossession of family homes to the Circuit Court. As a solicitor I have dealt with business repossessions in the Circuit Court and it does not strike me as very nice if Start Mortgages is able to bring repossession cases for average homes into the High Court when people do not have the resources. The attendant costs of High Court cases are much higher and that adds to the ultimate debt. I congratulate the High Court and the Courts Service, which is much more efficient than most Circuit Courts. There would be an in-built delay in the process if such cases are taken in the Circuit Court.

On the issue of civil debt and prison sentences, I have been involved in a case where I tried to get someone sent to prison for not paying a civil debt. It was a family law situation where the father of a child refused to pay maintenance. He was sent to prison as a last resort. We did not want that but the man was working and he was completely failing in his obligations. There is room in some limited circumstances, where people can afford it, for them to go to prison for non-payment of debts. I cannot see how anyone would be sent to prison if they are genuinely making an effort to pay back debt. I have not come across it. Imprisonment was more than justified in the case to which I referred. In the same court I have seen a person let off their entire debt because the judge felt they should never have been given a loan in the first place. Judges can be flexible in their own courts but perhaps legislation is required to give them more flexibility.

I referred a constituent to MABS early last summer and he is back to me again having obtained a car loan for €15,000. There is something wrong with the system as some people have far too easy access to credit. In spite of all the difficulties and the lack of credit people are still getting credit they should never have got it. Perhaps that is not the case in 2009 but it was certainly happening as late as summer 2008. Judges will have to take into account whether some people should ever have got loans from banks. If the banks were found to be at fault then in some cases they should not be able to get the money back.

Deputy Margaret Conlon: I welcome the opportunity to contribute to this debate. The economic recession that grips our country has caused an unbelievable increase in workload at our social welfare offices and for community welfare officers throughout the country. The Minister for Social and Family Affairs, Deputy Mary Hanafin, acknowledged last night that waiting times are too long in some offices. Tackling this is a key concern for the Government. It is very important that people who find themselves out of work have their claims dealt with as speedily as possible.

I will concentrate my remarks this evening on a number of matters, but particularly matters relating to the area of debt enforcement. Deputy Enright raised a number of important points in this regard yesterday evening. Issues relating to debt come before the courts in many guises, including, for example, family law maintenance agreements, hire purchase agreements, creditor loans and failure to pay loan repayments to financial institutions, including credit unions. The courts take the view that, where possible, such disputes are best resolved through mediation between the parties involved, thereby avoiding court intervention unless absolutely necessary. I share that view. However, we must recognise that there are circumstances, undesirable as they may be, where it is necessary for people to be able to rely on the courts to enforce the terms of a contract. I cannot concur with the view that we should legislate to make accessing these rights more difficult. It would leave Ireland in a most unfavourable light internationally if our law prevented people from exercising their contractual rights.

The law provides that a judge shall only send someone to prison where the failure to pay is due to that person's wilful refusal or neglect. This provision is intended to ensure that if a debtor is genuinely unable to meet the repayments under an instalment order, steps can be taken to ensure that such a debtor is not sent to prison. The judge may order an adjustment in the payments schedule in order to meet the debtors changed circumstances. The threat of imprisonment is a last resort, but it can be effective. Many debts are paid off when the prospect of imprisonment looms. However, it is an appropriate remedy only where the desired result cannot be achieved by other means and the defendant's active co-operation is a vital ingredient. The imprisonment of defaulters — I understand this is a very emotive subject — is very much a last resort and people are generally given every opportunity to pay their debt and afforded an opportunity to show how they can pay.

It should not be presumed, as Deputy Enright recognised last night, that all persons who fail to meet their debts do so because of poor financial circumstances. Deputy Byrne highlighted some examples of this when he spoke earlier. The numbers so committed in any one year are very small compared to the overall numbers sent to prison. For example, in 2008 just under 12,000 people were sent to prison, with just 276 of that number committed as a result of failure to comply with a court order relating to the non-payment of a civil debt. The average sentence served by a person for this category of offence last year was 20 days. Indeed, if people had paid their debt while in prison, they would have been released immediately from custody.

Deputy Enright also made the point that only 20% of debtors appear at court hearings. This is unfortunate, because they lose a critical opportunity to have their side of the story heard. However, I am not convinced that if the process in the courts is changed to some other alternative form, there will, somehow, be 100% compliance. In fact, without the eventual prospect of a court sanction, there may be less compliance by debtors who will feel it is easier to default on payments.

It is not the primary function of the Department of Justice, Equality and Law Reform or the Courts Service to take on the significant role, in terms of personnel and resources, of operating a debt management service for persons who find themselves, for whatever reason, in arrears to banks, finance houses or public utilities. I am unconvinced that the issue of over-indebtedness, where the causes and effects are so multifaceted, can be dealt with primarily in a justice context. I join the Minister for Social and Family Affairs in encouraging persons with debt issues to engage as soon as possible with the Money Advice and Budgeting Service, MABS.

MABS is a national free service for people in debt or afraid of getting into debt. It assesses the financial situation of these people and prioritises significant debts. It provides an invaluable service in aiding people draw up a budget and restructure their loans and it helps them to manage their limited income and focus on their repayments. There are local MABS offices in every county, providing a crucial service for people who require help and advice in making their way out of serious debt. The Government continues to make significant financial resources available to the service. I believe that the approach adopted by MABS offers a better way of achieving a result acceptable to both creditor and debtor.

Numerous constituents have contacted me recently about their fear of court proceedings in cases of mortgage arrears. It has become apparent recently that some lending institutions routinely apply to the High Court for repossession orders. This has the effect of discouraging borrowers who are in arrears with repayment from defending proceedings because the cost of so doing is so prohibitive. I agree with Deputy Thomas Byrne that all repossessions or sale proceedings relating to housing loan mortgages should be taken in the Circuit Court. This would reduce costs and the inconvenience involved in making a court appearance, thereby encouraging borrowers who are in arrears to enter a defence in such proceedings. There is an

[Deputy Margaret Conlon.]

onus on banks to act responsibly and to sit down with their clients and renegotiate the terms of loans and mortgages to take into account people's changing circumstances.

I also have major concerns with regard to debt collection and feel this issue should be highlighted. Many people are terrified and genuinely scared and worried that the next time the doorbell rings it will be a debt collector. Many people have been intimidated and terrorised by these people. I would advise that any person who is threatened or intimidated by debt collectors should report the incident to the Garda so they can investigate the claim and take appropriate action where necessary.

All Members are aware of the pressures of modern society and of what may be the fallout from the difficult economic circumstances in which many people now find themselves. The situation has been exacerbated by an unfortunate availability of consumer credit in recent years. Unfortunately, many are now experiencing the downside of having over-extended their borrowing arrangements or getting into difficulties because of a change in personal circumstances. The financial institutions must answer for this sin. Many people were given credit they had not sought. How many of us found when we got our credit card statements that our credit limit had been increased significantly? People automatically presumed this gave them a licence to spend free money.

I am aware that District Court judges recognise the work of MABS. In some instances, they recommend that people who are before the courts avail of the service. It is, however, often difficult to persuade persons in debt to engage in the process until their debts have reached a point where they are subject to a court process or where imprisonment looms. The willingness of a debtor to manage his or her case is crucial and seeking expert advice is the best way forward.

Deputy Cyprian Brady made the point last night that in February 2008, there were approximately 190,000 people on the live register, but that this number had increased by 165,000, or 87%, by the end of February 2009. This is an unprecedented and rapid increase. A welfare system must adjust and cannot just be changed over night. The Minister is committed to delivering a quality service so that all queries are dealt with in a speedy manner with the minimum turn-around time. Tied in with all of this is the need to tackle welfare fraud. I commend the Minister on the action she has taken so far in this regard. The Garda and the Customs Service are working closely with the Department to stop this criminal activity. It is a criminal activity, because any person fraudulently making a social welfare claim is stealing taxpayers' money. This cannot be condoned and should not be allowed to happen. It is imperative that it is stamped out once and for all.

Resources are scarce and many genuine people require assistance. Any person involved in fraud, no matter in what state they reside, should be pursued with the full rigours of the law. I would go so far as to say that as taxpayers there is a moral obligation on each of us to provide information to the authorities if we become aware of the existence of such activity. I encourage the Minister to maintain her efforts in this regard, whether that is by further cross-Border or EU-wide co-operation. I commend the amended motion to the House.

Deputy Charlie O'Connor: I welcome the opportunity to make a brief contribution on this motion. I compliment my colleague on the Joint Committee on Social and Family Affairs, Deputy Enright, on her work thereon. The motion gives us the opportunity to make remarks on a number of issues that are of concern to us. Deputy Enright should understand that not everybody on this side of the House would disagree with the sentiments of her Private Members' motion. As others have stated, we are in unprecedented times and in a very difficult

economic climate. I will certainly not stand in the Government benches and say people are happy.

Reference was made to growing unemployment. A total of 7,261 people are unemployed in Tallaght alone. Unemployment is an issue for us all. I speak as one who was a client of the local social welfare office in the past. I am always anxious to state we must continue to do all we can, in modern buildings and friendly atmospheres, to help those who are unemployed and seeking jobs. The Minister has great sympathy with this view. Let us not forget, in the context of this motion, that the best way out of social welfare difficulties is to provide employment.

Deputy Enright and I attended the briefing today with the Department of Social and Family Affairs. We had a very good discussion with Combat Poverty and many issues were raised. Perhaps the issues do not relate to every aspect of the motion before us but they are relevant to the challenges we face.

Everybody seems fearful and upset over what will happen on 7 April. I hope the Government will take account of the fact that the public is saying to all of us that the budget must be fair. The views in Tallaght are no different from those in Waterford, Tipperary or Laois-Offaly. I am very proud of my party's record over many years on addressing social inclusion issues. I hope those affected will not be abandoned next Tuesday and that we will continue to look after the vulnerable and those who need more help than others. I often said that, at a time when big boats are rising, we must remember the little ones. Now, as the big boats are struggling, we absolutely must remember the little ones. I hope we will continue to do so.

People should be aware of their entitlements and the system should be as customer friendly as possible. This should be the case in both good and bad times. Those who experience the trauma of seeking assistance should be able to seek it easily. Colleagues have made points on all the difficulties people face. People should know their entitlements and the information must continue to flow in this regard. I hope the Department will continue to ensure this is the case.

I particularly support the view that the Department should make the process as easy and as efficient as possible for those who must claim social welfare. I hope people are claiming only because they must. As the last speaker stated, I have no sympathy for those making fraudulent claims. Those who are in absolute need should be facilitated. The Minister has guaranteed that everything possible will be done to reduce the time for which people are waiting. We must continue to support this process. Where extra staff, facilities and resources are required, they should be made available. This is the business of the day and the challenge the Government faces.

Reference was made to the enforcement of court orders. I listened recently to an excellent speech by Senator Harris on dealing with law enforcement and crime. I take the view that we should lock up criminals in our jails rather than people who have difficulties other than those associated with crime. I am not suggesting people should tolerate people not paying their bills or living up to what is expected of them but there must be a better system than that which puts such people in jail. Yesterday a constituent of mine was collected and jailed for five days because of the failure to pay a fine. While I do not condone the non-payment of fees or fines, I believe there should be an alternative to putting in jail those who offend in this manner. I hope the Government will continue to consider this, particularly in these difficult times.

We all strongly support the Money Advice and Budgeting Service, MABS. There has been an office on High Street in Tallaght for quite some time. I took the opportunity some weeks ago to bring the Minister for Social and Family Affairs, Deputy Hanafin, to that office to show her the excellent services being provided there. I am very proud of what is being done. We know MABS provides an effective range of supports and assistance to those in debt and who need help and advice to cope with debt problems.

[Deputy Charlie O'Connor.]

When we visited the MABS office, the local manager, Marie White, spoke to us. She made a point with which we are all familiar and to which reference was made by many of us, that is, that there is now a new poor. I refer to those who, even a few years ago, had no difficulty with their debts or in taking on new credit cards or mortgages, or buying new cars.

I am no different from anybody else in that I received invitations from almost every financial institution to take on a credit card. Famously, I remember receiving an invitation from Manchester United to take on one of its credit cards. During the week, a local football club, Shamrock Rovers — I do not want to sound critical of it because I am not — was in consultation with a local bank with regard to credit cards. We should be careful about such trends.

When MABS briefed me, the Minister and others, it stated there are people who never had to cope with debt but who must now do so. This suggests a new form of poverty. People need to receive as much assistance and advice as they can. I am glad MABS appears to be providing that service and I hope the Minister will understand that, as we proceed through this economic crisis, people will need to have an increasing amount of advice. I hope resources will be made available in this regard.

A number of colleagues referred to the community welfare officer system, which is operated by the HSE. There is a range of challenges. At the meeting with representatives of the Department of Social and Family Affairs this morning, Deputy Shortall made a very good contribution on rent subsidy. This presents a challenge to many families in the changing economy. The business before us is understood by us all and we understand the problems in all our constituencies. Every time we have contact with our constituents in our advice centres, these problems arise. The Minister should understand they are important and that she should continue to resource the required services. I hope this very clear message will reach the Department.

Deputy Charles Flanagan: I wish to share my time with Deputies O'Mahony, McHugh, Terence Flanagan, Neville, Crawford and Burke.

Acting Chairman: Is that agreed? Agreed.

Deputy Charles Flanagan: I am pleased to speak on this motion. I compliment my constituency colleague, Deputy Enright, on bringing it before the House. It is really about the dire straits in which people find themselves. This is brought home to public representatives on a daily basis at our clinics. People come to us at their wits end. They have lost their jobs and are unable to make their mortgage repayments. The threat of eviction hangs over them like the sword of Damocles. These people are frantic with worry. Many have children and families to support. It is a heartbreaking situation.

To a large extent, these people were duped into the situation in which they now find themselves. Banks and building societies handed out mortgages to anybody who asked. They promised people they could have it all, even a 100% mortgage and €25,000 for a wedding, if they wished. They masqueraded as organisations which cared for their customers. There is not much evidence of the caring side of banks or building societies now. While top officers in the banks continue to receive large bonuses, the sheriff's office is being sent to people's houses. The spectre of eviction looms as it has not done in this country since the penal times. Our folk history and folk memory have given the Irish nation a horror of eviction. Historically, the courts have been loath to evict people since the foundation of the State. However, the aggressive practices of foreign sub-prime lenders in particular have resulted in Irish families being made homeless yet again. In my constituency, Laois County Council has ordered a number of evictions for 10.30 a.m. tomorrow.

Some clinic cases refer to the sinister and dangerous new element which has emerged in the debt collection sector with the entry of former gangland figures like Martin “The Viper” Foley and assorted eastern European Mafiosi with links to Russian Mafia. People and families have been threatened with serious personal violence and even death by these criminals who take a hefty chunk of commission when a debt is paid due to their efforts. Property has been vandalised and people are terrified to report the matter to the Garda such is the sinister reputation of these thugs.

Recently, I tabled a series of parliamentary questions to no less than four Departments seeking clarification as to whether the Government plans to take action on this growing problem. I asked each Department to clarify its responsibilities in this regard. The Departments of the Taoiseach, Enterprise, Trade and Employment, Justice, Equality and Law Reform and Finance all declined to accept responsibility in this area. This scandalous abdication of responsibility characterises the Government’s rabbit in the headlights attitude to every problem which arises.

We need a system that involves the vetting of those who collect money to protect those under pressure who are unable to meet their debts at this time due to extraordinary economic circumstances. Ireland is almost unique in the western world in having no system of regulation for debt collection. We have lessons to learn from our neighbours to the east and to the west in this regard.

I do not wish to detract from the importance of personal responsibility with regard to the repayment of moneys borrowed. We must all do our best to honour our debts and be responsible about taking on debt and responsibilities. Reckless lending has brought us untold economic difficulties. The spectre of large scale evictions can only exacerbate matters. Fine Gael and Deputy Enright in particular have suggested a number of practical steps in this regard. I hope the Government is listening with an open mind because this matter needs to be addressed as one of urgency and importance.

Deputy John O’Mahony: I am glad to contribute briefly to this debate and to strongly support the motion tabled by Deputy Enright and Fine Gael. In recent weeks, the clinics of Members on all sides of the House have become almost like unemployment offices in the sense that people seek help with regard to the delays they face. The present economic difficulties of our country happened so quickly that in a matter of months thousands of people have seen their dreams and ambitions blow up in front of their eyes. Our Government has been in denial for the past year. It suggested that we were a strong economy which could withstand any difficulties. This reassurance was taken in good faith. Now we know differently and it is rather pathetic to see how the Government has been so slow to react to the plight of our citizens who cry out for support and assurance in their hour of need.

The trauma of losing a job, or in many cases two jobs in the same household, is difficult enough to cope with but the blow could be softened if help is at hand quickly, discreetly and in an uncomplicated way. This is what is at issue here this evening. Mothers and fathers are desperate to hold on to their homes and to have immediate access to social welfare entitlements. It does not help if, as we saw on the “Six One” news this evening, the unemployed have to queue halfway down the street in towns throughout the country for an office which is inadequately staffed by the Department.

This is no criticism by me of the staff in these offices. I have spoken with many of them in recent weeks and they eloquently described the difficulties they are in and how they are overwhelmed by the avalanche of applications. Our system should be flexible enough to react to emergency situations by transferring staff from other areas. I understand that staff in all of the offices are doing their best in trying circumstances but they need help and they need a plan.

[Deputy John O'Mahony.]

In my constituency of Mayo the unemployment rates have increased by almost 90% in the past 12 months. Immediate and radical measures are required to cope with this.

I am pleased to see that this motion also deals with the present debt collection system which sees a waste of taxpayers' money on court cases which are to the advantage of nobody. These structures are outdated, archaic and were never intended to deal with a crisis such as what we are going through at present. The courts should be used for people who refuse to pay even if they have the money. They should not be used for people who want to pay but cannot at present and will honour their commitments when their circumstances improve. The courts should be the last resort and not a first point of contact. Deputy Enright eloquently articulated the type of alternative dispute resolution system she has in mind and I welcome it.

I do not have time to go over many of the points Deputy Enright made but I strongly support the motion in the interests of thousands of people, many of whom are unemployed for the first time and find themselves in very difficult circumstances. The unemployment figures for March added another 16,000 people to structures already overwhelmed. It is in everybody's interest that this motion is supported. If the structures are not coping with the unemployment figures at present, how can they be expected to cope with the thousands added each month? We have seen an increase of 80,000 since Christmas. The unemployment rate has increased from 5% to 11%. The figures speak for themselves and I commend this motion to the House.

Deputy Joe McHugh: I ask the Minister of State for guidance on how I can communicate with my constituents ways and means for them to get out of their predicament. I will give an example of a woman in her 50s who has been defaulting on her mortgage for the past 12 months. She has been living off a credit card for the past two months. She cannot get a job. She hears in the news and reads in the newspapers that interest rates are coming down and that the property is going into negative equity. However, she does not hear anything about her telephone bill coming down or a decrease in the price of food to keep her going on a weekly basis. How can we allow a situation like this to develop? In the past 12 months her mortgage provider has not contacted her with regard to her default. It has not written to arrange to meet her to discuss ways to deal with the situation. Rather than meeting with this client, the bank has allowed her to move to another bank to obtain and live off a Visa card. This situation is spiralling out of control. Next Tuesday, we will be faced with a similar situation. People trying to make ends meet will have their income reduced. We need to allow the Government to govern.

With regard to regulation, what is the taxi regulator doing? Taxi drivers speak about more than 20,000 taxis being in this city, yet prices have not come down. The prices of only certain items are reducing. The Government's role is to govern regulation. Regulatory arms of Government can do this but they are not doing so. I know I am moving into a different arena that does not entirely involve this issue. What emphasis should the Government be placing on banks to make them live up to their responsibility to bring their customers in and not allowing 12 months to pass without trying to arrange a meeting with them? People are led into a false sense of security when the banks are not hunting them and it allows them to get into further debt. We need to take control and help those who need budgetary help.

We need vetted and regulated debt collectors. In my five years in the Seanad, Senator Shane Ross shouted from the rooftops about the lack of regulatory control of auctioneers. We also need to do this with debt collectors. The Government can talk about international turbulent waters. We have a problem in this country and we are not taking control of it. That is where we need to start.

Deputy Terence Flanagan: We have a major unemployment crisis in this country, with 371,300 people now on the live register, according to the Taoiseach earlier today. This represents an incredible increase of 173,300 in the short space of one year. More and more people seem to be laid off on a daily basis, with another 600 people to be laid off tomorrow from SR Technics at Dublin Airport. These people find themselves turning to the State for support. Unfortunately, the State is badly letting them down as the State institutions cannot cope with the demand on their services. People are waiting an average of six weeks to claim jobseeker's allowance, although it can take up to 16 weeks in some cases. The queues at some social welfare offices run down the street, leaving some people waiting hours to sign on. It can also take an average of six weeks for a person to see an adviser from the MABS organisation.

Our Front Bench spokesperson on social and family affairs, Deputy Enright, has quite rightly brought this motion to the House, because the Government has failed to address this crisis. Our comprehensive motion calls on the Government to redeploy staff to social welfare offices, for the role of MABS to be expanded into mortgage renegotiation and for the debt collection industry to be regulated. There clearly is a huge backlog of jobseeker applications in the system. The Minister has approved some additional staff, but this response is not adequate. It is completely unacceptable that people must wait up to 14 weeks to claim some unemployment benefit. The Minister needs to get real and redeploy sufficient staff immediately to tackle the huge backlog of applications.

We are still waiting on the new promised social welfare offices to come on stream in Dublin, Sligo and Carrick-on-Shannon. The Minister also needs to appoint hundreds of additional community welfare officers to deal with the huge demand on services. The HSE embargo clearly needs to be lifted for this to happen. Since the beginning of 2009, there has been a 35% increase in the demand for the services provided by MABS, yet the Minister for Social and Family Affairs has failed to adequately address the staffing levels at MABS branches. There is currently a six week waiting time in my own constituency of Dublin North East. I telephoned the local MABS office today to find out to my horror that there are only two staff working in that office, yet they have to deal with over 150,000 people. I am aware that this excessive waiting time is mirrored in other offices throughout the country. While I commend the service, particularly the help line service that puts people onto the correct offices, clearly a waiting time of six weeks is too long.

The resources of these offices are at breaking point. More important, the staff morale in the MABS offices and in the local social welfare offices are at an all-time low. The reality is that more and more people will be turning to MABS for assistance, given the current economic climate. We need surplus staff in the Civil Service to be redeployed into these offices to look after people's needs.

There are four simple measures in this motion that could be adopted easily by the Government. It needs to redeploy staff to social welfare offices and to MABS offices to deal with the current volume of welfare claims. The sub-prime industry needs to be clearly regulated. There are many cases coming before the courts which clearly do not need to do so, and which are putting people off turning up in court. The role of MABS needs to be expanded into mortgage renegotiation, and the debt collection industry needs to be regulated.

Deputy Dan Neville: I welcome the opportunity to speak on this motion. I wish to look at the psychological and emotional difficulties for people who have been rendered unemployed. There are pressures within the family, within life itself and personal pressures such as self-esteem due to concerns about the future. There has been an 85% increase in requests for emergency welfare assistance, which shows how deep and how difficult the situation has become. The fact that there is a 35% increase in the number of people seeking support from

[Deputy Dan Neville.]

MABS highlights the difficulties that have developed within society. There are currently more than 9,600 people in receipt of mortgage interest supplement, which is an increase of 134% on the figure at the end of 2007. It is extremely concerning that 276 people were jailed last year for failing to repay debts, many of whom failed to pay loans to credit providers.

The issue I want to raise is the difficulty and stress experienced by people who have been rendered unemployed. It is very stressful to be made unemployed, and this is particularly the case for young men and men in middle age. People see employment as their status within their community. The first thing a person is asked is where he or she is from, and the second thing asked is what he or she does for a living. A person who has been employed for a number of years can find it extremely stressful to be made unemployed. Financial difficulty is another issue that causes extreme stress to the person and his or her family. This is especially the case when it comes to foreclosures and the threat of losing one's home. The home is seen as the primary investment and makes a statement about the person.

International research has shown that unemployment, financial difficulty and home foreclosures have led to an increase in the rates of suicide. American psychologists have coined the phrase "econocide" to explain a wave of suicides that have been caused by the current recession in that country. There is a need to invest in the suicide prevention policies and the 12.5% cut on the €4.5 million grant to the National Suicide Prevention Office is an absolute disgrace. The Minister for Social and Family Affairs allocated €11 million to families to deal with family crises as a result of the economic crisis, yet at the same time the Government is ignoring the fact that there will be a higher level of psychiatric difficulties, suicide and self harm among family members. Why not deal with both issues, as they arise equally within families?

Deputy Seymour Crawford: I thank Deputy Enright for bringing this motion before the House. It has been an extremely useful debate, and hopefully some good will come from it. I refer to the attachment of fines. Fine Gael has introduced Bills to the House several times. We were promised immediate action by the Government at least to avoid the people concerned having to go to jail and to ensure that fines were paid on a detached basis either through income or social welfare. However, nothing has happened. Some simple measures could be introduced which would not cost any money. They would save staff and jail time and would be a good deal better for everyone concerned.

We all accept that with 371,000 people on the dole there is a good deal of pressure on the system. We must ensure that they can be dealt with in the most sympathetic way possible. While I accept that those seeking jobseeker's benefit are not in such a bad position, those seeking jobseeker's allowance, especially those who were self-employed and who subsequently found themselves out of work and income, and in some cases in serious debt, find themselves in such a position. That issue must be dealt with in a more sympathetic and urgent manner.

The farm assist scheme was introduced during the previous economic downturn and we were assured that up to 40,000 people would benefit. However, the number of recipients never rose above 8,000. That was partly because of the way the regulations were imposed. As a result of the current economic situation, many farmers' sons who had been in good employment in the building industry or elsewhere now find themselves back at home and under significant pressure. The price of product generally has come down and there has been a disaster in the milk sector. Sometimes, when social welfare officials visit a farm and see the new buildings forced on farmers in recent times as a result of the nitrates directives, they might get the impression that the place is doing well with good stock and new buildings. However, there is no income, which is the real issue. The potential income of such people should be the only means by which

the farm assist scheme should implemented. In recent times, grants have not been paid. Those who will be paid will only receive 40% and a further 20% two years later. However, the REPS 4 payment was due last October. According to an answer to a parliamentary question from the Minister last week, up to 50% of the payments have not yet been made. There is a very significant crisis in the sector with which we must deal.

I pay tribute to social welfare officers, who do a great job. I also pay tribute to the community welfare officers. Such staff are often on the front line and must make instant decisions on whether a person is entitled to money. They are the first line of assistance in very difficult situations. I thank them for the work they carry out.

I refer to Start Mortgages and those affected. It is important that we change the rules and ensure that firms may not simply go to the High Court and impose High Court costs, which is completely unfair. I was interested to hear many Government Deputies emphasising the need to stop fraud and I agree with them. However, let us remember some situations in the past where people were investigated by social welfare officers and their allowances were withdrawn, but they were reinstated some weeks later because of political pressure. I hope that changes and that fraud is properly addressed.

Deputy Ulick Burke: I thank my colleagues for sharing time and I commend Deputy Enright for introducing the motion. I wonder about the seriousness of the Government and the Minister with regard to the motion, given that the first element of the amendment notes that the average processing time nationally is three weeks for jobseeker's benefit and six weeks for jobseeker's allowance. I cannot reconcile that with the fact that only two weeks ago in the House, in reply to an adjournment matter I tabled, the Minister acknowledged that the average waiting time in Gort, County Galway, was more than ten weeks, the third worst waiting time of all centres in the country. The Minister stated that the issue was now resolved. I do not understand what she means by that. The chaos which exists in that centre is unbelievable and the conditions under which the personnel must work is unimaginable. Nothing has been done despite the ever increasing numbers that have joined the unemployment list. It is time that the Minister for Social and Family Affairs got a handle on the situation and examined the reality of what is taking place at the coal face with regard to the number of unemployed in the country today.

With approximately 370,000 people unemployed, there is a very significant wealth of talent in various areas which could be utilised very well. I refer to the number of electricians, carpenters and highly qualified personnel who are unemployed. There is an onus on the Minister and the Department to categorise those talents and put them in groups so that, where possible, the resources available could be used.

The FÁS scheme has been very successful in many areas throughout the years and such talents could be put to good use in repairing local authority houses. Local authorities have had to let people go in recent months because they can no longer pay them. There is a very significant logjam in works to be carried out with regard to housing for the elderly, tenants repairs and other schemes. It is not good enough for the Government to walk away and suggest people are being provided with funding. Most of those with talent wish to get back to work and are not being afforded the opportunity to do so. I call on the Minister of State, Deputy Hootor, to ask her colleague to lift the embargo on recruitment. I call especially for a derogation in the case of FÁS trainers.

Only two months ago in Loughrea, some 180 people were made redundant at Cigna. In fairness, FÁS immediately came on board as part of the economic group which responded to the needs of the workforce which had been made redundant. FÁS came on site and provided an accelerated information technology course for those people. However, when the current group finishes its training course, that will be the end of it because of the embargo. I call on

[Deputy Ulick Burke.]

the Minister to provide a derogation from that embargo to allow some relief to those who have been made unemployed. There is no point in a Minister talking from both sides of her mouth, pretending she and the Government is concerned about rising unemployment while, at the same time, denying those affected the opportunity to up-skill. We have been told time and again in the House that up-skilling is the priority. I call for this to be rectified as a matter of urgency.

I refer to the delay in and the nature of appeals. For example, I have papers from a person who applied for an old age pension. The papers were sent back by a deciding officer and a statement of means was referred to. That person was supposed to appeal the pension application. However, there is a blank page on this statement of appeals, which is simply not good enough. It is grossly negligent for the deciding officer involved to make such a reply to an application and this must stop also.

Deputy Máire Hootor: Gabhaim buíochas leis na Teachtaí Dála a labhair aréir agus inniu faoin rún tábhachtach seo. I realise Members on all sides of the House are genuinely concerned about the needs of constituents who have lost their jobs, are having difficulty paying their mortgages and who are struggling with debts. The Government shares that concern and, as the Minister, Deputy Hanafin, outlined last night, steps are being taken to ensure people can access financial and other supports as early as possible.

Members have spoken about the delays in some areas in processing claims for jobseeker payments. While the average processing times nationally for applications in February was three weeks for jobseeker's benefit and six weeks for the jobseeker's allowance, they are significantly longer in some areas. This can make things difficult for people and I assure the House that measures are being put in place to address this issue, with the provision of nearly 266 extra staff and the introduction of more efficient and streamlined processes for deciding on claims. All of this is aimed at reducing processing times in order that people need not wait for too long.

The community welfare service can, through the means tested supplementary welfare allowance, provide people with immediate support while they are awaiting a decision on their claims. Total expenditure on the supplementary welfare allowance scheme in 2008 was €882 million, including more than €58 million in administrative costs provided to the HSE.

The community welfare officers, CWOs, are under considerable pressure in some areas. The issue of increased demand on existing resources is a matter for the HSE in the first instance to prioritise workloads and to redeploy resources where necessary so that frontline services are maintained. The Department of Social and Family Affairs is working closely with the HSE to ensure effective delivery of services and any request by the HSE for an additional staffing allocation will be given due consideration by the Department within the overall context of the Government policy on public sector numbers. The extra staff being assigned to the Department's local offices with a view to reducing processing times for jobseeker claims will help to relieve some of the pressure on the community welfare service.

The Private Members' motion also refers to the mortgage interest supplement. In recognition of the increasing number of people having difficulties paying their mortgages, the Government has increased the provision for the mortgage interest supplement from €12 million to almost €30 million in the 2007-09 period. Almost 11,000 people are in receipt of this payment, an increase of nearly 7,000 on the number in payment at the end of 2007. As the Minister stated last night, the Government is conscious of the need to ensure the mortgage interest scheme will continue to meet its objectives in the current economic environment. The scheme is being reviewed to that end.

We are determined to ensure that practical advice and support is available to people with wider debt problems. To this end, the Money Advice and Budgeting Service, MABS, has more than 250 staff in 65 locations. It also operates a national telephone helpline available from 9 a.m. to 8 p.m. Monday to Friday at lo-call number 1890 283 438, while the website *www.mabs.ie* can be accessed 24 hours per day.

In 2008, more than 16,600 new clients approached MABS for assistance with debt difficulties, with the telephone helpline dealing with almost 11,000 callers. More than 90% of callers to the helpline find that their money management and budgeting issues can be resolved with the assistance of the helpline adviser. Only an approximate 10% of callers need to be referred to the local MABS office for appointment. In 2009, almost €18 million was provided to assist MABS in dealing with its workload.

MABS is represented on the Legal Aid Board's consultative panel and the two organisations work well together. It also works closely with other organisations, such as the credit union movement, the Society of St. Vincent de Paul, the community welfare service and local authorities. MABS provides an invaluable support for people in helping them to re-organise their debts, reach agreements with debtors and try to avoid confrontational situations with debtors. Like me, Deputies are concerned about people going to court over debts and fines. Deputy Conlon has already outlined the position in this respect.

I would like to conclude by assuring the House that the Government is determined on every level to ensure that, in these unprecedented times, all of those in need of support receive it as soon as possible.

Deputy Noel J. Coonan: May I share time with my colleagues, Deputies Stanton and Enright?

An Ceann Comhairle: Is that agreed? Agreed.

Deputy Noel J. Coonan: I am delighted to have the opportunity to contribute to this debate and I compliment Deputy Enright on tabling the motion, which is opportune in light of the severe haemorrhaging of jobs nationally and, as the Minister of State is well aware, in our constituency of Tipperary North.

The Department of Social and Family Affairs provides an excellent service to Members and many Departments could take a leaf from its book in terms of the manner in which it responds to our queries. While I had much on my mind as I listened to the Minister of State, one of the most insulting comments she could have made about the excellent MABS service was that 90% of callers to its telephone help desk get assistance without needing to make an appointment. This comment was amazing and belittled the role of MABS and the serious effort made by its staff, much of it outside their own working hours.

The Minister of State was present when, almost 12 months ago at the start of the unemployment crisis, the Minister for Social and Family Affairs, Deputy Hanafin, visited Thurles in Tipperary North to open a new MABS office. They were told that the office did not have enough staff, amounting to one money adviser and one part-time administrator. The same pertained in Nenagh despite the constituency comprising 66,000 people. Subsequently, MABS applied to the Department of Social and Family Affairs for approval for a money adviser co-ordinator, but the application was rejected. This is the Government's opinion and is the subject matter of this motion. The current staff are doing an excellent job, but they cannot cope with the volume of work required.

I have been dealing with a constituent since April 2008 when he or she made an application for carer's allowance. However, the application was refused in July, a decision that my constituent appealed. The oral hearing was heard only this week, some 11 months later. Is this the

[Deputy Noel J. Coonan.]

service of which the Minister of State is proud and that she claims is good enough for the people during this crisis?

It has been interesting to listen to speaker after speaker confuse the issue of debt and to lay the blame for our difficulties on one factor after another without mentioning the roles played by the Government and greedy bankers. People must repay mortgages on properties that have entered negative equity because they were placed in that position by greedy people. I hope the Minister is listening to the debate and will take action.

To give another example, a woman in her late 20s is the mother of an 11 year old child who has been diagnosed with leukaemia. The grandmother made an application for carers allowance to look after her granddaughter and daughter. The case has been deferred because the medical evidence is not strong enough. It is not good enough for the doctors at the Department of Social and Family Affairs that an expert at St. James's Hospital has been treating the patient.

An Ceann Comhairle: The Deputy has one minute remaining.

Deputy Noel J. Coonan: I thank the Ceann Comhairle for my remaining minute. As the Minister of State knows, a community welfare officer can no longer attend a building in Borrisalee because the HSE has deemed it unsuitable for health and safety reasons. The people of the area must travel to Templemore, a round trip of 15 miles, to meet a social welfare officer who has been inundated by calls from Templemore and Roscrea due to the area's volume of unemployment. The people of Borrisalee do not only need a better and proper service, but to receive it in a dignified and private manner, which is what they as citizens deserve.

Deputy David Stanton: I join with colleagues in praising the workers of the Department of Social and Family Affairs, which I have often done. I wish to make a number of comments. First, I am concerned by the community welfare officer service, which is at breaking point. According to those working within the service to whom I have spoken, they cannot cope. I am alarmed by the Minister's amendment, which recognises that the HSE is reviewing the allocation of staff. Will the Minister of State tell the Government to allocate more staff as a matter of urgency, as the service's workload has increased significantly? The staff cannot cope and I am afraid the system will crash.

My second point pertains to those whom Members described earlier tonight as the new poor. I refer to people who were self-employed, the entrepreneurs who took chances and risks in the past. It has recently come to my attention that many such people now are in limbo because they are not entitled to draw jobseeker's benefit as they have not paid the correct stamps. Furthermore, they are not entitled to draw jobseeker's allowance because they may have had an income last year. Many such self-employed people, plasterers, small business people and so on, have had no income this year. While I understand the Department has been asked to be flexible, I have encountered a number of cases in which flexibility has not been shown.

Many such people have mortgages and children in college. Because they had an income last year, many of them are paying fees but cannot qualify for maintenance and are caught in a trap. This issue must be considered as a matter of urgency and I suggest they should be allowed to claim jobseeker's allowance, at a minimum. While they cannot get jobseeker's benefit, they should be eligible for the allowance. When such cases go to the appeals office, it is a case of sending the fool further because the appeals office will not allow it either, given the manner in which the rules are drawn up. Changes must be made in this regard as a matter of urgency.

The third point is that as greater numbers of people move into unemployment, and into long-term unemployment in particular, a real danger arises, as was evident in the past, in that

the longer people remain in receipt of social welfare, the more their self-confidence and capacity becomes depleted. The Government must introduce innovative measures to help people return to gainful work or employment. Some employers wish to take on people but are afraid to do so. In Germany after the Berlin Wall came down and the country entered a recession, certain schemes were devised which worked very well. People received slightly more than they would have done in social welfare payments but were in employment and were doing something that provided them with training and skills. Employers became more confident, matters took off and Germany became successful again. Innovative schemes from the Government are required now to get people out of their homes and into some form of employment. One may call it community welfare or social improvement schemes, job training or whatever one wishes. However, employers must begin to engage with unemployed workers, of whom there will be increasing numbers. I do not discern such initiatives emanating from the Government at present. Instead there is much throwing up of hands in the air and asking what can be done in the face of the oncoming international tidal wave. That approach is not good enough and the Government must begin to do more.

I am somewhat concerned about the social insurance fund, which is depleting rapidly. Consideration must be given to the question of what will happen to it. Essentially, I made three points. First, community welfare officers need to get more help as a matter of urgency. I am familiar with the HSE's ability to review matters for years. Second, people who were self-employed last year need help and, third, innovation is required to get people out of their houses to do something useful to boost their confidence, make them employable and get the economy moving again.

Deputy Olwyn Enright: I thank Members from all sides of the House for their contribution to the debate. In particular, I thank Labour and Sinn Féin for their support of the motion.

I wonder where is the elusive Minister for Justice, Equality and Law Reform. The Government's response to this motion demonstrates the extent of the problem because no Minister or Minister of State thought it worthwhile to address in the Chamber that half of the motion which deals with debt. Before making that comment, I checked through the speech I heard the Minister for Social and Family Affairs, Deputy Hanafin, make last night, in which she told Members the Minister for Justice, Equality and Law Reform would contribute to this debate and that he would deal with the Legal Aid Board, the role of the justice system in respect of debt enforcement and the relevant legislation. People are losing their homes or are being forced into prison and no one in the Government considers it worthwhile to enter the Chamber to inform Members what it intends to do about it. In itself, this provides a fair indication of the Government's attitude to people.

While listening to the Minister for Social and Family Affairs, Deputy Hanafin, I detected no sense of urgency from her as to how she intends to tackle the various issues in this motion that relate to her brief. Staffing levels are absolutely crucial. As for measures such as putting forms on the Internet, that is not a big deal as all Members have them in their offices. While it might be handier for some people to avail of the Internet, at the rate things are going some will not be able to afford to use it, such is the serious nature of the problems in which they find themselves. While the introduction of appointment systems may be fantastic, this should always have been available to people. These are not big ideas that will deal with the scale of the difficulties that have arisen in respect of the long delays being experienced in social welfare offices.

Such long delays have resulted in an over-reliance on the community welfare system, which is evolving into something it should not be and that it certainly is not staffed sufficiently to be. The Government is forcing a position in which people must undergo a double assessment. In

[Deputy Olwyn Enright.]

nearly all cases, applicants are obliged first to go to a community welfare officer for an assessment, after which they undergo another assessment in the social welfare system that asks almost all the same questions. While community welfare officers can do this in one week, waiting times of up to 16 weeks and longer are being encountered in the Department of Social and Family Affairs when appeals are made. As the same test is used, this issue must be addressed.

The Minister stated last night that any requests from the HSE for additional staff would be given due consideration. Can I assume from this that despite all that has been said and despite the claims by the CWOs that they are beyond breaking point, the HSE has not sought additional staffing to deal with this problem or has not examined how it might reallocate staff within its own offices? Each day this problem is ignored, the position worsens for the individuals and their families who are affected.

During Question Time last month, I suggested the beefing up of MABS so that people everywhere should have access to qualified individuals who are able to deal with negotiations. At present, the Government is asking individuals in dire circumstances to go up against someone in a financial institution who spends the entire day crucifying people to squeeze the last penny out of them. Does the Government consider this to be a fair balance? That is what is being stated by its speakers in response to this motion. I mentioned this suggestion again last night, as did Deputy Noonan, and the Minister said it was a good idea. If so, something should be done about it. The system should be changed to make available this good idea to people, who then will be able to get the help they need.

For the past 12 years, the Government has allowed financial institutions and sub-prime lenders in particular to act at will. They lured people into the situations in which they now find themselves. However, the Government's amendment appears to perceive the debtors as the authors of their own destruction and the creditors as the wronged parties. The Government is setting up a David and Goliath scenario, except this time it will not be David who wins. All the stakeholders, including the creditors, are in favour of an alternative dispute resolution system. I do not know the Government's attitude to this issue because no one has bothered during this three-hour debate to tell Members where it stands. The manner in which some Government Members stated that there must be recourse to courts was simplistic. Fine Gael's motion does not deny this, as such recourse is essential. However, it must be the last resort and not the first option, which is the difficulty at present. The Government's moratorium is not enough and I want to know what happens to the credit rating of a person who avails of the moratorium. My understanding, from speaking to those involved, is that such people get a negative credit rating even having availed of the moratorium. I seek clarity in this regard.

The Minister of State who is present should think of a young couple, perhaps in their early 30s, who live in a house that is worth tens of thousands less than they spent on it. They are out of work and have young children. The Government is giving such people nowhere to turn and nowhere to get advice. While MABS will give people some advice, it can only advise them on how to spend the money they have. As MABS does not have the people, time or skills to negotiate with the financial institutions, another system must be developed. MABS itself has recommended that an alternative dispute resolution system should be established. As nearly every other country in Europe has acted on this, why has this not happened in Ireland? Is the Government telling Members it still defers to the financial institutions?

The Government should address the disastrous waiting times and get rid of duplication in the system. It should give people the respect to which they are entitled and should provide them with their entitlements when they need them. Moreover, the Government should make the criteria for mortgage interest supplement relevant to the present climate. Above all, those in debt should be provided with the opportunity to receive the advice they need to help them

get out of the situation in which they find themselves, without fault on their own part in respect of losing their job, and to come to an agreement with their creditors in a manner that respects both sides.

Finally, the Government should desist from talking about averages. If one is waiting 16 weeks for receipt of €204, it is no comfort to learn that somewhere else, the waiting time is two or three weeks. It is one's family that one cannot help survive.

Amendment put.

The Dáil divided: Tá, 78; Níl, 67.

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.
Cullen, Martin.
Curran, John.
Devins, Jimmy.
Dooley, Timmy.
Fahey, Frank.
Finneran, Michael.
Fitzpatrick, Michael.
Fleming, Seán.
Flynn, Beverley.
Gogarty, Paul.
Gormley, John.
Grealish, Noel.
Hanafin, Mary.
Haughey, Seán.
Healy-Rae, Jackie.
Hector, Máire.
Kelleher, Billy.
Kelly, Peter.

Kenneally, Brendan.
Kennedy, Michael.
Killeen, Tony.
Kirk, Seamus.
Kitt, Michael P.
Kitt, Tom.
Lenihan, Brian.
Lenihan, Conor.
Mansergh, Martin.
Martin, Micheál.
McEllistram, Thomas.
McGrath, Mattie.
McGrath, Michael.
McGuinness, John.
Moloney, John.
Moynihan, Michael.
Mulcahy, Michael.
Nolan, M. J.
Ó Cuív, Éamon.
Ó Fearghail, 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.
Ryan, Éamon.
Sargent, Trevor.
Scanlon, Eamon.
Smith, Brendan,
Treacy, Noel.
Wallace, Mary.
White, Mary Alexandra.
Woods, Michael.

Níl

Allen, Bernard.
Bannon, James.
Barrett, Seán.
Breen, Pat.
Broughan, Thomas P.
Bruton, Richard.
Burke, Ulick.
Burton, Joan.
Byrne, Catherine.
Carey, Joe.

Connaughton, Paul.
Coonan, Noel J.
Costello, Joe.
Coveney, Simon.
Crawford, Seymour.
Creed, Michael.
Creighton, Lucinda.
Deasy, John.
Deenihan, Jimmy.
Doyle, Andrew.

Níl—*continued*

English, Damien.
 Enright, Olwyn.
 Feighan, Frank.
 Ferris, Martin.
 Flanagan, Charles.
 Flanagan, Terence.
 Gilmore, Eamon.
 Hayes, Brian.
 Hayes, Tom.
 Higgins, Michael D.
 Hogan, Phil.
 Kehoe, Paul.
 Lynch, Ciarán.
 Lynch, Kathleen.
 McCormack, Pádraic.
 McEntee, Shane.
 McGinley, Dinny.
 McGrath, Finian.
 McHugh, Joe.
 McManus, Liz.
 Mitchell, Olivia.
 Morgan, Arthur.
 Naughten, Denis.
 Neville, Dan.

Ó Caoláin, Caoimhghín.
 Ó Snodaigh, Aengus.
 O'Donnell, Kieran.
 O'Dowd, Fergus.
 O'Keefe, Jim.
 O'Mahony, John.
 O'Shea, Brian.
 O'Sullivan, Jan.
 Penrose, Willie.
 Perry, John.
 Rabbitte, Pat.
 Reilly, James.
 Shatter, Alan.
 Sheahan, Tom.
 Sherlock, Seán.
 Shortall, Róisín.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Upton, Mary.
 Varadkar, Leo.
 Wall, Jack.

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

Amendment declared carried.

Motion, as amended, put and declared carried.

Adjournment Debate.

Local Authority Rates.

Deputy Mary Alexandra White: I raise the need to review the levying of commercial rates on local community groups which have charitable status, such as Teach Mhuire in Gowran, County Kilkenny. It is a terrific community initiative supplying meals on wheels, laundry services and other supports for the elderly and disadvantaged. There has been great progress in recent years in State support to encourage community and voluntary groups, and funding for these groups has increased significantly. The new Charities Act will greatly enable charities such as Teach Mhuire to do their work.

Something must be done about the levying of rates on institutions such as Teach Mhuire, particularly voluntary groups which do such tremendous work in their community. A good example is the Gowran parish enterprise centre in my constituency of Carlow-Kilkenny. The enterprise, otherwise known as Teach Mhuire, provides vital services for older and vulnerable people in the local community, those living in rural isolation in that part of south Kilkenny and those without much family support.

The centre provides meals on wheels, a terrific laundry service, therapy, computer services and yoga. For those who are unable to cook for themselves, a car is provided to bring those people to the centre so they can have one good hot meal every day. The area serviced by this organisation is wide in terms of geographical boundaries in Kilkenny. It serves Gowran, Dungarvan, Goresbridge, Paulstown, Clara and Bennettsbridge, which amounts to a very wide and diverse geographical spread.

The centre applied for and obtained charitable status from the Revenue Commissioners, which ensures that the centre gets a tax exemption from deposit interest retention tax, capital acquisitions tax, companies capital duty and stamp duty. It also provides, through the Taxes Consolidation Act, tax relief for donations made to the centre. All of this is most welcome.

However, at local authority level the centre is now faced with a very large levy of commercial rates on their premises payable to Kilkenny County Council. In 2009, €1,726 is due to the council, which is appalling. This is a wonderful charitable enterprise doing tremendous work in the local community and it cannot afford to pay these rates. Although this may not seem like a large sum to the county council in terms of the €10.5 million in rates that it collected in 2007, it is a massive financial burden for a small community service centre which is not operating for profit and which has all the high costs necessary for companies, such as insurance, rent and employees' wages, in order to run these wide-ranging and diverse services for the local community.

The levying of rates on such organisations is financial madness. If the letter of the law must be applied, I hope that a token rate on such enterprises might be undertaken. If the State were to undertake these services, it would cost millions of euro to replicate the services run at Teach Mhuire.

I ask the Minister of State to ensure that this excellent organisation should not be penalised in such a high-handed manner. I hope those involved will be allowed to continue to roll out the service and that the rates will be removed, particularly as the organisation involved is charitable in nature. Like many affected by the recession, the employees of this organisation have taken a major pay cut. This is a vital community initiative and I hope that the rates relating to it might be removed as a gesture of goodwill and in view of the fact that it is a charitable organisation.

Minister of State at the Department of Finance (Deputy Martin Mansergh): I commend Deputy White for placing on record the valuable work done by the community initiative to which she refers. I hope my reply will be of assistance.

The Valuation Act 2001, which came into effect on 2 May 2002, provides that all buildings used or developed for any purpose including constructions affixed thereto are rateable. Under the Act, the Commissioner of Valuation is independent in the exercise of his duties and the Minister for Finance has no function in decisions in this regard.

I am advised by the Valuation Office that in general all buildings, for whatever purpose, are rateable under the provisions of the Valuation Act 2001. However, there are certain categories of buildings provided for as non-rateable under schedule 4 of the Act. Such buildings would principally include those used for public worship, education and institutions of art and science. There may be instances where enterprises which are operated on a not-for-profit basis are deemed not to be rateable if conducted in a community hall. Within the context of the legislation, a community hall means a hall or similar building, which must not be used primarily for profit or gain and which is occupied for use by the inhabitants of the locality generally for purposes that are recreational or otherwise of a social nature.

I understand that commercial retail activity is carried out at the premises in question and that it is run on a for-profit basis. The position in respect of the valuation of retail shops has not changed under valuation law since 1852. All shops which compete in the marketplace with other similar retail shops are rateable under schedule 3(1)(a) of the Valuation Act 2001. Retail shops which are run by charitable organisations in the usual course — such as Oxfam, Sue Ryder and the Society of St. Vincent de Paul — are all rateable because the charitable content is not in the shop itself.

[Deputy Martin Mansergh.]

Given that the Valuation Office adjudged that the restaurant-café run by the Gowran Community Group Limited is a commercial operation, it is considered rateable. The Valuation Act 2001 maintains the long-standing position that commercial facilities are liable for rates. It was not intended that the Valuation Act 2001 would expand or contract the valuation base. Exceptions to this key principle would be quickly followed by demands for similar treatment from providers of other useful services and products, which would be difficult, in equity, to resist. These premises are competing with other commercial premises and the effect of removing any category of rateable property from the valuation base would be to reduce local authority revenues and could also increase the rates burden on other taxpayers. The Valuation Office, in its assessment of these premises, was satisfied that the Gowran Community Group Limited did not meet the criteria for exemption from rates on either charitable or community hall grounds as defined under the Valuation Act.

Any individual ratepayer who has concerns regarding the valuation of his or her property or any part of thereof, including its rateability, may, on payment of the statutory fee of €250, apply to the Commissioner of Valuation for a revision of the valuation. If dissatisfied with the outcome, he or she may appeal to the Commissioner of Valuation in the first instance and subsequently to the independent Valuation Tribunal. There is a further right of appeal to the High Court and ultimately to the Supreme Court on a point of law. In this instance, the occupier did not avail of the statutory consultation and appeal process provided for in the Valuation Act 2001.

As matters stand, the Valuation Office, the local authority or the Minister cannot exempt the building from rates. However the ratepayers, namely the organisation in question, can examine whether the circumstances which led to the original decision have changed to such an extent that, under current legislation, a case for an exemption can be made. It may also do so if it is of the view that the position was in some way misrepresented. There are avenues of recourse but these are not within the control of the Government.

Urban Regeneration Schemes.

Deputy Róisín Shortall: I thank the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Finneran, for attending the House to reply to this matter. However, it is a pity the Minister, Deputy Gormley, is not taking a more active interest in this important issue. I would like him to play some role in respect of it.

I am raising the issue of the Ballymun regeneration scheme because I am extremely concerned with regard to the slowdown that has occurred in respect of this project. The regeneration scheme has been exceptionally successful to date. This project is unique in its scale because never before has an existing town with a population of some 15,000 been replaced, on the same site, with a new town. The Ballymun regeneration scheme has posed major challenges to those charged with managing it and also the residents who have been prepared to endure massive disturbance and disruption for the sake of achieving the greater good of quality homes to replace the dilapidated and unsafe flats which are now well past their sell-by date.

To date, some 1,500 families have been rehoused and homes for a further 300 are currently under construction. My concern is for the remaining 500 families whose replacement homes are in jeopardy or completion of which will be seriously delayed as a result of the Government's failure to provide the necessary funding to maintain the regeneration scheme. Up to last year, funding was always provided to Ballymun Regeneration Limited, BRL, in arrears following payment by the company itself. In 2008, the Department notified BRL that, for the first time, the funding available would be limited. The indication was that €80 million would be provided.

Some €75 million of this was receipted by December last, with the remaining €5 million receipted in January.

Due to the rolling nature of the construction programme and contractual commitments already entered into, expenditure exceeded income last year. BRL, therefore, had an opening debit balance of €31 million for 2009. The existing commitment in respect of replacement housing in 2009 is €53 million. It is a matter of the utmost concern that the Department's allocation for this year is only €45 million. When one takes into account the opening debit balance of €31 million and the €53 million already committed, one discovers that an additional €39 million will be required during this year. That is the very least amount that will be required and it will merely allow the regeneration scheme to continue to tick over. Construction on the outstanding 500 homes must also be commenced and we cannot allow any slippage in the context of maintaining the momentum of the scheme.

In February, BRL and Dublin City Council presented to the Department a funding proposal under which the regeneration scheme would be completed by 2014, two years later than promised. The arguments in favour of this proposal are indisputable. The regeneration scheme has been ongoing for ten years and it is critical that the confidence and momentum relating to it be maintained.

Some 500 families continue to live in exceptionally difficult and unsafe circumstances. Putting the remainder of the programme out to tender now would result in substantial savings in the current financial climate. It is estimated that savings of as much as 20% might be made. The massive public investment that has already been made in Ballymun must be protected. There is a real danger that that investment could be undermined through an escalation in antisocial activity because of the severe difficulty in managing and policing a stalled regeneration project. It is virtually impossible to manage large apartment blocks where many of the units lie idle, and those empty units are now subject to fairly serious antisocial activity by elements in the area. It is an extremely difficult situation to manage and we simply cannot run the risk of damage being done to existing works that have been carried out.

Furthermore, the existing business confidence in the area which was so hard to achieve and into which so much effort was put in to building could be lost if there is any further delay. An important point in the current circumstances is that the regeneration can sustain at least 300 construction jobs, which would result in welfare savings and tax of over €6 million per annum.

I am appealing to the Minister. There are six very good reasons the Ballymun regeneration programme must be rebooted and kept going. Already there has been slippage, and we know that two years have been lost because of delays with funding. It is critical that we stick to the kind of schedule and funding timeframe that has been set out for the Minister by Ballymun Regeneration Limited and Dublin City Council where the entire project can be finished by 2014. We cannot afford any more slippage in that area. The risks the Minister runs by doing that are too great, both in terms of the financial investment that has occurred but also, and more important, in terms of the hopes and aspirations of those 500 families whose dreams have been dashed because of the delays that are occurring and who, like all of the other residents in Ballymun, deserve to have decent quality living conditions.

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): I thank Deputy Shortall for raising this important housing issue. It is nearly 11 years since the master plan for a new Ballymun was published and the regeneration process began. Since then, the Government has demonstrated strong commitment to the Ballymun Regeneration Project with over €580 million in Exchequer funding devoted to it to date.

[Deputy Michael Finneran.]

It is worth reminding ourselves of the situation which previously existed in Ballymun and which regeneration has sought to address. In the 30 years after the Ballymun estate was constructed, no private housing had been built in the area and no private investment had been made in the town. During the 1990s there were hundreds of vacant flats in Ballymun because people simply did not want to live there. Community facilities in Ballymun either did not exist or were of poor quality.

Against this background the transformation of the Ballymun landscape has been remarkable and has improved the quality of life for many thousands of people in the area. Construction of new housing started in 2000 and since then, more than 1,000 families have moved from the flats into their new homes. At the same time, six of the landmark seven towers have been demolished. Close to half of the original 2,800 flats are either already demolished or under contract to be demolished. In addition to replacement local authority housing, more than 1,400 new private, voluntary and cooperative homes are built or in progress at this stage.

This year a provisional allocation of €45 million has been earmarked for the project. In addition, further specific funding will be identified in Dublin City Council's main social housing allocation to fund de-tenanting associated with its various regeneration projects, including Ballymun.

The regeneration of Ballymun is not just about replacement housing. Building identifiable neighbourhoods with relevant community facilities is a central commitment in the master plan. In that regard, local parks and 12 new playgrounds have been developed as well as neighbourhood centres comprising shops, apartments and community meeting rooms.

A new traditional main street has been developed comprising shops, hotels, a civic centre, a sports and leisure centre and private housing. Planning permission has been granted for a new town centre to replace the shopping centre, and we hope that will start soon. IKEA is to open on 27 July with 500 jobs, and the metro is coming to Ballymun.

Community spirit is thriving in Ballymun and the town is picking up awards for everything from Tidy Towns and Sustainable Energy awards to *The Irish Times* theatre accolades. The Government is very proud of the progress made to date and my Department is actively working with Ballymun Regeneration Limited and the local authorities to ensure that the regeneration project can be sustained, consolidated and completed, taking account of budgetary circumstances, with a particular focus on achieving best value for money.

The result is that Ballymun is now evolving into a vibrant mixed tenure community, moving from a cycle of dependency to a sustainable community in its own right, but there are major challenges ahead and it is for that reason that I have asked the Ballymun Regeneration Agency, in conjunction with Dublin City and Fingal County Councils, to review the strategic direction of the programme to make sure we are meeting the objectives set having regard to the more difficult economic environment in which we now find ourselves.

Deputy Róisín Shortall: What does that mean?

Deputy Michael Finneran: It is acknowledged that it will take longer to complete the regeneration, not least because there has been a slowdown in the private sector investment needed to secure the sustainability of the project.

Ballymun is an area that is being transformed through this regeneration but we must now ensure that the regeneration programme is geared to meet the new challenges we face so that all that has been gained in Ballymun to date is safeguarded for the future. At the same time, I am mindful of the conditions in which some tenants from the older accommodation have to

live. As I mentioned earlier, provision is being made within the Dublin City Council housing allocation to support the transfer of regeneration tenants generally to better quality accommodation and I look forward to the council progressing this issue, in co-operation with Ballymun Regeneration Limited.

Deputy Róisín Shortall: Very disappointing.

Food Labelling.

Deputy Andrew Doyle: I will use three minutes of my time and give two minutes to my colleague, Deputy Tom Sheahan, our spokesperson on fisheries.

I am grateful to the Ceann Comhairle for accepting this Adjournment matter. It is on foot of a recent court case which saw 42 alleged breaches of the Food Safety Act brought against a well known fish company involving 22 packets of salmon which had been tested. The DNA evidence concluded that they were from farmed fish stock but on a point of law the judge ruled that she could not convict on the basis of the evidence before her. I understand the point of law was that it was not proven beyond doubt that the farmed fish had not escaped into the wild before they were caught, which is a moot point.

The temptation to mislead in this case goes to the wider issue of food labelling. Food labelling has been on the agenda here for the past 12 months, particularly on foot of the pork crisis which proved that more comprehensive food labelling is needed if we are to mitigate against such serious financial, marketing and reputational damage to the country's food industry such as we saw last year. A total of €40 per kilo is the price differential at retail level between farmed salmon versus wild salmon — €16.46 to €55.90. The temptation exists, therefore. This issue arose previously, following on from the pork crisis, regarding hampers that were being sent to America by another Irish company. It transpired that the hampers did not contain any Irish bacon.

The Food Safety Authority of Ireland has called for changes to food labelling. It has said it encounters many complaints. I know they are not usually to do with the question of wild versus farmed salmon but Ireland has a fantastic reputation for our wild salmon, hence the price of almost €60 per kilo, and anything that throws that reputation into doubt must be stopped. The FSAI stated also that there is a lack of legislation on which to base prosecution.

Agri Aware did a survey last year which indicated that fewer than one in five people in the country was happy with food labelling. A total of 80% considered that our agrifood industry, which includes our fishing industry, had a reputation worth preserving. We discussed this briefly this morning but it must be addressed. The court case findings and ruling by the judge must be analysed to see if we can address this situation to ensure it does not happen again.

Deputy Tom Sheahan: Why do we need labelling for fish products? Cork Airport is now the busiest fish port in the country, with fish being imported by plane. It is a sad state of affairs in an island nation. Irish people will buy Irish goods but there must be effective labelling, stating what the product is, if it is fresh, farmed or wild, its origin and where it was processed. In my former life as a butcher, any beef in my shop showed the date of birth of the cow, the producer, the herd number, animal number, date of slaughter and the licence number of the abattoir where it was slaughtered. We are not asking for that amount of detail for fish but the Irish consumer deserves to know what he is putting on the table. There must be information on country of origin, the product, where it was processed and who produced it.

It is projected that the pork dioxin scare will cost €180 million and a percentage of that will be paid for pork that was not Irish because it was not traceable and we cannot determine its origin. This is why effective labelling is necessary.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Tony Killeen): Gabhaim buíochas leis an Teachta as deis a thabhairt dom freagra a thabhairt ar an ábhar tábhachtach seo. Aontaím leis an méid atá ráite ag na Teachtaí.

The issue of labelling of fisheries products is governed by statutory instrument under EU regulations. The regulations set out specific information which must be included on the label where fishery products are sold at retail level to consumers. In addition, for the purposes of traceability, this information must be included on the commercial documents for the fishery products throughout the marketing chain, such as during processing, at wholesale level and for use by mass caterers.

The labelling requirements of the regulations apply only to raw fish and aquaculture products to which no other ingredients have been added except salt, and include live fish; fresh, chilled and frozen fish; fish fillets and other fish meat, whether minced or not; dried, salted or brined fish; smoked fish, whether hot or cold smoked fish; crustaceans, except those which are both cooked and peeled; and molluscs, except when cooked. Processed products such as breaded fish fillets, crab sticks, ready-to-eat dishes or tinned fish are not covered by the regulations.

The fishery and aquaculture products listed above which are offered for retail sale to the final consumer must indicate on the label the commercial designation of the species of fish, the production method, whether farmed or caught at sea or in freshwater and the catch area. These requirements apply only to products for retail sale to the final consumer. In other words, these rules apply to products which are sold at retail level whether they are pre-packaged or sold loose over the counter.

These labelling requirements do not apply to small quantities of fishery products sold directly to consumers by either fishermen or producers provided these products do not exceed the value of €20 for each purchase.

The method of production — the means by which the fish have been obtained — must be also indicated on the product, in other words, whether they have been caught either at sea, or produced by aquaculture. The production method must be declared as follows: “caught” where the fish were caught at sea or “cultivated” or “farmed” where the fish are produced from aquaculture.

The catch area must be indicated as follows. Products caught at sea must detail the name of the area where they were caught according to Appendix VIII, such as “north-east Atlantic”. This is the minimum amount of information that must be provided. However, in addition, more detailed information regarding these catch areas may be also given, for example, fish caught in the Irish Sea must declare “north-east Atlantic” but additional information such as “caught off the east coast of Ireland” may be also declared.

Farmed products must reference the member state or third country in which the product undergoes the final development stage. For example, if a fish started its life in Scotland and underwent final development in Ireland, the labelling could state “farmed Irish fish” or similar. Where the product is farmed in more than one member state or third country, the member state where the product is sold to the final consumer shall authorise which member state or third country is to be indicated.

In July 2008, in response to industry concerns arising from falling quay wall prices, rising fuel costs and a view that imports were impacting on demand in the domestic market for wild Irish caught fish, I established the Irish Seafood Market Initiative Group. This group recently reported its key recommendations. These included recommendations that the BIM quality seafood programme should be the primary approach to identifying and differentiating Irish seafood. This programme will raise consumer awareness on the range of available Irish seafood. A promotional campaign should be developed in 2009, to raise awareness across a range of

available yet under-utilised and less recognised species from fisheries and aquaculture. The opportunity for regional identification and branding of Irish seafood should be developed. Seafood should be included in the draft proposal being prepared by the European Commission aimed at consolidating and upgrading food labelling legislation. BIM is actively working with the industry to endeavour to make these recommendations a reality as soon as possible.

One recent case that received some media attention was dismissed not for salmon labelling issues but because the judge felt the evidence put before her did not adequately prove that the salmon was farmed as set out in European Council Regulation 1198/2006. The FSAI and the SFPA are reviewing the case in its totality and the implications arising. I also refer to a case earlier in the same month, where the same company admitted falsely describing fish as being “caught at sea” when they were in fact farmed and declaring that particular fish were caught in the north-east Atlantic Ocean when they were in fact captured in Norway.

This shows that the present labelling legislation can provide the necessary strength to protect consumers. The importance of not misleading the consumer is a fundamental requirement of food legislation and cannot be over emphasised. The damage done to Ireland by companies trying to manipulate legislation to gain some sort of competitive advantage to the detriment of Ireland cannot and will not be condoned.

In the overall context, I favour strengthening of the current labelling EU regulations to ensure that there is more information available to the consumer. I am particularly interested in ensuring that the consumer has enough information to understand where fish have been caught. It should enable the consumer to make an informed choice and I will pursue these issues at EU level.

School Transport.

Deputy Beverley Flynn: In June 2007, Srah national school closed and amalgamated with Scoil Náisiúnta an Trian Láir. The new amalgamated school is called Scoil Náisiúnta Tuar Mhic Éadaigh.

For primary school children, the school bus route starts at Tourmakeady village in the morning and travels towards Srah village along what is locally known as the low road. The bus picks up four children on the low road, turns at Srah and returns to Tourmakeady along the same road.

There is, however, a top road, that is connected to this low road by a link road that is half a mile long. There are four families with ten children who live on the upper road and all these children attend Scoil Náisiúnta Tuar Mhic Éadaigh. It is common sense that for the sake of a few minutes and half a mile of road that the bus should collect the four children on the low road on the way to Srah and return on the top road on its way back to Tourmakeady to facilitate the ten children who live on the upper road. I am asking that the bus travel in a loop instead of going over and back on the same route.

The second issue is even more black and white. When Srah national school, a Gaelscoil, closed in June 2007, and amalgamated with Scoil Náisiúnta an Trian Láir to become Scoil Náisiúnta Tuar Mhic Éadaigh, the pupils from Srah were assured by the Department of Education and Science that they would be guaranteed school transport to get to the new school. A child whose name I have given to the Department was attending Srah school in 2007 and lived 1.9 miles from it. That child now attends the new school in Tourmakeady, which is five miles from his home. He applied for school transport but was told by Bus Éireann that because he was not attending his nearest school, Dereendafderg national school, he could only have transport at a cost of €200 per term. This came as a great surprise because Dereendafderg national school closed more than 35 years ago. Srah national school was the closest school when he

[Deputy Beverley Flynn.]

attended in 2007 and now Tourmakeady is the closest school. The appropriate pick up point for this child is Derassa Cross. The school bus passes this cross anyway, meaning no change is required to the bus route. The child meets all the criteria to receive school transport free of charge. I ask that this is given to him as per his entitlement.

Minister of State at the Department of Education and Science (Deputy Seán Haughey): I welcome this opportunity to outline to the House the Department's position regarding school transport for the children who attend scoil náisiúnta An Trianlair, County Mayo.

One of the main objectives of the school transport scheme is to provide a basic level of service for children who live long distances from schools and who might otherwise experience difficulty in attending regularly. Approximately 135,000 primary and post-primary pupils use the school transport scheme on a daily basis. The allocation for school transport in 2009 is €194 million.

Under the terms of the primary school transport scheme, pupils who reside 3.2 km or more from, and are attending, their nearest suitable national school, as determined by the Department of Education and Science, are eligible for free school transport. Primary school transport routes are generally planned by Bus Éireann so that, as far as possible, no eligible child will have more than 2.4 km to travel to a pick-up point. Pupils living off the main route of a service are generally expected to make their own way or to be brought to convenient pick-up points along the main route. Home pick-ups were never envisaged as being part of the school transport scheme, as the cost involved on a countrywide level would be prohibitive.

Bus Éireann, which operates the school transport service on behalf of the Department, is responsible for the day-to-day operation of school bus services. Bus routes are organised in such a way as to ensure that, as far as possible, eligible pupils have a reasonable level of service, while at the same time ensuring school transport vehicles are fully utilised in an efficient and cost-effective manner.

With regard to the specific cases referred to by the Deputy, Bus Éireann has advised that eligible children from the area in question have a school bus service to scoil náisiúnta An Trianlair within the guidelines of the scheme. However, the families are requesting the route of the existing service be changed. It is not always possible to facilitate families with such an alteration as many factors have to be taken into account, including timetabling, travel and waiting times, the road network and safety.

The planning of a school bus route is an operational matter for Bus Éireann. Notwithstanding the above, the Department has referred this case to Bus Éireann for review. The Department will keep Deputy Flynn updated following the review of the case.

I am pursuing the specific details in the case involving an all-Irish education within the Department and with Bus Éireann. I will respond to Deputy Flynn in this regard as soon as possible.

Deputy Flynn has raised these issues with me on several occasions. I thank her for the clarity of her presentation this evening. I have endeavoured to get Bus Éireann to bring these issues to a close and I will revert to the Deputy as soon as possible. I thank her again for raising these matters.

The Dáil adjourned at 9.25 p.m. until 10.30 a.m. on Thursday, 2 April 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 12, inclusive, answered orally.

Questions Nos. 13 to 25, inclusive, resubmitted.

Questions Nos. 26 to 35, inclusive, answered orally.

National Skills Strategy.

36. **Deputy Ruairí Quinn** asked the Tánaiste and Minister for Enterprise, Trade and Employment, further to Parliamentary Question No. 522 of 10 March 2009, when the upskilling co-ordination group last met; the person who chaired the meeting; the location at which the group usually meets and the frequency of these meetings; if minutes of the meetings are taken; if she will provide copies of the minutes for the past five meetings to the relevant Opposition spokespersons; and if she will make a statement on the matter. [12264/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The Upskilling Coordination Group was established in early 2007 to facilitate a more co-ordinated strategic approach to labour force upskilling and training policy and to enhance co-operation, exchange information and avoid duplication between relevant Government Departments and State and other agencies on relevant policy and operational issues. Central to the work of the Group is the monitoring of progress towards achievement of the relevant upskilling objectives and commitments set out in Government policy documents such as the 'Towards 2016' Framework Social Partnership Agreement 2006-2015, the National Development Plan and, in particular, the National Skills Strategy. That National Skills Strategy sets out clear long-term objectives for Ireland's education and training systems including the need to upskill, by at least one level on the National Framework of Qualifications an additional 500,000 persons by 2020.

In seeking to achieve the objectives of the National Skills Strategy, the Upskilling Coordination Group continues to ensure that training providers place particular emphasis on persons with low basic skills and on the accreditation of the types of training undertaken. The Group is chaired by the Assistant Secretary of the Labour Force Development Division of the Department of Enterprise, Trade and Employment and normally meets quarterly at the Department's offices on Adelaide Road. The Group is comprised of representatives of the Department of

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Enterprise, Trade and Employment, the Department of Education and Science, FÁS, Skillnets, Enterprise Ireland, the County Enterprise Boards, Forfas and, from 2009, the Vocational Educational Committee, the Institutes of Technology and the Higher Education Authority. The Group last met on 19 January 2009 and all meetings are minuted. The minutes of the most recent five meetings of the Group will be provided to the Deputy as requested.

Departmental Expenditure.

37. **Deputy Ciarán Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment the way it is intended to effect the 8% reduction in professional fees in relation to services provided to or funded by her Department in respect of the Government announcement of 3 February 2009; the amount expected to be saved in her Department's budget as a result of this process; and if she will make a statement on the matter. [13351/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): On 3 February 2009, the Government decided that it would introduce a general reduction of the order of 8% in professional fees as part of a range of measures to restore stability to the public finances. On the basis of instructions provided by the Department of Finance, my Department issued guidelines for implementing the Government decision across the Department, its Offices and its agencies. In short, the guidelines indicated that all contracts were to be reviewed with a view to reducing the level of fees paid for services rendered to my Department, its Offices and agencies on or after 1 March 2009. Because this exercise is still on-going, it is not possible, at this stage, to forecast the amount which will be saved in my Department's budget for 2009 arising from the reduction in fees.

Departmental Suppliers.

38. **Deputy Seán Barrett** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she will honour the commitment to ensure that the State and its agencies pays its bills to business within 15 days; the recourse a business has when payments are not made in this time frame; and if she will make a statement on the matter. [13479/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness): On 5 March 2009, the Taoiseach announced that the Government is introducing on an administrative basis, a commitment to reduce the payment period by central Government Departments from 30 to 15 days and that an assessment will be completed by end-April of the impact of extending this arrangement to the local authority, health and education sectors. My Department is currently working on the specifics of implementing this arrangement and I will be circulating proposals to Government Departments shortly.

The arrangement will not seek to alter the legal position in relation to late payments. The terms of the European Communities (Late Payment in Commercial Transactions) Regulations 2002 (S.I. No. 388 of 2002) will continue to apply. Under these Regulations, it is an implied term of every commercial transaction that where a purchaser does not pay for goods or services by the relevant payment date, the supplier shall be entitled to interest ("late payment interest") on the amount outstanding. In the absence of any agreed payment date between the parties, late payment interest falls due after 30 days has elapsed. Interest shall apply until such time as payment is made by the purchaser. The current late interest rate from 1 January 2009 is 9.5%. The 2002 Regulations also provide for compensation for debt recovery costs.

Implementing the arrangements should result in Government Departments paying their suppliers within the 15 day limit and should also result in Departments providing clear and precise information and contact points to suppliers concerning the handling and processing of their

payments. This should assist in easing the cash flow difficulties for small business given the current economic circumstances. As part of the process, my Department will monitor the performance of Departments in complying with the arrangement and will publish the results on a regular basis.

Departmental Staff.

39. **Deputy Michael Noonan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the arrangements that have been made with regard to remuneration for staff in her Department and agencies who are engaged in strike action or other industrial action; and if she will make a statement on the matter. [13544/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): Staff in my Department or its agencies are not paid for periods of unauthorised absence or work stoppages due to industrial action.

EU Directives.

40. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of EU directives for which her Department has responsibility remaining to be implemented; the directives that are overdue; the number of reasoned opinions received from the EU Commission since 2002 regarding delays or non-implementation of such directives; and if she will make a statement on the matter. [13362/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): There are currently a total of eight Directives due to be transposed by my Department up to 2012. Two of these Directives are currently overdue, namely Directive 2006/46/EC on company reporting and Directive 2006/43/EC on statutory audits of annual and consolidated accounts. My Department aims to transpose these Directives by 30 April and 31 May 2009 respectively. Full details on the state of play of all current EU Directives are maintained on the Department's website, www.entemp.ie.

My Department has received 25 Reasoned Opinions from the European Commission relating to Directives since 2002. All but one of the outstanding issues have been settled satisfactorily. The remaining issue concerns overdue Directive 2006/43/EC, which, as I have already stated, my Department is aiming to transpose by the end of May 2009. The transposition of EU Directives is an ongoing priority in my Department and is reported to the Management Board on a monthly basis.

Employment Rights.

41. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of labour inspectors employed by the National Employment Rights Authority; the number of labour inspectors available for assignment on normal duties; the number of labour inspectors in training following recruitment; the status of the recruitment campaign to increase the labour inspectorate to 90 inspectors; and if she will make a statement on the matter. [13363/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Recruitment competitions have been held to bring the number of Inspectors from the original level of 31 Inspectors up to the level of 90 committed to under Towards 2016. Sixty inspectors were assigned to NERA from these competitions. All NERA inspectors were recruited by way of competitive procedures, including internal competition within the Department of Enterprise, Trade and Employment, competition among staff of other Government

[Deputy Billy Kelleher.]

Departments and a selection process undertaken by the Public Appointments Service to recruit ten inspectors with language skills. 13 Inspectors have left NERA over the past year as a result of promotion or internal and external Departmental transfers and re-assignments. As a result, the total number of NERA Inspectors currently stands at 78.

All new inspectors are required to complete the NERA Inspection Services Introductory Training Programme and to undertake further training, including on-the-job training with experienced inspectors. This involves working with experienced Inspectors in carrying out inspections and other associated enquiries at places of work with a view to determining compliance with certain employment rights legislation. 59 inspectors have completed the Introductory Training Programme to date and are now actively involved in inspection duties. 1 inspector has recently taken up duty and has commenced training. The Minister for Finance recently introduced a moratorium on the filling of vacancies until the end of 2010, in light of which NERA will not be in a position to fill current and future Inspector vacancies during that timeframe.

42. **Deputy Róisín Shortall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of workplace inspections carried out by the labour inspectorate in 2008; the way this compares with the same period in 2007; and if she will make a statement on the matter. [13364/09]

53. **Deputy Mary Upton** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the more than 4,600 breaches of employment law reported in the annual review of the National Employment Rights Authority; the steps she will take to ensure a higher level of compliance with employment law; and if she will make a statement on the matter. [13359/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): I propose to take Questions Nos. 42 and 53 together.

In 2008, the National Employment Rights Authority, (NERA) conducted nearly twice as many workplace inspections, as the 2007 level — almost 28,000 workplace inspections in 2008 as against just fewer than 14,500 in 2007. This increased level of inspection activity is of course reflective of the greater level of Inspectorate resources available to NERA which currently stand at 78 inspectors as opposed to the original level of 31 inspectors.

Since it commenced operations on an interim basis in 2007, NERA has had considerable success in ensuring that abuses of workers rights and entitlements do not go unchecked. Early in 2008, NERA undertook a nationwide information and awareness campaign, which has been instrumental in bringing about a much greater level of awareness both by employers and by employees of their respective rights and obligations under employment law. This information and awareness role continues to play a significant part in NERA's employment rights compliance and information strategy and is one that I believe will prove to be more beneficial in the longer term in bringing about a greater compliance culture.

As regards the level of breaches detected in 2008, which are reported at 4,629 in NERA's 2008 annual review, this represented a virtual doubling of the level detected in 2007 i.e. 2,344 and there is a correlation between the increase in the level of inspections undertaken to the level of breaches detected. It must be recalled that, where breaches are detected, NERA's primary objective is to seek compliance with the relevant legislation and rectification of any breaches identified, including redress for the individual(s) concerned and payment of any arrears due to employees. The fact that arrears due to employees totalling €3.1m were reco-

vered in 2008 suggests that NERA has been successful in achieving compliance through negotiation with employers stressing compliance as opposed to initiating prosecutions in all cases.

The Government committed in Part 2 of the 10 Year Framework Social Partnership Agreement, Towards 2016, to a series of measures to greatly increase public confidence in the system of employment law compliance. The Employment Law Compliance Bill 2008, which recently concluded Second Stage reading in this House is designed to give effect to those commitments upon enactment.

Employment Support Services.

43. **Deputy Lucinda Creighton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the changes in training and employment policy she will make in view of the Irish Labour Market Review 2009; and if she will make a statement on the matter. [13406/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The FÁS Annual Labour Market Review for 2008, which was published in March 2009, presents an overall assessment of labour market developments in Ireland. The report highlights changes in the labour market including the rise in unemployment due to the economic downturn and also contains a number of proposals for dealing with the current unemployment situation.

The Government has already put in place a number of actions to deal with the rise in unemployment. FÁS' Employment Services together with Local Employment Services have implemented measures designed to provide increased capacity for the rise in referrals from the Department of Social and Family Affairs and the increased number of unemployed seeking job search assistance voluntarily. The implementation of these measures has increased the monthly capacity of job search services from 6,500 to 12,250 persons per month. To assist individuals through the provision of education and training opportunities I 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.

To assist redundant construction workers FÁS have developed specific training courses to meet the emerging need for qualified workers in sustainable energy technologies. These courses include Solar Panel Installation, Geo-thermal heating and Biomass heating. The programmes are designed to update the skills of suitable crafts persons, typically plumbers, electricians and fitters. Priority for attendance at these specific training courses will be given to the unemployed who meet the entry requirements for the course and will be provided to unemployed participants at no cost.

The Government is also determined to assist redundant apprentices complete their apprenticeships despite being currently unemployed. We have initiated several measures, which will see approximately over 2,700 redundant apprentices being able to progress their apprenticeships this year. The measures to assist redundant apprentices include the employer based rotation scheme, which will assist up to 500 individuals, the agreement between ESB Networks

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and FÁS to provide training opportunities to up to 400 redundant electrical apprentices and the interim changes introduced by FÁS to enable redundant apprentices progress to their next off-the-job phase without having completed the previous on-the-job phases. This initiative will assist approximately 1,200 redundant apprentices this year.

In view of the increasing numbers of people who are unemployed, as evident by the findings of the Labour Market Review 2008, the Government remains intent on achieving greater capacity within our existing training and activation resources. In this context we will continue to examine further ways to make training and education services available to a greater number of unemployed persons to ensure timely and comprehensive access to the full range of services provided by FÁS.

Consumer Protection.

44. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the extent to which she has evaluated the mark up in respect of some consumer goods on sale here which indicate a price difference inconsistent with that charged in adjoining jurisdictions both inside and outside the eurozone, in view of the fact that these are not necessarily arising from higher wage, energy, currency fluctuation or other costs here; if checks have been carried out which might indicate price mark ups in excess of 100% even after allowing for the extra costs that might be incurred here; and if she will make a statement on the matter. [13404/09]

52. **Deputy Liz McManus** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the Forfás report published in December 2008, which found that while retail costs are higher here, this differential could not account for the significantly higher prices being charged for many key consumer goods here; and if she will make a statement on the matter. [13355/09]

54. **Deputy Jack Wall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she will take to require retailers to explain price differentials in view of her recent address to the Checkout conference; and if she will make a statement on the matter. [13356/09]

76. **Deputy Martin Ferris** asked the Tánaiste and Minister for Enterprise, Trade and Employment if cross-Border shopping has increased since the beginning of 2009; and if she will make a statement on the matter. [13401/09]

91. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she has sought or received assurances from all supermarkets operating here that the prices charged are competitive and comparable with those charged by the same stores in all other European jurisdictions keeping in mind cost differences; and if she will make a statement on the matter. [13744/09]

92. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if the prices charged in supermarkets here compare favourably with the prices charged by the same supermarkets in other jurisdictions notwithstanding currency or other cost differentials; and if she will make a statement on the matter. [13745/09]

93. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the exploitation of consumers here by some chain stores which appear to charge prices that are not comparable with those applicable in

other neighbouring jurisdictions, notwithstanding some higher costs here; and if she will make a statement on the matter. [13746/09]

94. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action she has taken or proposes to take to ensure that the consumer here receives the benefit of lower commodity prices; and if she will make a statement on the matter. [13747/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I propose to take Questions Nos. 44, 52, 54, 76 and 91 to 94, inclusive, together.

The House will be aware that the issue of the differentials in prices between this jurisdiction and Northern Ireland and the UK has been a matter of concern for some time. These concerns stem from the widespread belief, particularly amongst consumers, that the benefits of the Euro's appreciation in value against Sterling are not being passed on by way of lower prices in the shops. This belief has been copper-fastened by a number of cross border surveys undertaken by the National Consumer Agency. These surveys found that in some instances customers in the Republic were being charged up to 31% more than customers in Northern Ireland in respect of certain grocery products and up to 51% more than consumers in the UK in respect of a selection of clothing, homeware, maternity/nursery and electrical goods.

Given this level of price differentials, it is not surprising that this is giving rise to a leakage of trade across the border which is having consequential impacts on employment, business activity and consumer confidence. It is difficult to say what the precise level of this leakage is. The House will be aware, however, that my colleague the Minister for Finance recently published a joint report from the Revenue Commissioners and the Central Statistics Office regarding the implications of cross border shopping for the exchequer. The report, in acknowledging the significant difficulties in sourcing data regarding cross-border shopping, nevertheless estimated the value of cross border shopping to be in the region of €350 million to €500 million in 2008 and that if exchange rates were to remain close to current levels this could increase by €100 million to €150 million in 2009. It is clear, therefore, that the level of cross border trade is significant.

In the light of these concerns, I initiated an engagement with the retail sector to ascertain the reasons why the benefits of the Euro's appreciation were not being passed on to consumers. In the course of this ongoing engagement, I have met with the various links in the retail chain including retailers, suppliers, distributors and manufacturers. Different and indeed conflicting reasons have been proffered as to why prices in this jurisdiction are higher than in the Northern Ireland and the UK. Prominent among these reasons was that the cost of doing business in Ireland was significantly higher than the cost of operating in the UK. Accordingly, I requested Forfás to carry out an analysis of the relative cost of doing business in a number of locations in the Republic, Northern Ireland and the UK. Forfás' analysis, which was published late last year, found that whilst the cost of doing business was indeed higher in this jurisdiction, the extent of this additional cost would only justify a differential of 5-6% in prices between the south and the north. It is clear, therefore, that operating costs, whilst somewhat higher in this jurisdiction, do not account for the current level of price differentials.

Aside from operating cost considerations, there is considerable disagreement among the different elements of the retail chain as to reasons for the north south price differentials. In my meetings with retailers, they have strongly contended that the costs to retailers of sourcing goods in Ireland is significantly greater than the costs of sourcing such goods in Northern Ireland and the UK and that the current structure of the wholesale and distribution cost base

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in Ireland is preventing the benefits of the Euro's appreciation in value from being passed on to consumers.

Suppliers and distributors on the other hand have contended that there is a significant imbalance in the relationship between retailers and suppliers which is giving rise to suppliers being squeezed by the increasingly difficult demands being made by retailers. In this regard, I recently requested the Competition Authority to carry out a study of the retail import/distribution sector as to how competition is working in the sector and whether any practices or methods of competition are affecting the supply of goods and services in that sector. I expect to receive the Authority's report of its findings by the end of April.

The Government for its part is strongly of the view that it is not acceptable that the benefits of the Euro's appreciation of approximately 30% in value over sterling is not being passed on by way of lower prices to consumers. It is incumbent upon all links in the retail chain to play their part in ensuring that there is the greatest degree of transparency possible as to reasons for the current north south price differentials, particularly given their possible impact on the national economy in terms of loss of employment, loss of trade, loss of revenue to the exchequer and loss of value to the consumer. It is my intention, therefore, to continue to pursue this issue with the retail sector to ensure that Irish consumers receive a fair deal and value for money when doing their day to day shopping.

Job Losses.

45. **Deputy Eamon Gilmore** asked the Tánaiste and Minister for Enterprise, Trade and Employment the contacts she has with industrial development agencies with a view to securing alternative employment for the 300 workers who are due to lose their jobs at a company (details supplied) in Dublin 14; and if she will make a statement on the matter. [13346/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I am keenly aware of the impact on Ericsson's employees and their families following the company's decision to reduce its workforce in Ireland by 300. This is due to begin in June on a phased basis over an 18 months period. The State development agencies under the remit of my Department have adopted a co-ordinated approach in response to the announced job losses, which includes relevant interventions from all of the agencies.

FÁS management met with Ericsson management on a number of occasions to discuss the services available from FÁS, and the potential needs of the employees who will lose their jobs. Each response will be tailored on a case by case basis. IDA Ireland is working with Ericsson on a continuous basis in an effort to secure further investments from other business units. There is also an ongoing relationship between Enterprise Ireland and the Ericsson management team. In this regard Enterprise Ireland is in contact with Ericsson employees who will lose their jobs, to try to link employee skillsets with the skillsets required by indigenous high growth start up companies. I also understand that Ericsson has put together a small team of managers to work with those personnel being affected by the redundancies to co-ordinate the information available on supports available from the agencies, as well as other supports the company may provide.

The Government recently introduced "Building Ireland's Smart Economy" a Framework for Sustainable Economic Renewal, which sets out a clear roadmap for Ireland's move back to economic growth and prosperity. Our immediate policy objectives with regard to competitiveness are to restore confidence and stability in our economy, provide supports to the enterprise sector, restore cost competitiveness, safeguard the significant achievements of recent years and to ensure a return to sustainable export growth. Under the Framework for Economic

Renewal we are taking a number of measures across Government to address these objectives. The Cabinet Committee for Economic Renewal will drive this strategy and we will continue to pursue policies that will build on our strengths, address our weaknesses and maximise economic activity and employment.

Question No. 46 answered with Question No. 35.

Consumer Protection.

47. **Deputy Róisín Shortall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action being taken to implement the commitment in the programme for Government that steps would be taken to ensure that prices of goods are labelled and transparent in order that the consumer is well informed; and if she will make a statement on the matter. [13365/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): Price display law is covered by Orders made under the Prices Acts 1958 to 1972 and under the European Communities (Requirements to Indicate Product Prices) Regulations 2002, Statutory Instrument No. 639 of 2002. The various Price Display Orders made under the Prices Acts 1958 to 1972 cover Drinks Display in Licensed Premises, Hairdressing Services, Petrol and Diesel and Restaurants. The European Communities (Requirements to Indicate Product Prices) Regulations 2002 require retailers to display the selling and, where appropriate, the unit price (the price per litre or kilo) for all products covered by the scope of the Regulations. The Commission will be reviewing the Directive upon which these Regulations are based and I will support measures to enhance the information to be made available to consumers. This review is part of the general review of the Consumer Acquis. The National Consumer Agency whose function it is to enforce consumer laws, regularly undertakes surveillance with a view to securing voluntary compliance on the part of traders.

Small and Medium Enterprises.

48. **Deputy Willie Penrose** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the continuing difficulties being faced by small and medium sized companies which are being refused credit by banks; if she has had discussions with the banks on the issue, particularly in view of the importance of maintaining employment in this sector; and if she will make a statement on the matter. [13339/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I have met with both ISME and the SFA to discuss issues impacting on the SME sector, including access to bank credit. I have also met with representatives of the recapitalised banks to discuss the provision of bank credit to the sector. In addition, within my own Department, I have established a Roundtable on Access to Bank Credit which includes representatives of ISME and SFA, the Irish Banking Federation, the major banks, the main enterprise support agencies and the Department of Finance and my own Department.

The Government's Recapitalisation Scheme for Allied Irish Bank and Bank of Ireland is a fundamental requirement in restoring stability to our financial sector. Such stability will ensure that the financial institutions can actively contribute to our economic activity and particularly support our enterprise sector, thereby maintaining employment particularly employment in the SME sector. The Banks Guarantee Scheme and the nationalisation of Anglo Irish Bank also sought to restore and maintain such stability.

A key principle of the Recapitalisation Package is the recognition of the importance of business lending particularly in relation to SMEs. SMEs are central to our economy and the

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provision of bank credit to the sector is a primary target of the overall package. The package contains a range of initiatives that will directly assist our enterprise sector. The recapitalised banks have committed to increasing their lending capacity to SMEs by 10% over 2008. This should ensure that sound businesses will receive support from their banks. There is also scope for increased levels of lending to SMEs if mortgage lending is not fully taken up. The banks have undertaken public campaigns to actively promote their lending to SMEs. Recent Press and TV advertisements together with information sessions with businesses are evidence of the banks' commitments in this regard.

A €100m environmental and clean energy innovation fund is also being established by each bank as well as a further €15m each to new or existing seed capital funds. Much of this funding will flow to small and medium enterprises. SMEs are also covered by the Code of Conduct on Business Lending to SMEs which was also part of the Recapitalisation Scheme. This Code was published by the Financial Regulator on Friday 13 February 2009 and came into effect from 13 March 2009. The Code extends beyond the recapitalised banks and embraces the key credit providers (excluding credit unions). The Code has the effect of law under the Central Bank Act, 1989. The objectives of the Code are:

- 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 a bank will be to assist borrowers to meet their obligations, or otherwise deal with the situation in an orderly and appropriate manner.

The Code should strengthen the bank-client relationship and develop greater trust and confidence in the banks' lending practices. Lenders covered by the Code are required to offer their customers an option for an annual review meeting, to include all credit facilities and security, including collateral. Banks are also required to treat all credit applications on their merits, 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.

The recapitalised banks have also agreed to pay for and co-operate with the carrying out of an Independent Review of Bank Lending to SMEs, to be completed by the end of April. The purpose of the review is to ascertain the position on credit availability to SMEs in Ireland and to recommend appropriate action to improve credit availability, taking account of the terms of the Credit Institutions (Financial Support) Scheme 2008. Allied Irish Bank, Bank of Ireland and Ulster Bank will also provide funding for SMEs on foot of a €300m facility provided by the European Investment Bank and announced last week. This funding should be available over the coming weeks.

Funding to the SME sector is also provided through my Department and the State Enterprise Support Agencies. The Department's continuous support for indigenous companies arises through maintaining a positive business environment and through particular interventions from State Agencies such as Enterprise Ireland, FÁS and the County and City Enterprise Boards. The allocations in my Department's Estimates for 2009 will ensure that we continue to build on this strategy for the future. As I have already said, SMEs are central to our economic development and the range of measures and supports in place will continue to help the sector adapt to the current economic climate. The services provided by the development agencies are kept under review and will be adjusted to respond to the current economic situation.

Job Losses.

49. **Deputy Arthur Morgan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the correspondence she has had with the task force established in the aftermath of the announcement of job losses at a plant (details supplied) in County Limerick; and if she will make a statement on the matter. [13397/09]

60. **Deputy Jan O'Sullivan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the contacts she has had with the industrial development agencies with a view to securing alternative employment for the 1,800 workers who, it was announced in January 2009, are to lose their jobs at a company (details supplied) in County Limerick; and if she will make a statement on the matter. [13343/09]

79. **Deputy Arthur Morgan** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the findings of the Forfás report on the number of job losses arising from the closure of a plant (details supplied) in County Limerick; and if she will make a statement on the matter. [13396/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I propose to take Questions Nos. 49, 60 and 79 together.

The Forfás report referred to was prepared for my Department in advance of the decision and announcement by Dell in January to reduce its Limerick workforce by 1,900. The report was prepared on a basis of a “what if/worst case” scenario with all jobs being lost at Dell in Limerick which of course is not what subsequently transpired. Following the January announcement by Dell, I established the Mid West Task Force, Chaired by Mr Denis Brosnan. The role of the Task Force, amongst others, is to assess the particular impact on the wider regional economy of the decision to close certain parts of the Dell plant in Limerick and associated job losses in other companies and also to carry out an analysis of the potential impact of the current economic downturn on the Mid-West Region. I have arranged for Forfas to update its earlier report and input to the work of the Task Force.

I have asked the Task Force to provide me with an interim report on their findings and this is likely to be completed in May.

It is also important to point out that IDA has been working diligently to secure new investments for the Region and over the last year companies like Vistakon, Zimmer, Cook, DTS and Microsemi have had announcements in the Region. The Agency currently has a pipeline of projects under consideration. These potential investments are being pursued and IDA Ireland will do everything possible to speed up the investment decisions in Limerick's favour.

The investment projects which IDA is seeking to attract to Limerick today are much different to those of the past, relying principally on the skills of its people and on a strong business and educational infrastructure to pull investment to the county. IDA's strategy is to re-position the region as a hotspot for knowledge based industry, while focusing on marketing Limerick as a key location for investment by building on the strengths already evident in the county. IDA is also working closely with the existing base of employers to encourage additional investment, particularly in activities such as R&D, customer support and back office functions.

Enterprise Ireland is specifically targeting potential business start-ups through the following supports & programmes:

- Dedicated Opportunities Fair held in March in Limerick to encompass all Enterprise, Employment and Education institutions together with private & voluntary sector organis-

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ations including financial Institutions, Mabs, Citizens Information and recruitment agencies.

- New collaborative Information brochure detailing contacts, business Start-Up supports & financial assistance available via EI and the CEB's.
- New series of one & two night seminars & workshops throughout the Mid-West commenced in March to provide individuals with information on enterprise start & identification of new business opportunities.
- A new EI led 6 week part-time Enterprise Start Programme commenced at the EI funded Enterprise Acceleration Centre at LIT in February to facilitate individuals to explore Business Start-Up as a new career option.
- A new 12 month Enterprise Platform Programme to commence at LIT in April for individuals to assist individuals to commercialise existing business ideas.
- One-to-one meeting facility for individuals interested in business start-up from locally based EI regional development executives.

In addition Enterprise Ireland is addressing the challenges facing the sub-supply base in the Mid-west with a dedicated sub-supplier event in April to facilitate supply companies to explore new opportunities, new business leads & new markets with assistance from EI's overseas market network. FÁS are working in conjunction with the County Enterprise Boards and other agencies to take the appropriate actions to support workers being made redundant, including assistance to re-skill and re-train to enhance their future employment potential.

Community Employment Schemes.

50. **Deputy Joan Burton** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on providing funds for the expansion of the community employment and jobs initiative schemes; and if she will make a statement on the matter. [12319/09]

57. **Deputy Lucinda Creighton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the policy changes or capacity increases she will introduce in the community employment scheme, the job initiative programme and in all FÁS administered schemes in view of changes in the economy and the labour market; and if she will make a statement on the matter. [13407/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): I propose to take Questions Nos. 50 and 57 together.

FÁS as an agency of my Department operates the Community Employment (CE) and Job Initiative (JI) schemes. 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. Currently there are 22,283 participants on Community Employment. The Job Initiative Programme (JI) was launched in July 1996 and provides full time employment for people who are 35 years of age or over, unemployed for 5 years or more, and in receipt of Social Welfare payments over that period.

The main purpose of the programme is to assist long-term unemployed people to prepare for work opportunities by providing participants with work experience, training and development opportunities. The programme is sponsored by voluntary organisations and public bodies

involved in not-for-profit activities. Currently there are 1,377 participants on Job Initiative. Following changes introduced on 10 November 2004 by Minister Micheál Martin there have been no compulsory lay-offs on the Job Initiative Schemes. Contracts for existing participants are renewed and CE participants to support the service being provided replace those who leave voluntarily.

This Government will continue to support the positive role of FÁS Employment Schemes in meeting the needs of long-term unemployed persons while at the same time providing essential services to communities. I am keeping the operation of the Schemes under constant review in the context of the current difficult unemployment situation.

EU Directives.

51. **Deputy Kathleen Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment the progress made with regard to the implementation of the temporary agency workers directive, agreed at the Council of Ministers meeting on 23 May 2008; and if she will make a statement on the matter. [13353/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Directive 2008/104/EC of the European Parliament and of the Council on Temporary Agency Work was adopted, on 19 November 2008. Under the terms of this directive there is a three-year period in which Member States will be required to transpose the Directive into national legislation i.e. by 5 December 2011.

The Deputy will recall that I have invited the Social Partners to discussions with my Department, with the aim of agreeing a framework within which agency workers in Ireland would achieve equal treatment within an agreed timeframe having regard also to the need for flexibility in enterprises. The Towards 2016 Review and Transitional Agreement 2008-2009 concluded by the Social Partners and the Government contains a commitment to developing such a framework.

My Department has facilitated an initial meeting between the Social Partners to help them to develop a national framework within the parameters established in the EU Directive. The successful conclusion of a Framework Agreement will enable the Government to consider transposing the terms of the Directive, including the terms of the Framework Agreement, at a date in advance of the maximum period allowed under the Directive i.e. end 2011.

Question No. 52 answered with Question No. 44.

Question No. 53 answered with Question No. 42.

Question No. 54 answered with Question No. 44.

Business Regulation.

55. **Deputy Willie Penrose** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she has received a request from the Office of the Director of Corporate Enforcement to change the law to help his office to prosecute corporate fraud and white collar crime; the nature of the changes sought; if she will introduce amending legislation; if so, when it will be done; and if she will make a statement on the matter. [13338/09]

59. **Deputy Pat Rabbitte** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the reported difficulties encountered by the Office of the Director of Corporate Enforcement in its investigation of a company (details supplied) arising from section 23 of the Companies Act 1990 which confers legal privilege on certain

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documents; if she has plans to amend the law to provide greater clarity on the issue; and if she will make a statement on the matter. [13340/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I propose to take Questions Nos. 55 and 59 together.

Earlier this year in the context of unfolding developments in the market, I asked the Director of Corporate Enforcement to let me know whether any improvements to the legislation under which he operates were necessary. In response the Director identified a number of provisions that he considered required modification to improve their clarity, to bring them up to date as regards developments in relation to electronic record keeping and to facilitate the prosecution of any offence found in specific instances. Yesterday the Government approved proposals I recommended for the priority drafting of appropriate amendments to company law. I intend to bring a Bill before the Oireachtas at the earliest opportunity

Foreign Direct Investment.

56. **Deputy Ciarán Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she has had contacts with the new administration in the United States in view of reports that proposed tax changes may impact on US investment here and the possible consequences for job creation; and if she will make a statement on the matter. [13350/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The relationship between Ireland and the United States is unique in terms of our political, economic and cultural links. The Government and I attach the highest importance to strengthening that relationship and in consolidating and growing the economic partnership between our two countries. That partnership has contributed enormously to the very significant trade and investment ties with the United States. These ties benefit us both and generate investment and jobs on both sides of the Atlantic.

We are always mindful of the need to continually update and renew the links between our two countries. This is especially important at this time in terms of the new US Administration. In that respect I want to assure the Deputy that the Minister for Foreign Affairs, through the Embassy in Washington, has been monitoring and responding to all proposals for policy initiatives which could potentially impact on the Irish economy. Together with the Department of Finance we also work in close collaboration with the Embassy in seeking to address various policy proposals including those in relation to taxation which could affect foreign direct investment in Ireland. Issues that may have implications for Ireland are subject to focussed discussion with US policymakers within the overall framework of a shared commitment to promoting the consolidation and growth of our economic relationship.

There has been a lot of discussion around the potential impact on Ireland of changes in US international taxation policy. The new Administration has not given any real indication of its main focus in terms of international taxation and therefore it has not been possible to determine if there are consequences for job creation. However, any re-evaluation cannot ignore the substantial real two-way investment between our countries nor indeed the importance of international taxation policy to the competitiveness of US companies seeking to grow their business in Europe and beyond. We will be working to ensure that such considerations feed into the new Administration's deliberations in terms of the development of its international taxation policy. The recent Saint Patrick day meetings in Washington afforded us further opportunities to put forward our case in a considered and informed manner.

Question No. 57 answered with Question No. 50.

Business Regulation.

58. **Deputy Pat Rabbitte** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the recently published Grant Thornton corporate governance review; and if she will make a statement on the matter. [13341/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness): I note the contribution which the Grant Thornton ISEQ Corporate Governance Review has made to the ongoing debate on corporate governance. However, it is important to recognize that the ISEQ Combined Code on Corporate Governance, which is considered in the Review, is of most direct relevance only to those companies which are listed PLCs. This category of company represents, numerically, an extremely small proportion of the overall total, with some 40 PLCs listed and traded on the main index out of a total of just over 184,000 companies registered in the State as at 31 December 2008. It is very important, therefore, to view any comments made by the Review in this context. Overall, the Review highlights the need for shareholders to be prudent in the placing of their investments and vigilant in monitoring the performance of chairpersons, directors and CEOs in delivering value for them and in holding them to account.

Question No. 59 answered with Question No. 55.

Question No. 60 answered with Question No. 49.

Job Losses.

61. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the net number of jobs created or lost on a monthly basis in each of the past five years to date; her plans to address the issues arising therefrom; and if she will make a statement on the matter. [13405/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The number of people in employment is measured by the Quarterly National Household Survey or QNHS and published by the Central Statistics Office. In the fourth quarter of 2008, the most recent quarter for which data is available, employment increased by 155,600 in the five-year period, while unemployment increased by 84,800 over the same period. The most recent data on employment levels in each of the past five years (on a year on year quarterly basis) are set out in the attached table.

Employment data in respect of companies supported by the Enterprise Agencies (Enterprise Ireland, IDA Ireland and Shannon Development) is collated on an annual basis only, and accordingly monthly figures cannot be supplied. The attached table sets out the number of full-time jobs created in enterprise agency assisted firms only, for the years 2004 to 2008.

There is no exact measure of the number of jobs lost, however, the Department records the number of redundancies notified to them on a monthly basis. The attached table sets out the number of redundancy notifications received on a monthly basis for the years 2004 to 2008.

The Government remains intent on achieving greater capacity within existing resources to meet the on-going challenges in the labour market. In this context we will continue to bring forward further measures to make training and education services available to a greater number of unemployed persons. The Government is also committed to pursuing a job creation strategy that focuses on strengthening our competitiveness, driving down the cost of doing business here and ensuring our return to sustainable export-led growth. My Department's enterprise development agencies will continue to play a key role in supporting companies in creating new job opportunities.

[Deputy Mary Coughlan.]

	2004	2005	2006	2007	2008
Employment	1,896,400	1,985,700	2,072,100	2,138,900	2,052,000
Unemployment	85,800	92,300	90,300	101,000	170,600

Source: CSO, Quarterly National Household Survey, Q4 2008 (September–November 2008).

Full-time Job Gains in Enterprise Agency assisted firms

Full-time Job Gains	2004	2005	2006	2007	2008	Totals 04 to 08
Enterprise Ireland	12,564	14,316	15,052	15,776	10,522	68,230
IDA Ireland	10,959	12,041	11,866	9,976	8,837	53,679
Shannon Development	522	437	547	354	576	2,436
Totals	24,045	26,794	27,465	26,106	19,935	124,345

Actual Redundancies 2004 – 2009 broken down by month

	2004	2005	2006	2007	2008	2009
January	2,771	1,653	2,314	2,777	2,764	6,697
February	2,468	1,656	1,970	1,587	2,838	6,337
March	2,035	1,017	1,589	2,214	2,311	
April	2,335	2,567	1,879	2,155	3,114	
May	1,959	2,426	2,173	1,942	2,462	
June	2,153	2,144	1,906	2,046	2,914	
July	2,636	2,225	2,066	2,287	3,852	
August	1,656	1,842	1,836	2,319	3,147	
September	1,618	1,795	1,591	1,859	3,971	
October	1,692	2,089	2,202	2,174	4,623	
November	2,397	2,092	2,077	2,380	5,261	
December	1,321	1,650	2,081	1,719	3,350	

62. **Deputy Thomas P. Broughan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the contacts she has with the industrial development agencies with a view to securing alternative employment for the 1,100 workers who are due to lose their jobs at a company (details supplied) in County Dublin or to keep the facility operating as a going concern under different management; and if she will make a statement on the matter. [13345/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The Government is anxious that as many jobs as possible are secured at Dublin Airport. We would like to see the SR Technics Group do what it can to facilitate this, such as helping to promote the capabilities and skills available at the Dublin facility, agreeing to an orderly wind down of the facility to give IDA Ireland an opportunity to promote the location to interested parties, and maintaining assets and equipment at the site for at least 6 months. I have conveyed these points, and the widespread concern in Ireland that every effort be made to maintain the maximum number of jobs at the facility at Dublin Airport, to SR Technics at Group level.

IDA Ireland and Enterprise Ireland have formed a project team to promote the operation through the IDA overseas network of offices and to meet with and assess expressions of interest in the operation. There are a number of expressions of interest from different parties in acquiring at least elements of the business and both IDA Ireland and Enterprise Ireland are actively exploring options with interested parties. Time is needed to assess these proposals by IDA Ireland and Enterprise Ireland. Actual involvement by IDA Ireland or Enterprise Ireland in providing financial or other supports will be dependent on a company or companies submitting proposals for consideration and seeking approval for State support in the normal way. The State Agencies will continue to engage with all groups, indigenous and overseas, interested in building commercially viable and sustainable operations to secure as many of the jobs as possible at Dublin Airport.

Work Permits.

63. **Deputy Denis Naughten** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she will implement her review of the work permit system; and if she will make a statement on the matter. [13186/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Ireland's employment permit arrangements are currently being reviewed to ensure that they continue to be appropriate to the current needs of the labour market. The introduction and implementation of any revised qualifying conditions for new employment permits will be announced following the outcome of a consultation process with the Social Partners.

Departmental Agencies.

64. **Deputy Mary Upton** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will make a statement on the report of the Committee of Public Accounts on FÁS. [13358/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I welcome the report of the Public Accounts Committee on FÁS and commend the Committee for the work carried out in this matter. I note that while the report in general concentrates on the things that went wrong, the Committee is of the view that the good work being done by the employees of FÁS should not be overlooked and that this examination is no reflection on their role and the valuable contribution they make to Irish life. I fully concur with this view.

Many of the issues contained in the report have already been aired in public. I have previously expressed my concerns in respect of various matters raised by internal audit reports in FÁS and subsequently taken up by the C&AG in his earlier report on a number of public bodies. Since the publication of these reports a series of steps have been undertaken to deal with the matters raised. In particular:

- FÁS has clarified its procedures and strengthened its internal controls, including in the audit and procurement areas;
- FÁS has passed certain issues to the Gardaí for investigation;
- A copy of the internal audit report INV 137, which was the basis for the C&AG's report, has been sent to the Office of the Director of Corporate Enforcement;

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- The C&AG has commenced a wide-ranging investigation in FÁS, which includes internal controls, governance arrangements, marketing and advertising and specific follow-up of matters raised in the course of hearings of the Committee of Public Accounts;
- The Chairman of FÁS, following a request from my Department has provided an undertaking that FÁS is now fully compliant with Department of Finance regulations in relation to Foreign Travel.

The Board of FÁS has stated that whatever additional actions are necessary arising from the Report will be fully implemented. In keeping with standard practice, a formal response to the Public Accounts Committee in relation to this report will be contained in the Minute of the Minister for Finance on the Report of the Committee of Public Accounts on the Fourth Interim Report on Special Report 10 of the Comptroller and Auditor General and FÁS 2007 Accounts. Officials in my Department and FÁS are currently preparing their inputs into the Ministers of Finance's Minute.

Skills Development.

65. **Deputy David Stanton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the funding she is making available to fund training initiatives for persons in employment; the recent changes to this policy or funding levels; and if she will make a statement on the matter. [13408/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): As the Deputy will be aware, budgets committed to all Departments are currently under review. The outcome will be reflected in the announcement of the Minister for Finance on 7 April next. Any adjustments announced then will reflect the funding priorities agreed by the Government. Accordingly, I am not in a position to answer the specifics of the Deputy's question at this juncture.

Employment Rights.

66. **Deputy Liz McManus** asked the Tánaiste and Minister for Enterprise, Trade and Employment the legislative or other measures she will take to uphold the right to collective bargaining and in particular the right to a trade union to represent its members; and if she will make a statement on the matter. [13354/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): Trade unions holding a negotiating licence are free to engage in collective bargaining on wages and conditions of employment. Ireland's system of industrial relations is based on a voluntarist approach with terms and conditions of employment being determined in the main by a process of voluntary collective bargaining between the parties, without the intervention of the State. The collective bargaining process can cover the entire range of issues arising from the employment relationship.

The State has sought to facilitate the bargaining process through establishing, by legislation, a number of agencies to assist in the resolution of disputes, including the Labour Relations Commission/Rights Commissioner Service and the Labour Court. There are also statutory provisions designed to back up the voluntarist system in areas where collective bargaining does not operate effectively. The most important provisions are those concerning Joint Labour Com-

mittees and Registered Employment Agreements. In addition, the 2004 Enhanced Code of Practice on Voluntary Dispute Resolution and the Industrial Relations (Amendment) Act 2001, as amended by the Industrial Relations (Miscellaneous Provisions) Act 2004, provide mechanisms for the resolution of disputes in situations where collective bargaining does not occur and where the internal dispute resolution procedures that are normally used fail to resolve the dispute. The issue of employee representation was considered with the social partners in the context of the 2008 review of Towards 2016 and is likely to be reviewed further during the current social partnership discussions.

Export Credit Insurance.

67. **Deputy David Stanton** asked the Tánaiste and Minister for Enterprise, Trade and Employment further to an adjournment debate of 24 February 2009 regarding the provision of export credit insurance to Irish exporting businesses, the progress which has been made; and if she will make a statement on the matter. [13409/09]

69. **Deputy Seán Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment if there are plans to introduce an export credit insurance scheme in view of the new and enhanced state-backed insurance schemes that have been announced in other parts of Europe including France, Britain, Belgium and Portugal; and if she will make a statement on the matter. [11999/09]

75. **Deputy Michael Creed** asked the Tánaiste and Minister for Enterprise, Trade and Employment if, in view of the decline in food and drink exports in 2008, she is concerned about a tightening in the availability of export credit insurance for the food industry; and if she will make a statement on the matter. [11902/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I propose to take Questions Nos. 67, 69 and 75 together.

It is recognised that there has been some withdrawal and reduction of export credit insurance cover for business, including companies in the food sector, by the commercial insurance companies, in recent months. In relation to the possible introduction of a State Export Credit Insurance scheme as a response to this situation, I recently requested that a review of the export credit insurance market be carried out by Forfas and Enterprise Ireland. This report has just been finalised and I will be bringing its findings to Government shortly for discussion.

Having regard to the continued concerns of the business community in relation to the issue of credit generally, an independent study on credit availability has been commissioned by the Department of Finance, as part of the bank recapitalisation programme. I understand that this study, which will also address the issue of credit insurance and trade finance generally, is due to be completed shortly.

In light of the findings of the two studies mentioned above, the Government will be considering the facts and possible policy responses to these particular issues within the next few weeks. It should be appreciated that any intervention by the State in the area of trade finance must have regard to its effectiveness and tangible benefits for exporters and businesses generally, in light of potential significant additional costs and financial exposure to the exchequer.

I would also like to point out that, contrary to reports, while some Member States operate medium to long-term schemes which generally cover large-scale capital or infrastructural projects, none have introduced state-backed, short-term, export credit insurance, similar to what

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is being requested for Irish exporters. The recently developed French scheme covers the domestic French market only and does not cover exports at all. A possible UK scheme is still under consideration. Only Denmark has advanced proposals that will cover exports and these proposals have been submitted to the EU Commission for approval.

County Enterprise Boards.

68. **Deputy Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment the administrative costs in comparison to the employment and capital grant budget of each county enterprise board in each county in the years 1996, 1998, 2000, 2002, 2004, 2006 and 2008; and if she will make a statement on the matter. [13399/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness): Data on the administrative costs and the grants expended by the thirty-five County and City Enterprise Boards is attached for the years 2000, 2002, 2004, 2006 and 200. I regret that it has not been possible in the time available to source and compile the information for the years 1996 and 1998 as also requested by the Deputy but I can assure Deputy Ó Snodaigh that the data in relation to 1996 and 1998 is in the process of being compiled and will be forwarded directly to him as soon as possible.

The costs associated with the operations of the Enterprise Boards are incurred in the delivery, by those Boards, of a wide range of supports to the micro-enterprise sector across the Country. The administrative costs cover pay and non-pay costs such as rent, lighting, heating etc. In relation to the administrative costs it should be noted that CEB staff spend a considerable amount of time providing prospective clients with general business advice and information on an informal basis. Accordingly, the Administrative Costs incurred include a “support” type activity which is separate to the other non-financial supports also available from the Boards such as Start Your Own Business courses, eCommerce training, Mentoring Programmes, Women in Business Networks etc.

Grants Paid County Enterprise Boards

CEB	1996	1998	2000	2002	2004	2006	2008	Total
Carlow			368,224	176,260	326,448	211,035	182,246	1,264,213
Cavan			469,803	268,810	198,428	278,541	311,913	1,527,495
Clare			323,783	345,755	246,832	376,530	236,770	1,529,670
Cork City			405,046	428,157	257,512	180,738	364,710	1,636,163
Cork North*			228,553	29,829	135,000	0	0	393,382
Cork South			412,665	207,465	210,941	355,109	430,001	1,616,181
Cork West			342,829	237,808	257,877	258,297	266,592	1,363,403
Donegal			909,132	554,859	484,762	475,308	692,524	3,116,585
Dublin City			920,560	787,819	504,814	770,095	721,180	3,704,468
DunLaoghaire/Rathdown			419,014	413,955	458,629	453,694	542,187	2,287,479
Fingal			469,803	536,527	493,405	376,169	326,313	2,202,217
Galway County & City			507,895	451,228	477,636	444,321	432,703	2,313,783
Kerry			571,382	512,583	307,694	349,230	504,247	2,245,136
Kildare			283,152	370,480	341,457	158,336	352,385	1,505,810
Kilkenny			317,435	267,328	298,073	380,142	342,281	1,605,259
Laois			406,274	362,579	201,874	219,264	353,667	1,543,658
Leitrim			374,573	309,800	183,304	184,599	193,731	1,246,007
Limerick City			239,679	288,675	171,622	189,964	215,075	1,105,015

CEB	1996	1998	2000	2002	2004	2006	2008	Total
Limerick Co.			482,500	365,823	263,397	349,758	314,702	1,776,180
Longford			323,783	216,706	300,909	257,345	233,183	1,331,926
Louth			190,461	275,360	299,767	305,411	236,617	1,307,616
Mayo			444,408	384,968	294,223	438,939	554,920	2,117,458
Meath			236,806	403,364	160,318	204,813	286,336	1,291,637
Monaghan			552,336	152,297	105,038	219,325	135,953	1,164,949
Offaly			368,224	382,208	208,909	253,104	329,707	1,542,152
Roscommon			374,573	360,585	301,334	403,420	219,215	1,659,127
Sligo			399,967	359,150	265,172	280,811	348,565	1,653,665
South Dublin			462,181	429,859	411,804	482,250	317,500	2,103,594
Tipperary NR			241,250	274,157	260,171	238,850	308,873	1,323,301
Tipperary SR			545,987	387,617	194,437	329,393	240,752	1,698,186
Waterford City			526,941	485,065	296,373	163,418	279,600	1,751,397
Waterford Co			419,014	144,408	321,827	226,164	281,327	1,392,740
Westmeath			399,967	358,806	379,826	314,240	345,553	1,798,392
Wexford			501,547	456,826	380,727	223,761	392,570	1,955,431
Wicklow			337,508	506,558	548,825	269,143	354,166	2,016,200
Total			1,477,255	12,493,674	10,549,365	10,621,517	11,648,062	60,089,873

*Cork North CEB's move from Measure 1 Grant-aid to an Interest Paid Small Business Loan Scheme was introduced in 2000 on a pilot basis. In conjunction with the Credit Unions in the area, Cork North CEB operated an Interest Paid Small Business Loan Scheme under which the CEB client was provided with a Credit Union loan in respect of eligible capital costs but the CEB, by way of contribution/assistance towards the client project, covered the interest charges arising. The CEB implemented this form of assistance as a move away from direct financial assistance to softer forms of support such as mentoring and training. It is understood that the Board has recently re-evaluated local needs and requirements and in 2009 a Measure 1 Budget Allocation is to be utilised by the CEB in grant-aid.

Question No. 69 answered with Question No. 67.

Departmental Expenditure.

70. **Deputy Kathleen Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment the way it is intended to achieve the general administrative reductions in regard to her Department in respect of the Government announcement on 3 February 2009; the amount expected to be saved in her Department's budget as a result of this process; and if she will make a statement on the matter. [13352/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): On 3 February 2009, the Government announced a range of savings measures that will be implemented this year in order to restore stability to the public finances. These savings measures include general administrative efficiencies which are expected to save €140 million across all public bodies on a full-year basis.

As the Taoiseach indicated to the Dáil on 3 February, the savings will include economies arising from the non-payment of pay increases from 1 September 2009, and additional savings in advertising, public relations and consultancies. Further areas where savings can potentially be achieved are also being explored by my Department. The general administrative efficiencies will form part of Government's considerations on the Supplementary Budget to be announced on 7 April. It would not be appropriate for me to provide details of projected savings in my Department's Vote as a result of general administrative efficiencies in advance of the Supplementary Budget.

Small and Medium Enterprises.

71. **Deputy Denis Naughten** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she is taking to support small businesses; and if she will make a statement on the matter. [13185/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness): My Department's continuous support for enterprises arises through maintaining a positive business environment and through particular interventions from the State development agencies such as Enterprise Ireland, FÁS and the County and City Enterprise Boards. The significant allocations in my Department's Estimates for 2009, will ensure that we continue to build on this strategy for the future.

Enterprise Ireland (EI) is the agency with responsibility for supporting the development of Irish companies with ambitions to grow in world markets. Many of its client companies are small to medium in size. Enterprise Ireland recognises the varied challenges facing such companies in the context of the changing economic environment and partners with companies with a wide range of supports to address their needs in a holistic manner.

In addition to EI, the 35 County and City Enterprise Boards provide support to micro-enterprises with 10 employees or less. The role of the CEBs is to provide support for micro-enterprises in the start-up and expansion phases, to promote and develop indigenous micro-enterprise potential and to stimulate economic activity and entrepreneurship at local level. The CEBs can support individuals, firms and community groups provided that the proposed projects have the capacity to achieve commercial viability. The CEBs deliver a series of Programmes to underpin this role and they can provide both financial and non-financial assistance to a project promoter.

FÁS through their One Step Up programme is encouraging employees to increase their competency levels and promoting an ethos of lifelong learning in the workplace. Its key intervention in this regard is the Competency Development Programme. It offers workers different types of training programmes directed at various skill levels across major economic sectors. These training programmes are available to employees of SMEs. FÁS also have a number of other training programmes aimed at upskilling SME's namely, Skillnets and FÁS Strategic Alliance programme. The Government has also made very considerable progress on the implementation of the Small Business Forum Report's recommendations. This progress is reflected through a substantial package of financial measures and schemes introduced to assist the sector over recent years, including fiscal measures in the 2007, 2008 and 2009 Finance Acts.

My Department is also committed to reducing the administrative burden on Irish business by 25%, or €500 million per annum, by the end of 2012. The new Companies Consolidation Bill, will radically overhaul company law in Ireland and consolidate the existing thirteen Companies Acts into one, will result in a further reduction in red tape and costs for business and will improve Ireland's competitive position as a location for business investment.

In dealing with the difficulties within the banking sector, the Government focus has been on securing a stable and active banking system to serve the needs of the wider economy. The Bank Guarantee Scheme, the nationalization of Anglo Irish Bank and the Recapitalisation Scheme are all intended to ensure that the financial institutions can actively contribute to our economic activity and particularly support our enterprise sector. A key principle of the Recapitalisation Package is the recognition of the importance of business lending particularly in relation to SMEs. SMEs 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 that will directly assist our enterprise sector, including the following:

- The recapitalised banks have committed to increasing their lending capacity to SMEs by 10% over 2008. This should ensure that sound businesses will receive support from their banks.
- A €100m environmental and clean energy innovation fund is also being established by each bank as well as a further €15m each to new or existing seed capital funds. Much of this funding will flow to small and medium enterprises.
- SMEs are also covered by the Code of Conduct on Business Lending to SMEs which was also part of the Recapitalisation Scheme. This Code was published by the Financial Regulator on Friday 13 February 2009 and came into effect from 13 March 2009.
- The recapitalised banks have also agreed to pay for and co-operate with the carrying out of an Independent Review of Bank Lending to SMEs, to be completed in the next few weeks. The purpose of the review is to ascertain the position on credit availability to SMEs here and to recommend appropriate action to improve credit availability taking account of the Credit Institutions (Financial Support) Scheme 2008.

Allied Irish Bank, Bank of Ireland and Ulster Bank will also provide funding for SMEs on foot of a €300m facility provided by the European Investment Bank and announced last week. This funding should be available over the coming weeks. The banks have undertaken public campaigns to actively promote their lending to SMEs. Recent Press and TV advertisements together with information sessions with businesses are evidence of the banks' commitments in this regard. As part of the Recapitalisation Package, my Department remains in regular contact with the Department of Finance and will ensure that issues such as the availability of credit to SMEs are kept under constant review.

The Government is also taking a number of other new initiatives to support business, particularly SMEs. On 5 March 2009 the Taoiseach announced the establishment of an Enterprise Stabilisation Fund to support viable but vulnerable exporting companies. The Taoiseach also announced the Government was introducing, on an administrative basis, a commitment to reduce the payment period by central Government Departments from 30 to 15 days; and that an assessment would be completed by end-April of the impact of extending this arrangement to the local authority, health and education sectors

My colleague John Gormley, T.D., the Minister for Environment, Heritage and Local Government is also overseeing each County Council in their moves to establish "Business Support Units" to act as a point of contact to ensure quick, co-ordinated responses to businesses when dealing with local authorities.

SMEs are central to our economic development and the comprehensive range of measures and supports in place will continue to help the sector adapt to the current economic climate. The services provided by the development agencies are kept under review and will be adjusted to respond to the current economic situation. The general administrative efficiencies will form part of Government's considerations on the Supplementary Budget to be announced on 7 April. It would not be appropriate for me to provide details of projected savings in my Department's Vote as a result of general administrative efficiencies in advance of the Supplementary Budget.

Job Losses.

72. **Deputy Michael D. Higgins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of redundancies notified to her Department in respect of each year

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from 2002 to date in 2009; the number of projected redundancies for 2009; and if she will make a statement on the matter. [13348/09]

77. **Deputy Michael D. Higgins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the amount of money paid out in statutory redundancy payment in respect of each year from 2002 to 2008 and the projected figure for 2009; and if she will make a statement on the matter. [13349/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): I propose to take Questions Nos. 72 and 77 together.

Table 1 sets out the number of statutory redundancies for years 2002 to 2008 and details for 2009 which are provisional figures (up to 30 March 2009). These figures show the number of employees who actually qualified for statutory redundancy lump sum payments. They do not reflect those who lost their jobs with less than two years service in employment. While I am unable to provide a projection of the number of projected redundancies in 2009, it may be helpful to the Deputy to note that in the first three months of this year, the level of new claims received averaged in excess of 1,600 a week and currently stand at 19,742 as at 30 March 2009.

Table 2 sets out the amount of monies paid out of the Social Insurance Fund in respect of redundancy claims for the years 2002-2008 and up to end February, 2009. It should be noted that the figures provided for 2008 and to date in 2009 are provisional figures. It is not possible to project the figure for 2009 given that this will hinge on a number of variables including the number of claims received, the length of service of the claimants etc.

Table 1: Actual Statutory Redundancies for years 2002 to 2008 and (provisional figures up to 30 March 2009)

2002	2003	2004	2005	2006	2007	2008	2009*
24,432	25,769	25,041	23,156	23,684	25,459	40,607	19,742

*Provisional.

Table 2: Expenditure on Statutory Redundancies for years 2002 to 2008 and (provisional figure up to end of February 2009)

(€000)

2002	2003	2004	2005	2006	2007	2008*	2009*
53,978	88,933	152,162	149,172	166,483	183,328	183,206	29,178

*Provisional.

Business Regulation.

73. **Deputy Seán Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she plans to introduce a code of practice to prevent retailers from changing contract terms retrospectively; and if she will make a statement on the matter. [11998/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The negotiation of commercial contracts is essentially a matter for the contracting parties themselves and I have no direct function in relation to such contracts. Nevertheless, the Competition Acts prohibit retailers from engaging in certain practices in their dealings with suppliers. Should the Deputy have any evidence of retailers engaging in prohibited practices, I would urge him

to bring such evidence to the attention of the Competition Authority in order that it may be investigated fully.

Job Losses.

74. **Deputy Jan O'Sullivan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the announcement of the loss of a further 230 jobs at a company (details supplied); the discussions she has had with the company regarding these job losses; and if she will make a statement on the matter. [13342/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I very much regret the most recent decision by Dell to seek a further reduction in staffing levels, which will impact on employees working at the Limerick and Dublin operations. I understand that the background to this decision was the announcement by Dell Corporate that they now wish to make annual savings of \$4bn versus the originally forecast savings of \$3bn by 2011. Dell Corporate plan to achieve the additional savings required through a reduction in employment levels around the globe of approximately 10%. I am keenly aware of the impact on Dell's employees and their families and I know that FÁS are working in conjunction with other agencies to take the appropriate actions to support them in finding new employment, including assistance to re-skill and re-train to enhance their future employment potential.

Question No. 75 answered with Question No. 67.

Question No. 76 answered with Question No. 44.

Question No. 77 answered with Question No. 72.

Industrial Development.

78. **Deputy Martin Ferris** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of firms expected to be research and development active by the end of 2009; and if she will make a statement on the matter. [13400/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Jimmy Devins): The Government's Strategy for Science Technology and Innovation 2006-2013 set out ambitious targets to bring about transformational change in business attitudes to Research and Development and creating an innovation culture in our indigenous industry. Funding from my Department's Vote is channelled through Enterprise Ireland and Industrial Development Authority initiatives to focus on increasing in-company Research and Development investment, on driving industry-led research and on maximising the commercial potential of publicly-funded research.

The 2007/08 Survey on Business Sector Expenditure on Research and Development (BERD) was recently published jointly by Forfas and the Central Statistics Office and it provides the most recent information on the levels of Research and Development activity in Ireland. This survey indicates that in 2007 the number of firms active in Research and Development was 1,211 and that total business expenditure on research and development was €1,598 million. Of this number 164 companies were investing in excess of €2 million annually.

While it is difficult to estimate, with certainty, the levels of activity for the year ahead, there are already good indications that companies will continue to invest in Research and Development in 2009. For instance, currently applications for Enterprise Ireland supports for R&D are

[Deputy Jimmy Devins.]

running at higher levels in 2009 than in the same period in 2008. In the case of the IDA the R&D pipeline remains strong and is an active area of growth. It is worth noting that Services Innovation is a growing component of the Research and Development investments by IDA client companies, an example of which is the recent announcements by eBay and Hewlett Packard. Although it would be unsafe to draw strong inferences from this short-term data in the current environment, it is reassuring, and I am hopeful that the number of companies actively engaging in Research and Development will remain at least at its current levels.

It is vital that Ireland would continue to support investments in R&D and innovation. Given the substantially difficult circumstances facing companies in the current economic climate, focus must remain on encouraging, supporting and maintaining Research and Development activity in the year ahead.

Question No. 79 answered with Question No. 49.

Job Creation.

80. **Deputy Joan Burton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the resources allocated for employment creation schemes in 2009; and if she will make a statement on the matter. [12318/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The Industrial Development agencies under the aegis of my Department and the County and City Enterprise Boards (CEBs) are responsible for industrial development. In this regard, IDA Ireland is the agency charged with the attraction of foreign direct investment to this country. The agency provides a range of financial incentives to support capital, employment, training innovation and research and development activity as well as advice, facilitation and property services to prospective and existing clients, of both IDA and Enterprise Ireland. The purpose is to attract and grow investments in high-value manufacturing and traded services investments. The agency funds an international marketing campaign to promote Ireland as a location of choice and it also has a mandate to achieve balanced regional development. The 2009 budget allocation for the agency is €137.049million.

Shannon Development is the regional economic Development agency for the mid-West region. It has responsibility for foreign direct investment in the Shannon Free Zone, Co Clare, and, in this context, provides the same range of incentives and other supports as is provided by IDA Ireland in the rest of the Country. Shannon Development also provides tailored property solutions for both indigenous and overseas industry in the region generally. The agency expects to incur expenditure of €23.5 million in 2009, most of which will be sourced from its own resource income.

Enterprise Ireland is the lead Government agency responsible for the development of Irish enterprise. Its mission is to accelerate the development of world-class Irish companies to achieve strong positions in world markets. Enterprise Ireland delivers a wide range of supports to Irish companies, targeted at the specific requirements of clients throughout all regions to ensure that they develop to their full potential in terms of employment, innovation and exports, which in turn, stimulates job creation. The budgetary allocation to Enterprise Ireland for 2009 is €291m.

The CEBs assist micro-enterprises throughout the country by both direct grant aid to businesses and project promoters and also through the provision of a range of other important

business supports such as mentoring, business training and business advice designed to help stimulate indigenous enterprise creation and to boost employment creation. The budget allocation for the 35 CEBs is €20m for this year.

In addition, my Department and the Training and Employment agency FÁS are working together to respond quickly and effectively to the rising numbers of unemployed people. Measures have been put in place to provide increased capacity for the rise in referrals from the Department of Social and Family Affairs and the increased number of unemployed seeking job search assistance. The implementation of these measures has increased the monthly capacity of job search services from 6,500 to 12,250 persons per month.

To assist individuals through the provision of education and training opportunities, I announced 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 centred learning environment.

The Government remains intent on achieving greater capacity within existing resources to meet the ongoing challenges in the labour market. In this context, we will continue to examine further ways to make FÁS training and education services available to a greater number of unemployed persons to ensure timely and comprehensive access for all who require assistance.

Furthermore, there is the Community Employment (CE) Programme which is an active labour market intervention 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. The purpose of CE is to help unemployed people to re-enter the open labour market 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. I am confident that all these interventions will enhance employment creation at this difficult time.

81. Deputy Thomas P. Broughan asked the Tánaiste and Minister for Enterprise, Trade and Employment if her Department has given consideration to the introduction of social economy or job initiative schemes to help deal with the unemployment situation; and if she will make a statement on the matter. [13344/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): On 1 January 2006 responsibility for the Social Economy Programme transferred to the Department of Community, Rural & Gaeltacht Affairs and it has been re-named as the Community Services Programme. FÁS as an agency of my Department operates Job Initiative (JI). The Job Initiative Programme (JI) was launched in July 1996 and provides full time employment for people who are 35 years of age or over, unemployed for 5 years or more, and in receipt of Social Welfare payments over that period. The main purpose of the programme is to assist long-term unemployed people to prepare for work opportunities by providing participants with work experience, training and development opportunities. The programme is sponsored by voluntary organisations and public bodies involved in not-for-profit activities.

[Deputy Billy Kelleher.]

Following changes introduced on 10 November 2004 by Minister Micheál Martin there have been no compulsory lay-offs on the Job Initiative Schemes. Contracts for existing participants are renewed and CE participants to support the service being provided replace those who leave voluntarily. This Government will continue to support the positive role of FÁS Employment Schemes in meeting the needs of long-term unemployed persons while at the same time providing essential services to communities. I am keeping the operation of the Scheme under constant review in the context of the current difficult unemployment situation.

Health and Safety Regulations.

82. **Deputy Joanna Tuffy** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of workplace accidents and workplace deaths recorded in each year from 2002 to date in 2009; the proposals she has to ensure a reduction in the number of such accidents and deaths; and if she will make a statement on the matter. [13361/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The Health and Safety Authority is responsible for the administration and enforcement of the Safety, Health and Welfare at Work Act 2005 and associated statutory provisions. There have been 8 workplace deaths reported to the Authority to date in 2009 (as at 30.03.09). The numbers of workplace deaths reported to the Authority for the years 2002-2008 are as follows – 57 in 2008; 67 in 2007; 51 in 2006; 74 in 2005; 50 in 2004; 68 in 2003 and 61 in 2002.

Non-fatal accidents, resulting in absence of more than three days from normal work following the accident, are required to be reported to the Authority. There have been 1,886 non-fatal work related accidents reported to the Authority to date in 2009 (as at 30.03.09). There were 6,998 in 2008, 7,816 in 2007, 7,844 in 2006, 8,104 in 2005, 8,453 in 2004, 6,622 in 2003, and 7,746 in 2002. While it is not possible to be satisfied that all accidents at workplaces are reported, I am not aware that the Authority has come across evidence that suggests under reporting of workplace accidents resulting in fatalities.

The Health and Safety Authority's 2009 Programme of Work, which I launched last month sets out a comprehensive range of activities to make workplaces safer and it contains a good balance between prevention, advice and enforcement. The Authority in 2009 intends to continue to focus on the high-risk sectors of agriculture and construction, which have seen the highest proportions of fatalities in the last four years. Of the 57 workplace fatalities reported to the Authority last year, the highest number (21) was in the agriculture sector, the second highest was in construction (15).

Day to day responsibility for workplace safety rests with those in the workplace — employers and employees and safe workplaces can ultimately only be delivered by those who control and work in them. The Health and Safety Authority is proactive in encouraging safety in all workplaces and when carrying out its inspection function, the Authority devotes a lot of its time advising as to safety at work and safe systems of work. In general, this advice is well received and it is only where there is a failure to comply with advice or a real and immediate threat to health and safety does the Authority commence enforcement procedures.

The Authority publishes guidelines, codes of practice and other advice on safety on a regular basis as well as organising sectoral seminars or conferences to promote the occupational safety and health message, as part of its advocacy role. These activities, together with the information on the Authority's website, are of critical importance to all those in the workplace if Ireland's safety record is to be improved.

Job Losses.

83. **Deputy Eamon Gilmore** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to warnings (details supplied) that some 55,000 construction jobs could be lost by the end of 2010; her views on the accuracy of the forecast; the steps she will take to prevent such job losses; and if she will make a statement on the matter. [13347/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The current global economic situation continues to change rapidly adding a considerable degree of uncertainty to the accuracy of forecasts, nationally and internationally. There has, however, been a significant downturn in construction related activity since the beginning of 2008. The Quarterly National Household Survey or QNHS, which is published by the Central Statistics Office (CSO) and measures overall employment and unemployment, indicates that employment in the construction industry has decreased by 45,500 over the 12 month period to the fourth quarter of 2008, to a current total of 233,100. Other recent provisional data released by the CSO also indicates that the volume of output in the building and construction sector decreased by 26.7% in the fourth quarter of 2008 compared with the fourth quarter of 2007 and the numbers employed in private firms in the construction industry decreased by 21.9% in December 2008 from December 2007.

A lower level of residential investment was a key factor depressing activity in 2008 with completions of new homes amounting to approximately 50,000, around one-third lower than in the previous year. The Department of Finance is projecting a further decline of around 60% in new house completions to a level of 20,000 units this year. Other parts of construction — especially commercial — look set to decline also. During 2009, the ESRI expect industrial (including building) output to fall by 5.8 per cent. Within this figure, it is forecast that building output will decline by 25 per cent, as the house-building decline is compounded by a fall in commercial building. The Government has put in place a number of initiatives to deal with the slowdown and subsequent job losses in the construction sector.

The National Insulation Programme for Economic Recovery was launched by my colleagues the Minister for Communications, Energy and Natural Resources and the Minister for the Environment, Heritage and Local Government on 8 February 2009. The scheme will invest €100 million this year in unlocking the huge potential of energy efficiency in our economy. The three-strand insulation programme will cut heating bills for householders, reduce carbon emissions and create thousands of jobs both directly and indirectly over the course of 2009.

My Department continues to work closely with FÁS, the National Training and Employment Authority, in responding to the current slowdown in the economy as a whole, including the construction sector. I have already announced the creation of an additional 51,000 new training places under the FÁS Training Initiatives Strategy. Some of these courses have been specifically developed to meet the emerging need for qualified workers in Sustainable Energy Technologies. These courses include Solar Panel Installation, Geo-thermal heating and Biomass heating and Building Energy Rating. There are also some courses in development, which relate to this sector such as Micro Electricity Generation, Intelligent Building Systems Control, Thermal Insulation and Passive Housing and Air Permeability Testing of Buildings.

FÁS will continue to work in close collaboration with the Construction Industry Federation and other key stakeholders to encourage redundant construction workers to seek re-training in skills, which are in short supply in the economy. Current initiatives include the establishment of a training fund to enable timely identification of training and re-training needs for low

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skilled and redundant craft workers and the continued provision of retraining opportunities for redundant construction workers.

Departmental Correspondence.

84. **Deputy Leo Varadkar** asked the Taoiseach the occasions when the Government Press Secretary made written or verbal complaints since May 2008 to date in 2009 to RTE or another national media outlet regarding the treatment of An Taoiseach; the details of such complaints; and if he will make a statement on the matter. [13578/09]

The Taoiseach: The Government Press Secretary made two verbal complaints to RTE since the 6th of May last. The first of these was made on Friday 20th June last year, when the Government Press Secretary sought clarification of a statement attributed to the Taoiseach which was broadcast on the RTE Radio 1 Drivetime Show that same day. The second complaint followed the broadcasting on the Nine O'clock News on Monday 23rd March, of a report relating to the unauthorised hanging of paintings in two Dublin Galleries. The Government Press Secretary contacted RTE and complained about the manner in which the report was presented.

The Press Secretary made it clear he was not complaining about the factual elements of the story. His complaint related purely to how the end of the report was presented as he deemed it gratuitously offensive in its treatment of the issue. It should be noted that in the course of his duties the Government Press Secretary is required to be in regular contact with RTE and indeed many other media outlets. These contacts which are two way communications relate to a huge variety of issues. From time to time these communications include the airing of day-to-day complaints from both sides.

Company Closures.

85. **Deputy Joanna Tuffy** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the fact that a large number of apprentices at a company (details supplied) were due to commence training in Bolton Street, Dublin in September 2009, as part of their off the job training; if, in view of the situation at the company, she will ensure plans are put in place to bring forward the commencement date for this training; and if she will make a statement on the matter. [13569/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The company in question currently employs a number of apprentice aircraft mechanics. In the event that it is not in a position to fulfil its obligations under the relevant apprenticeship contracts involved and that the apprentices are formally notified of redundancy, FÁS, the Dublin Institute of Technology and the Higher Education Authority will cooperatively explore options to deal with the plight of those apprentices.

Redundancy Payments.

86. **Deputy Tom Hayes** asked the Tánaiste and Minister for Enterprise, Trade and Employment the waiting period for rebate of 60% of statutory redundancy for employers at present; and if she will make a statement on the matter. [13570/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): The huge increase in the number of Redundancy Payment claims lodged with the

Redundancy Payments Section of my Department in the latter part of 2008 and, to date in 2009 is unprecedented and is giving rise to delays in the processing of redundancy payments for individuals and companies within a reasonable timeframe. The scale of the challenge is evident from the statistics which indicate that, at the end of the first quarter of 2009, the number of new claims lodged with my Department was 19,742 which equates to almost 50% of the entire level of applications lodged for the whole of 2008 i.e. 40, 607. It is also equivalent to 78% of applications lodged for the whole of 2007. The number of claims received is averaging 1,600 per week.

Because of the huge surge in claims received in Redundancy Payments in 2008, customer service targets have slipped as existing staff levels are insufficient to cope with such a massive increase in claim numbers. Actual timeframes being achieved are, in order of priority:

- 6-8+ weeks for statutory lump sum payments to employees whose employers had failed to pay the statutory entitlement;
- 12+ weeks for correctly submitted online claims, hard copy printed down correctly signed and sent in by employer;
- 16+ weeks for manual claims sent in by employers.

We are acutely aware of the difficulties which the inability to deliver an acceptable turnaround of redundancy rebate payments is giving rise to for both individual employees and the business community and together, we are taking all possible steps to address the issues.

Business Regulation.

87. **Deputy Brian Hayes** asked the Tánaiste and Minister for Enterprise, Trade and Employment the mechanisms available for contractors in the private sector to deal with late payment issues; and if she will make a statement on the matter. [13598/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy John McGuinness): The issue of late payments in respect of contractors is addressed by the European Communities (Late Payment in Commercial Transactions) Regulations 2002 (S.I. No. 388 of 2002). Regulation (2) of the Regulations defines a “purchaser” as follows:

“(a) an undertaking which contracts with a supplier for the supply of goods or services to or on the directions of the undertaking, or

(b) an undertaking (“the main contractor”)—

which obtains goods or services from another undertaking to supply to, or (ii) contracts with another undertaking for that undertaking to provide goods or services on behalf of the main contractor to an undertaking;”

Payment terms in commercial transactions are determined by the parties concerned and the responsibility for the collection of those payments and general credit control rests with the selling enterprise. In accordance with the 2002 Regulations, it is an implied term of every commercial transaction that where a purchaser does not pay for goods or services by the relevant payment date, the supplier shall be entitled to interest (“late payment interest”) on the amount outstanding. Interest shall apply until such time, as payment is made by the purchaser.

[Deputy John McGuinness.]

The current interest rate applicable is 9.5% per annum or 0.026% per day. This rate is set as at 1st January and 1st July each year at a rate of 7 percentage points above the European Central Bank interest rate on its most recent main refinancing operation. In the absence of any agreed payment date between the parties, late payment interest falls due after 30 days has elapsed. The 2002 Regulations also provide for compensation for debt recovery costs.

In addition, under the Regulations, the use of terms that are grossly unfair may be unenforceable and such terms may be challenged in Court on the basis of criteria specified in the Regulations. Organisations representing small and medium-sized enterprises may challenge any terms that they feel breach the above Regulations. It is open to any such organization to pursue this operation. However, I understand that this provision of the Regulations has not been availed of, to date. The enforcement of contractual rights, including any rights and obligations provided for by the Regulations, is a matter for individual suppliers (other than to the extent that representative organisations can take actions in certain circumstances, as outlined above). The Regulations do not provide for any enforcement role for my Department in respect of these matters.

Job Losses.

88. **Deputy Thomas P. Broughan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will report on the redundancy and pension terms and provisions for the 300 employees of a company (details supplied), some of whom have been with the company for more than 22 years; and if she will make a statement on the matter. [13697/09]

Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher): In general, a redundancy situation arises where an employee's job ceases to exist, and the employee is not replaced for such reasons as rationalisation/reorganisation, insufficient work available, the financial state of the firm, company closures etc. To qualify for payment under the scheme, an employee must be aged 16 or over with 104 weeks' continuous service with an employer. Full-time employees must have been engaged in employment that is fully insurable for all benefits under the Social Welfare Acts and must have been insured in that employment.

Under existing Redundancy legislation, an eligible employee is entitled to two weeks statutory redundancy payment for every year of service, plus a bonus week. For this purpose, a week's payment is calculated subject to a maximum weekly ceiling of €600. It is up to the employer concerned in the first instance to determine whether or not a redundancy situation obtains. Any disputes in this regard can be referred to the Employment Appeals Tribunal (EAT) for adjudication between the parties.

Matters relating to pension funds overall come within the remit of the Minister for Social and Family Affairs. In an insolvency situation, the Insolvency Payments Scheme established under the Protection of Employees (Employers' Insolvency) Act 1984 and administered by the Department of Enterprise, Trade and Employment, provides for payment of certain entitlements owed to employees by their employer at the time of liquidation. These entitlements include outstanding pension contributions which the Insolvency Payments Scheme can reimburse in accordance with the provisions of Section 7 of the Protection of Employees (Employers' Insolvency) Act 1984. This Section provides for payment into an occupational pension scheme of outstanding employer and employee contributions which were due to be paid in the 12 months prior to insolvency.

Industrial Development.

89. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she perceives as necessary to ensure, preserve and promote County Kildare as an attractive investment location resulting in enhanced job opportunities in the future having particular regard to the availability of a young energetic and highly skilled workforce and the high quality of primary, post-primary and third level education geographically located with ready access to supportive infrastructure; and if she will make a statement on the matter. [13742/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): Two Industrial Development agencies under the aegis of my Department – IDA Ireland and Enterprise Ireland – together with the local County Enterprise Board (CEB) are responsible for industrial development in Co. Kildare. Over the past five years, IDA Ireland's strategy has been to promote the area as part of an integrated East Region with access to a population base of 1.5 million people. The East Region offers foreign direct investors a global gateway and benefits from almost half of all employment in IDA supported companies. The agency is working closely with educational institutions in the County, in developing the skill sets necessary to attract high value added employment to the County. The agency is also working with the Training and Employment agency, FÁS to provide guidance in developing the skills needed by those already in the workforce who are interested in upskilling.

The County clearly remains very attractive for Foreign Direct Investment (FDI) as evidenced by the announcement by Hewlett Packard on 10 March 2009 of the expansion of its Global Service Desk operation in Leixlip, which will result in the creation of 500 jobs over the next 12 months. Since the beginning of 2005, Enterprise Ireland has approved over €15m in support to companies in Kildare to help them grow their sales and exports and improve innovation and new product development in order that they can compete on world markets. The consumer foods sector in particular has shown rapid growth in recent years. The last two years have seen significant investment by Green Isle Foods and Dawn Farm Foods Ltd, both supported by Enterprise Ireland, leading to significant employment increases in both of these facilities.

Enterprise Ireland also supports the Third Level colleges in and adjoining Kildare to foster links with industry thereby encouraging industry to increase its use of technology. Under its Innovation Partnership and Research Funding Programme, Enterprise Ireland has approved grant support of €4.32m since 2005 to projects focussed at growing new high added value businesses. Under the Campus Innovation Programme, €2.5m has been provided towards the cost of an Incubation Centre on the Maynooth Campus. The development of community based enterprise centres is a crucial part of the drive to create new regional enterprise and Enterprise Ireland has supported the development of three Centres in Co. Kildare at Clane, Allenwood and Athy.

Kildare County Enterprise Board assists many micro-enterprises in the County in developing their growth potential. The CEB is ensuring that available funds are targeted to maximize entrepreneurial development throughout 2009. In addition to providing grant-aid to projects, the Board also provides a range of other supports to businesses in the County, including business-related training courses for owner-managers and their staff, one-to-one mentoring provided by business specialists, in company training and start your own business courses. In 2008, 791 people availed of such training programmes run by Kildare County Enterprise Board. I am satisfied that the efforts of the agencies and the CEB will continue to bring investment opportunities and jobs to the County.

Job Losses.

90. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of jobs lost in County Kildare in each of the past three years to date; the number of job replacements in the same period; and if she will make a statement on the matter. [13743/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): Employment/unemployment is measured by the Quarterly National Household Survey (June–August 2008), published by the CSO. It does not provide data on particular counties but only on Regions. Employment in the Mid East Region, which includes Kildare, has dropped by 4,700 and unemployment has increased by 8,700 in the period Quarter 4 2006 to Quarter 4 2008 (September–November).

The Forfás Annual Employment Survey reports on job gains in companies that are supported by Enterprise Ireland and the Industrial Development Agencies (IDA). Data is compiled on an annualised basis and is aggregated at county level. The attached tables set out the number of full time job gains in Enterprise Ireland and IDA Ireland assisted firms in Co. Kildare for each of the years 2006, 2007 and 2008.

Over the past 3 years, IDA Ireland's strategy for Kildare has been to promote the county as part of an integrated East Region. The East Region offers foreign direct investors a global gateway and benefits from almost half of all employment in IDA supported companies. At present there are 24 IDA Ireland supported companies in Kildare employing approximately 9,837 people. A recent example of the success of IDA's strategy in the area was the announcement by Hewlett Packard on 10th March 2009, of the expansion of its Global Service Desk operation at its Liffey Park Technology Campus in Leixlip. This will result in the creation of 500 jobs over the next 12 months in the areas of technical support, R&D and training.

In relation to the numbers of jobs lost, there is no exact measure, however, the Department records the number of redundancies notified to them on a monthly basis. The table below sets out the number of redundancy notifications received for County Kildare for the years 2006 to date.

QNHS Q4-Mid East	2006	2007	2008
Employment	240,600	256,100	245,300
Unemployment	7,200	9,700	15,900

Actual Redundancies 2006 – 2009

	2006	2007	2008	Jan-Feb 2009
Redundancies in Kildare	796	1,147	1,904	434

New Jobs Created in Kildare	2006	2007	2008
Enterprise Ireland	417	611	245
IDA Ireland	495	61	109
Total	912	672	354

Questions Nos. 91 to 94, inclusive, answered with Question No. 44.

Job Creation.

95. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment her plans to create opportunities for persons in the private sector who find themselves unemployed; and if she will make a statement on the matter. [13748/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): My Department, in conjunction with the Training and Employment agency FÁS are working together to respond quickly and effectively to people who are becoming unemployed. Measures have been put in place which are designed to provide increased capacity for the rise in referrals from the Department of Social and Family Affairs and the increased number of unemployed seeking job search assistance. The implementation of these measures has increased the monthly capacity of job search services from 6,500 to 12,250 persons per month.

To assist individuals through the provision of education and training opportunities, I 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 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.

In addition, the Industrial Development agencies under the aegis of my Department and the County and City Enterprise Boards continue to promote enterprise development. Enterprise Ireland has prepared a new recovery strategy to identify the actions that will be undertaken to help clients in 2009 in recognition of the significant changes in the economy. The agency has refocused its efforts on strengthening and sustaining companies of strategic importance through a range of initiatives focused on the needs of its client base. In identifying the short-term issues, the agency has developed a series of proposals which deal with access to finance, winning new sales, encouraging competitiveness, development of entrepreneurship, continuous innovation and research and development. The medium to long term focus of the revised strategy is to continue to drive a sound, sustainable, competitive export-oriented indigenous sector by concentrating on technology and innovation, supporting the environment for entrepreneurial development, and continuing to assist clients to win new sales.

In conclusion, I can say that the Government remains intent on achieving greater capacity within existing resources to meet the ongoing challenges in the labour market. In this context, we will continue to examine further ways to make FÁS training and education services available to a greater number of unemployed persons to ensure timely and comprehensive access for all who require assistance.

96. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she proposes to take to encourage job creation with particular reference to reduction in costs; and if she will make a statement on the matter. [13749/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): The Industrial Development agencies and the City and County Enterprise Boards are making every effort to encourage job creation throughout the country. The agencies and the CEBs are very much aware that their clients are determined to reduce their costs in every way they can. In this regard, Enterprise Ireland has set up a specialized unit aimed at helping its clients identify and drive down costs. From the Government's point of view, current data demonstrates that a

[Deputy Mary Coughlan.]

broad range of prices are already declining. The Consumer Price Index (CPI) figures for February 2009 show a decline of 1.7% in prices year on year. By the EU measure of inflation, Ireland now has the joint lowest annual inflation rate in the EU27.

The Commission for Energy Regulation has also announced a proposal for a reduction in energy prices from 1st May next (10% in electricity and 12% in gas) which will further reduce costs and inflation. The National Consumer Agency will continue to maintain current downward pressures on prices including in the retail sector, through a combination of consumer advocacy, research, information, education and awareness and enforcement. In addition, the Government recently announced an 8% cut in professional fees to be paid by the State. This is in the context of the cost of services, particularly professional services, in this jurisdiction being perceived as significantly higher when compared with such costs elsewhere in the EU. I am confident that the combined efforts of the Government, the Development agencies and the CEBs will continue to bring about reductions in costs and facilitate job creation.

Industrial Development.

97. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment how she proposes to continue to attract foreign investment with particular reference to job creation in the manufacturing sector; and if she will make a statement on the matter. [13750/09]

98. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment her plans to enhance Ireland's image as a location for foreign direct investment; and if she will make a statement on the matter. [13751/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): I propose to take Questions Nos. 97 and 98 together.

IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment (FDI) to Ireland and its regions. IDA's main focus on securing investment from new and existing clients is in the areas of High End Manufacturing, Global Services (including Financial Services) and Research, Development and Innovation. In addition, IDA is focusing on new sectors such as Clean Tech, Services Innovation and Convergence. IDA is confident that there are further FDI opportunities for Ireland in these key sectors, which will be augmented in the future by a number of emerging technologies and new business models.

Despite the global economic crisis, Ireland has continued to attract significant high end FDI. In 2008 there was a 14% increase over the previous year in the number of investments secured. IDA remains guardedly optimistic of Ireland's ability to continue attracting high level of FDI in 2009 and beyond. In fact, 2009 has shown some success already with a number of new investments won that have a potential to create 869 jobs.

Ireland is now seen by the global business environment as a prime location for Research Development and Innovation functions. IDA has played a key role in establishing this competitive advantage for Ireland and is heavily involved with all stakeholders in the RD&I space. The increase in the R&D tax credit available to companies, which was announced in the Budget last October, will increase Ireland's attractiveness as a location for R&D activity and will provide a well-targeted stimulus for such value-added activities.

In an effort to drive business development and secure further foreign direct investment, IDA has recently undertaken a number of initiatives including a 10% shift in resources from non-business generation to business generation. It is expanding the number of people based in the

United States and opening new offices in Boston and southern California. The agency is also keen to diversify the source of foreign direct investment and has recently set up offices in Mumbai, India and Beijing, China. The agency has also expanded operations in London. The Agency continues to explore opportunities to market Ireland for FDI in emerging economies in areas such as China, Russian Federation and Brazil.

In addition to attracting FDI, IDA Ireland has placed significant focus on embedding existing multinational enterprises in Ireland, by encouraging them to increase the scale of activities, and to expand the range of activities undertaken. Such skills and knowledge activities include R&D, supply chain management, technical support and headquarter functions.

Maintaining the competitiveness of the enterprise sector in Ireland is a priority issue for my Department and our development agencies. In order to sustain and grow the manufacturing sector, Irish based manufacturing enterprises, whether indigenous or foreign owned, will be encouraged and assisted to continue the progression to high value added sectors and activities, and continue to increase productivity through investments in human capital, technology and innovation.

The “Report of the High Level Group on Manufacturing”, identified the focused actions needed by employers, employees and Government to respond to challenges and take advantage of opportunities to further develop the sector in Ireland. The report sets out a number of recommendations directed at key areas of innovation and productivity leading to transformational change, reskilling and management development for the innovative firm, and increasing awareness and take up of existing supports. In line with the recommendation of the High Level Group, a Manufacturing Forum is being established to monitor and oversee the implementation of the group’s recommendations.

Economic Competitiveness.

99. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she has taken or proposes to take to improve the competitiveness of the manufacturing and services sectors here; and if she will make a statement on the matter. [13752/09]

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): Under the Framework for Economic Renewal we are taking a number of measures across Government to address competitiveness objectives. A key element of the Government’s current strategy to develop the enterprise sector is to encourage increased levels of investment in research, using more technology in product development and encouraging more innovation. “Building Ireland’s Smart Economy” sets a clear agenda to help manage this change.

I believe that our economic prosperity depends, to a significant degree, on our capability to build ‘high tech’–‘high value’ businesses that can compete successfully from an early stage in global markets. In order to be competitive and increase exports, Irish companies must focus on improving productivity, investing in research and continue applying innovative solutions to every facet of their business process. Our development agencies are assisting companies to this end, for example Enterprise Ireland has set up a specialised unit aimed at helping companies identify and drive down costs.

In order to oversee the implementation of the recommendations of the High Level Group on Manufacturing, I will shortly be announcing the membership of the Manufacturing Forum. This forum will drive the implementation of the recommendations of the report of the High Level Group on Manufacturing, and will help firms to maximize their potential to exploit new opportunities. Emerging sectors such as Environmental Products and Services have significant

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potential and will be targeted. Both IDA and Enterprise Ireland have recently established an internal team to identify enterprise opportunities for Ireland in the newly emerging clean/green sectors. Following on from a commitment in the Smart Economy framework, I am establishing a High Level Action Group on Green Enterprise to ensure the potential of this important area is fully exploited. This Group will build on a recent Forfás study on Environmental Goods and Services.

Services innovation is as vital as technological innovation in terms of driving performance. We are committed to assisting businesses in realising their potential for non-technological innovation through the development of new business models, customer-interfaces and service-products, as an invaluable source of new opportunity, as well as national competitiveness. We want to successfully reach those services companies that traditional R&D innovation policy has not. Ongoing implementation of the recently launched Services Strategy will be important in this respect. My Department is also working on the transposition of the EU Services Directive. The Directive is designed to create a genuine single market in services with benefits for Irish service providers and Irish consumers. A fully functioning single market in services will substantially enhance Ireland's competitiveness as well as that of the EU as whole.

Our competitiveness priorities also include a strong focus on skills, education and training. Lifelong education fundamentally supports advances in productivity, upon which our competitiveness depends. I will shortly be announcing an implementation plan for the National Skills Strategy. The policies outlined above, along with a continuing focus on driving down the cost of doing business in Ireland, will improve the competitiveness of both the manufacturing and services sectors.

Tax Code.

100. **Deputy Richard Bruton** asked the Minister for Finance the effect of a recent European Court of Justice case (details supplied) on charities law here; the revenue implications of any changes; and if he will make a statement on the matter. [13574/09]

Minister for Finance (Deputy Brian Lenihan): The Deputy will be aware that charities law is a matter for the Department of Community, Rural and Gaeltacht Affairs. However, the case indicated by the Deputy concerns tax relief on donations to charities and was referred to the European Court of Justice by the German courts. The case involved a German taxpayer that had been refused tax relief on the donation of certain goods to the Centro Popular de Lagoa, a retirement home to which a children's home has been added, based in Portugal. The centre is registered as a charitable body in Portugal and is entitled to all exemptions and tax benefits available to such bodies under Portuguese law. The German tax system only permits tax relief for donations to charities based in Germany.

The Court ruled that:

- Where a taxpayer claims, in a Member State, the deduction for tax purposes of gifts to bodies established and recognised as charitable in another Member State, such gifts come within the compass of the provisions of the EC Treaty relating to the free movement of capital, even if they are made in kind in the form of everyday goods.
- Article 56 EC precludes legislation of a Member State by virtue of which, as regards gifts made to bodies recognised as having charitable status, the benefit of a deduction for tax purposes is allowed only in respect of gifts made to bodies established in that Member State, without any possibility for the taxpayer to show that a gift made to a body estab-

lished in another Member State satisfies the requirements imposed by that legislation for the grant of such a benefit.

My Department is examining the ruling, in consultation with the Revenue Commissioners, in order to establish what amendments may be necessary to ensure that Irish tax legislation complies with the principles involved. Any such amendments will be brought forward in due course. It is not possible at this stage to estimate the revenue implications, if any, of any changes that may be brought forward.

Mental Health Services.

101. **Deputy Andrew Doyle** asked the Minister for Finance when he will sign off on the proposal from the Department of Health and Children regarding the use of funds from the disposal of mental health hospitals for reinvestment in mental health care. [13575/09]

Minister for Finance (Deputy Brian Lenihan): My Department has not received any proposal recently from the Department of Health and Children regarding the use of funds from the disposal of mental health hospitals.

Pension Levy.

102. **Deputy Finian McGrath** asked the Minister for Finance if he will support a matter (details supplied). [13589/09]

106. **Deputy Terence Flanagan** asked the Minister for Finance his views on a matter (details supplied); and if he will make a statement on the matter. [13699/09]

Minister for Finance (Deputy Brian Lenihan): I propose to take Questions Nos. 102 and 106 together.

Public servants who are members of public service pension schemes are liable to pay the pension-related deduction legislated for in the Financial Emergency Measures in the Public Interest Act 2009. On this basis, third-level researchers on fixed-term and temporary contracts must pay the deduction, since they are members of the relevant occupational pension schemes. They are just one of many groups of non-permanent public servants paying the deduction.

Distinctions between public servants on the basis of whether they are permanent or temporary, and if temporary what contract duration applies, are irrelevant insofar as liability to pay the deduction is concerned. The pay of the post, in terms of whether it features incremental progression, is likewise irrelevant. In recent years fixed-term researchers in third-level institutions have been made pensionable, and this has significantly improved the attractiveness of a research career. These researchers accrue pensionable service even for short-duration appointments and that service can be aggregated with past and future service in other pensionable public service employment.

Section 6 of the Act provides for a refund of the deduction in certain circumstances, and should reassure third-level researchers on short-term non-renewable contracts who have no prior public service employment history and who may be concerned about accruing no pension benefit at the expiry of their contract due to insufficient service. A deduction refund may be payable provided that the departing employee has accrued no benefits under any public service pension scheme, has not received a payment in lieu of scheme membership and has not transferred the service to another public service pension scheme.

Section 8 of the Act grants the Minister for Finance a limited special discretion to exempt groups of public servants from payment of the deduction. Specifically, where he is satisfied that

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due to exceptional circumstances, a particular class or group of public servants are materially distinguished from other classes or groups who are subject to the deduction, then the Minister may fully or partly exempt this group from paying some or all of the deduction, if he believes it would be fair and equitable to do so. The deduction is required at a time of great pressure on the public finances and takes account of the valuable pension benefits available to public servants.

In light of all the above factors, I am satisfied that it is fair and appropriate that public servants on fixed-term and temporary contracts, including third-level researchers, are subject to the pension-related deduction. In the event that any class or group of public servants makes an appeal for exemption from the deduction under section 8 of the Act then such an appeal will be considered.

Tax Collection.

103. **Deputy Paul Kehoe** asked the Minister for Finance the status of the request for a review of tax paid in 2008 for a person (details supplied); and if he will make a statement on the matter. [13592/09]

Minister for Finance (Deputy Brian Lenihan): I am advised by the Revenue Commissioners that the taxpayer's tax affairs have been reviewed for 2008 and a PAYE Balancing Statement issued on 25th March 2009.

Tax Code.

104. **Deputy Richard Bruton** asked the Minister for Finance if he is satisfied with the general anti-avoidance measures in the tax code and the way they compare to provisions in Sweden; and if he will make a statement on the matter. [13640/09]

Minister for Finance (Deputy Brian Lenihan): Arrangements for addressing and tackling aggressive tax planning and tax avoidance differ across States. However, a common purpose running through many of these arrangements is the need for tax authorities to know, as early as possible, the details of schemes that may not be acceptable.

In this jurisdiction, apart from specific anti-avoidance provisions contained in various sections of the Taxes Consolidation Act 1997, one of the weapons used in combating aggressive tax planning has been the general anti-avoidance provision contained in section 811 of the Taxes Consolidation Act 1997. The efficacy of this measure is reviewed by both my Department and the Revenue Commissioners on an ongoing basis. In light of such reviews in recent years, a new protective notification regime was introduced in the 2006 Finance Act and further enhanced in Finance Act 2008 to operate alongside the general anti-avoidance provision.

It is vital for the overall effectiveness of the tax system that the Revenue Commissioners be aware of the tax avoidance strategies being used by taxpayers – not least, because it enables them to advise the Minister for Finance of the day where counteracting legislation may be necessary. The primary purpose of the protective notification regime is, therefore, to encourage taxpayers and their advisers to be open with Revenue in relation to transactions that may be tax avoidance transactions within the meaning of section 811. It is encouraging that the enhanced protective notification regime is having an impact, with 72 new protective notifications received by the Revenue Commissioners since its enactment.

Tax Collection.

105. **Deputy Jack Wall** asked the Minister for Finance if a person (details supplied) in County

Kildare is due a tax rebate given that they are no longer in employment; and if he will make a statement on the matter. [13644/09]

Minister for Finance (Deputy Brian Lenihan): I have been advised by the Revenue Commissioners that additional information has been requested from the person to facilitate full consideration of the case. On receipt of this information a review will be carried out and any refund due will issue to the person concerned.

Question No. 106 answered with Question No. 102.

Departmental Programmes.

107. **Deputy Tom Hayes** asked the Minister for Health and Children the position regarding a project (details supplied) in County Tipperary whose approved RAPID funding for 2008 for community projects in respect of older people has been frozen and which has expended money and agreed a contract with a service provider which is legally binding; if she will clarify how this can be taken into account; and if she will make a statement on the matter. [13730/09]

117. **Deputy Tom Hayes** asked the Minister for Health and Children the position regarding a project (details supplied) in County Tipperary which has had its health leverage funding, approved for 2008, frozen and which has expended money and agreed a contract with a service provider which is legally binding; if she will clarify how this can be taken into account. [13731/09]

Minister of State at the Department of Health and Children (Deputy Máire Hackett): I propose to take Questions Nos. 107 and 117 together.

The position in relation to RAPID projects, including the Saol Nua Project in Tipperary Town, was outlined in an Adjournment Debate raised by the Deputy on 25 March last. The Health Service Executive is the appropriate body to consider the particular issue of contractual commitments for this project. My Department has therefore requested the Executive to further investigate the matter and to furnish an updated reply direct to the Deputy.

Health Services.

108. **Deputy Finian McGrath** asked the Minister for Health and Children if she will respond to a query (details supplied). [13579/09]

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.

Cancer Screening Programme.

109. **Deputy James McDaid** asked the Minister for Health and Children the percentage of women in the country aged 50 to 65 years who are being routinely screened by BreastCheck as at 31 January 2009. [13623/09]

Minister for Health and Children (Deputy Mary Harney): The matter raised by the Deputy is the responsibility of the National Cancer Screening Service. Accordingly, my Department has requested the Chief Executive Officer of the Service to respond directly to the Deputy in relation to the matter raised.

Hospital Services.

110. **Deputy Seán Sherlock** asked the Minister for Health and Children the reason staff are declining to accept credit cards at Cork University Hospital in favour of billing patients at their home address, even though credit cards are advertised as being accepted at the hospital; and if she will make a statement on the matter. [13628/09]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter, it has been referred to the HSE for direct reply.

111. **Deputy Catherine Byrne** asked the Minister for Health and Children, further to Parliamentary Question No. 198 of 10 March 2009, the geographical areas catered for in the Coombe Women's Hospital, Dublin; the breakdown by area of where mothers who gave birth in the hospital in 2008 were resident; the breakdown by nationality of mothers who gave birth in the hospital in 2008; and if she will make a statement on the matter. [13641/09]

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.

Nursing Home Subventions.

112. **Deputy Seán Sherlock** asked the Minister for Health and Children the average waiting time for processing of applications for enhanced subvention in the Health Service Executive south; and if she will make a statement on the matter. [13651/09]

113. **Deputy Seán Sherlock** asked the Minister for Health and Children the number of applicants for enhanced subvention in the Health Service Executive south area; and if she will make a statement on the matter. [13652/09]

114. **Deputy Seán Sherlock** asked the Minister for Health and Children the budget in respect of enhanced subvention for the Health Service Executive south; the average waiting period from receipt of application to payment of enhanced subvention; and if she will make a statement on the matter. [13653/09]

115. **Deputy Seán Sherlock** asked the Minister for Health and Children the amount paid in subvention to private nursing homes in the Health Service Executive south area for the years 2007 and 2008; and if she will make a statement on the matter. [13654/09]

Minister of State at the Department of Health and Children (Deputy Máire Hootor): I propose to take Questions Nos. 112 to 115, inclusive, together.

The expenditure on nursing home subventions for residents in registered nursing homes for the year 2007 was €171m. Of this, €50.6m was paid to private nursing homes in the HSE South. The HSE accounts for 2008 are not yet finalised. However, it is estimated that expenditure on subvention in 2008 will be in the region of €183m nationally. With regard to the other issues raised by the Deputy, these are service matters which have been referred to the Health Service Executive for direct reply.

Cancer Screening Programme.

116. **Deputy Thomas P. Broughan** asked the Minister for Health and Children if she will introduce screening for men over 50 years of age for prostate cancer in view of the fact that recent research in the UK suggests this is viable; and if she will make a statement on the matter. [13724/09]

Minister for Health and Children (Deputy Mary Harney): The National Cancer Control Strategy (2006) did not recommend the introduction of a population based screening programme for prostate cancer as there was insufficient evidence in favour of such a programme. This position is consistent with the Recommendations adopted by the European Union which advocate the introduction of cancer screening programmes which have demonstrated their efficacy having regard to professional expertise and priority setting for healthcare resources. My Department and the National Cancer Screening Service will keep emerging international evidence under review including the results of randomised trials that are currently being conducted internationally.

The National Cancer Control Programme (NCCP) is working to enhance access to early diagnosis and multi-disciplinary decision-making for prostate cancer. In this regard, Rapid Access Prostate Cancer Diagnostic Clinics will be established in each of the eight cancer centres designated under the NCCP. Patients at higher risk will be fast-tracked to these clinics, and those patients who receive a diagnosis of prostate cancer will have immediate access to a multidisciplinary specialist cancer consultation regarding appropriate management. Any man who has concerns in relation to prostate cancer should contact his GP for appropriate referral.

Question No. 117 answered with Question No. 107.

Health Services.

118. **Deputy Joe Costello** asked the Minister for Health and Children the procedure that pertains when a patient requires to be moved from a hospital directly into residential care; the consent required; the assessment of assets and savings undertaken; the situation that pertains to the family home; if she has produced leaflets for patients and relatives detailing different cases that might arise; and if she will make a statement on the matter. [13847/09]

Minister of State at the Department of Health and Children (Deputy Máire Hackett): I would firstly like to address the portion of the Deputy's question relating to procedures for entering residential care and the issue of consent. The HSE is placing a major focus on improving processes and pathways for patients admitted to acute in-patient settings through the implementation of the Code of Practice for Integrated Discharge Planning. The Code was launched nationally in December and a rigorous process of implementation has begun with the establishment of Joint Implementation Groups in each area working across primary and secondary care services.

In addition, the Deputy will be aware that my colleague the Minister for Health and Children recently approved the national standards for all residential care settings for older people under section 10(2) of the Health Act, 2007. It is intended to have the relevant parts of the 2007 Act commenced on 1 July, 2009 to allow the Chief Inspector of Social Services inspect all centres against the regulations governing these centres together with the standards set by HIQA.

Amongst other things, the standards govern the procedure for moving to long-term residential care. In particular, Standard 10 addresses the assessment requirements by providing that "Each resident has his/her needs assessed prior to moving into the residential care setting, a full assessment upon admission, and subsequently as required to reflect changes in need and circumstances during his/her period in residence". Standard 3 addresses the issue of consent within the residential care setting providing that "Each Resident's consent to treatment and care is obtained in accordance with legislation and current best practice guidelines".

With regard to the Deputy's query about the assessment of assets and savings and the situation pertaining to the family home, I assume this is in the context of an application for nursing home subvention. That being the case, the means assessment is governed by the Health

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(Nursing Homes) (Amendment) Act 2007 and it takes all of the applicant's assets and savings into account. However, there is an asset disregard of €11,000 which is applied at the outset. In the case of a couple, the HSE will make the assessment based on half of their combined means.

The principal residence is only taken into account for three years. An income is imputed at a rate of 5% per annum and divided by 52 to get a weekly rate. However, if a spouse or child of the person under the age of 21 (or certain other relatives as set out in the legislation) is residing in the principal residence, it will not be taken into account. The legislation also provides that the HSE may, at its discretion, refuse to pay subvention where:

- (a) the applicant's assets exceed €36,000,
- (b) the applicant's principal residence is valued at over €500,000 (where the property is in the Dublin area) or over €365,000 (where the property is outside of the Dublin area) and the principal residence is not occupied by the applicant's spouse or certain relatives who satisfy the conditions set out in the Act and the applicant's annual income is not less than €10,400, or
- (c) the applicant does not fall within a) or b) but has an annual income in excess of €36,000.

However, the HSE's National Guidelines for the Standardised Implementation of the Nursing Home Subvention Scheme stipulate that no application should be automatically refused solely on the grounds of the house value or assets alone. All relevant applications should be processed in full and the means assessment undertaken. The HSE's Nursing Home Subvention Guidelines Information Booklet and the Nursing Home Subvention National Guidelines 2007 include information for patients and relatives detailing different situations that might arise.

Finally, the Nursing Homes Support Scheme Bill 2008 – A Fair Deal – is currently making its way through the Houses. This new Scheme will ultimately replace the current subvention scheme. An Information Leaflet, Frequently Asked Questions and Examples document in respect of the new Scheme are all available for patients and their families on the Department of Health and Children website or by contacting the HSE Helpline or the Department.

Liquor Licensing Laws.

119. **Deputy Andrew Doyle** asked the Minister for Justice, Equality and Law Reform when regulations to give effect to section 16(1)(b) of the Intoxicating Liquor Act 2008, regarding reducing the risk of excessive consumption of alcohol among young drinkers, will be published; and if these regulations will prohibit the marketing or promotion of cut price or free alcohol directed towards young people. [13591/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): The position is that section 16 of the Intoxicating Liquor Act 2008 provides for the making of regulations to prohibit or restrict the advertising, promotion, sale or supply of alcohol products at a reduced price or free of charge on the purchase of any quantity of alcohol or of any other product or service. 'Reduced price' in this context includes the direct and indirect use of bonus points, loyalty cards or any similar benefit.

Following enactment of the legislation, I approved the drafting of regulations under section 16(1)(b) with a view to prohibiting licensees from selling or supplying alcohol products at a reduced price or free of charge. These were subsequently notified to the European Commission as required under the Technical Standards Directive. This reporting arrangement is intended to ensure that national measures are in full accord with the smooth functioning of the EU internal market. The period during which the Commission and other Member States may raise

questions or submit observations on the draft regulations has recently expired. As no comments have been received, it is now intended to proceed with the process of finalising the text of the regulations.

Refugee Status.

120. **Deputy Brian Hayes** asked the Minister for Justice, Equality and Law Reform the status of a person (details supplied) in relation to their current and residency status; and if he will make a statement on the matter. [13595/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Immigration Division of my Department that the person in question was granted Refugee status in July 2008 and made a Family Reunification application in respect of his wife and daughter in October 2008. This 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. At present applications are taking 24 months to process.

Criminal Injuries Compensation Tribunal.

121. **Deputy Seán Sherlock** asked the Minister for Justice, Equality and Law Reform if moneys allocated to the Criminal Injuries Compensation Tribunal have been exhausted for 2009; if so, the further moneys which will be allocated for 2009; and if he will make a statement on the matter. [13611/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): The Deputy will be aware that the Criminal Injuries Compensation Tribunal operates two schemes, the Scheme of Compensation for Personal Injuries Criminally Inflicted (The General Scheme) and the Scheme of Compensation for Personal Injuries Criminally Inflicted on Prison Officers. As regards the General Scheme, the position is that there are sufficient funds remaining at the present time for payment of claims during 2009. However, under the Scheme of Compensation for Prison Officers, I am informed that an unusually high number of claims have fallen for decision by the Tribunal during the early part of this year. As a consequence, the financial allocation has become exhausted. In the circumstances therefore, the Tribunal is placing acceptances received from applicants in date order and payments will be made in this order when funds become available.

Housing Management Companies.

122. **Deputy Charlie O'Connor** asked the Minister for Justice, Equality and Law Reform if he will confirm his plans to introduce legislation to deal with management companies; if his attention has been drawn to the interest in this matter throughout Tallaght and Dublin South-West; and if he will make a statement on the matter. [13617/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): Legislation to address the Law Reform Commission's recommendations on multi-unit developments is in the course of being drafted by the Parliamentary Counsel as a matter of priority. The aim is to publish the Bill in the next Session. The principal focus of the new Bill will be on ensuring good governance of property management companies and similar bodies which comprise the owners of units within multi-unit developments and which exercise management functions in relation to such developments. It is also intended to include provisions for the resolution of disputes arising in relation to such matters. The policy aspects extend to my Department, the

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Department of Enterprise, Trade and Employment and the Department of the Environment, Heritage and Local Government.

Garda Stations.

123. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform when a new Garda station will be built in a town (details supplied) in County Wicklow; and if he will make a statement on the matter. [13620/09]

127. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the conclusions and recommendations of the review of Garda stations in rural locations; the action taken to date on same; and if he will make a statement on the matter. [13639/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I propose to answer Questions Nos. 123 and 127 together.

I am informed by the Garda authorities that the Garda Commissioner has established a Garda Accommodation Programme Board, under the chairmanship of the Chief Administrative Officer, to prepare a long-term accommodation strategy for the organisation. This strategy will address a number of areas including the identification of future accommodation needs with particular reference to policy and policing requirements taking into account international trends and perspectives. It will also assess current buildings and facilities including their condition, location and development requirements. The scope of the strategy includes all rural Garda stations and the specific station referred to by the Deputy. Consultations in relation to the development of the strategy with senior Garda management and the Garda staff associations and civilian trade unions are ongoing. The final strategy will require the approval of the Commissioner following which it will be submitted to me for consideration.

Garda Deployment.

124. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of gardaí and patrol cars assigned to a station (details supplied) in County Wicklow; and if he will make a statement on the matter. [13621/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Garda Commissioner that there are 37 members and 4 patrol cars attached to Greystones Garda Station. Resource levels are monitored on an ongoing basis by local and senior Garda Management in each District and Division, in conjunction with crime trends and other demands made on An Garda Síochána. The situation will be kept under review and the needs of the station referred to by the Deputy will be fully considered within the overall context of the needs of Garda stations throughout the country.

Public Order Offences.

125. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of anti-social behaviour orders that have been issued in a county (details supplied) since the introduction of ASBOs; the Garda station which processed the ASBO application in each case; and if he will make a statement on the matter. [13622/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): Part 11 of the Criminal Justice Act 2006, which provides for civil proceedings in relation to anti-social behav-

ious by adults, was commenced on 1 January, 2007. Part 13 of the Act relating to anti-social behaviour by children was commenced on 1 March, 2007. These provisions set out an incremental procedure for addressing anti-social behaviour by adults and children. I am informed by the Garda authorities that 21 behaviour warnings and no civil and behaviour orders have been issued in the Garda Division referred to by the Deputy. Details are provided on a Divisional basis only to preserve anonymity.

Garda Stations.

126. **Deputy Charles Flanagan** asked the Minister for Justice, Equality and Law Reform the number of Garda stations here; and if he will make a statement on the matter. [13638/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Garda authorities that there are currently 703 Garda Stations throughout the country. These stations range from large Regional and Divisional Headquarter facilities with large staff levels delivering multiple policing functions down to “basic units” which typically accommodate one or two Gardaí and perform public facing functions with limited opening hours.

Question No. 127 answered with Question No. 123.

Garda Investigations.

128. **Deputy Tom Hayes** asked the Minister for Justice, Equality and Law Reform when the report from the investigation of the Garda into the events in Tipperary town on St. Patrick's Day 2009 will be published. [13708/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am informed by the Garda authorities that the incidents which took place on St Patrick's Day in Tipperary Town and other incidents coming to the attention of local Garda management in the course of this investigation are being thoroughly investigated. A number of persons have been arrested and charged. I am further informed that it is not Garda policy or practice to publish reports on criminal investigations. The Deputy will appreciate that as the investigation is ongoing and a number of persons are before the court, it would be inappropriate for me to comment further at this time.

Residency Permits.

129. **Deputy Seán Ó Fearghaíl** asked the Minister for Justice, Equality and Law Reform the situation regarding long-term residency in respect of a person (details supplied) in County Kildare; if he will make a positive decision in this case in view of the circumstances; and if he will make a statement on the matter. [13709/09]

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): The position in relation to granting long term residency is as follows: persons who have been legally resident in the State for over five years on the basis of work permit/work authorisation/work visa conditions may apply to the Immigration Division of my Department for a five year residency extension. In that context they may also apply to be exempt from employment permit requirements.

The dependants of the aforementioned, who have been legally resident in the State for over five years may also apply for long term residency. This particular long term permission does not grant an exemption from employment permit requirements to any such dependants. While

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applications for long term residency are under consideration, the person concerned should ensure that their permission to remain in the State is kept up to date. An application for long term residency from the person referred to by the Deputy was received in July 2007. I understand that applications received in June 2007 are currently being dealt with. As soon as a decision is made on the case, the person concerned will be notified.

National Drugs Strategy.

130. **Deputy Catherine Byrne** asked the Minister for Community, Rural and Gaeltacht Affairs if phase two and phase three of the dial-to-stop drug dealing scheme will proceed as planned; the locations in which the scheme is operational; if there is funding available to operate this scheme after 2009; and if he will make a statement on the matter. [13587/09]

Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy John Curran): As the Deputy will be aware, the first phase of the Dial-to-Stop Drug Dealing Campaign operated across five Local and Regional Drugs Task Forces areas in late 2008. These campaigns were funded by my Department (€100,000) and the Department of Justice, Equality and Law Reform (€50,000). Following Government approval, €300,000 has been allocated from the Dormant Accounts Fund for 10 further campaigns. Phase 2 campaigns have already rolled out in the following areas:

- Cork Local Drugs Task Force and the Southern Regional Drugs Task Force (23rd March);
- Co. Kerry (25th March); and
- North Dublin City and County RDTF (31st March).

The remaining two Task Forces under the second phase — Mid-West RDTF and South East RDTF — will launch their campaign on 2nd and 27th April respectively.

Dates for phase 3 of the campaign have not yet been finalised but it is likely that they will be rolled out towards the end of April/beginning May 2009 in the following areas:

- East Coast RDTF;
- Bray LDTF;
- Dun Laoghaire LDTF;
- Finglas Cabra LDTF; and
- Midlands RDTF.

With regard to any future funding, as the Dormant Accounts funding is once-off in nature, the €300,000 referred to above is the total that will be allocated. As the allocation for funding for drugs initiatives in my Department in 2009 is fully committed, there is no scope, at present, for further campaigns. However, by the end of phase 3, I am confident that all Task Forces that expressed an interest — and had the capacity to do so — will have received funding to run a campaign in their areas.

Again I would like to emphasise, as I highlighted during the national launch, that the confidential number used in the campaign is open for all to use, regardless of which area they come

from. Calls from the areas that have already run campaigns are still being made to the confidential phone-line.

Social Welfare Code.

131. **Deputy Richard Bruton** asked the Minister for Social and Family Affairs the minimum rent payable by a person on social welfare under the rent supplement scheme; and when this was last increased. [13573/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): Rent supplement is administered on behalf of the department by the community welfare service of the Health Service Executive as part of the supplementary welfare allowance scheme. 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 they 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.

Pension Provisions.

132. **Deputy James Bannon** asked the Minister for Social and Family Affairs the reason a person (details supplied) in County Longford has received a reduced pension; and if she will make a statement on the matter. [13657/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): The person concerned has been awarded Disability Allowance at the weekly rate of €76.80 from the 18 March 2009 with effect from 1 April 2009. She was assessed with means derived from her Social Security payment from the United Kingdom and also from that of her spouses' Social Security payment from the United Kingdom. Disability allowance is a weekly allowance paid to people with a disability who are aged between 16 and 66 years. The disability must be expected to last for at least one year and the allowance is subject to both a medical examination and a means test. The weekly rate of Disability Allowance payment depends on the amount of weekly means assessed.

The legislative provisions regarding Disability Allowance state that means will be assessed from all income which the claimant or claimant's spouse may reasonably expect to receive during the year following the date of their claim with certain exceptions. Income from UK Social Security payments is not included in these exceptions. Arrears of Disability Allowance for the period from the 18 March to the 31 March 2009, less any overlapping payments, will issue by cheque to the person concerned in due course.

Social Welfare Fraud.

133. **Deputy Denis Naughten** asked the Minister for Social and Family Affairs, further to Parliamentary Question No. 79 of 2 April 2008, the number of the 100,000 promised reviews completed in 2008; the number completed to date in 2009; the projection to year end; the levels of fraud involved; and if she will make a statement on the matter. [13725/09]

134. **Deputy Denis Naughten** asked the Minister for Social and Family Affairs the steps being taken to tackle fraudulent child benefit claims; the control measures in place to ensure that

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claims for child benefit and early child care supplement in respect of non-resident children are *bona fide* and remain so; and if she will make a statement on the matter. [13726/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): I propose to answer Question Nos 133 and 134 together.

The prevention of fraud and abuse of the social welfare system is an integral part of the day-to-day work of the Department. All Child Benefit claims require a minimum level of information and documentation to be provided and verified before being awarded. The amount of information and documentation required varies depending on the customer circumstances, for instance the child's place of birth.

Given the significant changes in the Child Benefit customer base and in the value of Child Benefit payments, the control policy for the child benefit scheme, and consequently the Early Childcare Supplement (ECS) scheme, has been reviewed to ensure that controls against fraud and abuse of the schemes continue to be effective and relevant. As a result of this review, enhanced and updated control measures have been devised, which enable the automated issue of forms (certificates) to sub-sets of selected groups of customers for completion and return to the Department to confirm that they continue to satisfy the conditions for receipt of Child Benefit/ECS.

In the case of non-Irish national recipients who are resident in Ireland with their children, certification that the children continue to reside here is required – the proof of such residence can be provided via details of the school or college their child attends or, if the child is not of school-going age, details of the doctor or crèche they attend. This information is used to verify that the children are resident in Ireland.

With regard to EU nationals who are working in Ireland but who have qualified children living in another EU state and are entitled to Irish family benefits under EU law, certification by their employer of continuing employment is requested. The certification letters currently issue on a three monthly basis. Where the required certification is not provided within the timescale requested, 21 days, the payment of Child Benefit/ECS is suspended pending further enquiry and ultimately terminated if confirmation of continued entitlement is not forthcoming. A fraud and error strategy is also in place for returned forms.

In 2008 a total of 87,850 reviews was completed, 92% of target. 5141 Child Benefit claims were terminated as a result of reviews undertaken, resulting in savings of some €47m to the Department. To date in 2009 a total of 41,908 reviews has been undertaken. It is intended to complete approximately three times this many reviews in total in the full year.

135. **Deputy Denis Naughten** asked the Minister for Social and Family Affairs the rates of fraud across the range of social welfare payments and the actual saving made in each category in 2008; the corresponding figures for the qualified adult allowance and for the child dependant allowance; and if she will make a statement on the matter. [13734/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): The prevention of fraud and abuse of the social welfare system is an integral part of the day-to-day work of the Department. A key objective of the Department's control strategy is to ensure that the right person is paid the right amount of money at the right time. Almost €476 million in Social Welfare payments was saved through fraud control measures in 2008, an increase of €29 million on the previous year. The breakdown by scheme is as follows:

	Savings
	€m
Jobseekers	101
Illness Schemes	73
Illness Ben	43
Invalidity	5
Disability Allowance	25
Pensions	223
State Pension Contributory & Retirement	15
State Pension Non-Contributory	23
One-Parent Family Payment & Widow(er)'s	142
Household Benefits	33
Overpayments	10
Child Benefit	48
Carer's	7
Family Income Supplement	10
Supplementary Welfare Allowance	8
Employer Inspections: PAYE/ PRSI	6
Total	476

Savings are calculated using the total rate of payment at the time of a reduction or termination, therefore there is no breakdown recorded in relation to increases for qualified adult or qualified child.

I am committed to ensuring that social welfare payments are available to those who are entitled to them. I am also determined to ensure that abuse of the system is prevented and is dealt with effectively when detected. In this regard the control programme of the Department is carefully monitored and the various measures are continuously refined to ensure that they remain effective.

Social Welfare Benefits.

136. **Deputy Michael Ring** asked the Minister for Social and Family Affairs when a person (details supplied) in County Mayo will be approved and awarded jobseeker's allowance. [13736/09]

Minister for Social and Family Affairs (Deputy Mary Hanafin): The person concerned has been awarded jobseeker's benefit from 16 February 2009 at the maximum weekly rate of €204.30. A payment of €985.80 including arrears due will issue to her on 1 April 2009. Under Social Welfare legislation decisions in relation to claims must be made by Deciding Officers and Appeals Officers. These officers are statutorily appointed and I have no role in regard to making such decisions.

Army Barracks.

137. **Deputy Brian Hayes** asked the Minister for Defence if he will arrange to have a situation (details supplied) in Dublin 7 dealt with; and if he will make a statement on the matter. [13597/09]

Minister for Defence (Deputy Willie O'Dea): I am informed that the above matter has been resolved a number of weeks ago.

Tourism Industry.

138. **Deputy Paul Kehoe** asked the Minister for the Environment, Heritage and Local Government his views on the request by a council (details supplied) to withdraw the excessive fingerpost sign charges due to the impact it is having on small tourism activities; and if he will make a statement on the matter. [13583/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): Section 254 of the Planning and Development Act 2000 provides for a licensing system for the placement of various structures and appliances on, under, over or along a public road, including maps for indicating directions or places. This licensing system enables a local authority to exercise control over the placing of structures on roads to prevent traffic hazards arising.

The Planning and Development Regulations, 2001, prescribe the level of fees to be charged in respect of structures and appliances licensed under Section 254 of the 2000 Act. The Regulations prescribe a fee of €630 for an advertisement structure or €50 in the case of an advertisement structure that is of a fingerpost type not exceeding 1 metre in length, consisting of a direction sign to indicate tourist accommodation. I have no proposals at this time to amend this legislation.

Schools Building Projects.

139. **Deputy Ruairí Quinn** asked the Minister for the Environment, Heritage and Local Government, further to Parliamentary Questions Nos. 852 and 853 of 24 March 2009, the progress made to date on agreeing a memorandum of understanding with the City and County Managers Association on the timely and efficient acquisition of school sites; when he expects the memorandum to be completed; and if he will make a statement on the matter. [13663/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): The development of a Memorandum of Understanding on the acquisition of school sites is a matter for the Department of Education and Science and the City and County Managers Association. I understand that discussions are ongoing with a view to finalising the terms of the Memorandum as soon as possible.

Water and Sewerage Schemes.

140. **Deputy Jim O'Keeffe** asked the Minister for the Environment, Heritage and Local Government if funding has been provided to complete the sewerage scheme at Kinsale, County Cork including the treatment plant; the details of same; and if he will make a statement on the matter. [13711/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): The Kinsale Sewerage Scheme is approved for funding under my Department's Water Services Investment Programme 2007 – 2009 at a cost of €19 million. My Department approved Cork County Council's contract documents for the upgrade/extension of the collection system in the town in May 2007; the contract was signed in December 2007 and work is now underway on this element of the scheme. The Council's recommended tender for the construction of the new wastewater treatment plant at Commogue was approved last November; I understand that the Council has yet to award the contract.

Election Management System.

141. **Deputy Ciarán Lynch** asked the Minister for the Environment, Heritage and Local Government if a local authority, including a town council, is entitled to prohibit the proper use of election posters during designated election periods; the legislation that makes such prohibition possible; and if he will make a statement on the matter. [13716/09]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): Section 19 of the Litter Pollution Acts 1997 to 2009 makes it an offence to exhibit any article or advertisement on any structure that is visible from a public place unless the exhibitor is authorised in writing by the owner to do so. An exemption from prosecution under this section is provided for those exhibiting election or referendum posters for a specified time period prior to and after the polling date. There is currently no legislative provision for local authorities to prohibit the usage of election posters which meet all legislative requirements during those designated periods.

I held a public consultation regarding the control of poster for elections and referenda in autumn 2008. Following analysis of the submissions received, I informed the Government on 27 January that I intend to pilot test voluntary measures, which could have the impact of restricting election posters in certain circumstances, in the upcoming local and European elections to evaluate their impact on the proliferation of posters and the litter arising during those election campaigns. My Department is currently in discussions with the City and County Managers Association and a number of local authorities with a view to organising pilot schemes in local authority areas. These pilot schemes will involve candidates voluntarily agreeing to one of the following measures in regard to poster for:

- The use of biodegradable plastic ties or colour coding of plastic ties;
- The display of posters to be restricted to designated areas only;
- The numbers of posters per candidate to be restricted; and
- The numbers of posters to be restricted to 2 (back to back) per pole.

The pilot schemes will be evaluated following completion with a view to informing future policy development in regard to the control of poster for elections and referenda.

Local Authority Housing.

142. **Deputy Mary Upton** asked the Minister for the Environment, Heritage and Local Government his views on the issues raised in a letter (details supplied); and if he will make a statement on the matter. [13721/09]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): Under section 11 of the Housing Act 1988, housing authorities must make a scheme of letting priorities to determine the preference to be afforded to persons in the letting of local authority dwellings. Section 11(2)(c) provides that priority may be afforded under the scheme to emergency cases and such cases could include instances where domestic violence was an issue. The Housing (Miscellaneous Provisions) Bill 2008 provides for the repeal of this section but maintains a similar provision at section 22(7)(b) whereby a dwelling may be allocated, outside of the scheme of letting priorities, to a household where there are exceptional compassionate grounds.

Action to deal with domestic violence is primarily the responsibility of the Minister for Justice, Equality and Law Reform. In particular, the Domestic Violence Act 1996, as amended,

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provides a legal framework within which the victims of domestic violence can seek a range of remedies in the courts to suit the circumstances of a case. While the wider issue of anti-social behaviour is, likewise, primarily a matter for An Garda Síochána and the Minister for Justice, Equality and Law Reform, there are a number of legislative measures in place to assist local authorities to fulfil their responsibility, as landlords, to manage and maintain their housing stock.

For example, the Housing (Miscellaneous Provisions) Act 1997 provides for a range of measures to assist authorities in addressing problems arising on their estates from drug dealing and serious anti-social behaviour. One of the main provisions of the 1997 Act enables a local authority tenant, or the local authority itself in certain circumstances, to apply to the District Court for an excluding order against an individual member of the household who is believed to be engaging in anti-social behaviour, although it was not the intention that this power would cover cases of domestic violence.

The provisions of the Housing (Miscellaneous Provisions) Bill 2008, currently before the Dail, will improve on this regime, by updating the definition of anti-social behaviour to include damage to property and graffiti and significant impairment of the use or enjoyment of a person's home. In addition, the changes provided for in section 29 and Schedule 3 of the Bill to the terms and conditions of a tenancy agreement to specifically reference anti-social behaviour will also strengthen the provisions in this area.

At a more strategic level, section 35 of the Bill requires housing authorities to adopt anti-social behaviour strategies and this new provision will assist authorities in dealing with this issue by providing a framework for action; co-operation between bodies; procedures for the making of complaints; and initiatives for the prevention and reduction of anti-social behaviour.

Finally, in conjunction with the Attorney General's Office, I am looking at the scope for further changes to existing housing legislation that will enhance the role of housing authorities in addressing anti-social behaviour. I hope to incorporate further measures in this area during the passage of the Housing Bill through the Oireachtas. I am satisfied that housing authorities, in prioritising households and allocating dwellings, have sufficient flexibility, under existing and planned legislative provisions, to take account of the difficult circumstances that can arise in cases of domestic violence.

Agriculture Investment Schemes.

143. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food if he will clarify the situation regarding grant aid from Enterprise Ireland under the beef and sheep meat investment fund; the projects under this scheme which have been approved for payment; when payment of these grants can be expected; and if he will make a statement on the matter.
[13728/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): A Capital Investment Aid Scheme for the beef and sheepmeat primary processing sectors was launched in April 2007, with the aims of achieving efficiencies in processing and improving market sustainability, competitiveness and added value. As indicated in reply to previous Parliamentary Questions the process of examination and evaluation of project proposals under the scheme has been completed. Enterprise Ireland has been in contact with companies about the individual awards and it is anticipated that an announcement will be made shortly.

Departmental Staff.

144. **Deputy Paul Kehoe** asked the Minister for Agriculture, Fisheries and Food, further to

Parliamentary Question No. 559 of 10 February 2009 regarding uncertified sick days, the steps he has taken to rectify a situation in which a large number of persons can be absent due to uncertified sick days; his views on the fact that a substantial number of these days happen to be Mondays and Fridays; if there is a proposal to overhaul the system of uncertified sick days as it applies to his Department; and if he will make a statement on the matter. [13584/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department has put in place an Attendance Management Policy which has been developed in consultation with Senior Management and Staff Associations. The management of sick leave is a central focus of this policy document. The aim is to make staff aware that attendance is a vital factor in managing the work of the Department and in the efficient delivery of services and to encourage all staff to take responsibility for their own attendance.

The number of sick days taken on Mondays and Fridays in 2008 has reduced significantly on 2007 levels and my Department will continue its efforts to reduce these amounts further. Any proposals to amending Civil Service regulations on Sick Leave would be a matter for the Department of Finance which has the central policy formulation role in this regard.

Departmental Bodies.

145. **Deputy Jim O’Keeffe** asked the Minister for Agriculture, Fisheries and Food if, pursuant to section 13 of the Agriculture (Research, Training and Advice) Act 1988, he has approved proposals from Teagasc as required by said section in relation to a college (details supplied) in County Cork; if in relation to such proposals he has sought further information pursuant to subsection (5); and if so, the details and his views of same. [13609/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Under the Agriculture (Research, Training and Advice) Act, 1988 Teagasc has responsibility for the provision of education and training to the agriculture sector. The delivery of the education and training programme including the number and the location of the colleges/centres from which the programme will be delivered and the future of any particular college are day-to-day operational matters for Teagasc itself. Ministerial responsibility to Dáil Éireann in relation to Teagasc is confined to matters of policy.

Grant Payments.

146. **Deputy Jimmy Deenihan** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Kerry will receive payment under the suckler welfare scheme. [13610/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named has 14 animals for consideration under the 2008 Suckler Welfare Scheme. When the application was processed, there were errors in respect of all of the animals. My Department has written to the person named regarding the errors, and a Department officer has been in contact with him with a view to resolving the matter.

Fisheries Protection.

147. **Deputy Tom Sheahan** asked the Minister for Agriculture, Fisheries and Food the compensation package in place following the precautionary closure of Kenmare Bay, due to toxins being found in Bantry Bay recently; if toxins were found in Kenmare Bay and shellfish had to be destroyed under the food health directive; and if he will make a statement on the matter. [13618/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Seafood safety is a matter in the first instance for the Sea Fisheries Protection Authority. The Marine Institute, Sea Fisheries Protection Authority, and Food Safety Authority in conjunction with the shellfish industry maintain programmes monitoring phytoplankton in Irish waters, in addition to toxins in Irish shellfish.

I understand from the Sea Fisheries Protection Authority that high levels of pseudo-nitzschia, a naturally occurring phytoplankton, were detected in south-west waters over the past few weeks. Following consultation between the Marine Institute and Sea Fisheries Protection Authority a decision to close both Bantry Bay and Kenmare Bay was made by the Authority on 13 March 2009. Further mussel samples from Kenmare Bay were analysed by the Marine Institute on Monday 16th March following which Kenmare Bay was re-opened. There is no statutory provision for the payment of compensation in such circumstances.

Grant Payments.

148. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Mayo has not received their REPS payment; and when they can expect to receive their payment. [13624/09]

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.

149. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Mayo has not been granted REPS 4 in view of the fact that it is causing them financial hardship. [13625/09]

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.

150. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Mayo has not been granted the farm waste management grant in view of the fact that it is causing them financial hardship. [13626/09]

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 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. I have also announced that a special ex gratia payment not exceeding 3.5 per cent of the value of the

deferred amount will be made to farmers whose Farm Waste Management grants have been partially deferred. This payment will be made in January 2011 along with the final instalment.

151. **Deputy James Bannon** asked the Minister for Agriculture, Fisheries and Food when a REPS 4 payment will be issued in respect of persons (details supplied) in County Longford; and if he will make a statement on the matter. [13658/09]

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.

152. **Deputy James Bannon** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Longford will be granted their farm waste management grant in respect of a slatted shed application which was passed in September 2008; and if he will make a statement on the matter. [13659/09]

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 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. I have also announced that a special ex gratia payment not exceeding 3.5 per cent of the value of the deferred amount will be made to farmers whose Farm Waste Management grants have been partially deferred. This payment will be made in January 2011 along with the final instalment.

153. **Deputy James Bannon** asked the Minister for Agriculture, Fisheries and Food when a REPS 4 payment will be issued in respect of a person (details supplied) in County Longford; and if he will make a statement on the matter. [13660/09]

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.

Fishing Fleet Protection.

154. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the proposals submitted to the EU Commission in September 2008 to assist the fisheries sector; and if he will make a statement on the matter. [13727/09]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The position is as set out in my reply to Question 11947/09 of 24 March 2009. The fisheries fuel aid package referred to is the EU Regulation 744/2008 instituting a temporary specific action aiming to promote the restructuring of the European Community fishing fleets affected by the high fuel prices. This was introduced to mitigate against the impacts that the escalating fuel prices had on the European fishing fleet in 2008. Recent developments in the global fuel market have resulted in

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cheaper fuel and a subsequent easing of the pressures on fishermen. The crisis however did highlight areas within our fleet that needed further attention.

Ireland's response to the adoption of the package of emergency measures was to submit a detailed, costed set of proposals to the EU Commission on 12th September 2008. In keeping with our previous and consistent stance on the matter, and supported by the Commission's policy document of 8 July 2008, these proposals sought additional EU funding of €32m to support the restructuring of the fishing fleet in line with the provisions of EU Regulation 744/2008.

We have pursued and continue to actively pursue the case at both Council and Commission level. The Irish plan was the subject of a lengthy bilateral meeting at official level with the European Commission in Brussels on the 30th September. At that meeting the current situation of the Irish Fishing industry was outlined to the Commission and it was made clear that the Plan cannot be implemented unless the Commission secures and allocates the necessary funding to Ireland.

I have continued to press for Commission proposals to enable the implementation of the plan in Ireland at an early date. The Commission's stated position is for Member States to re-engineer their Fisheries Operational Programmes to give priorities to the new measures catered for in the emergency package. This is not an option for Ireland, as we have already committed €32m of our total EFF allocation to the current decommissioning scheme, which does not allow for any further flexibility with the remaining measures proposed. We will continue to push Ireland's case at every available forum with a view to the Commission bringing forward firm proposals to provide additional funds that will enable the full implementation of the plan.

Higher Education Grants.

155. **Deputy John O'Mahony** asked the Minister for Education and Science when he will release funding to Mayo County Council to pay grants for students' fees; and if he will make a statement on the matter. [13567/09]

Minister for Education and Science (Deputy Batt O'Keeffe): Payment issued on 26 March 2009 to Mayo County Council in respect of the second recoupment for the Higher Education Grant.

Youth Services.

156. **Deputy Ruairí Quinn** asked the Minister for Education and Science the projects or meetings he has engaged in with an organisation (details supplied); the nature of these projects or meetings; the cost involved in joint projects his Department is involved in; and if he will make a statement on the matter. [13564/09]

Minister for Education and Science (Deputy Batt O'Keeffe): Officials from my Department's Regional Office Service met with a representative of the organisation referred to by the Deputy in January, 2005. The purpose of the meeting was to discuss the scope for that organisation and the state to co-operate on jointly-funded projects targeting children and youth in disadvantaged areas of Dublin, primarily Ballymun.

Currently, my Department is associated with a number of projects which are promoted by the organisation referred to by the Deputy. The lead government office in these projects is the Office of the Minister for Children and Youth Affairs which, together with that organisation, funds the Prevention and Early Intervention Programme, an initiative which is currently being rolled out as targeted programmes in three areas of Dublin which suffer from high levels of

socio-economic disadvantage. The three programmes are ‘youngballymun’ in Ballymun, ‘Preparing for Life’ in the Dublin 17 area and the ‘Childhood Development Initiative’ in Tallaght.

Each of the programmes has a considerable focus on education and, consequently, my Department has had a significant involvement in their development. As the delivery of the programmes progresses, my Department intends to keep abreast of the challenges associated with implementation. Towards that end, a group of senior Department officials recently met the managers of each of the programmes to discuss education-related progress to date. It is envisaged that similar meetings will be held in the future as the need arises.

The State’s contribution to programme costs is borne by the Office of the Minister for Children and Youth Affairs. The only costs incurred by my Department relate to expenses arising from attendance at meetings and, at less than €8 per month typically, are negligible.

State Examinations.

157. **Deputy Ruairí Quinn** asked the Minister for Education and Science the procedure for hiring examiners who conduct oral exams on behalf of the State Examinations Commission; if examiners will continue to be remunerated in respect of their ordinary teaching posts, in addition to receiving their expenses for conducting the oral examinations; if teachers have resigned their positions as examiners because they face being left unpaid in their ordinary position while conducting the examinations; and if he will make a statement on the matter. [13565/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The State Examinations Commission (SEC) has statutory responsibility for operational matters relating to the certificate examinations, including organising the holding of examinations, making arrangements for the marking of work presented for examination and issuing the results of examinations. I have made enquiries with the Commission in relation to this matter and the current procedure is that in early December each year the Commission places advertisements in the national press inviting applications for Oral examiners for the following year’s examinations.

The current position in relation to remuneration is that examiners who are permanent or temporary teachers in second-level schools will continue to be remunerated for their ordinary teaching posts, in addition to receiving a fee in respect of examining each candidate, and expenses for conducting the oral examinations. The State Examinations Commission is aware of one instance where a part-time teacher has withdrawn from examining in Leaving Certificate Oral French in this year’s examination rather than face the prospect of being unpaid in respect of their teaching position.

School Transport.

158. **Deputy Andrew Doyle** asked the Minister for Education and Science the payment per child to the private companies running the school bus programme; the way the payment is calculated; and the economic factors taken into consideration regarding the costs of running such a programme. [13577/09]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): I would like to advise the Deputy that negotiations with school bus operators regarding school bus contracts are a matter between Bus Éireann, which operates the school transport service on behalf of my Department, and the operators. There are currently over 1,400 operators, including taxi operators, providing services and the daily rates depend on the size of vehicle and mileage involved for particular services. They are not paid a rate per child. The School Transport Scheme currently facilitates the transportation of over 135,000 children, including children with special needs, to primary and post-primary schools each day.

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In 2007, the amount paid by my Department to Bus Éireann was €146.620 million, which included €96.445 million towards the cost of employing private contractors. The provisional estimated figures in respect of 2008 are €162.5m and €108.2m respectively. A Steering Committee to oversee a Value for Money Review of the School Transport Scheme, including catchment boundaries, has been established. The aim is to complete the review by the end of 2009. The Steering Committee is looking at the original objectives of the scheme, whether these objectives remain valid today, the extent to which the objectives are being achieved and whether there are possibilities for economies or efficiencies that would improve the value for money of the scheme. In this context, the review will also look at fundamental issues such as catchment boundaries which is in line with the commitment in the Programme for Government.

Special Educational Needs.

159. **Deputy Liz McManus** asked the Minister for Education and Science if he will ensure that the two special classes at a school (details supplied) are maintained in September 2009 in view of the fact that the special class numbers in this school are not falling but have been increasing steadily over the past few years and the fact that the school is situated in an area designated as disadvantaged; and if he will make a statement on the matter. [13588/09]

Minister for Education and Science (Deputy Batt O’Keeffe): At the outset I wish to clarify that there will be no pupil with a special educational need who will be without access to a special needs teacher as a result of the decision to apply the normal rules which govern the appointment and retention of teachers of special classes for pupils with a mild general learning disability. These special classes which are to close predate the 2005 General Allocation Model of allocating additional teacher support to schools to enable them to meet the needs of pupils with mild general learning disabilities as well as a number of other high incidence disabilities. All primary schools now have additional teaching support in place for this purpose.

All primary schools were allocated additional teaching resources under the General Allocation Model to enable them support pupils with high incidence special educational needs including mild general learning disability (MGLD). Schools can decide how best to use this allocation based on the needs of the pupils. Most pupils with a MGLD are included in ordinary classes with their peers and are supported by their class teacher. The curriculum is flexible so that teachers can cater for the needs of children of different abilities.

Teacher allocations to schools typically increase or decrease depending on pupil enrolment. In the case of classes for MGLD the normal pupil teacher ratio that applies is 11:1. My Department however permits schools to retain a teaching post where it has a minimum of 9 pupils in the class. This minimum was not fulfilled in the school referred to by the Deputy. Therefore, the school no longer qualifies to retain both special classes.

When the General Allocation Model was introduced, schools with additional teachers in classes for MGLD were allowed to retain the teachers for these classes. Effectively, these schools received a double allocation. The number of these special classes has decreased since 2005 in line with falling numbers as pupils are supported through the additional teaching allocation provided and schools have integrated the children into age-appropriate mainstream classes. This policy of inclusion has widespread support within the educational community and is in line with the UN Convention on the Rights of Persons with Disabilities.

It had been decided not to actively suppress special classes pending the introduction and bedding in of the General Allocation Model. This Model is now working well and the decision was taken to suppress all special class posts which do not meet the minimum enrolment requirement with effect from the next academic year. All of the other primary schools in the country

which do not have classes for children with MGLD cater for these pupils from within the General Allocation Model.

I have previously indicated that I am open to listening to proposals from schools where they can demonstrate that it is educationally more beneficial for the pupils involved to be in a special class of their own rather than to be integrated with their peers and supported by the mainstream classroom teacher and the learning resource teacher. For example, where two schools on the one campus make a joint proposal to this effect, my Department will consider any such proposal. I understand that the school in question has written to my Department making a case for retention of the classes and this is currently under consideration. It would be expected, however, that provision would be made for these pupils within mainstream classes with support from the General Allocation Model. I wish to reiterate to the Deputies that pupils with a mild general learning disability have and will continue to have access to additional teaching resources to support their education.

The Deputy will be aware that DEIS (Delivering Equality of Opportunity in Schools), the action plan for educational inclusion, provides for a standardised system for identifying levels of disadvantage and an integrated School Support Programme (SSP). DEIS brings together and builds upon a number of existing interventions in schools with concentrated levels of disadvantage. In line with my focus on retaining resources in the most disadvantaged areas, it is important to note that DEIS Supports in DEIS schools are not being affected by the most recent Budget.

The school referred to by the Deputy was identified for inclusion in Urban Band 2 of DEIS and for the duration of the programme it will benefit from the following measures:

- The services of a shared Home School Community Liaison Coordinator;
- Access to a range of supports under the School Completion Programme;
- Additional capitation based on level of disadvantage and grant aid for school books.

Departmental Bodies.

160. **Deputy Brian Hayes** asked the Minister for Education and Science the cost of the State Examination Commission in each year for the past five years; and if he will make a statement on the matter. [13593/09]

The State Examinations Commission (SEC) was established as a statutory body on 6 March 2003 under the State Examinations Commission (Establishment) Order 2003 in accordance with section 54 of the Education Act 1998. The Commission has responsibility for operational matters relating to the certificate examinations. The cost of running the State Examinations Commission over the past 5 years is set out below.

Year	Cost of SEC	Income from fees	Net cost to Exchequer
	€	€	€
2004	53,377,463	8,026,171	45,351,292
2005	57,345,209	8,711,212	48,633,997
2006	61,503,721	8,357,294	53,146,427
2007	65,751,947	8,731,104	57,020,843
2008	70,455,318*	9,162,993*	61,292,325*

*These figures are provisional as the Financial Statements for 2008 have not yet been finalised.

161. **Deputy Brian Hayes** asked the Minister for Education and Science the cost of the Teaching Council in each year since it was established; and if he will make a statement on the matter. [13594/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The Teaching Council Act 2001 provided for the Teaching Council to be funded by my Department for 2 years after the establishment day, which was 28th March 2006. The funding provided by my Department is set out below.

- 2006 €2.991m;
- 2007 €3.082m;
- 2008 €0.849m.

The Teaching Council became a self-funding body from 28 March 2008. The Council raises its funding from, in the main part, teachers’ initial registration and renewal of registration fees. The annual registration fee is currently €90. In addition the Council has the capacity to charge fees for other services associated with registration including providing copies of or additional registration certificates, letters of professional standing, reviewing programmes of teacher education and qualification recognition.

School Staffing.

162. **Deputy Brian Hayes** asked the Minister for Education and Science his views on whether school administration staff are becoming over-worked; the measures he will introduce to deal with this matter; and if he will make a statement on the matter. [13596/09]

Minister for Education and Science (Deputy Batt O’Keeffe): My Department has introduced a number of measures in recent years aimed at easing the administrative workload of schools. School principals, in particular, play a key role in the successful operation of schools and specific initiatives have been introduced that give more time for school principals to concentrate on the management aspects of their role. The scheme of release time enables teaching principals of primary schools to be released from their teaching duties for a specified number of days annually to undertake administrative leadership and management functions. The number of days release time allowed varies between 14 and 22 and is determined by the number of mainstream class teachers in the school. Paid substitution is provided by my Department for the days that principals are on release time.

In the 2005/2006 school year my Department, following consultation with the relevant education interests, introduced on a pilot basis a system whereby a fully qualified primary school teacher may be employed to act as a nominated substitute teacher for Principals in a cluster of schools taking release days. Twenty clusters have been established under the pilot scheme. Primary schools with a staffing of a Principal and up to 6 mainstream class teachers have a teaching principal. This is outlined in primary circular 0002/2009 which is available on my Department’s website, www.education.ie.

Since the start of the 2006/07 school year my Department has introduced further initiatives to assist with reducing the administrative workload of primary school principals. Following the introduction of DEIS in the 2006/07 school year, schools which qualified for the Urban Strand (Band 1 and 2) of the School Support Programme (SSP) are entitled to the allocation of administrative principals on lower enrolment and staffing figures than apply in primary schools generally. Additionally, primary schools with a staffing of Principal plus four or five mainstream class teachers that also have a specialist autism unit established under the approval of the

National Council for Special Education are entitled to appoint the Principal on an administrative basis. In the 2006/07 school year the appointment of Deputy Principals on an administrative (non-teaching) basis was introduced at primary level for the first time.

Schools with 24 or more mainstream class teachers (including Developing School Posts and certain posts allocated under Social Inclusion measures) and mainstream schools that, in addition to ordinary mainstream class teachers, also have five or more special classes for children with more complex low-incidence special needs can appoint the Deputy Principal on an administrative basis.

In all of the above instances, a permanent mainstream class teacher may be appointed to replace the Principal and Deputy Principal. The assignment of duties to post holders under the internal management structures within primary and post primary schools also provides support to school principals in meeting school administrative needs. My Department is supporting such school leaders by investing in the Leadership Development for Schools programme (LDS). Since 2002, over 9,000 teachers have successfully completed LDS programmes such as Misneach, Spreagagh, Forbairt, Tánaiste, Cumasú and Cothú from principals to middle managers. Last September, the Leadership Development for Schools Programme also launched a school leadership programme for Aspiring Leaders called Toraíocht which is a programme of professional development for teachers interested in developing their leadership skills.

The funding of the day to day running of Primary and secondary schools is made through capitation grants and likewise school secretarial (and caretaking) services are generally funded by grants related to the number of pupils in the school. This funding is flexible by nature and Boards of Management have discretion in targeting such resources to the priorities of the school. I have recently indicated that I favour a simplification of the grant systems for both primary and second level schools to make the capitation grant mechanism the single funding channel. This approach will also reduce administration and accounting for both schools and my Department.

In addition to the measures outlined above, my Department has in recent years developed and put in place a centralised payroll system for special needs assistants. Work is also ongoing in the Department on the setting up of a payroll service for part-time learning support and resource teachers which is due to commence in September 2009. This and other developments such as the Online Claims System will also help ease some of the administrative workload on schools. My Department will continue to explore further possible measures aimed at reducing the administrative workload of schools and thereby enhancing the efficiency and effectiveness of our school system.

Post-Leaving Certificate Courses.

163. **Deputy Seán Ardagh** asked the Minister for Education and Science his views in relation to access to post-leaving certificate courses, in particular for students of disadvantaged backgrounds and in response to a letter from a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [13599/09]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): The Post Leaving Certificate (PLC) programme provides an integrated general education, vocational training and work experience programme for young people who have completed their Leaving Certificate and adults returning to education. Its purpose is to enhance their prospects of gaining employment or progressing to further or higher education.

In relation to the issue raised in the letter referred to by the Deputy, the overall number of approved PLC places is set at its current level of 30,188 because there is a continuing require-

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ment to plan and control numbers and to manage expenditure within the context of overall educational policy and provision. Due to the difficult budgetary position, it was not possible to increase the number of places this year. Any possible future increase would have to take account of the present and prospective economic and budgetary context and related financial constraints.

Site Acquisitions.

164. **Deputy Paul Gogarty** asked the Minister for Education and Science the progress that has been made in identifying an expanded site in respect of a school (details supplied) in County Dublin; and if he will make a statement on the matter. [13601/09]

Minister for Education and Science (Deputy Batt O’Keeffe): I wish to advise the Deputy that my Department is not actively pursuing a site for the school in question.

165. **Deputy Paul Gogarty** asked the Minister for Education and Science the school sites that have been identified in the Citywest/Saggart/Rathcoole area of County Dublin for new or expanded schools; and if he will make a statement on the matter. [13602/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The Forward Planning Section of the Department is in the process of identifying the areas where significant additional accommodation will be required at primary and post-primary level for 2009 and onwards. Factors under consideration include population growth, demographic trends, current and projected enrolments, recent and planned housing developments and capacity of existing schools to meet demand for places. Having considered these factors decisions will be taken on the means by which emerging needs will be met within an area. Educational accommodation requirements in the Citywest/Saggart/Rathcoole areas, and any subsequent issues which may arise, will be considered in this context.

I wish to advise the Deputy that the Department has requested South Dublin County Council to make reservation for a 3 acre site in the Fortunestown Lane/Garter’s Lane area for future primary education in this area. I understand this has been adopted. The acquisition of the site will be considered in the context of the capital budget available to my Department for school buildings generally. In light of the many competing demands on the capital budget of my Department, it is not possible to give an indicative timeframe for the acquisition of the site at this time.

166. **Deputy Paul Gogarty** asked the Minister for Education and Science his plans in place to provide for the increase in population in Newcastle, County Dublin either through an expanded school (details supplied) or a new school; and if he will make a statement on the matter. [13603/09]

Minister for Education and Science (Deputy Batt O’Keeffe): My Department is currently in discussion with South Dublin County Council regarding suitable site options for the school to which the Deputy refers. The acquisition of a suitable site and the proposed long-term building project for the school will be considered in the context of the capital budget available to my Department for the multi-annual school building and modernisation programme. My Department recently provided a modular 2-classroom block to meet the immediate accommodation requirements in the school with provision to provide an additional 2 classrooms from September, 2009 depending on enrolments.

Schools Building Projects.

167. **Deputy Paul Gogarty** asked the Minister for Education and Science his plans to locate and construct a new school building for a school (details supplied) in Dublin 22 in view of the condition of the existing facilities and the fact that tender prices have decreased in the past 18 months; and if he will make a statement on the matter. [13604/09]

Minister for Education and Science (Deputy Batt O’Keeffe): As the Deputy will be aware, it is my Department’s intention to provide the school in question with a new building. In this regard, agreement has been reached to provide the new building on a VEC-owned site. As the Deputy will also be aware, in February 2009, I announced details of 43 major building projects to proceed to tender and construction and 25 high priority projects to commence architectural planning. The project to which the Deputy refers was not included in this announcement for the commencement of architectural planning. Therefore, it is unlikely that it will be progressed in 2009.

The progression of all large scale building projects, including the project in question, 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.

168. **Deputy Denis Naughten** asked the Minister for Education and Science the status of a primary school building project (details supplied) in County Roscommon; when he expects the tenders to be signed and construction to commence; and if he will make a statement on the matter. [13605/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The school to which the Deputy refers is one of 10 projects announced in January to be re-tendered with a view to going to construction as soon as possible. For this project to go to construction it needs to be re-tendered under the new Department of Finance form of contract for public capital projects. My Department has been in contact with the school authority in this regard.

169. **Deputy Denis Naughten** asked the Minister for Education and Science the status of a post-primary school building project (details supplied) in County Roscommon; when he expects the tenders to be signed and construction to commence; and if he will make a statement on the matter. [13606/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The Deputy will be aware that the school to which he refers was included in my announcement on 12 February of forty three major school building projects which are to progress to tender and construction this year. Representatives from the board of management and the school’s design team attended a briefing in my Department’s offices in Tullamore on the 5 March at which they were appraised of the next steps necessary to progress this project to tender and construction.

170. **Deputy Denis Naughten** asked the Minister for Education and Science the status of a post-primary school building project (details supplied) in County Westmeath; when he expects the tenders to be signed and construction to commence; and if he will make a statement on the matter. [13607/09]

171. **Deputy Denis Naughten** asked the Minister for Education and Science the status of a post-primary school building project (details supplied) in County Leitrim; when he expects the

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tenders to be signed and construction to commence; and if he will make a statement on the matter. [13608/09]

Minister for Education and Science (Deputy Batt O’Keeffe): I propose to take Questions Nos. 170 and 171 together.

The two post primary school projects at the locations in Counties Leitrim and Westmeath referred to by the Deputy are included in the list of seven schools which I have approved for inclusion in the 3rd Bundle of schools to be procured via Public Private Partnership. This bundle is in the pre-procurement stage and my Department has completed a round of stakeholders’ meetings in each of the locations where PPP schools are to be provided. A detailed output specification and Public Sector Benchmark will be prepared and outline planning permission will be sought for each location. On successful completion of this process, the Bundle will be handed over to the National Development Finance Agency (NDFA) for procurement. A contract cannot be awarded until the procurement process has been successfully completed. The indicative timeframe for the delivery of a PPP school currently stands at approximately 4 years from the date the Bundle is announced.

172. **Deputy Richard Bruton** asked the Minister for Education and Science the reason only 30% of his capital budget for 2009 has been committed to school building projects at this point in view of the number of building projects awaiting sanction; if he will provide assurances that the remaining €626 million will not be sacrificed; and if his attention has been drawn to the fact that all other Departments have committed 80% of their capital allocations. [13619/09]

Minister for Education and Science (Deputy Batt O’Keeffe): My Department has a rolling programme of school building and modernisation projects. As is usual with the school building programme, not all of the funds will be contractually committed at the outset of the year, as contracts are only signed with contractors when projects are ready to go on site. However, substantial funding, not strictly defined as contractual commitments at this stage, will be required during 2009 for items of capital expenditure such as the Summer Works Scheme, the Minor Works Grant, the acquisition of sites and major projects yet to go on site.

Preparation work such as securing planning permission and the completion of a tender process must be carried out before contracts for school building projects are signed. This work is ongoing in my Department and as the necessary preparatory work is satisfactorily finalised, contracts will be signed and projects will commence construction in accordance with the school building programme.

Higher Education Grants.

173. **Deputy James Bannon** asked the Minister for Education and Science the reason persons (details supplied) in County Longford have not been awarded the maximum higher education grant for the academic year 2008-09 in respect of their son which they received in 2007-08, despite no change of circumstances; and if he will make a statement on the matter. [13656/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The decision on eligibility for student grants is a matter for the relevant assessing authority — i.e. the Local Authority or VEC. These bodies do not refer individual applications to my Department except, in exceptional cases, where, for example, advice or instruction regarding a particular clause in the relevant scheme is required. If an individual applicant considers that she/he has been unjustly refused a maintenance grant, or that the rate of grant awarded is not the correct one, she/he may appeal, in the first instance, to the relevant local authority or VEC. Where an individual

applicant has had an appeal turned down, in writing, by the assessing authority, and remains of the view that the body has not interpreted the schemes correctly in his/her case, an appeal form outlining the position may be submitted by the applicant to my Department.

Disadvantaged Status.

174. **Deputy Jim O’Keeffe** asked the Minister for Education and Science the basis on which the only second level school in Beara, County Cork (details supplied) is to lose its disadvantaged status under the DEIS programme; and if he will arrange to have this matter reconsidered in view of the circumstances and location of this school. [13662/09]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): The post primary school to which the Deputy refers was among a number of schools that was judged by an independent identification process in 2005 not to have a sufficient level of disadvantage among their pupils to warrant their inclusion in DEIS (Delivering Equality of Opportunity in Schools), the Action Plan for Educational Inclusion. The next identification process is scheduled to be held at the end of the current DEIS programme which runs from 2005 to 2010. There will not be an opportunity before this to be included in the current DEIS programme of supports.

A review mechanism was put in place in 2006 to address the concerns of schools that did not qualify for inclusion in DEIS but regarded themselves as having a level of disadvantage which was of a scale sufficient to warrant their inclusion in the programme. The review process operated under the direction of an independent person, charged with ensuring that all relevant identification procedures were properly followed in the case of schools applying for a review. The review was concluded and the results were notified to schools in August 2006. The post primary school in question appealed its non inclusion in DEIS but their appeal was unsuccessful.

This school together with 72 other post primary schools retained resources, both teaching posts and financial, under pre-existing schemes and programmes for addressing educational disadvantage. When DEIS was introduced, a commitment was given as a concessionary measure to these schools that they would retain a level of support for the duration of the DEIS Initiative, i.e.2010. However, in light of the recent economic downturn, the Government has had to make a number of difficult and challenging decisions in Budget 2009. This means that it will now be necessary to withdraw resources from all non DEIS schools with effect from 31 August 2009. These resources will be retained for the remainder of this school year after which they will then be withdrawn.

The main focus of Social Inclusion Measures will be to retain resources in schools participating in DEIS (Delivering Equality of Opportunities in Schools) the Action Plan for Educational Inclusion, as there is a need to focus targeted resources on the schools serving the most disadvantaged communities. This approach is in line with the broad thrust of the recommendations of the Comptroller and Auditor General which are set out in his report on Primary Disadvantage of 2006, which recommended that my Department should focus its educational disadvantage measures on those schools serving the most disadvantaged communities.

Schools Building Projects.

175. **Deputy Brian Hayes** asked the Minister for Education and Science his plans for the development of a school (details supplied) in County Dublin and the school’s buildings; the timescale of such plans; the cost of same; the status of the plans; and if he will make a statement on the matter. [13712/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The proposed extension/refurbishment project at the school to which the Deputy refers is at an early stage of architectural planning. The progression of all large-scale building projects, including this project, from initial design stage through to construction, is dependent on the prioritisation of competing demands on the funding available under my Department’s capital budget. The project will be considered in the context of the Department’s multi-annual school building and modernisation programme. However, in light of current competing demands on the capital budget of my Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

176. **Deputy Brian Hayes** asked the Minister for Education and Science the number of new schools planned to be built in 2009; and if he will make a statement on the matter. [13713/09]

Minister for Education and Science (Deputy Batt O’Keeffe): I understand that the Deputy’s question relates to the number of building projects planned for new schools which are starting for the first time in September 2009. In this regard, my Department plans to recognise two new post-primary start-up schools in 2009 in the North Dublin area. One of these schools, Ardgillan Community College, Balbriggan, will be accommodated in a new school building which will provide accommodation for up to 350 pupils initially. The second school, Luttrellstown Community College, will be initially provided with temporary accommodation. It is intended to provide permanent accommodation for this college at a later stage.

Site Acquisitions.

177. **Deputy Brian Hayes** asked the Minister for Education and Science the number of sites needed for the establishment of new schools following the establishment of the future planning unit within his Department; and if he will make a statement on the matter. [13714/09]

Minister for Education and Science (Deputy Batt O’Keeffe): Forward Planning Section of the Department is in the process of identifying the areas where significant additional accommodation will be required at primary and post-primary level for 2009 and onwards. Factors under consideration include population growth, demographic trends, current and projected enrolments, recent and planned housing developments and capacity of existing schools to meet demand for places. Having considered these factors decisions will be taken on the means by which emerging needs will be met within an area. The need for school sites will be considered in the context of the above.

Departmental Committees.

178. **Deputy Brian Hayes** asked the Minister for Education and Science if the new schools advisory committee which was established in 1998 is now defunct; the exact position in connection with this committee; the reason no meetings have occurred in recent times; and if he will make a statement on the matter. [13715/09]

Minister for Education and Science (Deputy Batt O’Keeffe): As the Deputy will be aware, I have recently announced a review of the procedures for the establishment of new primary schools. The term of office of the New Schools Advisory Committee (NSAC), which was set up to assess all applications for new primary schools, expired in August, 2008. The terms of reference of the committee were originally drafted in 1998. Given the rapid growth in population and changing demographics in recent years, it is an opportune time to re-examine the criteria for the establishment of new primary schools.

I have established a Technical Working Group under the Commission on School Accommodation to undertake a full review of the criteria and procedures for the recognition of new primary schools. It is expected that this review will be completed and recommendations made to me by the Commission before the end of 2009.

Schools Building Projects.

179. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Education and Science the band and the point on which rests the application for approval to proceed to construct a new school building (details supplied) in County Cavan; if his attention has been drawn to the conditions at the school for both pupils and teachers; if his attention has further been drawn to the cross-party support in the constituency for said approval to issue; if he will move this application onto band one and agree to approve the remaining stages up to and including a green light to commence construction; and if he will make a statement on the matter. [13717/09]

Minister for Education and Science (Deputy Batt O’Keeffe): The school to which the Deputy refers applied to my Department for capital funding for a large scale project which has been assessed in accordance with the published prioritisation criteria of my Department and assigned a Band rating of 2.1. This project is currently awaiting approval to appoint a design team. The progression of all large scale building projects, including this project, from initial design stage through to construction is dependent on the prioritisation of competing demands on the funding available under my Department’s capital budget. This project will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of my Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

School Transport.

180. **Deputy John O’Mahony** asked the Minister for Education and Science when the revision will be completed and published for the school bus catchment areas; and if he will make a statement on the matter. [13718/09]

181. **Deputy John O’Mahony** asked the Minister for Education and Science if a submission was received from an area (details supplied) in County Mayo to be included in the revision of the school bus catchments; if this will be included in the new plan; and if he will make a statement on the matter. [13719/09]

Minister of State at the Department of Education and Science (Deputy Seán Haughey): I propose to take questions 180 and 181 together.

The Steering Committee to oversee the Value for Money Review of the School Transport Scheme, including catchment boundaries, has been established. The aim is to complete the review by the end of 2009. The Steering Committee is looking at the original objectives of the scheme, whether these objectives remain valid today, the extent to which the objectives are being achieved and whether there are possibilities for economies or efficiencies that would improve the value for money of the scheme. In this context, the review will also look at fundamental issues such as catchment boundaries which is in line with the commitment in the Programme for Government.

The Steering Committee has invited submissions to assist with its deliberations. These submissions, and the views of all those individuals and groups which made submissions previously to the Joint Oireachtas Committee on Education and Science in relation to catchment boundaries, will be taken into account as part of the review. The review is being carried out as part

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of the 2009-2011 round of Value for Money Reviews approved by Government and, when completed, will be published and submitted to the Oireachtas Select Committee on Education and Science.

Higher Education Grants.

182. **Deputy Richard Bruton** asked the Minister for Education and Science if, in view of the crisis in which qualified people in the construction sector are required to re-skill, he will lift some of the restrictions that apply to grant eligibility for undertaking study at undergraduate level or introduce other tailored re-skilling or back to education programmes for graduates in job areas in which demand has collapsed. [13732/09]

Minister for Education and Science (Deputy Batt O’Keeffe): Under the current terms of the third level student grant schemes, maintenance grants are not payable to candidates who already hold a qualification and are pursuing a second qualification at the same level. This restriction applies to every student who already holds a qualification at the same level, irrespective of where that qualification was obtained or whether or not funding was previously awarded. The objective of the student grant schemes is to assist as many students as possible in obtaining one undergraduate degree and in progressing, where appropriate, to postgraduate studies. There are no plans at present to change the current arrangements. Any such proposal would have to be considered in the light of existing resources and other competing demands in the education sector.