



# DÁIL ÉIREANN

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*Dé Máirt, 7 Aibreán 2009.*

*Tuesday, 7 April 2009.*

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Chuaigh an Ceann Comhairle i gceannas ar 2.30 p.m.

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*Paidir.*

*Prayer.*

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## Leaders' Questions.

**Deputy Enda Kenny:** In May 2007, the numbers on the live register were 104,000. In April of this year there are 373,000 plus on the live register, an increase of 219,000 which is more than double the population of the Taoiseach's Laois-Offaly constituency, at 103,673. It is obvious the country is not working under this Fianna Fáil Administration. There is no plan for the future of the country, no plan for jobs and no plan for the economic development of Ireland. The Taoiseach tells us we will have 400,000, and possibly more, out of work by the end of the year and there is a drop in living standards of 10% or 12%, yet we are to have a budget in a little over one hour's time in which the people will be penalised for the mistakes of the party in office. In the context of this afternoon's budget, I challenge the Taoiseach to say whether he is prepared to put that budget to the people and let them decide in a general election who they want to lead the country out of the economic morass and mess caused in the main by his party in government.

**Deputy Paul Kehoe:** Hear, hear.

**Deputy John Cregan:** Deputy Kenny will be challenged sooner.

**Deputy Bernard J. Durkan:** Take it easy, Johnny.

*(Interruptions).*

**An Ceann Comhairle:** The Taoiseach without interruption, please. Allow the Taoiseach to reply to Deputy Kenny's question, please.

**The Taoiseach:** The Irish people are aware of the serious challenges faced by our country and of what is happening right across the world. This is probably the biggest recession in 80 years. This country has not been immune and in fact it has suffered more than most. Today's budget is another step by this Government — and I hope with sufficient support from the House — to enable us to get on with the business which the people expect us to do, to make the necessary adjustments. I believe the people are ready to take whatever sacrifices are necessary in the interests of the next generation and in the interests of getting this right over the period ahead. They know there is no silver bullet, no immediate answer to some of these questions but we will certainly put forward a strategy in the coming years that will outline how we can bring back order to our public finances as this is fundamental as a pathway to economic

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recovery. We will also indicate our intended strategy to ensure that the banking system provides us with the necessary financial stability to enable Irish business to get on with protecting as many jobs as it can in the most difficult operating climate for many years.

**Deputy Paul Kehoe:** The Taoiseach might get a silver budget and go to the country.

**Deputy Enda Kenny:** As usual the Taoiseach will not answer the questions in here. I agree the Irish people are well aware of just how serious is this problem. I agree that the Irish people know well who caused this problem. I agree that the Irish people have convicted Fianna Fáil and they are waiting for them but Fianna Fáil does not have the courage to rise to that challenge politically.

**Deputy Paul Kehoe:** Hear, hear.

**Deputy Enda Kenny:** At 11% and rising, Ireland's unemployment rate is now higher than Germany, France, Italy and the Netherlands. A total equal to more than twice the adult population of the Taoiseach's constituency of Laois-Offaly has become unemployed in 18 months. The EU estimates that Ireland will have a deficit of 11% of GDP this year. France is expected to have a deficit of 5.4%, Spain a deficit of 6.2% and Greece a deficit of 3.7%. Greece has been given four years to sort out its problems and the Taoiseach's Government has been given five. The global competitiveness report which is compiled every year reported that the quality of Ireland's infrastructure dropped nine places between 2008 and 2009 to become 64th in the world. We were the fifth most competitive country in 2000.

I listened to the Taoiseach's comments at the weekend about coddling the people. I put it to him that in May 2007 the greatest con job of all was pulled by him as Minister for Finance and his predecessor as Taoiseach when they put out advertisements in the national newspapers to the effect that 97% of the taxpayers of Ireland would be better off under Fianna Fáil. I note from the communications unit the interview given today by the Minister of State, Deputy John McGuinness, in which he said that in respect of the last budget the two Brians made a bags of it and that it was unfair. I am not a supporter of Deputy McGuinness and I do not know if the Taoiseach heard the interview but that is what he said today. He said the two Brians made a bags of it.

We are aware that the country is not working under Fianna Fáil. Retail shops are closing down, small businesses cannot get credit and 1,000 jobs a day are being lost. Young people are forced to find a place in the world where they might find some work because of the despair and hopelessness they are experiencing here. I challenge the Taoiseach again; will he put this budget to the Irish people in a general election and give somebody a mandate to lead this country out of the mess that he and his people over there have created? Is he prepared to do that or is he not?

**Deputy Timmy Dooley:** Deputy Kenny had a mandate for the last election.

**The Taoiseach:** I have already explained to Deputy Kenny that the House will decide when it divides whether there is sufficient support for this budget and I believe there will be. Fine Gael had a programme at the time that sought to spend more. Based on the Deputy's tax proposals it was true that people would be better off under us than under his rule.

**Deputy Seymour Crawford:** That is totally untrue.

**The Taoiseach:** We live in a totally different world than that of May 2007.

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

**The Taoiseach:** It is the same for Germany, where growth will be down by 5% this year. The industrial powerhouses of the world are going through a recession the likes of which has not been seen in very many years. The people know that.

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

**The Taoiseach:** With regard to what must be done now, the people are prepared to accept whatever impositions are necessary to get us back on the pathway to recovery. That is my belief. It will begin when the Minister for Finance, Deputy Lenihan, makes his——

**Deputy Enda Kenny:** Go and ask them.

**Deputy James Bannon:** He is the reincarnation of Judas.

*(Interruptions).*

**The Taoiseach:** I listened to Deputy Kenny with respect to what he had to say.

**An Ceann Comhairle:** Deputy Kenny must listen in silence until the Taoiseach is finished.

**The Taoiseach:** The moment I start to speak there is a predilection to continue interrupting which does not add to the dignity of the House and does not impart any further relevant information.

We have rising unemployment figures because of the recession and because we earn our living on the basis of our exports and there is less demand for our goods and services now than in the past. That situation has been brought about by this recession. The important point is that we will come through this recession as we have in the past and will do so by taking whatever corrective measures are necessary.

**Deputy Jim O’Keeffe:** Now the Taoiseach tells us this.

**The Taoiseach:** This will be done over a period of years, given the scale and magnitude of the challenge facing us. It will involve people having to take some steps back in order to go forward again. It will involve an imposition. Unlike Deputy Kenny, I say to the people openly and honestly that there will be a greater imposition of tax and a greater degree of sacrifice required of all of us. At the same time, it is far better to be straight and honest about that.

**Deputy Paul Kehoe:** Like they were in 2007.

**Deputy James Reilly:** They filleted the economy.

**Deputy Paul Kehoe:** There was no honesty.

*(Interruptions).*

**Deputy Paul Kehoe:** The Taoiseach should look up the meaning of honesty in the dictionary.

**An Ceann Comhairle:** I call on Deputy Gilmore. Deputy Kehoe, this is Leaders’ Questions.

**Deputy Paul Kehoe:** The Taoiseach is leading the House astray by talking about honesty. He never talked about honesty in his life.

**An Ceann Comhairle:** On Leaders’ Questions, only party leaders are allowed ask questions.

**Deputy Eamon Gilmore:** It is fair to say that this afternoon the mind of the country is on the announcement from the Minister for Finance, Deputy Lenihan, of the second budget for 2009. This will be announced in an hour's time and no doubt it will have implications for the pay packets of people all over the country with regard to taxes and levies, and so on. That is probably what most people will be discussing over their dinner this evening.

However, as the Taoiseach stated, that is only one aspect of the issues being considered by the Government at present. The other has to do with the future of the banking system. As we know, the Government has made a couple of attempts to deal with the banks, including the guarantee last September, the announced recapitalisation in December which was not proceeded with, the nationalisation of Anglo Irish Bank in January, followed by the recapitalisation of the two larger banks at a cost of €7 billion to the taxpayers. Over recent weeks and particularly over the past few days, there has been increasing speculation that the Government will make a further announcement of some decisions in respect of banking. There has been speculation about the possibility of the establishment or creation of a "bad bank" to corral the bad debts. There have been some suggestions about the establishment of an asset management company under the National Treasury Management Agency and there have been suggestions that the Government may be considering some kind of arrangement or mechanism whereby taxpayers' money will be used to buy up the bad loans of the banks.

What decisions have been made by the Government in respect of the banks? Will the Government publish the report of Dr. Peter Bacon on which I understand such decisions to have been made? Would the Taoiseach agree to the suggestion made yesterday by my colleague, Deputy Joan Burton, that Dr. Bacon's report might be published as a Green Paper on banking?

**The Taoiseach:** Deputy Gilmore will be aware that the Minister for Finance, Deputy Lenihan, has indicated that in part of his Supplementary Budget Statement he will make some comments with regard to these matters that are important for the future of our economy. The motivation of the Government is to ensure we get the Irish banking system to serve the people within its core franchise of providing lending capacity to families, personal borrowers and to Irish businesses. This will enable it to protect as many jobs as possible.

As the Deputy is aware, there is an EU set of guidelines on dealing with what are called "impaired assets" and we will be working within that framework. Other countries have indicated already what they intend to do in this regard. The decisions we have taken thus far in respect of Irish banking and the State guarantee were absolutely necessary at the time in order to avoid any systemic failure of the Irish banking system and all the chaotic consequences that would have arisen from that. The recapitalisation policy was a prudent one on behalf of taxpayers and was taken after due diligence.

The question of how we manage risk in the future in respect of impaired assets and banks is an important issue for the people. Our motivation in this regard is to ensure that the problems which are causing the reduction of credit into the real economy, with all the accompanying effects, must be addressed in a very determined, sustained and strategic way. It is on that basis that the Minister will make some comments on this matter during the course of his Supplementary Budget Statement.

The Government has made its decision not simply on the basis of any individual report but based on the advice of the Central Bank and the National Treasury Management Agency. The latter has done a great deal of work in this area and has built up a very fine reputation over many years with regard to treasury management issues in this country, the management and reduction of our debt and in dealing with our public finances in that respect. These were the advisors, along with the Department of Finance. The official advice we received is built around

the consensus of opinion that has developed with regard to deciding which is the best way forward. It is on that basis that the Minister, Deputy Lenihan, will make some comments.

As the Deputy is aware, these matters concern some very commercially sensitive, market-sensitive issues and therefore I do not believe at this remove that it is possible to publish such reports. However, the decisions that will be taken by Government can be explained and brought to the House and any legislative changes that will be necessary on foot of those decisions will provide an opportunity for further debate.

**Deputy Eamon Gilmore:** I am curious about the way in which the Government is planning to do this. I understand from what the Taoiseach said that the issue of the banks is to be dealt with in the Budget Statement by the Minister, Deputy Lenihan. The significance and scale of what is being done, or intended to be done, is very large. What has been done already is very large. The guarantee exposes the Irish taxpayer in a considerable way. The cost of the recapitalisation, namely, taxpayers' money already provided to the banks, is apparently about double what the Government proposes in the budget, in terms of the total impact of the budget's €7 billion.

There has been speculation over the course of recent days that proposals are being considered by Government which effectively will use taxpayers' money to buy up the bad loans. This means buying up the half-finished housing estates, the land bought at enormously inflated prices, the property that was the cause of speculation. Is it the case that in addition to the bail-out of the banks already undertaken by Government there will now be a bail-out of the property speculators who ruined the country? Is it the case that the announcement of that bail-out will be buried in the Supplementary Budget Statement to be made later today? At that time everybody's eye will be on what their tax liability is to be and where they will stand in terms of levies, and so on. Is it the case that there will be a significant announcement concerning banks buried in the Supplementary Budget Statement? I would have thought that the scale of what must be done in respect of the banks required a separate announcement by the Government, one that might be examined and debated on its own merits rather than being part of the bigger Supplementary Budget Statement.

I do not accept what the Taoiseach said about market sensitivity. The markets have been sensitive to the banks for a very long time and we see the consequences. I accept what the Taoiseach said about market sensitivity. The markets have been sensitive to the banks for a very long time and we see the consequences in the share price.

The Bacon report is of major significance to the public. This is our money. One of the banks has been nationalised and €7 billion of public money has already been put into the banks. This is not private business any longer; this is public business. If one compares it to what happened in Sweden in the early 1990s, all of this type of information was put into the public domain and it was this fact that helped to restore confidence. If the information and the reports on which the Government is making decisions on these matters is not shared with the Opposition parties and made available to the public, it is very difficult for the public to regain the kind of confidence we all accept is required in the banking system.

Again, I ask the Taoiseach to tell us straight out what the Government intends to do with the banks. Will it buy up the bad loans? How much taxpayers' money will be used in this regard? Can we have sight of the Bacon report, which the Taoiseach now says is just one report? What other reports is the Government considering in regard to the banking system?

**The Taoiseach:** I want to make it clear to Deputy Gilmore once again that this is not a question of doing anything other than trying to secure the future of the economy. The whole purpose and motivation of Government involvement and Government policy in this matter is

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to try to ensure that we maintain financial stability in this country, which is absolutely essential for the purposes of dealing with the issues that are often discussed in this House, namely, the need to create jobs, maintain investment and ensure businesses have access to credit.

The continuing effort to try to portray this in the pejorative way in which it has been outlined by Deputy Gilmore does a grave injustice both to the gravity of the situation we need to deal with and the motivation of everyone in this House. Whatever our differences, we must do whatever we can to try to ensure that the Irish economy has a solid future going forward. The difficulties of our financial system and banking system have been no different from the difficulties that have arisen in respect of other financial systems and financial institutions in other countries, where governments have had to intervene, as this Government has had to intervene for the purposes of trying to bring forward an economic programme and economic policy that will ensure a future for this country. That is the truth of it. Any suggestions to the contrary by anyone in this House does an injustice to that situation. I am simply saying——

**Deputy Eamon Gilmore:** I am only asking for information.

**The Taoiseach:** I am giving the Deputy the information but I want first to address the political charge that was involved in his question, which was part of the legitimate tactic of any politician, which is to seek to first misrepresent the Government's position in this matter.

**Deputy Eamon Gilmore:** I made no charge.

**The Taoiseach:** The Government's position in this matter is to do everything it can to secure the future of the economy, maintain jobs and help business to grow and prosper in what is the most difficult recession we have seen in this generation or, indeed, for the past two or three generations. That is the purpose of our involvement. We have had no support from Deputy Gilmore's party in respect of any of the issues we have taken on board — that is a matter for his party to take up and articulate.

**Deputy Emmet Stagg:** They did not work. We were right to oppose them.

**An Ceann Comhairle:** Please allow the Taoiseach to finish.

**The Taoiseach:** The point is this — these decisions have worked because in the absence of those decisions being taken, we would have had systemic problems in regard to the Irish banking system.

**Deputy Emmet Stagg:** They did not work.

**An Ceann Comhairle:** The Taoiseach must be allowed to finish.

**The Taoiseach:** I did not interrupt Deputy Stagg's party leader when he spoke. Deputy Stagg often reminds us of the need to adhere to rules and procedures in the House.

Second, in regard to the matter that has been raised, the Minister, Deputy Brian Lenihan, will outline the policy position and strategic approach the Government believes needs to be taken now in the interests of the economy and for no other reason. The third point I wish to make to Deputy Gilmore is that, from our point of view, everything we seek to do here is to protect the taxpayers' interest at all points.

With regard to the capitalisation programme which Deputy Gilmore regarded as a bailout, this is about ensuring that we get a return on that money and that the Irish taxpayer is protected in respect of those public funds that have been made available to ensure there is sufficient

capital in our banks to enable them to operate. We also need to see the banks functioning to a far more dynamic extent for the benefit of the economy and business, and the protection of jobs, about which many people talk in this House. There are major decisions to be taken to ensure that this happens.

Part of this is to ensure that we have a banking system which serves its core franchise of looking after businesses and jobs, personal borrowers and those who have mortgages. These are the people who are at the centre of our concern, not this continuous pejorative attempt to suggest there is any other motivation in regard to discussions we are having on these important matters.

**Deputy James Bannon:** That is a bit risky, coming from the Taoiseach.

### **Order of Business.**

**The Taoiseach:** It is proposed to take No. 6, motion re Horse and Greyhound Racing Fund Regulations 2009; No. 7, motion re referral to joint committee of proposed approval by Dáil Éireann of the Horse and Greyhound Racing Fund Regulations 2009; and No. 12, Budget Statements and the Financial Motions by the Minister for Finance shall be taken today at 3.45 p.m.

It is proposed, notwithstanding anything in Standing Orders, that: (1) the Dáil shall sit later than 8.30 p.m. tonight and the motion for the General Financial Resolution shall be moved not later than midnight whereupon business shall then be interrupted and the Dáil shall adjourn forthwith; (2) Nos. 6 and 7 shall be decided without debate; (3) following the budget statement of the Minister for Finance, the following arrangements shall apply in regard to the proceedings on No. 12: (i) the statements of the main spokespersons for the Fine Gael Party, the Labour Party and Sinn Féin shall not exceed 45 minutes; and (ii) following the statements the sitting shall be suspended for 30 minutes; (4) Private Members' business this week, which shall be No. 54, motion re Cystic Fibrosis, shall be taken on Thursday, 9 April 2009, after the Order of Business and shall be brought to a conclusion after three hours on that day, if not previously concluded; (5) all divisions demanded on No. 12 shall be taken manually; and (6) there shall be no Order of Business (i.e. within the meaning of Standing Order 26) tomorrow and the business to be transacted shall be No. 12, Financial Motions by the Minister for Finance (Motion 11, resumed) and the following arrangements shall apply: (i) the speech of the Taoiseach and of the main spokespersons, or a Member nominated in his or her stead, for the Fine Gael Party, the Labour Party and Sinn Féin, who shall be called upon in that order, shall not exceed 40 minutes in each case; (ii) the suspension of sitting under Standing Order 23(1) shall take place at 1.30 p.m., or on the conclusion of the speeches specified in (6)(i), whichever is the later, until 2.30 p.m.; and (iii) the speech of each other Member called upon, who may share their time, shall not exceed 30 minutes in each case.

**An Ceann Comhairle:** There are six proposals to be put to the House. Is it agreed that the Dáil shall sit later than 8.30 p.m. tonight and the motion for the General Financial Resolution shall be moved not later than midnight, whereupon business shall then be interrupted and the Dáil shall adjourn forthwith? Agreed. Is the proposal for dealing with Nos. 6 and 7 without debate agreed? Agreed. Is the proposal for dealing with No. 12 agreed? Agreed. Is the proposal for dealing with Private Members' business agreed? Agreed. Is the proposal that all divisions be taken manually agreed? Agreed. Is the proposal that there shall be no Order of Business tomorrow and for dealing with No. 12 agreed? Agreed.

I call Deputy Kenny on the Order of Business.



**Deputy Enda Kenny:** The Dáil will not sit next week and is due to sit the following week. Arising from today's budgetary proposals, is it proposed to introduce a Finance Bill and when is it likely to be published? This is supposed to be a supplementary budget but it is much more complex than that. Has the Government decided it will be necessary, arising from the budgetary proposals, to introduce a Finance Bill in part to give effect to the budgetary proposals? When is it likely to be published and taken in the House?

**The Taoiseach:** It is anticipated that there will be a Finance Bill and that it will be published as soon as possible after the budget has been debated and, hopefully, passed. Obviously, the Finance Bill will come forward when we return and will be taken as quickly as possible.

**Deputy Enda Kenny:** Does the Taoiseach envisage the Finance Bill being published next week and debated the following week? Has the Taoiseach fixed a timescale for this?

**The Taoiseach:** I will have to come back to the Deputy on that.

**Deputy Enda Kenny:** I thank the Taoiseach.

**Deputy Eamon Gilmore:** I have two questions. Will the Government publish a revised Book of Estimates? When will it be published or will it be incorporated in the Budget Statement we are to get later today?

In an earlier reply the Taoiseach said the House would have an opportunity to vote on the budget. I know we will have opportunities to vote on particular issues that may arise in the budget during some of the financial motions later today but when will we have the opportunity to vote on the budget in its totality? As I understand the order that has just been passed, the motion for the General Financial Resolution will be moved at some stage before midnight and a debate on it will start tomorrow which will continue for some time. The motion for the general financial resolution will be moved at some stage before midnight and a debate on it will start tomorrow, which will continue for some time. I presume the financial resolutions the Taoiseach is talking about are covered by No. 12 on the Order Paper. I also noticed No. 22 concerns a resumed debate on the financial resolutions for the 2008 budget on which the House has never voted. No. 25 regards the financial resolutions from the 2007 budget, on which, again, the House never voted.

3 o'clock

**The Taoiseach:** That is a good try by the Deputy.

**Deputy Eamon Gilmore:** In the past two years, the House has not voted on the budget. I suppose the 2007 budget is of academic and historical interest now. It is a bit of a work of fiction considering all that has happened since. When does the Taoiseach envisage the actual vote on the general financial resolution will be brought to the House?

**The Taoiseach:** I congratulate Deputy Gilmore on the innovativeness of his argumentation. The general financial resolution will be put to the House before midnight. That will enable the debate on the budget to take place. The financial resolutions are the important decisions that must be taken tonight. The Finance Bill provides other opportunities for votes on various issues. The Deputy is long enough around the House to know that the general financial resolution is not taken as a concluding motion.

**Deputy Eamon Gilmore:** What about Nos. 22 and 25 on the Order Paper?

**The Taoiseach:** The Deputy can ask his Whip behind him who will brief him on what all these mean. I congratulate the Deputy on an innovative effort to open up a debate beyond what is normal on the Order of Business.

The Revised Estimates will be published next week.

**Deputy Caoimhghín Ó Caoláin:** The Government announced on 26 March an embargo on the filling of positions in the public health service and it is expected to make a decision not to renew contracts for 1,400 workers——

**An Ceann Comhairle:** The Deputy will have to ask a question that is in order.

**Deputy Caoimhghín Ó Caoláin:** ——in the Health Service Executive. Is the Government anticipating a further revised service plan by the Health Service Executive?

**An Ceann Comhairle:** I cannot go into a revised service plan, proposed or otherwise, now.

**Deputy Caoimhghín Ó Caoláin:** In the context of the pending crisis in the health services——

**An Ceann Comhairle:** The Deputy must have a question that is in order.

**Deputy Caoimhghín Ó Caoláin:** ——will the Government accommodate a full debate on all health services?

**An Ceann Comhairle:** I cannot allow that question on the Order of Business.

**Deputy Caoimhghín Ó Caoláin:** Will the Taoiseach answer the question on accommodating a full debate on the health services in this Chamber?

**An Ceann Comhairle:** The question the Deputy asks must relate to promised legislation. I presume any question of a debate is a matter for the Whips, Taoiseach.

**The Taoiseach:** Yes, it is.

#### **Horse and Greyhound Racing Fund Regulations 2009: Motion.**

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

That the Order of the Dáil of 24th March 2009 referring the proposal that Dáil Éireann approves the Horse and Greyhound Racing Fund Regulations 2009 to the Joint Committee on Arts, Sport, Tourism, Community, Rural and Gaeltacht Affairs is hereby rescinded and the following motion is hereby withdrawn:

That Dáil Éireann approves the following Order in draft:

Horse and Greyhound Racing Fund Regulations 2009,

a copy of which Order in draft was laid before Dáil Éireann on 23rd March, 2009.

Question put and agreed to.

#### **Horse and Greyhound Racing Fund Regulations 2009: Referral to Joint Committee.**

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

That the proposal that Dáil Éireann approves the following Order in draft:

Horse and Greyhound Racing Fund Regulations 2009,

a copy of which Order in draft was laid before Dáil Éireann on 6th April, 2009, be referred to the Joint Committee on Arts, Sport, Tourism, Community, Rural and Gaeltacht Affairs

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in accordance with paragraph (2) of the Orders of Reference of that Committee, which, not later than 9th April, 2009, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.

Question put and agreed to.

*Sitting suspended at 3.05 p.m. and resumed at 3.45 p.m.*

### **Supplementary Financial Resolutions 2009.**

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### **Supplementary Budget Statement 2009.**

**An Ceann Comhairle:** Sula nglaofaidh mé ar an Aire Airegeadais, meabhraím do Chomhaltaí go bhfanann na doiciméid atá á scaipeadh maidir leis an mbuiséad faoi rún go dtí go bfógróidh an tAire iad. Ní ceart iad a thógáil ná a chur ar aon mhodh ón Teach sula gcríochnóidh sé a ráiteas.

Before calling on the Minister for Finance, I remind Members that the budget documents being circulated remain confidential until the Minister has announced them. They should not be taken or sent by any means from the House before the conclusion of his statement.

Glaeim anois ar an Aire Airgeadais —

**Deputy James Reilly:** Does that statement apply to the members of the press also? They seem to have a copy of it.

**An Ceann Comhairle:** Glaeim anois ar an Aire Airgeadais, an Teachta Brian Ó Luineacháin, chun a Ráiteas Buiséid a dhéanamh.

**Deputy James Reilly:** Surely, the freedom of the House and the freedom of the press should be the same

**Deputy Kathleen Lynch:** On a point of order, I assume the Press Gallery will be locked also. Surely, the Ceann Comhairle is not saying we, as elected representatives of the people cannot take something from the Dáil, while those in the Press Gallery clearly had it in advance and can walk in and out as they please. Surely, he is not telling us that.

**An Ceann Comhairle:** The Chair has absolutely no knowledge of these things.

**Deputy Paul Kehoe:** On a point of order, this shows the sheer arrogance of the Government towards the Opposition. As elected Members of the House, they should be ashamed of themselves.

**An Ceann Comhairle:** That is not a point of order.

**Deputy James Bannon:** What else could we expect from this Government?

*(Interruptions).*

**An Ceann Comhairle:** I must proceed with the business of the House. Order, please.

**Deputy Michael Ring:** Are there rules in this House or are there no rules?

**Deputy Ruairí Quinn:** On a point of order, I am 32 years in this House. On every budget day I have attended, I have been informed by the offices of the House that no Member of the House can leave the Chamber with a copy of the budget speech. Am I to understand that the rules have been changed? Am I to understand that the same rules prevail with the Fourth Estate and that they are now, as my colleague Deputy Lynch said, locked into this Chamber or must leave the books here?

**Deputy Brendan Howlin:** They are coming in with it.

**Deputy Ruairí Quinn:** On whose orders were this unilateral change of tradition and requirements made?

**Deputy James Reilly:** Tá freagra ag teastáil anseo.

**Deputy Michael Ring:** The whole country probably knows what is in the budget now.

**An Ceann Comhairle:** The Chair has absolutely no knowledge of what the Members are alleging. In those circumstances, the Chair has no alternative but to call on the Minister for Finance, Deputy Brian Lenihan, to make the Budget Statement.

*(Interruptions).*

**An Ceann Comhairle:** I call Deputy Kenny and then I must move on.

**Deputy Enda Kenny:** I echo Deputy Quinn's remarks. Can we have a response from the Taoiseach as to who made the decision to give the esteemed members in the Press Gallery—

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

**Deputy Enda Kenny:** —this Budget Statement in advance of the Members of the House?

**Deputy Emmet Stagg:** The House is entitled to that.

**An Ceann Comhairle:** The Chair has no knowledge of that.

**Deputy Enda Kenny:** It is in order.

**An Ceann Comhairle:** I must call on the Minister for Finance.

**Deputy Enda Kenny:** It is in order.

**An Ceann Comhairle:** I apologise to Deputy Kenny. I do not have any knowledge of what the Deputy or other Deputies are alleging. I have absolutely no knowledge of it and I am obliged to call the Minister for Finance—

**Deputy Emmet Stagg:** On a point of order—

**Deputy Enda Kenny:** Let me point out to the Ceann Comhairle that a Minister of State—

**An Ceann Comhairle:** —in accordance with an order of the House of this day to make the Budget Statement. That is what I have to do.

**Deputy Enda Kenny:** Let me recall to you, a Cheann Comhairle, that a Minister of State had to resign from his office—

**Deputy Michael Ring:** The person responsible should resign.

**Deputy Enda Kenny:** —because the Budget Statement was given in advance to members of the press.

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

**Deputy Emmet Stagg:** On a point of order—

**Deputy Enda Kenny:** A Minister of State was asked to step down by a previous Taoiseach—

**An Ceann Comhairle:** That is a matter that does not concern me.

**Deputy Enda Kenny:** —because the information in the budget was given out in advance.

**Deputy Bernard J. Durkan:** On a point of order—

**An Ceann Comhairle:** I am obliged to implement the order of the House of today. The Minister, Deputy Brian Lenihan is standing to make the statement.

**Deputy Enda Kenny:** Can we have a response from the Government?

**Deputy Bernard J. Durkan:** On a point of order—

**An Ceann Comhairle:** I have heard Deputy Kenny. I call Deputy Stagg.

**Deputy Bernard J. Durkan:** This practice is treating the House with contempt.

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

**Deputy James Reilly:** As the person who raised the matter first, I wish to speak.

**An Ceann Comhairle:** The Deputy may speak shortly. I call Deputy Stagg.

**Deputy Emmet Stagg:** As members of the public, who are not Members of this House, now have a copy of the budget that was given to them outside the House, I presume the ruling you made, a Cheann Comhairle, can be safely ignored by Members.

**An Ceann Comhairle:** No.

**Deputy Emmet Stagg:** I certainly will ignore it.

**An Ceann Comhairle:** No ruling of the Chair may be ignored in that fashion.

**Deputy Emmet Stagg:** I want a copy as quickly as it can be got to me now.

**Deputy Bernard Allen:** What about the Minister of State who had to resign?

**An Ceann Comhairle:** The matter which the Deputies have raised—

**Deputy Emmet Stagg:** Give us the copies now.

**Deputy Michael Ring:** Give it to the elected Members now.

**An Ceann Comhairle:** —can be raised at a meeting of the Dáil Committee on Procedures and Privileges if Members so wish. In the meanwhile I am obliged to proceed.

**Deputy James Reilly:** On a point of order—

**An Ceann Comhairle:** I call Deputy Reilly briefly on a point of order. I doubt if it is a point of order.

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

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

**Deputy James Reilly:** It was clearly an official decision to give the Budget Statement to the members of the press. By the way I have no objection to it. Freedom of the press is something in which I believe. Information should be made available. We should have transparency and accountability but it should not be limited to the press.

**An Ceann Comhairle:** The Chair has no knowledge of this and it is not a point of order.

**Deputy James Reilly:** If we cannot get an official answer——

**An Ceann Comhairle:** I ask the Minister for Finance to proceed.

*(Interruptions).*

**Deputy James Reilly:** We need accountability.

**An Ceann Comhairle:** If this continues I will suspend the sitting of House.

**Deputy James Reilly:** Who was responsible for this decision?

**An Ceann Comhairle:** I will suspend the sitting of the House if I have to do so.

**Deputy James Reilly:** That is the least we are entitled to in the House.

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

**Deputy James Reilly:** I will not until I get an answer to that.

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

**Deputy James Reilly:** Let the Taoiseach answer, a Cheann Comhairle.

**An Ceann Comhairle:** I call the Taoiseach.

**The Taoiseach:** If I may——

**Deputy Eamon Gilmore:** I appeal to Members that we need to get on with the business.

**Deputies:** Hear, hear.

**An Ceann Comhairle:** That is what I am asking for. That is what I am trying to do.

**The Taoiseach:** That is precisely the sentiment I wished to express. Also I wish to say that as I understand it, the arrangements that have been made are that once the Minister for Finance stands up to speak the statement is circulated to everybody. The arrangements for the press, as I understand it, are the same as before, where they do not leave the House.

**A Deputy:** I am afraid the Taoiseach is wrong.

*(Interruptions).*

**The Taoiseach:** There has been no change in the arrangements. That is my understanding. I believe that the serious business the House should now proceed.

**Deputy Bernard Allen:** A Minister of State resigned at one stage over such a matter.

**Minister for Finance (Deputy Brian Lenihan):** As Minister for Finance for the past ten months, I have submitted one budget and two rounds of expenditure adjustments to this House. Economic turmoil throughout the world and in Ireland dictated these measures. The measures that I am bringing forward today will complete this process for 2009. I assure the people that we have the capacity and the Government has the will to bring us out of this period of severe economic distress. We can work our way through our problems. We have faced adversity in the past and we have prevailed.

Many of the factors that made us an economic success story in recent years are still with us: social cohesion; political stability; a young, well educated, flexible workforce; and a pro-enterprise, export-oriented economy. All of this remains intact. What is wrong in our economy we can fix if we take the right course of action now and if each one of us signs up for that course of action.

The economic boom this country enjoyed in recent decades brought a remarkable rise in our living standards. Rapid growth in the early years was driven by exports. As in many other countries, the later stages were accompanied by a property bubble, fuelled in part by very low interest rates and the ready availability of credit. Some warned that the housing market was unsustainable. Plenty did not. The consensus view suggested a soft landing. That prediction proved wrong. With the benefit of hindsight, it is clear that more should have been done to contain the housing market. We became too reliant on the construction sector for growth and tax receipts.

**Deputy Leo Varadkar:** And donations.

**Deputy Tom Hayes:** Is that not amazing?

**Deputy Brian Lenihan:** If all our difficulties related to the recent construction boom in Ireland, I would not be before the House this afternoon. We are the living witnesses to the most dramatic collapse in the world financial system since 1929. We are a small open economy with a huge exposure to international economic trends. Our confidence, our finances, our exports and our banks have been dented. The depreciation in the value of the currency of our nearest neighbour has compounded this adverse international picture.

Recent data show that the gross national product declined by 3% last year. A more substantial contraction of the order of 8% is in prospect this year. This is a serious decline in national living standards — the sharpest fall on record. Forecasts for 2010 are not as severe. However, we must place our performance in context. Economic activity is shrinking in almost all of our main trading partners. In the OECD area which covers most high-income countries, incomes will decline by 4.25% this year. The slowdown has been sharper in Ireland, reflecting the contraction of the property sector, and the openness of our economy.

Last October, forecast inflation for this year was 2.5%. Like many forecasts this prediction has seen radical revision. It is expected that consumer prices will fall by close to 4% this year. As consumers, we are accustomed to rising prices. However, prices of goods and services are now falling, moving back toward levels pertaining in other euro zone countries. This decline in prices mitigates the effects on real household incomes of falling nominal wages and higher taxes on incomes. With falling costs our economy is displaying remarkable agility. This will strengthen us in the euro zone. I am confident that sooner than many observers expect, we will

position ourselves to take full advantage of a global upturn. This adjustment in our cost structure sows the seed for export-led economic recovery.

There are six steps we must take to restore and renew this economy. First, and most urgent, we must stabilise our public finances. Until we show that we can put our own house in order, we cannot expect those who have invested here and who might invest here in the future to have confidence in us.

Second, we must restore our damaged banking system to ensure credit flows to businesses and consumers. Credit is the life blood of the economy. Unless we take radical and bold action to resolve the crisis that has staunched the flow of credit, this economy will not recover.

Third, we must regain the competitiveness we have lost through over-reliance on domestic spending during the boom years. The future of our economy lies in exports. We must work harder to gain market share. We must drive down our costs and improve the quality of our products so that we are well placed to gain when the tide changes.

Fourth, we must protect the jobs we have and invest in retraining those who have lost jobs. Already this year, 80,000 additional people have gone on the live register. At the end of the last year, there were 2 million people employed in this economy but this is falling and we must take all possible and sensible measures to protect and support existing jobs.

Fifth, we must support and stimulate economic confidence as much as we can within the resources available. However, as I said earlier, stabilising our public finances is crucial to the recovery of confidence among investors, consumers and businesses.

Sixth, we must restore our reputation abroad. We have been badly damaged by the actions of some in our financial sector. We have been damaged by our rejection of the Lisbon treaty. We must show our EU partners that we, who have gained so much from the European Union, want to remain at its centre. We must show the world that our financial system is soundly based and governed by the highest standards of regulation. If we follow the six steps I have outlined we will be well on the road to economic renewal.

Fairness must be the cornerstone of all our efforts to achieve economic renewal. Everyone wants fairness but there is less agreement about what it means. For many, it means the next person should pay, but the reality is everyone must give according to their means. Those who have most must give most. However, before we ask anyone else to give, we in this House and in the Government must examine our own costs. Those of us in politics have been entrusted with a great privilege by the people. We must lead by example.

The Government has decided to introduce a number of additional changes to the remuneration of Deputies and Senators. There will be a 10% reduction in all expenses other than mileage rates where a 25% reduction has already taken place. Deputies will no longer receive long-service payments or increments. I know that Deputies do not enter this House as a career. It is an honour and vocation to be elected by the people, and all Deputies are equal. The arrangement whereby former Ministers are paid ministerial pensions while they are still Members of the Oireachtas will be discontinued. Oireachtas Members who are on paid leave of absence as teachers may no longer avail of the arrangement whereby they can keep the difference between their teachers' salary and the cost of employing a replacement. The allowances paid to Oireachtas committee chairs will be halved and the payments to whips and vice-chairs are to be abolished. The Oireachtas Commission has put forward its own proposals for a reduction in the number of committees and I am happy to leave that matter to the Houses. Some of these changes will require legislation which will be introduced shortly.

4 o'clock



[Deputy Brian Lenihan.]

The Members of this Government reduced their salaries by 10% last October. Ministers of State made a similar reduction. The public service pension levy was applied to members of the Government and Ministers of State. As a result, Ministers have seen a reduction of one fifth in their incomes. I have asked the Review Body on Higher Remuneration in the Public Sector to undertake a fresh review of top level pay rates to take account of the changed budgetary and economic circumstances and the changed private sector pay environment and to benchmark rates against those of other EU countries of comparable scale. This review will be completed by July. I believe pay at leadership levels in the public sector should be more in line with pay in other countries rather than with top level private sector pay in this country which had become over-inflated in recent years and is now falling in any event. Yesterday, the Taoiseach announced that the number of Ministers of State will be reduced from 20 to 15.

In framing this budget, the Government has been guided by the principle that everyone should contribute according to their means. Tax increases are required and they will not be easy to accept but the measures I am announcing today are progressive. Those who can best afford it will pay most. For example, as a result of the changes proposed today, a person earning the minimum wage, which is approximately €17,500 per year, will be asked to pay €350 per annum or €7 per week, representing 2% of their wages. A person earning €50,000 per year will pay €1,500 or €29 per week, which is 4% of their income. A person earning €300,000 per year will pay €15,655 or €300 per week, or 9% of their income. Fairness requires that the real value of social welfare benefits should be protected as far as possible at this stage of the economic crisis. It is for the Government and this House to adjudicate on fairness, but we all have a responsibility to accept a proportionate share of the burden of adjustment needed in this economy.

## *STABILISING OUR PUBLIC FINANCES*

### *The Financial Context*

The pre-budget data published last week show a €5 billion widening from the budget deficit projected this January. A correction of this amount in a full year approximates to a €3.25 billion adjustment in the part of this year which remains. The Government recognises that part of this shortfall relates to the global economic cycle. It is reasonable to expect part of the shortfall to disappear as economic activity recovers here and abroad. However, part of the gap between spending and revenues derives from structural problems in the public finances. We must take firm actions to eliminate these problems within a reasonable period of time. Our approach is rooted in a determination to control our own destiny. We cannot control developments abroad, and we cannot control what others think of us, but we can take decisive actions to put this economy on the road to renewal and demonstrate that we have the ability to make the right choices for everyone in this country.

The problem is our expenditure base is too high and our revenue base is too low. If we fail, refuse or neglect to address this structural problem we will condemn this and future generations to the folly of excessive borrowing. Already, the share of tax revenues that goes to service the national debt has risen from 5% in 2007 to more than 11% this year. As we accumulate more and more public debt, this figure increases. This is dead money that should be used to improve vital public services.

Without this supplementary budget the general government deficit would have been 12 $\frac{3}{4}$ % of GDP, reflecting the large gap needed to fund the difference between spending and revenue. In the prevailing economic circumstances, the natural preference would be to leave expenditure and taxation as they stand. This is not an option for the Government or this House because of

the scale of the deterioration of the public finances. A difficult balance must be struck between the need to show a credible way forward on our structural problems and the need to protect our economy as far as we can this year. It is the considered view of the Government that a borrowing target of 10 $\frac{3}{4}$ % strikes the correct balance.

To date this year, the Government has reduced public expenditure by €1.8 billion primarily through a reduction in the public service pay bill. Measures announced today will result in a further reduction of nearly €1.5 billion in gross public expenditure and additional revenue of €1.8 billion. The scope for additional expenditure reductions at this stage of the year is limited. Further immediate reductions in expenditure today would have necessitated additional pay cuts for public servants, reductions in the rates of payments for welfare recipients and the cancellation of all contractually uncommitted investment projects. It is important that Members of this House understand that in commenting on this budget.

The deterioration in tax revenues from €47.25 billion in 2007 to almost €41 billion in 2008 to an envisaged €34.50 billion this year is a far greater decline than the decline in the economy. This illustrates that in recent years our tax system became over reliant on fast growing, construction heavy economic activity. As we move to the next stage of our economic development, we must restructure our tax system to suit an export-led economy growing at a more sustainable pace.

#### *Multi-Annual Plan*

Last January, the Government proposed to the European Commission that we could fulfil our obligations to secure stability and growth over a five year period. I am glad to report to this House that following intensive discussions with the European Commission, agreement has been reached with the Commission that five years is the appropriate timeframe for addressing our structural problems. I want to express my gratitude to Commissioner Almunia and my colleagues among the eurozone member states who have been supportive of our efforts to stabilise the public finances.

To bring sustainability to the public finances, the Government is today announcing the necessary multi-annual consolidation plan. In 2010 and 2011, the plan envisages greater reductions in expenditure than increases in revenue. I want to stress that the expenditure figures are the minimum that must be achieved and the figures mentioned for tax are the very maximum that can be imposed.

Spending reductions that the Government has decided on for 2009 to 2011 will have a cumulative full year effect on current spending of €2.7 billion in 2010 and €4.2 billion in 2011. Reductions in capital spending will accumulate to €1.3 billion in 2010 and €2.4 billion by 2012. The policy decisions underlying these reductions are already in train. They entail further reductions in pay costs, programmes and numbers. There is no provision for extra social spending, other than that dictated by demography and unemployment. There will be a cap on capital spending and efficiencies will be found throughout the public sector. Savings on day-to-day spending will be made through more targeted welfare provision and further reductions in public service costs and numbers and the wider application of charges. Sharper targeting of programme spending and more efficient use of resources across the board will be required. Difficult decisions in all areas of policy are in prospect. In 2010, we will seek up to an additional €1.75 billion from taxation. In 2011, the target will be to raise up to an additional €1.5 billion.

Options to raise this may include the taxation of child benefit, the introduction of a carbon tax, a form of property tax and significant further base broadening through the elimination of unnecessary reliefs and a review of all areas of tax exempt incomes. Over the later years of the five year plan, further adjustments will be required. The scale and nature of these measures

[Deputy Brian Lenihan.]

will depend to a great extent on the strength of the economic cycle. If growth is better than forecast, less will need to be done at that stage.

### *Public Spending*

Public expenditure can be divided into four parts. The public sector payroll at €20 billion and welfare spending at €21 billion account for two thirds of all expenditure in the State. Non-pay programmes cost €15 billion and public investment will amount to €7.3 billion this year.

### *Public Sector Payroll*

The Government has decided that a permanent reduction in the cost of the public payroll is an essential element of this plan. In February 2009, we introduced the public sector pension levy which resulted in an average deduction of 7.5% from the salaries of public servants delivering savings of €1.4 billion this year. This is a considerable contribution by public servants to the unavoidable economic adjustment. It is also necessary to control public sector numbers which have grown by 11% in the past five years alone. A key part of such a policy is the ban on recruitment and promotion, with certain exceptions, announced by me on 27 March last. Today, I am announcing a scheme whereby, in those areas of the public service where permanent reductions need to be brought about, staff aged 50 or over may retire from the public service without actuarial reduction of pension entitlements they have accrued to date. Ten per cent of the relevant lump sum will be payable immediately with the balance paid later at the normal retirement age of 60 or 65 without actuarial reduction and subject to current tax law provisions. This scheme will be open to applications from 1 May and will be subject to local management arrangements to ensure the scheme operates in an orderly manner. Those leaving under the scheme will not be replaced except in specific cases or circumstances sanctioned by my Department. The continued availability of the scheme will be reviewed in the budget for next year. The Government sees no scope for introducing other, more generous early retirement schemes in the present budgetary circumstances.

The Commission on Taxation is examining various aspects of pension tax treatment, including the treatment of lump sums and I expect to be dealing with its recommendations in the 2010 budget next December.

### *Social Welfare Spending*

Over the past decade, we have been able to provide very significant increases in welfare payments. For example, the payment of child benefit has increased from less than €44 to €166 per month. The State contributory pension has gone from €113 to more than €230 per week. The weekly rate of long-term job seeker's allowance was raised from €93 to €204. These payments compare very well internationally, particularly with payments in the United Kingdom.

It was right that when times were good, we increased payments to those who are vulnerable. Now that we are in recession, we must look at how we can use the €21 billion welfare budget to afford maximum protection to those in need. The Government has examined very carefully how we might make savings in welfare. In the budget last October, we increased payments by around 3%. Notwithstanding the fall in consumer prices, which we expect to be close to 4% this year, we have decided not to reduce welfare rates in this supplementary budget. However, it may be necessary to review rates of payments in future years if reductions in the cost of living materialise.

However, we do need to make some savings in order to absorb the additional expenditure of over €2.8 billion due to the sharp rise in unemployment since December. For this reason

the Government is not in a position to pay the December bonus which it has been able to deliver in previous years. We are also making limited changes in eligibility to certain benefits. Specifically, the job seeker's allowance for the under 20s will be halved to €100 a week so as to incentivise the young unemployed to participate in training programmes.

**Deputy Emmet Stagg:** Where is the standing ovation now?

**Deputy Brian Lenihan:** Payments under the rent supplement scheme will be reduced to reflect the fall in prices in the rental market. We will also intensify the campaign against welfare fraud by allocating additional staff to the Department and by targeting, in particular, the fraudulent claiming of child benefit and other payments by those who are no longer resident in this country. We will continue to target the available resources on those most in need. The Government does not think that it is fair to pay the same level of benefit irrespective of the level of income of the recipient. For that reason, the Government has decided that child benefit will be means tested or taxed in the budget for next year.

**Deputy Emmet Stagg:** Another standing ovation.

### *Programme Spending*

**Deputy Brian Lenihan:** The scope for changes in expenditure programmes in mid-year is limited. Changes over the next three years will be informed by the report of the special group on expenditure and numbers, which is evaluating all programmes. We need to achieve better results with fewer resources. One example of how this has been done in this budget is the changes we have introduced to the early child care supplement. This scheme was introduced to help people with the cost of child care at the height of the boom. While appropriate to the time, it cost the State €480 million last year. The programme is now being replaced by a free early child care and education year for pre-school children at an estimated cost of €170 million.

**Deputies:** Hear, hear.

**Deputy Brian Lenihan:** Pre-primary education significantly enhances the subsequent educational achievement of students and in turn increases the return for State investment in education. The free pre-school year will start next January. The existing rate of early child care supplement will be halved with effect from 1 May and abolished at the end of 2009. More details are set out in the summary of budget measures. This is an example of how a programme can be reshaped and made more effective at a lower cost to the taxpayer. We need to see more such initiatives in the public sector.

The other elements of spending reductions are set out in the summary of budget measures. These reductions affect a broad range of Vote headings in order to spread the burden of adjustment as fairly as possible.

### *Capital Spending*

The Government is determined to maintain high levels of public investment. However, spending cannot be maintained at the levels envisaged when the economy was in rapid expansion. We must progress projects that maximise economic and social returns. The Government has decided to set a total capital allocation at €7.3 billion for 2009, which is greater than 5% of projected GNP. The Government has also fixed the overall Exchequer capital allocation for public investment for the next four years at €6.6 billion in 2010, €5.5 billion in 2011 and €6 billion in 2012 and 2013. This represents an average of 4% of projected GNP over the period out to 2013.

[Deputy Brian Lenihan.]

Significant reductions in tender prices mean that we will be able to deliver a very large part of the national development plan programme within the envisaged timescale. The Government has already re-allocated money to more labour-intensive areas and will be putting in place further measures to prioritise the more productive and more labour-intensive elements of capital investment. Details of the revised capital envelope are set out in the summary of budget measures.

There is scope to access significant private funds for infrastructure projects in order to sustain as many construction jobs and as much activity as possible. Discussions are in train with the pension industry about an initiative that seeks, on a value for money basis, to unlock additional private capital to complement debt financing provided by banks and the capital markets. This would support existing PPP projects and other projects previously funded by the Exchequer.

We need to explore all options to fund our infrastructure needs, including the disposal of assets, sale and lease back arrangements, franchising arrangements and the proposal from the Irish Congress of Trade Unions, ICTU, for a national recovery bond. My officials have been asked to examine these options with the relevant Departments and agencies.

The total reduction in gross spending for 2009 comes to €886 million in current spending and €576 million on the capital side. This is equal to €1.8 billion in a full year. Further savings of €4.8 billion will be required over the period from 2010 to 2011.

#### *TAXATION*

We need to broaden our tax base so that everyone makes a contribution. We will remove unjustified reliefs and we will ensure that capital is taxed in a fair manner. We will retain our 12.5% corporation tax rate as a key aspect of our inward investment strategy.

A key structural weakness of the Irish taxation system is the narrow base. Too many people do not pay tax at all and there are too many ways in which those who have wealth could shelter their income. Many of these reliefs were abolished in 2006 by my predecessor, the Taoiseach. Today I will continue this process by reducing those tax expenditures that can have an impact this year.

I propose to reduce the level of tax relief investors can claim on the interest for mortgages and loans on residential rental properties to 75% of the interest with immediate effect. I propose to abolish the current 20% rate applied to the trading profits from residential development land and restrict the treatment of trading losses. The profits will be charged at the relevant marginal rates of income tax or at the 25% rate of corporation tax.

I will terminate the property-related accelerated capital allowance schemes in the health sector. This scheme covers private hospitals, registered nursing homes, convalescent homes and associated residential units as well as mental health centres. Schemes for palliative care units and child care facilities will remain in place.

The Government has decided that from 1 May, mortgage interest relief for principal private residences should only be available for the first seven tax years of the mortgage. I believe this move is justified given the significant recent reduction in interest rates and in house prices. The relief will now be targeted at those who bought their homes when prices were at their peak. It will also support those who now wish to move, improve or buy for the first time. As house prices fall, the provision of mortgage interest relief will be kept under review with a view to eventual abolition. In this regard, I look forward to the recommendations of the Commission on Taxation, which I will receive later this year. I would like to thank the commission for its work to date.

At this stage of the annual tax year it is not possible, for technical reasons, to restrict or abolish further reliefs. It is the intention of the Government to continue to remove reliefs and shelters from the tax system in successive budgets.

### *Capital Taxes and Savings*

It is important that we treat all sources of income in a similar manner. I am increasing the rates of capital gains tax and capital acquisitions tax, CAT, to 25% with immediate effect. In light of declining asset values, I am reducing the CAT thresholds by 20%. The details are contained in the summary of budget measures.

I am increasing the deposit interest retention tax, DIRT, rate on ordinary deposit accounts to 25% and to 28% on certain other savings products. The existing 2% levy on non-life insurance premiums will increase to 3% and I am also introducing a new levy of 1% on life assurance policies.

### *Income Tax*

In good times, it was possible for us to keep minimum wage earners outside the tax system. This is no longer sustainable. With up to 40% of income earners paying no income tax at all, we can no longer meet our fiscal needs. The challenge is to spread the burden in a fair manner to a wider range of income earners while avoiding economic disincentives. The scope for income tax changes half way through the income tax year is limited. To raise the necessary revenues, the Government must use the various levies and charges already established in the tax code. Accordingly, the Government has decided to double the rates of the income levy and to reduce the entry points for each rate. The new rates will be 2%, 4% and 6%. The new entry points will be €15,028, €75,036 and €174,980 per annum, with the weekly equivalents being €289, €1,443 and €3,365 respectively. Health rates will also double to 4% and 5% and the entry point for the higher rate will be reduced to €1,443 per week which is €75,036 per annum. Finally, the PRSI ceiling will be raised to €1,443 per week or €75,036 per annum.

These measures will reduce all our living standards. I am acutely aware of that. The Government has taken care to ensure they are fair, equitable and highly progressive. I would point out that, notwithstanding all the increases made today, Ireland will continue to have one of the lowest tax wedges within the OECD.

**Deputy Leo Varadkar:** It is 53%.

**Deputy Brian Lenihan:** All of these measures will take effect from 1 May 2009. I indicated previously that I was prepared to review the operation of the public service pension levy to address any issues of fairness. Taking account of the impact of the tax measures which I have announced, I am proposing a slight recasting of the structure of the levy to reduce somewhat the impact on the lowest paid public servants with a small increase at the higher levels. The net cost of this is €100 million in 2009.

### *Excise*

From midnight tonight, excise on cigarettes will go up by 25 cent per packet of 20 and on auto-diesel by 5 cent per litre. These excise changes are VAT-inclusive. There is no scope for increases in excise duties on alcohol or petrol because of the substantial risk of loss of revenue by the purchase of these items in Northern Ireland.

**Deputy Shane McEntee:** We have already lost it.

**Deputy Brian Lenihan:** Full details of all of these and other taxation measures are contained in the summary of budget measures. The total tax and levies measures will raise €1.8 billion in 2009 and over €3.6 billion in a full year. The measures I have outlined have necessarily concentrated on income. I am now giving notice that, in 2010 and 2011, I will turn to other areas of taxation to secure the necessary adjustment.

### *Restoring the Credit System*

The global financial crisis has caused extensive and rapid government interventions across the developed world. Governments have intervened time and again to preserve financial stability and maintain their banking systems. Here in Ireland, through the bank guarantee, bank recapitalisation and the protection of public ownership, we have provided very substantial support to the banking sector.

Our sole objective is to ensure that householders can access credit for home loans and consumer credit, that small and medium-sized businesses can fund their enterprises, that deposit holders have confidence their money is secure and protected and that international investors are satisfied about the stability of our banking system.

A key pillar in our economic renewal is a well regulated financial system. This is essential for domestic and international confidence and credibility. The actions of those who have tarnished the reputation of Ireland will be dealt with through the appropriate processes.

**Deputy Alan Shatter:** It is the reputation of the Government which has been tarnished.

**Deputy Brian Lenihan:** The role of the Central Bank of Ireland will be reformed to place it at the centre of financial supervision and financial stability oversight, providing for full integration and co-ordination of the prudential supervision and stability of individual financial institutions with that of the financial system as a whole.

**Deputy Michael D. Higgins:** After the horse has bolted.

**Deputy Brian Lenihan:** The Central Bank of Ireland will in the future be headed by a commission, chaired by a governor. These important structural changes will be complemented by significant new resources and additional expert staff, to widen skill sets and enhance market-based knowledge. I have asked the former Deputy Governor of the Bank of England and former member of the UK Monetary Policy Committee, Sir Andrew Large, to advise on the process to select a new head of financial regulation within the new institutional structure. This search will be wide ranging and the person chosen will be of the calibre, reputation, experience and expertise to lead the reforms of financial regulation that I have outlined.

**Deputy Michael D. Higgins:** They will not have to work hard to raise standards.

**Deputy Brian Lenihan:** The Government also believes that further radical action is necessary to stabilise the banking system and ensure the supply of credit to the real economy. Cleansing and repairing the banks' balance sheets is fundamental to achieving a sustained recovery of the banking system and the sustained provision of credit for this economy. The Government has decided to bring forward measures to address the issue of asset quality in the banking system. A national asset management agency will be established on a statutory basis, under the aegis of the National Treasury Management Agency. Assets will be transferred from the banks to the new agency with the purpose of ensuring that banks have a clean bill of health, their balance sheets are strengthened and uncertainty over bad debts is reduced. This will ensure a sustained flow of credit on a commercial basis to individuals, households and businesses in the

economy. The agency will have a commercial mandate and will have the central objective of maximising over time the income and capital value of the assets entrusted to it.

As it is clear that the principal uncertainties about asset quality in the Irish banking system lie in the banks' land and development loans and in the large aggregate associated exposures, these will be transferred to the agency. These assets pose the main systemic risk to the banking sector in Ireland and the most significant obstacle to the recovery and restoration of lending by credit institutions.

The agency will purchase the assets through the issue to the banks of Government bonds. This will result in a very significant increase in gross national debt, to be offset of course by the assets taken in.

**Deputy Joan Burton:** How much will it cost? Can the Minister give a figure?

**Deputy Brian Lenihan:** The cost of servicing this debt will be offset, as far as is practicable, from income accruing from the assets of the new agency. The debt will be repaid from funds raised through the realisation of those assets over time. The potential maximum book value of loans that will be transferred to the agency is estimated to be in the region of €80 billion to €90 billion—

**Deputy Simon Coveney:** What are we exposing the State to?

**Deputy Joan Burton:** Is that what the taxpayer has to pay — between €80 billion and €90 billion?

**Deputy Brian Lenihan:** No. The amount paid by the agency will be significantly less than this to reflect the loss in value of the properties. In the longer term, if the agency were to fall short of recouping all of the costs, the Government intends that a levy should be applied to recoup any shortfall.

All borrowers will be required to meet their full legal obligations for repayment. There will be a hardening of the approach to these borrowers. Taxpayers' money is at stake — not the private interests of banks — and the agency will be expected to protect it in a commercial way and with an independent remit.

It is important to note that the State will not assume all of the risk in the acquisition of these assets. The assets will be valued on a basis which is sustainable for the taxpayer. This will entail an assumption of losses by the financial institution whose assets are removed. The State has already capitalised the Bank of Ireland for a 25% stake and is completing due diligence at Allied Irish Banks prior to capitalisation for a similar stake. If the crystallisation of losses at any bank requires additional capital the State will insist on participation by way of ordinary shares in the relevant institution.

This initiative will be developed and implemented within a common EU framework detailed in the European Commission guidance on the treatment of impaired assets, working closely with the European Commission to obtain prior State aid approval. By drawing on the best advice and experience available internationally, and on the proven expertise and ability of the National Treasury Management Agency, we are committed to ensuring that this very significant measure will be an example of best practice and will meet all of the objectives that the Government has set for it.

Leaders throughout the world speak of the need to clean out the banking system of exposures and we, on our own initiative, are participating in the international trend, leading it with a distinctive solution which is tailored to our needs.



**Deputy Michael D. Higgins:** However, there are to be no changes in the boards of banks.

**Deputy Brian Lenihan:** The Government also intends, in line with its previous indication, to put a State guarantee in place for the future issuance of debt securities with a maturity of up to five years. This access to longer-term funding is in line with the mainstream approach in the EU; is consistent with State aid rules; and will assist the funding needs of the banks and secure their continued stability.

The Government is determined through these reforms to restore our banking system and the reputation of our regulatory and supervisory structures. We want to send a strong signal that the types of practices followed in some of our institutions are unacceptable, that the regulatory structures will be strengthened, that decisive action is being taken to repair banks' balance sheets and that Ireland remains committed to the continued development of a soundly based, well-regulated and competently supervised financial services sector.

**Deputy Bernard J. Durkan:** That will be the day.

#### *Restoring Competitiveness*

**Deputy Brian Lenihan:** Our economy must return to being driven by sustainable export-led growth, rather than by domestic demand. To do so our price and cost structure must fall relative to our trading partners. Private sector wages need to adjust and are adjusting. I hear examples every day of companies and employees reducing costs and changing work practices in order to safeguard employment. It is this flexibility that will restore our competitiveness and provide the basis for future prosperity. With the introduction of the pension levy, the public sector has also lowered its costs but much more is required in terms of changing work practices and driving efficiencies.

One of the main drivers of growth in output and employment in Ireland from the middle of the 1990s was flexibility and adaptability in the labour market. The willingness of employees to embrace change allowed a rapid re-allocation of skills, expertise and knowledge to expanding economic sectors. Looking to the future, we must recreate the same commitment to embrace change in the public service no less than in private enterprises.

As Minister for Finance, I must allocate and redeploy staff in the Civil Service to areas of highest priority. I have already made additional staff available to the Department of Social and Family Affairs to meet the needs of the growing numbers on the live register. I will use the same powers to redeploy staff to other priority areas in the future. We must ensure that the redeployment of staff will be done with due consideration to geographical constraints and is consistent and fair in its implementation. I know that all those employed in the public service share the common goal of delivering excellent services.

We must also reduce costs in regulated sectors where we can. The Government expects to see reductions of about 10% in energy costs for electricity and gas consumers by September. The Minister for Communications, Energy and Natural Resources will be seeking ways to lower costs further on an ongoing basis.

**Deputy Bernard J. Durkan:** At long last.

#### *PROTECTING JOBS AND HELPING THOSE WITHOUT JOBS*

**Deputy Brian Lenihan:** Minimising the level of joblessness is crucial to the Government's integrated approach.

**Deputy Tom Sheahan:** One line.

### *Enterprise Stabilisation Fund*

**Deputy Brian Lenihan:** The Government can help with the process of supporting employment by a redirecting of the NDP to support employment and enterprise. The broad cost of each thousand people who lose their jobs is now estimated at about €21 million. In order to support employment, the Tánaiste and Minister for Enterprise, Trade and Employment will set up an enterprise stabilisation fund worth €100 million over two years. In conjunction with the banking sector this fund will provide direct financial support to eligible, internationally-trading enterprises.

### *Smart Economy*

The Government will also implement measures to support the smart economy through investment and incentives to reach a research and development target of 2.5% of GNP by 2013. We have already trebled our economy-wide R&D spend in the last decade. It is now about €2.5 billion of which some two thirds comes from the enterprise sector. It is not just a matter of saving jobs where we can but of re-orienting the economy to produce the export-led growth we must achieve.

### *Activation through Training, Education and Work/Employment Experience*

Increased unemployment carries a heavy human cost for individuals and families and threatens the aspirations of all our citizens. We must support those who have lost their jobs through re-training and further education. As an initial response, the Government has already introduced a number of measures in these areas.

Notwithstanding the pressures on the public finances, I am now announcing a further range of activation measures which will achieve the following: support individual enterprise through enhanced access to the back to work enterprise allowance scheme, which will facilitate some 1,400 additional claims; encourage further education through earlier eligibility for the back to education allowance; facilitate work experience through a new scheme, to include placement of graduates, which will cater for 2,000 people; expand activation opportunities for over 14,000 people; support redundant apprentices to receive additional training in the education sector — for up to 700 people; enable participation in further and higher education for over 6,000 people; and initiate pilot training schemes for workers on a three-day week. The Tánaiste, the Minister for Social and Family Affairs, and the Minister for Education and Science will provide details on the initiatives in their respective areas.

The overall cost of this wide range of measures will be met through the re-allocation of current resources towards supporting unemployed people. The full year cost of providing close to 25,000 additional places will be in the order of €128 million. Within available resources, the Government will continue to pursue the introduction of further training and education services.

### *CONFIDENCE AND STIMULUS*

The most effective way to build confidence in this economy is to show that we can restore order to our public finances.

### *Measures to help Stimulate the Economy*

Notwithstanding the increases today, our tax system remains competitive and pro-enterprise in character.

Last October, I introduced a considerable enhancement to our R&D tax credit regime. I also mentioned the increased importance globally of intellectual property. Accordingly, I propose to

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introduce a scheme of tax relief for the acquisition of intangible assets, including intellectual property as a means of supporting the smart economy. The details of the scheme will be worked on by my Department, in conjunction with the Revenue Commissioners, and will be published in the legislation giving effect to the budget provisions. This measure will help to attract high-quality employment to this economy.

To address the overhang of unsold properties, I am proposing to establish a stamp duty trade-in scheme. This will enable persons purchasing a new house or apartment to trade in their previous property with the seller who will not be liable to stamp duty until they subsequently sell the traded-in property on at a later stage. Full details of this initiative will be contained in the forthcoming Finance Bill and the scheme will apply from the date of publication of the Finance Bill to 31 December 2010. I am also changing the way in which car dealers can account for VAT on second hand cars from July next.

### *RESTORING OUR REPUTATION*

As a small open economy, our reputation abroad matters in terms of our ability to attract foreign investment. Recent banking scandals have sullied our good name and may have prompted some investors to think twice about investing here. Measures presented in this budget send a strong message around the world that we are determined to restore our reputation. The actions I outlined earlier to repair banks' balance sheets and the proposed reforms of our regulatory and supervisory regime are aimed at rebuilding confidence in our financial system. The resolute actions we are taking to reduce the budget deficit and to boost competitiveness by driving down costs, prices and wages are needed to restore the confidence of prospective investors, bankers and lenders. To reinforce these messages, I plan to visit financial capitals around Europe over the coming weeks along with representatives from the National Treasury Management Agency. These visits will give me the opportunity to communicate more effectively with foreign investors about our plan for renewal.

It was only last June when we surprised our EU partners by rejecting the Lisbon treaty. Looking back, it would appear that economic success had fostered a sense of invincibility. A lot has changed since then. Events over the past year have underscored how interdependent the world is and have reminded us that our fortunes are deeply intertwined with those of our European partners. We are a small trading nation on the edge of Europe, but our best interest is served by remaining at the heart of Europe.

### *CONCLUSION*

A Cheann Comhairle, I want to acknowledge the serious and constructive documents put forward by the two main Opposition parties in advance of the budget. Both documents contained some good ideas, some of which we have adopted. While there are many differences between us, there is also some important common ground. That in itself sends out a powerful signal to the rest of the world that we can overcome our difficulties.

As the many interest groups prepare, as is their right and duty, to defend their sectional interests in this budget, I ask them to pause for thought. We are now facing the challenge of this nation's life. This is a time to set aside those narrow, sectional interests. Yes, we must be fair and I believe we have been fair. But now is the time for the common good to prevail.

**Deputy Billy Timmins:** The common good.

*(Interruptions).*

**Deputy Brian Lenihan:** In our short history as a nation, we have demonstrated our capacity to overcome economic adversity. We have worked together to build this economy into one of the most successful in the world. We must now work to save it from a downward spiral. Even with a crisis, opportunities arise. As we recast and restructure our fiscal policy, we can transform the way in which we do business in this country in the public and private sectors.

As I said at the outset, a Cheann Comhairle, we can work our way through this time of economic distress. More than that, we can be strengthened by it. Today, we have set out our plan for the renewal of our economy over the next five years.

**Deputy Pat Rabbitte:** Get ready lads, get ready.

**Deputy Brian Lenihan:** We are asking this House and the people we represent to work with us in its implementation. I commend these measures to the House.

**Deputies:** Up, up, up.

**Deputy Bernard J. Durkan:** That surely deserves a standing ovation. They are afraid.

**Deputy Richard Bruton:** There is some realisation on the benches opposite that this budget does not deserve a standing ovation. I am not surprised. On 14 October last, when a huge round of applause and a standing ovation greeted the Minister's statement, this is what he said:

The budget I put before you today is our plan of action for economic renewal. It will bring order and stability to our public finances. It will enhance our productive base. It will protect and support those most in need.

As if. The reality in the months since that statement was made is entirely different. The projected borrowing rate has doubled, 130,000 more people have joined the unemployment list, the unemployment rate will have doubled within 12 months of that statement and the economy is on a perilous edge, with the most vulnerable people at greatest risk.

This is a budget in which the people are once again being asked to rescue a failing Government. They hope the Government will wake up to reality and recognise how it has left them savagely exposed. However, today's statement pays not even an ounce of recognition to the calamitous mistakes that have been made by this Government in its handling of the public finances.

**Deputies:** Hear, hear.

**Deputy Ruairí Quinn:** No apologies.

**Deputy Dinny McGinley:** You must be joking.

**Deputy Richard Bruton:** The cruel choices faced today are not the product of bad luck, rather, they are the product of bad government.

**Deputies:** Hear, hear.

**Deputy Richard Bruton:** People see in this budget and the history of the past several months that the banks bailed out developers before being themselves bailed out by the Government. Today, the taxpayer is being asked to bail out the Government once again. Who is going to bail out the taxpayer given that today's budget will add almost €2 billion to the tax bill that has to be paid by every family, on top of the €2 billion and the huge increases in charges introduced last October? The net effect for many families is an additional burden of €2,500 as

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a result of this budget and its immediate predecessor. Even those on very modest incomes will face huge increases in their tax bills.

The Minister repeated the claim that we have been hit by a tsunami of pressure from overseas. I do not think even a handful of Fianna Fáil Members believe this Government pursued sound and sustainable strategies which were swept aside by some unfortunate event that transpired overseas. Even the Government admits that the bulk of the black hole in our public finances is due to mismanagement by Ministers. The structural deficit about which it speaks was created over the past seven years by the previous Ministers for Finance who occupied the seat opposite. We are now paying for that tragedy. A huge structural deficit of €13.8 billion has been totted up through mismanagement by Fianna Fáil Ministers for Finance. That is the problem which we face today.

This is not merely the result of difficulties overseas. I recognise that we have been buffeted by unprecedented challenges but those in Government who disregarded their responsibilities and who spent like there was no tomorrow left ordinary people exposed to the risks of a downturn. They lived on easy street, with money for everything. The cosy consensus surrounding them allowed no questioning of value for money or what we could afford and no questions were raised about the quangos piled one on top of the other with little accountability. The largesse of Government was widely distributed but now we see that it will be paid for by ordinary families, by pensioners who were expecting the Christmas bonus and by young unemployed people who will be told they can only get €100 per week. Those people will carry the brunt of the Government's mistakes. During those good times, problems were bought off rather than confronted. There was no willingness to introduce reform but the money merely papered over the cracks. Our Ministers became the highest paid in the world, as if they were managing a successful economy. The reality that we now face is very different.

I ask Members to observe how other countries are coping with these difficulties. No other country in the world is responding to this international crisis by seeking €4 billion in additional taxes in the space of six months or refusing to offer genuine stimulus and support for their small businesses. We stand alone in thinking that cutting spending and raising taxes are the solution to the problems we face. It is only the solution because the Government has eroded all the options available to other countries.

It is deeply depressing that, even at a time of huge crisis, the one issue pushed aside is any effort to introduce reform. Report after report is published by group after group. A group is studying taxation but its influence has not been reflected in this budget. Similarly, the group investigating public spending has had no influence on public service reform in this budget. If in a crisis a Minister fails to focus on the need for genuine reform, we are lost. That is the trouble with the way in which this budget was put together.

I am most worried about something that has been slipped in without much debate, namely, the Government's decision on banking. This is a massive gamble. We are told the Government will ask the taxpayer to shoulder €90 billion in toxic loans. Conservatively, that represents an additional 50% on a debt burden which the Minister has admitted is heading towards 70%. We will be back to the old days of a public debt of 120% if that materialises.

What has been set out in the document before us in regard to protecting the taxpayer who will have to shoulder these toxic loans? We have no information on the price which will have to be paid. These are assets which the market refuses to touch yet we are expecting the taxpayer to purchase them. No indication is given on whether taxpayers will recover their money if this plan becomes a disastrous mess. We are vaguely told that the Minister might consider introducing a bank levy. Where is the contractual agreement that banks shall make up any losses that

accrue on these portfolios? We need to be given firm commitments rather than vague talk that the money will be recovered over time.

Why are bondholders, who walked into the risks with their eyes open and whose assets are valued in the markets at one tenth of their face value, not making a contribution to addressing the banking problems? These risk takers helped to pump up the property bubble with which we are now trying to cope. According to the Minister's proposals, however, they will walk away without compromising their position. I cannot understand that. It is not the right way to proceed. We are mistaken to follow this strategy because if it goes wrong, it could dwarf everything else that has hit us in recent times. Did the Government put forward a convincing case for what it is doing? Can we have faith in the oversight that it says will protect the taxpayer, knowing our experience over the past several years of oversight by regulators and the Central Bank? Have we any basis for an act of faith when many of the people now managing the banks brought us to this deep crisis? Serious concerns arise about the undertakings the Minister has made in an aside to the budget. These are more than an aside, however, because they are of massive proportion.

Today's budget admits that 250,000 jobs will be lost by the end of 2010. Fine Gael believed this budget would be all about employment. We accept that we have to correct our public finances during a time of crisis but the balance of the measures we would have adopted would be designed to protect employment at every opportunity. Where, however, do we see such an aim in this budget?

In the measures proposed over the five years of the Government's plan, 68% of the adjustment will come from higher taxation. That means higher taxes for businesses and people at work. The Government took the soft option because it is not willing to address the spending it pumped up over several years. Since 2005, it increased spending by 35% excluding social welfare. Where is the commitment to reducing the cost of running the Government? If we do not reduce the cost, we will have the tragedy of people paying with their jobs. We have choices. We are facing a 20% cut in our national income. People who are secure and protected in their positions can put up the barriers and refuse to make changes. Who will pay then? It will be the unemployed. What we needed to see in this budget was the Government taking a definite course, cutting the cost of running Government, and living within what can be afforded by competitive businesses and people striving to hold their jobs. That balance has not been struck, however. The Minister is insisting on correcting this predominantly by tax increases, which is not the remedy. It is not the route that will protect our job bases. We need a budget that is designed to protect our employment to the maximum possible.

Of the taxes that are to be collected in this year's budget 74% will be taxes on work, which will directly hit people who are working. If one wanted to design a budget to protect people at work, one would shift the balance the other way — a predominance of tax would come from areas that did not penalise those at work. The Minister has struck the wrong balance, however, even within his tax package, and he has relied on taxes instead of spending. It is not the correct approach. We need a Government that is willing to get out from its sheltered environment and join the battle for survival among our companies. There is a battle for survival to keep viable companies ticking over and get them through this period, but they are not able to get credit and cannot cope. A measly €50 million is in a so-called enterprise fund, as if that sum could resolve these things. Other countries are being genuinely imaginative about what needs to be done. They are bringing in well tailored packages to bring credit to viable businesses that are struggling, they are showing flexibility in the welfare system as employers struggle to cope with pressure on their workforces and they are reducing the burden of taxation by pushing out payment dates. Our Government, however, thinks it is better that struggling businesses should pay their taxes earlier than they used to. The whole emphasis in this budget has not been about

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protecting employment, which is the mindset that should have informed it if it was to be appropriate to the needs involved. This is too much of a bookkeeper's budget. The Minister is hauling in tax because it is easy to get, but he is not addressing underlying reforms to alleviate the struggle encountered by people in ordinary businesses who are trying to hang on to their jobs.

It is disappointing that this year we will see €600 million taken off the capital investment programme and double that next year to €1.3 billion. The following year, nearly double again, €2.4 billion, will be taken out of the investment programme. That is not laying down the foundation for employment. I would not have minded if the Government had adopted what we had recommended — a way of getting equity and borrowing into investment in public infrastructure, such as our water services, electricity grid and telecommunications network. We showed how that could be done in the coming years without costing the Exchequer one red cent, but that proposal was not adopted. I appeal to the Minister to look afresh at that solid proposal.

I welcome the fact that the Minister is willing to raise money from pension funds for PPPs. To be brutally honest, however, I thought the Minister would have a lot more work done on that proposal than he has. It merited just a throwaway sentence, saying that he is examining it and hopes something will come of it. If he has not been striving on this matter in recent weeks, what has he been doing to create incentives for investment in this country? It is the core to a strategy that will get us out of this hole, yet it is still very underdeveloped.

I worry about the share out of the burden. We believed that this budget would be about a fair share out of the burden, yet there is no capping on the huge amounts that well off people can put into their pensions. A sum of €150,000 with a huge taxpayers' subsidy of nearly 50% can be put by very wealthy people into their pension funds year after year. What is the justification for that continuing at a time when we are seeking €2,500 in extra taxes from ordinary people?

**Deputy Bernard Allen:** They are the untouchables.

**Deputy Richard Bruton:** Those sort of problems had to be addressed. Those tax expenditures are unjustified. Why should we be giving tax breaks to artists? Some 60% of the money goes to just 28 artists. They are not a deserving case when we are asking ordinary people to take up the slack.

**Deputies:** Hear, hear.

**Deputy Richard Bruton:** Why should we be giving huge subsidies to building nursing homes and schemes like that? Why should we even be giving subsidies to trade union subscriptions? At a time when we want to protect employment, the Minister should not continue with those tax-based expenditures that are well past their sell-by dates and need to be done away with.

There is a lack of focus, too. I can understand why the Minister is examining child care and mortgages but, as he works on the budget for next year, let us not forget those who are really taking the strain. The people who are really taking the strain in this society at the moment are those who were lured into paying huge mortgages. They are now in huge negative equity, have young families and are worried about their jobs. We cannot pile mortgage relief cuts and child support cuts on the generation who are taking the strain for the mistakes that were made in Government. We have to be sensitive to the needs of those people as the Minister starts to reform these areas.

Easy options have been hit. There will be disappointment that overseas development aid has been hit once again; having been hit in October, it is now hit again.

**Deputies:** Hear, hear.

**Deputy Richard Bruton:** This was a solemn commitment of the Government, but we are now reducing the proportion of our national income that we will commit to this area. It was a soft target and that is the underlying theme. This was a time not to look for soft targets, but to make hard decisions that should have been faced up to now.

I welcome a scrappage scheme for five Ministers of State, but it is a half-hearted effort in my view.

**Deputy Pádraic McCormack:** He should have got rid of them all.

**Deputy Richard Bruton:** Daily, we hear Ministers from the Green Party, and there is one of them here today, saying that those who led us into these difficulties in the banks cannot be the ones to lead us out. Many members of the public would like to see a much more extensive scrappage scheme than five Ministers of State.

**A Deputy:** The Taoiseach should go all the way.

**Deputy Michael Ring:** Drop the Government.

**Deputy Alan Shatter:** An entire scrappage scheme would be a good idea.

**Deputy Richard Bruton:** Many companies that are now struggling expected to see reforms that would ease the tax burden. The Minister himself said that it was a mistake to raise VAT, yet when it comes to dealing with some of these things there is a deafening silence. Surely there was an opportunity to look at some areas where taxes could be reduced, as well as areas where they could be increased. The airport tax is telling visitors that we do not want them to come here, although the tourism industry is on its knees. The low VAT rate is focused on home holidays and home improvements. Surely there was an opportunity to give a boost to tourism and other such labour intensive activities. Surely the Border countries, which are under pressure from the VAT increase, deserved some consideration in this budget at a time when the Government is trying to protect employment.

**Deputy Phil Hogan:** The Minister, Deputy Dermot Ahern, let them down.

**Deputy Richard Bruton:** I also worry about the Minister's approach to those who have lost their jobs. We need to think much more outside the box about protecting the unemployed and finding opportunities for them. I welcome the Minister's back to education scheme, which will be available to people three months earlier than was previously the case, but people will still have to be unemployed for nine months before they can take up a third level course. That is not appropriate at a time like this. We need to get people to move quickly and not have a long period of idleness. Cutting the enterprise support scheme from four years to two does not seem a sensible suggestion at a time when start-up businesses will be working in a very difficult environment. It seems a short-sighted saving that is not motivated to getting small enterprises going by those who have lost their jobs. It seems unfair and niggardly in its approach. It is a slide-rule approach to making savings, instead of a helpful one. Meanwhile, the ordinary back-to-work scheme has been axed altogether, which is a strange decision at a time when we ought to reach out to those who have lost their jobs in order to offer them opportunities.

5 o'clock



[Deputy Richard Bruton.]

The underlying problem, which we have always refused to face up to, is the dysfunctional nature of this budget. The budget's composition is always the same. There was no advance scrutiny of the options and no efficiency targets or targets of any sort. It is based entirely on last year's money and whether we will reduce it by 1% or 2%. There is no root and branch examination of what is being done. We, in Fine Gael, advocated turning that system on its head. We argued that budgets in future should not be about the demands of agencies but about the needs of clients and ordinary people, that agencies should be forced to bid for their money and that if they are not performing, managers should be expected to shape up or ship out. We need that sort of transformation in the way we think of our public services.

Delivering a public service is a great honour but we have trapped people in the public service in a system that is failing them. The budgetary system and a soft option approach to politics, one which we saw in decentralisation, are failing them. We need to release the talent in our public service and reward those people of ambition who want to make change and drive standards. Our system does not do this. It tells people that when money is short, one closes hospital beds and wards and turns away patients. What enterprising and ambitious public servant wants to respond that way? People who want successful organisations want the opportunity to run more patients through their system, be more efficient and be rewarded for the extra patients they treat.

We are stuck in the old budgeting system that has trapped talented public servants, whose talent we now need more than ever, in a straitjacket that is not rewarding or encouraging their talent. That has to change but, again, there is no sign of change in this budget. There is no talk of a new deal for moving staff to areas of need or of rationalising quangos which remain as numerous as ever. Work on the programme the Minister offered last year remains as slow as a snail. We are not seeing a Government that is willing to shape up to the huge need to reduce the cost of running government, run government more efficiently and squeeze out and encourage performance. That should have been the clarion call underpinning the budget today. At a time of crisis, this nettle should have been seized. People will suffer because it was not seized, because it means that as budgets go scarce, we will see the old approach again. Schemes such as the home help service and nursing home support will be squeezed for want of money as the year ticks on because the reform agenda has not been boldly seized.

The problem we have in this country is that we have a Government which simply would not heed the warning signs. Time after time, it was told of the dangers that were occurring. Our competitiveness entered the red zone in 2002 when it started to deteriorate. The housing market entered the red zone in 2005 when the IMF issued warnings. The reliance of banks on short-term money entered the red zone in 2005 when we could see them sucking in huge amounts of short-term money not supported by the deposit base. The public finances started to go into the red zone when Ministers pumped spending before elections and benchmarking was paid without looking for anything in return. All of those who issued warnings to the Government that the position was not sustainable were cast aside and contemptuously dismissed. We were told time after time that the property bubble was built on sound economic fundamentals, competitiveness was fine and we did not have to worry about our banks. How wrong that was and how much Irish people have paid for the refusal of Ministers to heed the warnings that were given.

I saw a film recently with Anthony Hopkins called "The Edge" about a man in the wilderness struggling to survive. Hopkins's character made the comment that most people who die in the wilderness die of shame. We have been led into the wilderness by this Government. There is a creeping sense that it does not know how to fix what it has broken and the risk is that we are seeing a Government that is dying of shame as it tries to face problems and that is not

carving out the solutions which will resolve these problems and help the country regain its independence. Will the Government die of shame and take our economic independence with it? That is the worry that is on people's minds.

It seems this Government believes it will be the first administration in the history of the world to work its way out of a depression and recession by taxing and more taxing. We stated clearly that the response in this budget had to be built on jobs, jobs and more jobs. It had to be about how we could protect, create opportunities and make sure the tax changes we made were sympathetic to employment as well as how we could make sure the burden between cutting spending and increasing taxes was on the side of more cuts in spending rather than more tax increases. Those were the challenges we faced and that was the framework which should have informed the budget.

We were told just two years ago that 97% of workers would be better off under Fianna Fáil. I do not think many of those workers would agree now.

**Deputy Jim O'Keeffe:** It was a bad joke.

**Deputy Richard Bruton:** People put their trust in Fianna Fáil which promised it could manage in bad times as well as good. We were told it had a plan and had built a strategy on sound foundations. All those plans have proved hollow and the foundations have collapsed. Ireland is not working under Fianna Fáil. Our public services are not working under Fianna Fáil and people are seeing through that.

What is true of the banks is just as true of the Government. It was said by the Minister, Deputy Eamon Ryan, and the other Green Party Minister whose name momentarily——

**Deputy Ruairí Quinn:** It is hard to remember someone who is never here.

**Deputy Alan Shatter:** He is not part of the green shoots of recovery.

**Deputy Richard Bruton:** Time and again, we were told by the Green Party Ministers that those who led us into these problems should not be the ones to lead us out of them. Today, this budget has proved that this Government cannot lead us out of these problems.

**Deputy Joan Burton:** This is the budget from hell, particularly for families in the middle income bracket who have two or three children. I want to summarise, particularly for families who may be listening in, what the Minister is expecting them to pay for the banks and all the other mistakes of 12 years of Fianna Fáil misrule. The tables at the back of the Budget Statement include one relating to a couple called Lorraine and Colm. Colm earns €60,000 a year, Lorraine works in the home and the couple has two small children. Colm and Lorraine are not the bankers who turned up their noses at a cap of €600,000 but a couple earning one tenth of that sum. The health levy they and their children pay will rise from €1,200 to €2,400, an increase of €1,200 per annum, while their income levy will increase from €600 to €1,200 per annum, an increase of €600. They will pay an extra €1,800 each year in income and health levies.

That is not the end of it, however, because this couple is special. As Colm's and Lorraine's two children are small, they will lose approximately €1,000 each year through the measures announced on the early child care supplement. Let us suppose they have been married and living together for ten or 15 years. Having bought an apartment when they first got together, they decided when they got married to trade up to a nicer house with bedrooms for the children, as they were told to do by former Taoiseach, Deputy Bertie Ahern, and former Minister for Finance, Mr. Charlie McCreevy. Guess what? Their mortgage interest relief is gone as well,

[Deputy Joan Burton.]

even if they traded up in the past seven years when the market was going up and up and up, spurred on by Fianna Fáil's reckless stoking of the property market.

This budget is really the payback budget because Colm and Lorraine and their cousins, sisters and brothers will have to pay back for what Fianna Fáil has done to this economy over 12 years. They will have to pay back their early childhood supplement. I remember the Minister, Deputy Lenihan, at the time of the last general election and his supporters in Fianna Fáil who, when former Taoiseach, Deputy Bertie Ahern, announced the early childhood supplement, which was a clear bribe to people to vote for Fianna Fáil, went to the post office in Blanchardstown and stood canvassing the queue. I do not know if he remembers it. I remember it because I arrived, saw the Minister and left. He arrived on the day that there was a queue outside the post office where people were waiting to collect child benefit. His people worked all the post office queues to make sure that people knew about this supplement. Will he have a little leaflet for the queues next month to tell them he is taking it away?

**Deputies:** Hear, hear.

**Deputy Joan Burton:** They can tell the Minister, Deputy Lenihan, it was one of the worst designed bribes ever given to young families. It did absolutely nothing except drive up crèche fees. He is now adopting a Labour Party proposal, which is that we should have an early child care system. Fianna Fáil had 12 good years when threw it all away and spent it on electoral bribes such as those we saw when the Fianna Fáilers were working the queue.

We are paying again for the banks. This Government started life this time last year with a fair wind. The Taoiseach enjoyed his own county's adoration, amazing media support and tremendous goodwill from the whole country. He had political capital in abundance and threw it all away. Today the Taoiseach, the Minister for Finance or Fianna Fáil do not have much capital left to ask the Irish people to endure sacrifice and be as resilient as they always have been in the face of danger.

Not so long ago there was a shocking foot and mouth scare in Ireland but everybody responded to it. The whole country united in the common name of Irish men and women to see off a danger that threatened our country's prosperity. There was no quibble about cost or inconvenience; the job had to be done.

However, the Government does not have the vital political capital to call the country to unity today and that is why there will be little or no public consent to today's measures. Of the €3.2 billion this supplementary budget will take out of the economy, some €1 billion will be in tax, of which €754 million is in income tax, mainly from the PAYE sector. Another €799 million is in levies, PRSI and the health levy, again, mainly from the PAYE sector. Of that €3.2 billion package, €1.5 billion, or approximately half of it, will be paid in taxes directly from the PAYE sector. As the Taoiseach well knows, the PAYE sector did not cause the bank crisis or greed that this budget is paying for. They did not cause it but he is making sure they will pay for it.

It reminds me of the First World War generals who called for wave after wave of sacrifice from ordinary families and soldiers, which gave rise to a very famous phrase, "Lions led by donkeys". This is the perfect description of the plight of the people today. The hopes of one more generation of young Irish people were dashed today in order to pay for the dismal failures of Government policy for over a decade.

For a time the Government could blame the international background. Now that excuse looks even more threadbare. Even the Central Bank recognises the roots of our current crisis lie overwhelmingly in domestic policy. Every aspect of policy was geared towards promoting the property bubble. It is stated in the budget that 12.5% would have been the deficit. The

Central Bank report last week stated 10% of the deficit was structural and is, therefore, attributable to Fianna Fáil and the property market which collapsed. The other side of the House fanned the flames of a reckless lending spree for 12 years and now it has the nerve to offer its services as firefighters to the people.

In terms of the headline figures on GDP, if the economy continues to contract from today's decisions, it will be very difficult to get the percentage deficit right. The real effect of today's budget, tragically, could be to drive the economy deeper into recession. It could erode confidence more and could undermine the efforts of business to put some life into the economy. Every action of the Government has made a bad situation worse. The increase in VAT last October was folly in the extreme, an act of wild madness and the wrong decision at the wrong time, and I notice the Government has no strategy to reverse it. Many of today's decisions come from the same stable and are just as suspect.

Last week, I heard groups of Dublin stockbrokers had come together to give their tuppence worth of advice to the Minister. Their principal recommendation was to reduce social welfare. These are people who are always first in the queue to get public contracts and consultancies. Most of their consultancies cost €1,000 to €2,500 per day. Did they get their way? The Minister took away the Christmas bonus, which costs €156 million, from people on social welfare.

I am sure the Minister, Deputy Lenihan, remembers an important lesson from his old school, which is to beware of Greeks bearing gifts. He should have been wary of stockbrokers bearing recommendations that would reduce income for people who are quite poor and increase poverty in this country.

**Deputies:** Hear, hear.

**Deputy Joan Burton:** One lesson which should be learned is that there is a misguided obsession with the budget deficit that can compound the very disease it wishes to control. Deficits can melt away like the snow when the economic spring comes and this can happen remarkably fast. The core issue is to combine prudent budgeting with economic stimulus so the actions we take to get the books to balance do not worsen the problem.

Much of what the Labour Party has emphasised in recent weeks refers to job training and job retention. We endorse the idea of a national bond, as first suggested by the Irish Congress of Trade Unions and later by the construction industry. I was disappointed that the Minister, Deputy Lenihan, made no more than a passing reference to it because there is an appetite among savers for secure, State-backed investments. Even yesterday's *Financial Times* mentioned the fact that the German Government is hatching a similar plan to tap into people's savings and into the capital of pension funds to finance important projects that can sustain jobs and prepare the country for long-term recovery.

There is also scope, surely, to seek support for such a bond among Irish people in the US and elsewhere, who are our own diaspora. We have a gap in our funding capacity to build schools and hospitals and this could go some way towards meeting this need. There must be a stimulus element in today's budget. It cannot be all cuts and tax increases because that will mean only more job losses.

The Americans have a phrase, "shovel-ready projects", which they use to describe construction projects that are labour-intensive, such as public transport projects, and that are already well advanced in terms of planning but cannot be funded in the normal way due to the public financial crisis. The Minister does have access to another possible source of funds for these projects, but he is staying strangely silent about it. I refer to the €1 billion that is to be paid in fees this year and next year by the six financial institutions that were guaranteed by the State last 29 September. This is kept in reserve in a special account in the Central Bank. It is sitting

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there, and I hope it is not being kept for the next general election campaign. Why is this money not being made available now for job training initiatives——

**Deputy Ruairí Quinn:** Hear, hear.

**Deputy Joan Burton:** ——or school building projects? I am not a fan of public private partnerships but I recognise that they offer some advantages in securing finance for the capital budget. Why is the use of this mechanism limited this year to four schools in the Taoiseach's constituency? We need more outside-the-box ideas to keep the capital programme ticking over. By this I mean projects that are fully assessed by robust cost-benefit analysis and perhaps sanctioned by the EU for funding outside the headline public deficit constraints. In other words, they would be off balance sheet for EU purposes.

The Labour Party has suggested the establishment of a national development bank that can focus on the many sensible proposals for the smart economy that allegedly form part of the Government's strategy. I am afraid I saw little commitment in today's announcements to making progress on that agenda. Access to broadband and investment in public transport, water supply and low-carbon energy all form part of the agenda, but for these we will need access to capital, which must be sourced in new and imaginative ways. The Labour Party's proposed development bank could be used for this purpose. It would be set up on a commercial semi-state basis. Capital projects it supports would be considered by Brussels to be off balance sheet and thus would not affect the general Government balance, except where the Exchequer transfers funds directly to the bank. The national development bank could support some €3 billion of capital spending over the 2009 to 2011 period. The bank could be capitalised in several tranches over a number of years through the National Pensions Reserve Fund on a once-off basis, through private investment in a recovery bond, through providing the credit union sector with a stable investment vehicle, which it is currently looking for, and through borrowing under Government guidance. I am disappointed that the Minister has shown so little imagination in his statements today.

I said already that the PAYE sector, which is paying more than €1.5 billion in extra income tax and health and PRSI levies, is the main target of this budget. I have talked about tax justice until I was blue in the face. A recent case highlighted how easy it is to set up a perfectly legal tax scheme whereby one can avoid a modest 20% tax on a €25 million profit by simply sending one's spouse to Italy for 183 days. A whole industry has developed among tax accountants and lawyers to facilitate this. In today's statement there was precious little to show any serious intent to end this outrage. All the tax exile rules, all the tax shelter schemes, and all the cosy arrangements to allow tax losses to be brought forward indefinitely and even back for a year should end now.

I do not think the word "pension" even crossed the Minister's lips. We are talking, for example, about the pension pots of €5 million to €20 million accumulated personally by a number of our large bankers and other captains of industry. When they retire they get a quarter of their funds tax-free. That equates to a tax saving of €1 million when they exit the funds. I thought the Minister would seek to cap that. There will be no consent from taxpayers to the €1.5 billion hit to the PAYE sector when they see that the culture of tax avoidance and evasion continues to flourish. Tax justice must be done and must be seen to be done. I told the Minister to write down the words "Tax justice" and put them on his desk, as the former American President Harry Truman did with the words "The buck stops here." There is a fallacy about that the Revenue Commissioners have changed the culture of tax evasion. The former chairman of the Revenue Commissioners, Mr. Daly, and the current chairman have done sterling work,

but there is more to be done. The new campaign on offshore trusts shows that there are still mechanisms in place to dodge and weave around the rules.

The Taoiseach will remember Lord Justice Denning's notorious "appalling vista" remark with reference to the Birmingham Six. I will give him an appalling vista with regard to the tax-back schemes that will be implemented shortly. A property company, Company A, has stock consisting of development land and buildings. In view of the crash, it will have major write-downs in the value of this stock. The result will be massive losses for tax purposes. These losses may be carried forward, but they can also be written off against tax already paid currently — that is, in 2007 — which will allow it to claim a refund from the Revenue Commissioners of tax paid recently. There is more. The bank that lent the money to Company A to fund the purchase of land will also write down the value of the loans, and this too will give rise to a claim for tax refunds by the bank. This is a double whammy for the Revenue Commissioners. It will have tax refund claims from both the company and the bank. The losses on these refund claims are likely to be quite astronomical. I have heard suggestions that they could be as much as €1 billion between this year and next year. This is not fancy speculation. As the Taoiseach is aware, the Office of the Revenue Commissioners is bracing itself for major refunds to developers and banks, including the very institutions that have been bailed out by the taxpayer.

If the Taoiseach engaged an accountancy consultant to examine this he would be charged a handsome fee. I am giving him this advice free. I do not think the Government can stand idly by and tolerate this. It would mean a double whammy for the taxpayer. The very banks we are helping are fleecing us with bail-out demands and they will shortly be fleecing us on the double with tax refund demands based on write-downs of their dodgy loans. There will be a sos later. It is open to the Taoiseach and his colleague the Minister for Finance to write further emergency legislation to close this loophole tonight. We will vote for it. This is an offer to the Taoiseach that makes a lot of sense.

**Deputy Ruairí Quinn:** They can add the detail in the final budget provisions.

**Deputy Joan Burton:** He can close this loophole tonight if he so wishes.

The overhang of the banking crisis affects our nation's international creditworthiness as much as the budget deficit. Of the adjustment of €3.2 billion announced today by the Minister, I reckon at least €500 million — but possibly up to €1 billion — will be used to meet the higher interest charges that must be paid by Ireland on the money it borrows internationally because of mismanagement by this Government. PAYE workers are paying €1.5 billion in extra taxes, much of which will go towards the extra interest costs racked up by the Government by its damage done to our reputation.

I read with some astonishment a report by Stephen Collins and two colleagues in last Saturday's edition of *The Irish Times* regarding the events of 29 September 2008. According to this report, the State's two largest banks, Allied Irish Banks and Bank of Ireland, left the overnight negotiations on the guarantee scheme on 30 September believing the Government would nationalise Anglo Irish Bank the following weekend, after the introduction of the scheme. The Minister has been strangely silent on this report in contrast to the fuse he blew over Professor Morgan Kelly's very similar proposal some months ago in *The Irish Times*.

Had Anglo Irish Bank and the Irish Nationwide Building Society been nationalised immediately, and Mr. FitzPatrick and Mr. Fingleton shown the door, we would not have endured quite the fallout we are now suffering. What was it about this pair — Mr. FitzPatrick and Mr. Fingleton, our home-grown Bernie Madoffs — that they were able to persuade a gullible Fianna Fáil, a gullible Central Bank and a gullible regulator that they could resolve the difficulties at their respective institutions? There has been no explanation or apology in this regard. We were

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already in serious trouble because of the situation with our banks, but the introduction of the guarantee scheme was a disaster for the country and for our reputation. The decisions made on 29 September were flawed and left the country open to a very hostile international reaction. The Taoiseach told the Irish Management Institute in recent days that the risk exposure from the guarantee was “just” 230% of GDP. Of all the understatements I have ever heard, this beats Banagher. We have a situation where “just” 230% of the nation’s entire wealth is hanging on the bank guarantee. The man who made this statement is charged with leading the country at this moment of crisis.

The financial institutions guarantee scheme was followed by the nationalisation of Anglo Irish Bank and the allocation of €7 billion for recapitalisation. Now we have come to the grandest act of all in the saga of banking policy with the introduction of a national asset management agency. The Minister is drinking in the famous last chance saloon. He has been very sketchy on the details of how control of debts and toxic assets will be taken from the balance sheets of the banks. One policy issue is central to this scheme, namely, the question of how to handle the valuation of these debts. As long as these toxic debts remain on the balance sheets, our economy will be hobbled by these dead banks walking or zombie banks. These problematic loans must be dealt with in order that ordinary banking and credit flow will resume, thus allowing small, medium and large enterprises, commercial operations and sole traders throughout the State to retain people in employment. As I said, today’s budget will see our citizens taking a severe hit in living standards for years to come, with additional taxes of all types, reductions in public services, decreases in social welfare payments and limitations on entitlements, all for no other purpose than to save these financial institutions from the consequences of their own folly and greed.

The Minister mentioned a figure of €80 billion to €90 billion as the likely level of problematic loans. However, he does not indicate what will be the write-down of that figure. Many of these loans are in respect of development lands — the fields outside Dublin city and outside towns throughout the State. These were fields of gold for which the owners may have paid €20 million, €100 million or €200 million. However, they are no longer fields of gold but simply fields. One would be lucky to get a farmer to pay for grazing on some of them, so low will be the demand for construction on them. What value will be put on these former fields of gold? If €80 billion to €90 billion of assets are at issue, a 50% write-down would leave taxpayers with a burden of €40 billion to €45 billion to take onto their backs and those of their children and grandchildren. Why should we pay anything in respect of these loans? What is wrong with either taking a majority stake or nationalising the institutions in question?

In annexe 1, which provides questions and answers relating to the national asset management agency, NAMA, one of the questions asks whether land and development loans outside of Ireland will be transferred to the NAMA. The answer suggests that toxic debts held by our banks outside this State will be eligible for transfer to the NAMA.

**Deputy Kathleen Lynch:** Bravo.

**Deputy Brendan Howlin:** As if there were not enough toxic debts in this country.

**Deputy Joan Burton:** The reply states:

Yes, land and development loans outside of Ireland will be eligible for transfer to NAMA, subject to consideration of the legal issues involved. This is essential to ensure that the banks are completely cleansed of their exposure to their identified riskiest loan category. UK

exposure is a significant part of the bank's total land and development portfolios and therefore needs to be included in the transfer of NAMA as part of the overall solution.

It is scandalous and outrageous that taxpayers — hard-working PAYE earners — will be burdened with the cost of property speculation in the United Kingdom. How can the Government stand over this? Who will be responsible for the valuation of these United Kingdom assets? In addition, I am aware of the existence of smaller portfolios in the United States, Spain, Dubai and elsewhere. Is the taxpayer to pick up the tab for property portfolios throughout the world? From 1 May, Lorraine and Colm, the fictional couple used by the Department for illustrative purposes, will be liable for an additional €100 per month in health levies and an additional €50 per month in other levies in order to pay for the global speculation of some of the greediest people on the planet, those who have also shown themselves to be some of the most stupid people on the planet. Why should we pay for their greed and stupidity?

**Deputies:** Hear, hear.

**Deputy Brendan Howlin:** We are the stupid ones.

**Deputy Joan Burton:** It is truly scandalous and outrageous that we should be presented with a scheme such as this without being offered any costings. I understand the development in Dubai to which I referred relates to the purchase of the island of Ireland in the world of islands complex. We are not just paying for speculation in places such as the fringe around the M50. We are not just paying for unsold apartment blocks on the banks of the Shannon or in Cork and Kerry. Rather, we are paying for speculation in London, Dubai, Chicago and New York. The website of the former Taoiseach, Deputy Bertie Ahern, details his travels to various locations around the world to deliver lectures, for a fee, on how he built the Celtic tiger. Perhaps he is dropping in to these construction developments in foreign lands, the cost of which has been loaded on the backs of another generation of young people, their children and grandchildren.

**Deputy Kathleen Lynch:** The invasion of the world by the Irish.

**Deputy Joan Burton:** Both Deputy Gilmore and I have asked whether the Bacon report will be published in full. A short report has been published by the European Commission outlining the reasons for the success of the Swedish banking bail-out. There are six or seven critical reasons the Swedish scheme worked, the first of which is transparency in terms of the amounts involved. The Minister used the word “tough” in regard to some of these loans. I imagine some of these tough developers will not know whether to laugh or cry when they read tonight about this arrangement.

The Labour Party welcomes, in so far as they go, the proposals to curtail Deputies' and Senators' expenses and, in particular, the suggestion that Deputies who have been Ministers will no longer receive pensions. The Taoiseach will be aware that Deputy Gilmore and I surrendered our pensions to the Minister for Finance some time ago. We also proposed that top salaries in Government, Government agencies and Departments be capped at €200,000 for the duration of this financial emergency. This should be done.

The Taoiseach will have seen the international articles and reports in regard to his salary. We are a country of under five million people. I accept the Taoiseach inherited the current situation in terms of remuneration from his predecessor. However, he is up there with Obama, a leader of a major country, Chancellor Angela Merkel and President Nicolas Sarkozy. If we want the international bond markets to take us seriously we cannot continue to pay people these extraordinary amounts of money. The L'Oreal advertisement “Because I'm worth it”



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comes to mind. We can no longer afford to pay people these extraordinary amounts of money. The move to address this situation is tepid and disappointing. The Taoiseach and Minister for Finance could have shown leadership today and provided that, for the duration of this emergency, all top salaries would be capped at approximately €200,000. I believe most people in receipt of those salaries would be happy to make that sacrifice, which would not leave them on the breadline as will be the young person under 20 years of age whose social welfare allowance has been reduced from €200 to €100.

**Deputy Kathleen Lynch:** That allowance has been cut in half.

**Deputy Joan Burton:** This would have shown leadership in an international sense. One of the big talking points internationally is how we can afford to pay our Taoiseach and Ministers so much money. There are many cartoons of Ireland depicting the Taoiseach being paid the same amount of money as leaders of some of the largest, most populated and wealthy countries in the world.

The Labour Party supports the proposed reductions in Deputies' pay and long service allowances and so on. Perhaps the Taoiseach will state the reason the Minister for Finance turned a blind eye to the €45,000 allowance paid annually, tax free, to Independent Members of the Dáil——

**Deputy Thomas P. Broughan:** Hear, hear.

**Deputy Joan Burton:** ——most of whom are supporting the Government? Is it because the Independent Members threatened to walk if their allowance was hit in the budget? If we are to clean up the legacy of the Ahern years, this payment, a tax free, unaccountable, unvouched special arrangement for Independent Members, must go. It is wrong and has been always wrong. It was a sweetener introduced by that master politician, former Taoiseach, Deputy Bertie Ahern, to ensure that a wide coalition of Independents continued to support him and it worked. However, this country can no longer afford it. It is wrong that the Minister for Finance did not address this issue.

Perhaps the Ceann Comhairle would indicate at this point how much time I have left.

**An Ceann Comhairle:** The Deputy has seven minutes remaining.

**Deputy Joan Burton:** I will conclude with some general observations. The financial deficit is important. I am, as much as anybody else, a deficit hawk. We must establish our credit worthiness as a country. The Government should not underestimate the Labour Party's commitment and willingness to implement sound public finances and to meet agreed targets on time. However, this must be done in a planned way that avoids panic measures, thus worsening the situation.

Today's package involves €3.5 billion to €4 billion. The suggestion is that it involves €3.2 billion before the bank guarantee, which has not been costed, is taken into account. Last week, the Bank of Ireland received a cheque for €3.5 billion from the Irish State. It is amazing that the Minister for Finance gave €3.5 billion to the Bank of Ireland, the biggest cheque in the history of the Irish State, and that there exists no photograph of the Minister handing over that cheque. No photograph of the Minister holding up the cheque was provided for publication by all the newspapers and carried on the RTE news. We all know there are some Ministers who, it appears, have chequebooks in the back of their cars and who, when they turn up at community events, write cheques for up to €50,000 which are subsequently held up and photographed. There is no recorded photograph for posterity of that €3.5 billion cheque.

**Deputy Ruairí Quinn:** Did the Minister get a receipt?

**Deputy Eamon Gilmore:** Did he bleep?

**Deputy Joan Burton:** In a few weeks, Allied Irish Banks will also receive a cheque for €3.5 billion. Will that cheque be photographed? I suggest we obtain a photograph of it for posterity. It is quite possible other financial institutions will want the same sum and that they may get it because they are guaranteed, which is one of the worst measures ever introduced by Government.

The Bank of Ireland has received €3.5 billion and Allied Irish Banks will shortly receive €3.5 billion. The taxpayer did not today get €3.5 billion, it gave €3.2 billion.

**Deputy Thomas P. Broughan:** Hear, hear.

**Deputy Joan Burton:** This is the crazy economics of Fianna Fáil.

I want to return to the comparison I set out at the beginning of my contribution in regard to the First World War. I am sure the Minister of State is aware of the Siegfried Sassoon poem of a cheery general meeting two soldiers on their way to battle who states: “But he did for them both by his plan of attack.” General Lenihan has well and truly done for us all by his plan of attack today. Anyone can slash and burn. One does not need courage or wisdom to do so. One can of course save money by making men and women redundant.

I was desperately disappointed that SR Technics, in terms of a plan to save high level jobs at that plant, did not merit mention by the Minister.

**Deputy Thomas P. Broughan:** Hear, hear.

**Deputy Joan Burton:** We are saving landbanks in Dubai and London but are not able to save the cream of technological skill at Dublin Airport. Half of the 1,100 to 1,200 men employed at SR Technics received their notice last Friday. Members may have heard read out on the “Today with Pat Kenny” programme a sad letter from the wife of one of those workers. She spoke of her husband retching over his breakfast as he faced his last day at work after 30 years service. I am disappointed this issue did not merit mention by the Minister.

A true leader is one who pauses to say capital invested in job training and earn and learn schemes can pay dividends quickly and use welfare money more efficiently. I do not mind so much the proposed reduction from €200 to €100 in social welfare payment for young people because I do not believe a person under 20 years of age should be on the dole. I do not believe that is the place for them.

**Deputy Ruairí Quinn:** They should be in school.

**Deputy Joan Burton:** They should either be in school or in training. They should not be on the dole. Simply conceding that one can save money not by educating or training them—

**Deputy Brendan Howlin:** We should send them abroad.

**Deputy Joan Burton:** They are not many places they can go. Jonathan Swift in *Gulliver's Travels* said a long time ago to people with the slash and burn mindset: “... whoever could make ... or two blades of grass, to grow upon a spot of ground where only one grew before, would deserve better of mankind ... than the whole race of politicians put together.” This is where this budget has failed. There are no two blades of grass. There is no growth in SR Technics. I do not see anything much for Limerick or for Waterford Crystal. When the Govern-

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ment was on its high horse — when its hubris and its arrogance were evident — it could not bring itself to make a basic credit guarantee arrangement for Waterford Crystal.

**Deputy Thomas P. Broughan:** Hear, hear.

**Deputy Joan Burton:** It wanted to hang tough. The Government did not do anything at the time, which was before the bank crisis. The amount that would have been involved in the Waterford Crystal guarantee was approximately €40 million. An iconic Irish industry has pretty much gone down the tubes. The people of Waterford are happy that it will be restarted in a small way with a tourism facility. They understand that something is better than nothing. The banks that are being looked after today will get between €80 billion and €90 billion. There is a poverty of ideas about how to maintain the real jobs, in companies like SR Technics, Dell and Waterford Crystal, which keep families at work. People will be hurting tomorrow as a result of today's budget, which was supposed to turn this economy around, reform the system and bring fairness to it. Tax exiles and those with pension pots worth €20 million will sleep easy tonight because they will not be affected by this budget. At the same time, many ordinary families will be counting the large cost of this budget to them. The pain caused by this budget, which the Government has deemed necessary to bail out the banks, will last for a long time. Shame on the Government.

**Deputy Jan O'Sullivan:** Hear, hear.

**Deputy Arthur Morgan:** I welcome the opportunity to contribute to this budget debate. Never before has a budget been so anticipated and so talked about, even among those who do not normally consider politics to have any relevance to their lives. This is a stinking budget because it takes a completely wrong approach to the crisis facing the State.

**Deputy Aengus Ó Snodaigh:** That is true.

**Deputy Arthur Morgan:** There is no justice in the budget. Fianna Fáil and the Green Party have cynically targeted workers who survive on a little over €41 a day. They have targeted young families who are struggling to meet their child care costs and pay their mortgages. They have targeted teenagers who receive jobseeker's allowance. The removal of the December bonus that is given to those in long-term receipt of social welfare will force vulnerable families into the hands of moneylenders.

**Deputy Aengus Ó Snodaigh:** Scrooge.

**Deputy Arthur Morgan:** The Government should have removed the PRSI ceiling, thereby eliminating the need to bring those on the minimum wage into the tax net. It should have introduced a 48% tax rate for those earning more than €100,000 a year, ensured that all discretionary tax reliefs are claimed at the standard rate, done more with regard to capital gains tax and capped pension fund contributions. Such measures would have ensured fairness and helped the public finances. Some 372,800 people in this State are unemployed. The retraining measures that have been announced today would not help all of those who lost their jobs in January and February, never mind the hundreds of thousands of other people who are unemployed at present.

The Government is taking €200 million from the environment budget, principally in respect of social housing and water infrastructure. It is cutting €54 million from the school building programme at a time when it should be doing the opposite. It should frontload such projects. Educational centres need to be built if we are to have the workforce that will be needed in the

knowledge economy of the future. Some €13 million is being taken from sustainable energy and energy research programmes. A further €300 million is being cut from the public transport fund. This has been a slash and burn budget, by any measure.

If the Government is serious about addressing the unemployment crisis and improving competitiveness, it should do the opposite of what it has announced today. The Minister for Finance, Deputy Brian Lenihan, referred to the smart economy and the need for competitiveness, but this budget will make it harder for businesses to engage in research and development and innovation, which are supposed to be key elements of the Government's strategy. The Government has walked away from enterprise. It has given the banks a "get out of jail" clause, after years of reckless property lending, and saddled the taxpayer with a €90 billion debt. It has again nationalised debt but privatised profit. Those watching and listening to this debate are desperate for real political leadership and a positive change in direction.

Sinn Féin has set out proposals aimed at saving and creating jobs and progressive tax and spending measures. There is a fairer and better way, but the Government has decided not to take it. Instead, it is pursuing a policy of regressive taxation, unfair spending cuts and countless job losses. The Minister's attempt to cite the rejection of the Lisbon treaty as one of the causes of our economic difficulties was deceitful. The seeds of economic decline were sown by the Minister's colleagues long before the electorate rightly rejected what was a bad deal for Ireland.

People have waited in fear and hope of what this day might mean for them. Workers in companies like Waterford Crystal, Dell and SR Technics have lost their jobs. Small businesses across the land have been forced to let thousands of workers go. Such people have waited to see whether this budget would do anything for them. They hoped it would contain a stimulus package for the economy, involving the creation of new jobs that would allow them to apply their many skills. They will be disappointed with this budget, particularly its lack of support for job protection and creation measures. Those working in companies that are in receivership and industries that are under threat have waited to see whether measures would be introduced to save their jobs, keep them in employment and protect them from the lengthening dole queues. They will be disappointed when they learn that regressive flat taxes, such as the income levy, have been increased. Families have been struggling to cope since the last emergency budget, which involved the introduction of levies on wages. In that budget, children were targeted through education cuts and elderly people were targeted through medical card withdrawals. As families have waited, they have worried about what the Government will hit them with next. They have wondered how much more they will be expected to sacrifice to clean up a mess that was not of their making. They will be disappointed when they learn about spending cuts and flat tax increases. All of these groups, and many more, have waited impatiently.

At the start of last year, it was apparent to everyone that the economy was facing serious contraction. While the Government was late in coming to the table, it saw fit to implement some budgetary measures in the form of savings last May. By the time of the Budget Statement in early October 2008, the Government had walked us into a recession. I accept that there were significant international events in the global economy, including the fall of iconic institutions like Bear Stearns and Lehman Brothers. It was revealed that certain people at the head of Ireland's financial institutions, including the Brothers Grimm, Mr. Fingleton and Mr. Fitzpatrick, had behaved in a scandalous manner that, some would argue, put this country's economic survival at risk. The criminal behaviour of those charged with managing our financial institutions, which almost brought the country to its knees, required the taxpayer to provide an underwriting of €440 billion.

The terms and conditions put in place by Fianna Fáil and the Green Party when they gave the bank guarantee were so weak that they allowed Irish Nationwide to offer Mr. Fingleton a €1 million bonus. The terms and conditions were so short-sighted that the State had to nationalise Anglo Irish Bank, which was the right idea but in the wrong bank. They were so ineffective

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that the State is now recapitalising the banks to the tune of €7 billion, which is the right idea but in the wrong banks. We should keep that €7 billion figure in our heads when we talk about this budget. Would we have needed income levies, excise increases and cuts in various sectors, particularly education, if that €7 billion was still on the State's balance sheet? The Minister spoke today about allocating additional funds to monitor social welfare fraud, but what about dealing with bank fraud? The "get out of jail" clause that has been given to the banks after years of reckless lending will saddle the taxpayer with a toxic debt of €90 billion. More public money will be spent on toxic debts as long as the likes of Mr. Fitzpatrick and Mr. Fingleton get off scot free.

Sinn Féin has consistently called for measures that benefit the public rather than the bankers. We need to nationalise the good parts of the banks, ensure that credit is made available to our small and medium-sized enterprises and reduce mortgage repayments for struggling families. The Government cannot maintain its policy of protecting bond holders. It cannot continue to nationalise debt while privatising profit. Its short-sighted policy was evident when, after bringing last autumn's budget forward by six weeks, the Government did not see fit to implement the sweeping measures that were needed to help the economy to enter into 2009 in a fit state.

The Government can make all the claims it wants about the global downturn having its effect on the Irish economy, but the global downturn is not responsible for the Government's failure to do enough in October, which led to savage emergency measures being taken in January to save €2 billion on the year's budget and now this emergency budget — another exercise in short-sighted accountancy.

People cannot suffer much more under this Government. We desperately need leadership and a positive change of direction. By leadership, I mean taking responsible measures that are motivated by a social conscience, that are fair and just as well as effective, and that are taken in the national interest. We need a very different approach. We need something other than Ministers preaching to us that we all caused this mess and we all must all fix it, and something other than the plethora of economists who called it wrong every step of the way and are now back on the airwaves revising their forecasts from last year and telling us, cold-heartedly, the savage steps they believe the Government must take to bridge the deficit. The Government is, of course, foolishly listening to them.

We also need something very different from that offered by Fine Gael, the party that last week managed to blow economic orthodoxy out the window by launching a jobs creation paper that called for 15,000 redundancies. We accept that the public service requires a root and branch audit to identify any inefficiencies but public servants took more than their fair share of the pain with January's pensions levy — a pay cut by any other name. The public service has become the whipping boy of right-wing economists for several years. To take an axe to 15,000 public service jobs is not the way to deal with this problem.

We have enough people losing their jobs in this country. To give people hope, we must show them we have the answers. As unemployment figures have soared — simultaneously destabilising tax receipts and increasing the social welfare budget — the human toll of the job losses has been horrific. In all of the speeches here we have been addressing statistics but these are real people. They are our neighbours, these are families in their own right.

While this country grapples with the apparent truth that this Government's jobs strategy is emigration, individual workers in factories, shops, building sites, and offices across the State are being brought in by management to be told their jobs are gone. Some are being dealt a double whammy. They are being informed that their pension funds, many of which would have been contributed to for 40 years, are also gone.

That this has been allowed to happen systematically for almost two years is shameful. It is shameful that the Government did not see the need to put job retention measures in place. It is shameful that it did not think to bring about a jobs creation strategy sooner. It is shameful that these people have been forced to watch as this Government spends billions saving the banks, but will not lift a finger to save their jobs. It is a disgrace that the people who lost their jobs over the past couple of years bore witness to the news that the head of the State jobs agency, tasked with training them to start their new lives, was allowed resign amid a myriad of financial corruption allegations. He should have been sacked. I cannot remember the last time anyone was sacked by this Government.

The cronyism and corruption that pervades this State's political elite has never been more despised or unforgivable than it is now. There is a sense of *déjà vu* about Fianna Fáil telling us to tighten our belts — we all remember former Taoiseach Charles Haughey telling us to tighten our belts while he was swilling champagne on a luxury yacht and ordering from France yet more Charvet shirts each of which cost the average industrial wage at the time.

All is not lost, however. Despite this Government's best efforts, we still have an opportunity to save people's jobs now, and to create more to replace those that are being lost. As dejected and distressed as people in this State are, they have not lost their fight. We are the same people who have battled through countless centuries of oppression and poverty. We are the same people who were able to go out into the world, help build it and send home every spare penny to help family and country.

In March of this year, Sinn Féin launched its job retention and creation strategy paper, which contained almost 80 proposals to save existing jobs and develop new ones. It is unfortunate that the Government did not at least read the document and take some of those proposals on board. Putting Irish people back to work is the essential first step to resolving this crisis.

Within our document on jobs, my party has set out a range of measures to keep people in employment. These include establishing a €300 million jobs retention fund to subsidise workers in viable SMEs which are struggling in the current crisis, the setting up of a task force to actively pre-empt job losses by going into companies where jobs are in jeopardy to troubleshoot and offer advice, ensuring small businesses can access credit by establishing a proper State bank that would have this as one of its main aims, reduce the costs of doing business by examining stealth taxes and further reducing utility bills, guaranteeing access to high-speed low-cost broadband and boosting the agri-food sector by introducing an improved country-of-origin labelling system and helping producers reach economy of scale.

Our logic in putting forward these proposals is that it is far less costly to keep people in work than it is to allow them to languish on the dole — both financially and socially. Nobody disagrees with us on this — so why are these measures not being taken? It also makes sense from an emergency public finance position. So far, the tax receipt losses have been most noticeable in the property taxes and VAT, due to the State's unbalanced reliance on these indirect taxes. As job losses have increased, we have seen income tax start to take a hit. That will only increase if something is not done now to stabilise jobs numbers.

Recognising that not every job can be saved, Sinn Féin has also produced a range of proposals to create new jobs. These include frontloading labour-intensive national development plan projects and increasing the number of school-building projects to provide both jobs and centres of learning for our much needed educated workforce of the future. The Government has done the opposite. The decision to cut capital allowance this year to save money will only damage further the potential for both employment in this State and the State's ability to turn itself around. We need more investment in infrastructure, not less.

[Deputy Arthur Morgan.]

We have also called for the creation of one-stop-shop enterprise points to be set up, for the establishment of Eolas Glas Éireann, a new green technology body, and for the creation of a sales Ireland strategy to help Irish firms access export markets outside the United States and Britain and to help Irish firms looking to set up manufacturing businesses with the potential to compete with our largest imports, including research and development funding. It is not lost on our exporters — it appears to be lost on the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Coughlan, who launched the export report, *Catching the Wave*, last year — that currently, almost 90% of exports from this State come from foreign-owned multinationals. In addition to that startling figure, foreign-owned firms import over 86% of the materials they use, bypassing Irish firms.

These are just a couple of our 80 proposals aimed at stimulating employment. Alongside these innovative ideas, we spelt out the need to stimulate consumer spending. I spoke against the 0.5% increase in VAT in the October budget and I and all of my colleagues voted against it. I met with groups such as ISME and various chambers of commerce over the preceding months and I could see from quarterly figures that VAT returns were falling. I also met with many traders from both sides of the Border. It seemed entirely counterproductive to me, at a time when consumer spending was crying out for stimulation, that the Government would make it more expensive to shop. The Government's VAT strategy is a complete failure and one that was avoidable. We need to harmonise VAT across the whole island, not to mention work for an all-island currency. Work on this needs to begin immediately.

The total cost to implement our jobs package over a full year comes to just over €2 billion. Most of the measures are cost neutral, they just require a change in direction of Government policy. They need the Government to accept that we are not a strong performing export market, that we have a trade deficit that is strangling us, and that we are far too dependent on the multinational manufacturing sector. If we are going to attract FDI to this State, we should be targeting their headquarters, and offering their research and development sections partnerships with Irish universities. We must be more than mere outposts from which they can pull out at will and send those jobs to cut-cost economies. Some €2 billion is not much to pay if it means saving and creating jobs, and ultimately, stabilising the public finances.

That brings me to the issue of tax and expenditure. In the run up to this emergency budget, we stated the only way to secure the economic future of the State was to retain existing jobs and to create new ones, reduce the trade deficit and stabilise and better regulate the financial sector. We also said the public finances had to be stabilised so as not to further harm our borrowing capacity. We stated this could, and should, be done through fair, progressive measures that would not, as has been the traditional method of this and Fine Gael-led Governments, target those who could least afford it. We called for a line to be drawn between increasing revenue intake and not taking so much out of the economy to contract it into a depression.

In the financial aspect of our pre-budget submission last week, we set out measures that would have raised and saved €3 billion in the current year and €5 billion in a full year. These included fair measures such as standardising all discretionary tax reliefs, which would save the State approximately €1 billion a year; levying the existing and remaining property tax reliefs, which would return between €200 million and €300 million on average a year; introducing a new third rate of tax for high earners; and increasing the health levy on high earners and PRSI by 1% while abolishing the ceiling to ensure the social insurance fund can continue to meet its obligations for unemployment, maternity and pension payments. We laid out savings in the public sector, but none that would affect front line services. Our savings targeted areas such as the private health care sector, which has been financing itself on the back of the public health

care budget and people's fear because public services are run so badly by this Government and the HSE.

In bringing forward proposals to bridge the gap in the current budget deficit, Sinn Féin sought to protect those on low to middle incomes and those in receipt of social welfare. We could go over old ground all night about how the Government did nothing over the past ten years to broaden the tax base or to make it more fair and progressive and how the Government oversaw the shift from an export-led economy to a bubble economy dependent on property and consumption taxes. In its simplest terms, the Government believed four walls and a roof, and the furniture bought for that house, constituted the solid foundations for an economy, which is ludicrous.

However, the fact is that we need to deal with where the country is right now. The dramatic contraction in the economy is nothing less than a national emergency. There is much we can do in the long term to fix the public finances and my party has advocated a complete overhaul of the taxation system to include a sophisticated system of multiple bands and rates for both income and business tax, an end to tax reliefs except when they are for society's benefit, an end to tax shelters and loopholes and putting a stop to wastage and duplication in public expenditure. In the immediate term, measures can be taken, and I listed some earlier. My party believes our approaches are sensible. We are not using the recession to push an agenda that will ultimately serve only the few.

For example, we are completely against selling off, for short-term gain, profitable State companies or companies that could be made to turn a profit again. This policy, articulated by some in the House, is ideologically partisan, economically naïve and, ultimately, counterproductive for the future of the State and its economy. I refer to the case of SR Technics, formerly FLS Aerospace and Team Aer Lingus, which emerged from the mechanical and engineering section of a public sector company, Aer Lingus. This is a classic example of where the privatisation agenda takes us and how it leaves workers on the dole.

We have also been adamant that those earning the minimum wage must be kept out of the tax net and that those on social welfare cannot be targeted. With the abolition of the Christmas bonus for those subsisting on social welfare, it appears that Fianna Fáil and the Green Party disagree that nobody earning €204 a week should be asked to carry the can for the mess that the Government, bankers, developers and the business elite have conspired to create. Unfortunately, the Government has chosen, once again, to take a series of measures that are neither fair nor just and that will not be effective.

The income levy is not progressive. A levy of 2% on somebody earning €15,000 a year is more disproportionate than levying 2% on someone earning €70,000 a year. The Government's line about not being able to change tax rates and bands in the middle of a tax year is dubious and does not explain why the tax system was not changed last October when the levy was introduced. It is also very convenient that the Government claims it cannot tackle the multi-billion euro tax relief scheme in the middle of the tax year. There was nothing to stop it ending these unfair reliefs last October. Bringing people into the tax net is outrageous. Nobody earning €350 a week can carry the can in this budget.

The cuts to social welfare are vicious. The early child care supplement is paid in recognition of the fact that the State does not provide universal early child care, as is provided in most other progressive European states. Even if the proposed child care scheme comes on stream in January next year, how are parents supposed to pay for child care this year following this payment cut? Perhaps the Government's unemployment strategy ties in well with the slashing



[Deputy Arthur Morgan.]

and eventual abolition of this payment. Means testing or taxing child benefit next year is also punitive. The Minister should target the tax rates of parents, not their children. The reduction in rent allowance is a disgrace. The housing market has changed but not to the extent that rents have collapsed. The measure to reduce jobseeker's allowance for the under 20s is an attack on young people, who are the most vulnerable in seeking a job in this economy now. It is an emigration tax, as it will force them to leave the country and travel elsewhere where the economic crisis will probably be as bad.

Those on the right argue that, in a public finance crisis, the last place a government should look to raise money is the tax system. They argue cuts are the only way to solve an economic crisis. It is easy for these Washington School students to advocate spending cuts, which invariably comprise cuts to services on which the better off never have to rely. If one is rich enough, one does not need a public health service or education system nor does one need social welfare payments. What differentiates Sinn Féin from those on the right is that we believe all these important services such as health, education and social welfare are rights. That is what one pays one's taxes for. One does not pay them so the top rank of civil servants can earn upwards of €150,000 per year. One does not pay them so the heads of State bodies can take first class trips to Florida and stay in five star hotels. One pays them for the Government to give them back to their developer friends through billions of euro in tax reliefs.

Sinn Féin's priority at this time is to get Ireland back to work and to build the knowledge-based economy that we so often talk about. The conscious decision by Fianna Fáil and the Green Party to make cuts to education spending and to increase class sizes is detrimental to both of these crucial goals. Deputy Paul Gogarty talks a good talk when it comes to these education cuts. I call on him to show his hand now. Will he stand over this targeting of the most vulnerable in our society or will he actually stand up for what he says he believes in and walk away from this Government?

Likewise, cuts to health have been affecting the delivery of health and personal social services since the autumn of 2007. The "national emergency" the Minister for Health and Children declared in 2006 because of the numbers of patients waiting for many hours, and in some cases, days, on trolleys and chairs in accident and emergency units has been forgotten not because the situation is better but because the so-called emergency is now the norm, despite the Minister's much vaunted but ineffective plan of action. While she ploughs on with her precious and ideologically driven co-location of private for-profit hospitals, the provision of life saving units are being denied. It appears an issue has to be aired on the Joe Duffy show for a week before it is sorted by the HSE. How Deputy Harney can hold her head up is a mystery to me and how Government backbenchers can stand behind her is something they will have to explain to the electorate at the next election.

The recession is being used as an excuse to make cuts to the public health service but no real action is being taken to tackle the waste in the health service such as the use of brand drugs instead of generic drugs, the co-location plan and the subsidising of the private sector through the private beds in public hospitals. The list goes on. Everyone else is expected to take a pay cut but the consultants' contract is untouchable. In the meantime, we face the non-renewal of contracts for up to 1,400 so-called temporary workers in the health services. Under the guise of reorganisation, the Minister and the HSE are slashing services in our small hospitals across the State, worsening the overcrowding in large hospitals such as Our Lady of Lourdes in Drogheda, the Mid-Western Regional Hospital in Limerick and the big Dublin hospitals.

Health and education are just two areas where the cuts have hit the most vulnerable the hardest but there are many more. A government that can bail out the banks to the tune of €7 billion, but cannot protect its most vulnerable in their time of need is not a government that anyone in their right mind would want to be in power.

Today's budget will not restore our international reputation. Our reputation internationally has been damaged by this Government's failure to manage the economy and regulate the financial sector, and by its over-reliance on construction and shambolic handling of the public finances. The Minister for Finance, Deputy Brian Lenihan, spoke today as if his party had not been in government for more than a decade, as if he and his colleagues were not responsible for the crisis which the country faces.

The Government has made several attempts to fix the State's finances. Each time it has fallen short and this was its last attempt. This budget is not even a first tiny step in the right direction. I doubt anyone is convinced that Fine Gael could do a better job. If the past is anything to go by, not to mention its policy documents of the past few weeks, Fine Gael's solution will be as punitive as it is negative, cuts and privatisation will not sort out this economy. Fine Gael believes it will be elected to govern next time around because of Fianna Fáil. I believe, however, that people are starting to look for something different. The old two-party system is teetering on the edge of history and an alternative is starting to emerge. My party leader made a call at our Ard Fheis to the parties of the left to form an alliance of the left. I ask my colleagues on this side of the House to consider this again. No party that claims to be of the left should prop up a right wing government. I call on the Labour Party today to go back to its roots and to abandon its policy of abolishing tax reliefs for trade union membership. If ever there was a time when people need to be members of unions, it is now.

People want change. They want a new model of development for the economy, not one that relies on the boom and bust method, which economists can sit back and comment on, but with which real people must live. Nobody in the two main parties believes in shared pain for everyone. They will protect the well off and target the less well off, as has been seen here today.

We can go forward in this State, we can turn this economy around but we cannot do it by clinging to the politics of the past. It is time for real change. This budget has been far more depressing than even I had expected with cuts in education and all public services at a time when injecting funds into labour intensive projects was needed to stimulate the economy rather than this slash and burn approach.

*Sitting suspended at 6.24 p.m. and resumed at 6.54 p.m.*

### **Allocation of Time: Motion.**

**Deputy Pat Carey:** I move:

That, notwithstanding anything in Standing Orders, the Financial Motions by the Minister for Finance shall, for the purpose of debate be moved and grouped together in accordance with the following schedule and the proceedings thereon, and any amendments thereto shall, in the case of each resolution, be brought to a conclusion by one question which shall be put from the Chair not later than the times indicated as follows:

Group 1: Financial Resolutions Nos. 1 and 2. Time allocation: 60 minutes.

Group 2: Financial Resolutions Nos. 3 and 4. Time allocation: 30 minutes.

Group 3: Financial Resolutions Nos. 5 to 10, inclusive. Time allocation: 90 minutes.

Question put and agreed to.

**Supplementary Financial Resolutions 2009.**

**The Taoiseach:** I move the following financial resolutions:

**Financial Resolution No. 1: Income Levy.**

(1) THAT Part 18A of the Taxes Consolidation Act 1997 (No. 39 of 1997) be amended—

(a) in subsection (1) of section 531A by substituting the following for the definition of “aggregate income”—

“‘aggregate income’, in relation to an individual and a year of assessment, means the aggregate of the individual’s relevant emoluments in the year of assessment and relevant income for the year of assessment;”,

(b) in section 531B—

(i) in paragraph (b) of the Table to subsection (1)—

(I) by substituting the following for all of the words from “The income described in this paragraph” to “in accordance with the Income Tax Acts and—”:

“The income described in this paragraph, to be known as ‘relevant income’, is income, without regard to any amount deductible from or deductible in computing total income, from all sources as estimated in accordance with the Income Tax Acts, other than relevant emoluments, social welfare payments and similar type payments and excluded emoluments, and—”,

(II) in subparagraph (iii) by deleting “and”,

(III) in subparagraph (iv) by substituting “such payment,” for “such payment.”, and

(IV) by inserting the following after subparagraph (iv)—

“(v) disregarding expenses, in respect of which an employee may be entitled to relief from income tax, which fall within Regulation 10(3) of the PAYE Regulations,

(vi) having regard to any relief arising under subsection (5)(a) of section 201, and paragraphs 6 and 8 of Schedule 3 in respect of payments chargeable to tax under section 123,

and

(vii) excluding relevant emoluments of an individual who is resident in a territory with which arrangements have been made under section 826(1)(a)(i) in relation to affording relief from double taxation, where those emoluments are the subject of a notification issued under section 984(1).”,

(ii) by substituting the following for paragraph (a) of subsection (2)—

“(a) subject to subsection (3), proves to the satisfaction of the Revenue Commissioners that his or her aggregate income in relation to a year of assessment does not exceed €15,028,”,

and

(iii) by inserting the following after subsection (2):

“(3) For the purposes of determining an individual’s aggregate income for the purposes of subsection (2)(a), any payment of relevant emoluments from which income levy was not deducted by an employer, made in the period from 1 January 2009 to 30 April 2009, to which the appropriate portion of €18,304 was applied in that period, shall be disregarded.”,

(c) by substituting the following for section 531C—

“Rate of charge.

531C. (1) For the year of assessment 2009, an individual shall be charged to income levy on the aggregate of his or her relevant income for the year of assessment and relevant emoluments in the year of assessment at the rates specified in the Table to this subsection, notwithstanding that the relevant emoluments are in whole or in part for some year of assessment other than that year of assessment during which the payment is made.

Table

Part of aggregate income	Rate of income levy	
	€	%
The first	75,036	1.67
The next	25,064	3
The next	74,880	3.33
The next	75,140	4.67
The remainder		5

(2) For the year of assessment 2010, and subsequent years of assessment, an individual shall be charged to income levy on the aggregate of his or her relevant income for the year of assessment and relevant emoluments in the year of assessment at the rates specified in the Table to this subsection, notwithstanding that the relevant emoluments are in whole or in part for some year of assessment other than that year of assessment during which the payment is made.

Table

Part of aggregate income	Rate of income levy	
	€	%
The first	75,036	2
The next	99,944	4
The remainder		6

.”,

and

(d) in section 531D by substituting the following for subsection (2)—

“(2)(a) As respects any payment of relevant emoluments made to or on behalf of an employee in the period beginning on 1 January 2009 and ending on 30 April 2009, income levy shall be deducted from such emoluments by the employer at any or all of the following rates—

(i) 1 per cent where the amount of the relevant emoluments does not exceed €1,925, in the case where the period in respect of which the payment is being made is a week, or a corresponding amount, where the period is greater or less than a week,

(ii) 2 per cent on the amount of the excess where the amount of relevant emoluments exceeds €1,925, but does not exceed €4,810, in the case where the period in respect of

which the payment is being made is a week, or a corresponding amount, where the period is greater or less than a week,

(iii) 3 per cent on the amount of the excess where the amount of relevant emoluments exceeds €4,810, in the case where the period in respect of which the payment is being made is a week, or a corresponding amount, where the period is greater or less than a week,

and notwithstanding that the relevant emoluments are in whole or in part for some year of assessment other than that during which the payment is made.

(b) As respects any payment of relevant emoluments made to or on behalf of an employee on or after 1 May 2009, income levy shall be deducted from such emoluments by the employer at any or all of the following rates—

(i) 2 per cent where the amount of the relevant emoluments does not exceed €1,443, in the case where the period in respect of which the payment is being made is a week, or a corresponding amount, where the period is greater or less than a week,

(ii) 4 per cent on the amount of the excess where the amount of relevant emoluments exceeds €1,443, but does not exceed €3,365, in the case where the period in respect of which the payment is being made is a week, or a corresponding amount, where the period is greater or less than a week,

(iii) 6 per cent on the amount of the excess where the amount of relevant emoluments exceeds €3,365, in the case where the period in respect of which the payment is being made is a week, or a corresponding amount, where the period is greater or less than a week,

and notwithstanding that the relevant emoluments are in whole or in part for some year of assessment other than that during which the payment is made.”.

(3) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

#### **Financial Resolution No. 2: Income Tax.**

(1) THAT in this Resolution, “Principal Act” means the Taxes Consolidation Act 1997 (No. 39 of 1997).

(2) THAT this Resolution shall have effect on and from 1 May 2009.

(3) THAT, as respects the year of assessment 2009 and subsequent years of assessment, section 244 of the Principal Act be amended, by inserting the following after subsection (1):

“(1A) (a) This section shall not apply as respects interest paid on or after 1 May 2009.

(b) Notwithstanding paragraph (a), this section shall continue to apply—

(i) as respects the first 7 years of assessment for which an individual has an entitlement to relief under this section in respect of qualifying interest determined by reference to paragraph (iii) or (iv) of the definition of ‘relievable interest’, and

(ii) as respects a period not exceeding 7 years of assessment for which an individual has an entitlement to relief under this section in respect of qualifying interest in relation to a qualifying loan.

(c) (i) Paragraph (b) shall not apply in respect of qualifying interest attributable to that part of a qualifying loan used to repay another qualifying loan (in this paragraph

referred to as an ‘existing qualifying loan’) unless the qualifying interest on that existing qualifying loan would, had the existing qualifying loan not been repaid, have been interest referred to in paragraph (b)(i) or (ii).

(ii) Where subparagraph (i) applies, the number of years of assessment for which there is an entitlement to relief under this section in respect of qualifying interest attributable to that part of a qualifying loan used to repay the existing qualifying loan shall not exceed the number of years of assessment for which relief would have applied had the existing qualifying loan not been repaid.

(d) As respects the year of assessment 2009 only, the definition of ‘relievable interest’ is amended—

(i) in paragraph (i) by substituting ‘the amount of qualifying interest paid by the individual in the period 1 January 2009 to 30 April 2009 or, if less, €2,000 and the amount of qualifying interest paid by the individual in the period 1 May 2009 to 31 December 2009 or, if less, €4,000’ for ‘the amount of qualifying interest paid by the individual in the year of assessment or, if less, €6,000’, and

(ii) in paragraph (ii) by substituting ‘the amount of qualifying interest paid by the individual in the period 1 January 2009 to 30 April 2009 or, if less, €1,000 and the amount of qualifying interest paid by the individual in the period 1 May 2009 to 31 December 2009 or, if less, €2,000’ for ‘the amount of qualifying interest paid by the individual in the year of assessment or, if less, €3,000’.

(4) IT is hereby declared that it is expedient in the public interest that this resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

Financial Resolution No. 1 sets out the new rates and bands which will apply from 1 May next. For the period from 1 January to 30 April 2009 the income levy is payable on all income up to a ceiling of €100,100 at a rate of 1% with a rate of 2% applying on the range €100,101 to €250,120, and 3% on the balance. With effect from 1 May 2009 the rates will double to 2%, 4% and 6%. Coupled with this, the entry point to the middle 4% rate will be €75,036, or €1,443 per week, while the new, higher 6% rate will cover income in excess of €175,084 or €3,365 per week.

The resolution reduces the exemption limit for persons aged under 65 years from €18,304 to €15,028. In recognition of the fact that some persons may have already availed of some element of the higher exemption limit of €18,304 in respect of payments of emoluments for the period to 30 April 2009, specific provision is made whereby such use of the exemption for that period will not give rise to an underpayment of the levy. For legal reasons it is necessary for the levy to be charged on an annual basis and, accordingly, a composite rate of the levy applicable for 2009 is set out in the resolution.

A number of technical amendments are provided for in the legislation and these copper-fasten existing Revenue practice regarding the income levy. The amendment of the levy will assist in coping with the current severe budgetary constraints facing the country. The Government is satisfied in the circumstances that there is preparedness to make a sacrifice to ensure we can maintain a sound budgetary policy, which is an essential element of Government strategy for delivering adequate social services and Government programmes.

After the application of these measures for a single worker on the average wage, Ireland is still likely to have the lowest tax wedge in the European Union and one of the lowest tax

wedges in entire OECD. Married couples with children on average earnings will continue to face the lowest tax wedge in the OECD.

The second resolution relates to mortgage interest relief. The tax relief is currently available for interest paid on qualifying loans relating to an individual's principal private residence subject to certain limits. The relief is granted at source by the lender under what is known as the tax relief at source or TRS system. The measure provided for in this financial resolution will curtail mortgage interest relief such that it will only be available for the first seven tax years from the date on which a mortgage is taken out. This means that any taxpayer who has received mortgage interest relief for more than seven tax years on an existing qualifying loan will no longer be eligible for such relief from 1 May 2009. It is important to stress that there is no change in tax treatment of interest paid on qualifying loans by first-time buyers because, by definition, there are in year 1 to year 7 of their first mortgage. In addition, they benefit at the rate of relief announced in the last budget, that is, 25% for years 1 and 2, 22.5% for years 3, 4 and 5 and 20% for years 6 and 7. However, tax relief will no longer be available for the eighth year and subsequent years. For non-first-time buyers, the relief will continue to be available only up to the limit of seven tax years on each qualifying loan. This covers both existing qualifying loans and any new qualifying loans taken out from now on. The rate at which relief will be available is the 15% rate announced in the last budget.

The new rules for mortgage interest relief will continue to provide significant support for first-time buyers and others who will now take out a new loan to purchase a new home, move home or take out a loan for the repair, development or improvement of their current home. These mortgage holders will no longer be entitled to mortgage interest relief as a result of this measure and will be granted relief on a *pro rata* basis for the first four months of 2009 as follows: for a single person, interest paid in the first four months of this tax year will qualify for relief at 15%, but if the interest paid in that period exceeds €1,000, then the relief is confined to €1,000 at 15%; and for a married couple, interest paid in the first four months of this tax year qualifies for relief at 15%, but if the interest paid in that period exceeds €2,000, then the relief is confined to €2,000 at 15%. In addition, where such an individual carries out a new qualifying loan between 1 May this year and 31 December this year, only a proportionate amount of the annual relief limit will be available in 2009.

It is appreciated that this measure represents a curtailment of the existing relief but I believe that this can be justified given the significant reduction in interest rates and in house prices in recent times. However, the measure continues to protect first-time buyers and others who bought their homes when house prices were very high. Furthermore, the earlier mortgage interest relief will continue to provide significant support for the purchase of new homes and repair and improvement of existing homes.

As was indicated earlier today, this relief is not set in stone and it is intended to keep it under review. The relief is very costly to the Exchequer. The abolition of the relief for all new mortgages or loans that are taken out after some date in the future cannot be ruled out. However, in that event those who are already claiming the relief at that time can be reassured that they will still qualify for tax relief for the duration of the seven year period relating to existing qualifying loans.

**Deputy Kieran O'Donnell:** We will be opposing both these resolutions. Prior to the announcement of the budget, the Government gave the impression that it would be a fair one, would spread the pain across all income groups and that it would not be extremely unfair to

families. Financial Resolution No. 1 proposes a doubling of the income levy for people on a moderate income. People earning below the minimum wage will now have to pay the income levy at a rate of 2%. A married couple in receipt of one income of, say, €50,000 a year, will pay a €1,000 extra a year in terms of this income levy. It is a punitive measure and lacking in innovation. It is a book-keeping exercise. It does not take into account people who are suffering and under pressure in terms of the cost this imposes on them.

Many couples and single people have mortgages. It is proposed that all mortgage interest relief will be eliminated after first seven years of the mortgage. These people would have bought their houses in 2002 at prohibitive prices as the building boom was getting under way. One of the reasons they bought them was that they qualified for mortgage interest relief. The Government is now pulling the rug from under these people and, effectively, abolishing any form of mortgage interest relief.

These two measures are outrageous in any person's language. If the Government had hit the very high income earners with the imposition of very high rates, they would have been the people who could have afforded such a hit. Under the income levy proposal, the Government is hitting a couple on an annual income of, say, €50,000 with a levy of €1,000 per annum and this measure will now cost them an extra €500 per annum. A couple in receipt of an income of €40,000 per annum, will be hit with an income levy of an extra €400 per annum. We will be voting against this resolution.

This budget hits middle income earners suffering financial difficulty. It also hits the lower paid across a range of measures. A person on the minimum wage will now have to pay the income levy. People will also suffer the loss of mortgage interest relief at a time when they are struggling to make their repayments, even those interest rates are decreasing. We will oppose both these financial resolutions.

**Deputy Pat Rabbitte:** The first point I wish to make is that these measures are likely to have a major deflationary impact. We have to seriously consider in light of the current state of economic activity the implications of that. In the October budget there was an increase of the equivalent of 1.5% of GDP. In February 1% was taken out and now 2% will be taken out over nine months. In other words, the effective total GDP effect will be approximately 5%. International literature indicates that 2% is a heavy hit. In any western economy one cares to consider, 2% is a heavy hit. This is a hit of the order of 5% taken over the year. That is enormous in an economy projected to contract by 8%. When the Minister for Finance went to take out €1.8 billion in taxes, that was more than most sane economists recommended. I sincerely hope we are not around to pay the price for it as the year goes on.

In addition to that, these resolutions are opposed from these benches for the reasons that they pull back the threshold further. It is not only that the levy is being doubled, it is that the resolutions pull back the thresholds further. As a result, they are more punitive on lower paid people and the overall impact is more severe. Add that to the implications of the increase in the PRSI threshold and effectively for most workers the new PRSI threshold means that most of them will be caught in that spiral as well. The reduction in the thresholds at which the levies apply, the doubling of the levies, the increase in the PRSI threshold and the doubling of the health levy added together will have a huge impact on people in the PAYE sector.

There might be some relief in the criticism of the Government if, in fact, it had addressed some of the categories that traditionally had not been paying their fair share. For example, there is a minimum shaving with regard to the reliefs available to landlords. From memory, the estimated take is approximately €90 million as compared to a possible €800 million, so it is tokenism. The Government does not acknowledge the existence of tax exiles, and perhaps



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there is a certain symmetry in this, seeing that they do not exist in terms of contributing to the cost of running the services in this State. Out of sight, out of mind, they are not referred to or included at all.

If one looks at the effect of the measures today and add them to the effect of the October budget, one sees that extraordinary costs are being imposed on average workers. Somebody on the national wage, say, £15,500, will pay €1,154 per annum. Somebody on €30,000 will pay €1,680. Somebody on €40,000, the modest end of the middle income spectrum, will pay €2,600, or €50 a week more. Somebody on €75,000 will pay just short of €5,000 — €4,842 or €93 per week. These are very savage cuts. Those who wrung their hands and called for more savage measures on the taxation front have got them today. The balance has erred in terms of the amount taken out of the economy in further tax increases. It must inevitably have a further deflationary effect on an economy facing a steep downward trajectory.

The proposal from the Labour Party for a new rate of income tax of 48% for those on incomes of €100,000 and above would be a much fairer way to have addressed it. In making reference to the minimal gesture regarding landlord relief, I notice that, of course, commercial property is entirely excluded. Overall it means that those who are caught in the net are going to be squeezed until the pips squeak while the situation regarding those who are outside the net is for another day — in effect, they must wait for the report of the Commission on Taxation. We are one commission or committee away from facing it now. While we all seem to be agreed in this House that what is required is the broadening of the tax base, like St. Augustine it is a case of, “Not now, Lord”, not yet. We tip the forelock towards broadening the tax base, but we inflict the optimum of punishment on that core segment of taxpayers already caught.

As soon as people have an opportunity to reflect on today’s figures, they will be in disbelief at what they find, taken together with what they paid following the budget in October, what public servants paid in the pension levy, the 1% levy, now to become 2% and then 4% and with the threshold being brought down. This is a very serious development.

These are the more serious aspects of the resolutions before us. People may hold views with regard to the excise duties or whatever, but these considerations are relatively minor in the context of those before us. There are macroeconomic implications of the take here, which totals almost 5% of GDP in the fiscal year for an economy that is contracting at the rate that ours is. That is a very serious situation, it goes too far and I ask the Taoiseach to acknowledge that.

**Deputy Seán Sherlock:** The statement by the Minister for Finance to the effect that the Government has taken care “to ensure that the measures are equitable and highly progressive” is incorrect. Based on an initial analysis of the figures, today’s budget will create a larger demographic sector of the working poor. When the income levies and health levy are factored in as well as the fact that most people working in the private sector have had to endure pay cuts across the board, the real income they will be left with will be so marginal that it will not enable them to have an adequate standard of living. We all appreciate that measures had to be taken. However, they should have been taken on the basis that they would not be regressive. There is now a large demographic cohort of ordinary working families who will be devastated financially by the proposals within this document.

With regard to income tax, we were always told that the canons of taxation dictated it should be progressive. I do not see anything in the budget that ensures high net worth individuals will pay a proportionate amount of their incomes towards getting us out of the mess we are in. I do not see why the Minister for Finance could not have introduced a higher tax rate at this time

so as to cushion the blow against middle and low income earners. It is completely regressive and when people wake up to the fact of what this document contains, it will make them even more angry at the Government than they already are. That is why I will not support this resolution.

**Deputy Arthur Morgan:** I have two problems with this resolution. The first is that the levy is too high on low income earners. The second is that it is too low on high income earners. That to me completely lacks fairness and reasonableness. I had understood that fairness was to be one of the cornerstones of what we are talking about here.

I am concerned that we are going to abandon people on low incomes to moneylenders. They simply will not be able to sustain this level of taxation at those level of incomes, that is, below the minimum wage. The very least I should have expected was an exemption on the threshold of €18,304, as with the income levy. The proposals we made in the past week would have offered an alternative source of income. We proposed additional income and savings worth €3 billion during the current year or €5 billion in a full year. Our proposals would have protected those on the minimum wage from the impact of this economic crisis. This budget has further implications with which I will deal in the context of the relevant Financial Resolutions.

**Deputy Michael Noonan:** I wish to comment on the income levy and whether it is fair and equitable. A number of issues come together in this regard, including the doubling of the levy across all ranges of income and the change in the thresholds so that taxpayers who formerly paid 1% are now paying 4% once they earn more than €75,000. Add to these the health levy and the new arrangements for PRSI whereby the ceiling has increased from €50,000 to €75,000, and those who earn between €75,000 and €100,000 will suffer a heavy blow. Budgets present difficulties where separate measures impact on one group of taxpayers in particular.

The Taoiseach has been haunted by the spectre of individualisation, which was introduced by the former Minister for Finance, Mr. McCreevy. Under this budget, a family with one income of approximately €80,000 will be hit harder than a family on two incomes coming to the same amount because of the residual impact of individualisation. The tables provided by the Department of Finance do not provide comparative figures in this regard but I estimate the difference as being in the region of €2,500. It makes no sense under the principles of equity that two partners who each earn €40,000 should pay so much less than a family which is reliant on a single income of €80,000. One might ask why the non-earning spouse does not get a job but that option is no longer available. A family in which one spouse has been made redundant may therefore be hammered to the extent of paying €2,500 more than a dual income couple.

A married couple with no children on a single income will lose €1,500 on €50,000 or €3,092 at €75,000 excluding the health levy or PRSI. However, a married couple on one income with two children would lose €2,500 on €50,000 or just over €4,000 at €80,000. How is it equitable that a couple with two children should pay €1,000 more than a couple with no children?

This problem arose on foot of several separate decisions impacting on a specific income range. The new threshold of €75,000 for the 4% levy had a particular impact. This is not equitable by any standard. I cannot see how it can be argued that a dual income couple should pay considerably less than a single income couple on the same income. I acknowledge this is a consequence of individualisation but the issue was raised previously. I suggest this is an ideological issue given that it could be argued that mothers who decide to work in the home should not be penalised.

I do not know how the quirk has arisen in respect of increased taxes for couples with children but I presume it pertains to variations in the way payments are made to children through the social welfare code. It is an extremely serious issue, however.

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On the general issue of affordability, it is reasonable to assume that the more one earns, the more one should pay. However, I believe a level should be set below which people should not pay anything because they are hit so often they simply cannot live on their incomes. It is not equitable to take a couple of hundred euro from people who are on the breadline. I do not believe the exemption limits are low enough and suggest that the appropriate level is approximately €25,000.

I am aware the Taoiseach went to inordinate lengths to proof the budget politically but the past nine months saw correction measures in July, a budget in October and the pension levy in January. To take one example, a school principle earning €80,000 paid a 1% levy last October, a 9% gross public service pension levy and now the original 1% levy is raised to 4%. This will have a devastating impact.

If there was a purpose to this devastation one might agree to it but the budget fails to set out an overarching plan that might inspire confidence in the Government either at home or abroad. The Minister did very well in the first three pages of his statement and I concurred with the six principles he set out as the basis for the budget. He had a shot at correcting the fiscal problems and he has announced his intention to do something about the banks in the coming weeks. However, he did nothing to address the principles of competitiveness and jobs and little in regard to equity. I cannot recall the sixth principle because it passed me by. If these principles had been followed through, the budget would have presented a coherent plan to deal with our problems between now and 2013. That is what the country needed, but given the way it is positioned now I do not think it will stand up to analysis.

This is a confusing budget to deal with from an Opposition viewpoint because at times the Minister's speech referred to savings in 2009, while at other times it referred to savings between 2009 and 2010, or between 2009 and 2011. Therefore it was very hard to compare like with like and to distinguish between the one-year effect or how it would play out over the Government plan that has been mapped out.

I appreciate the Government's difficulty and I do not want to score political points. The magnitude of the figures the Government is dealing with has not been appreciated publicly in the media. The Minister claimed today that he was taking out €3.75 billion in nine months. The 12-month effect of that is around €5 billion. One must also allow for negative buoyancy. The money one takes on an income levy is not available to be spent in the shops, so there is a reduction in excise and VAT. When the finance advisors were factoring that in, the gross take for 12 months must be somewhere between €6.5 billion and €7 billion, which is serious money.

It must be agreed that this is the biggest fiscal correction ever attempted by an Irish Government since the foundation of the State, both in real and percentage terms. I do not underestimate the difficulty of the task before the Government because while it is presented as a take of €3.25 billion, one must hit a lot higher and harder in gross terms over 12 months. However, the Taoiseach should have set that out from the outset, saying this is our difficulty, this is what we are trying to do, this is the magnitude of the problem and this is the extent of the hit over 12 months. In my estimation, the Taoiseach's job today — apart from the detail — was to establish his own credibility, so that people would say, "It was dreadful but at least we think they might be able to deal with the problem". If people said "Yes" to that at home and abroad then there would be confidence again for people to start doing things in this economy, and there would be confidence abroad to lend to Ireland. I do not believe he has measured up to it, although I hope he has done so because we all live in the same country and none of us wants to go down the tubes in some collective political paroxysm. I hope the budget measures are received positively internationally.

What was said about the banks was badly presented and it has frightened people. Once the Minister wrote €80 billion to €90 billion of impaired assets into his script, that became the figure for which taxpayers would be exposed in the vox pop. We know that is not the figure, however. Those of us who have examined the background literature — there is not much of it — know that this will be heavily discounted. As soon as one puts €80 billion or €90 billion out as a figure there is a big problem. Even if it is discounted by 50% there is still a very big problem in terms of the Irish taxpayer underpinning impaired debts in the banking system to the tune of €45 billion.

Many of the Taoiseach's Deputies and Ministers will be knocking on doors in connection with the local elections, as we will ourselves. I know he will get cross when I say this, and it is probably unfair to him, but there is a public perception that he is so closely allied to the developer classes in the country that he will bail them out through a banking system, and that the purpose of his bank rescue is to bail out his developer friends. I do not share that view, but I am telling the Taoiseach that he has a problem in convincing the public that is not the case.

**Deputy Seán Power:** Will the Deputy let us have his view?

**Deputy Michael Noonan:** My view is simple. The Government should have taken up Deputy Richard Bruton's proposal to do what they have proposed in Germany, which is to divide the existing banks into bad and good banks. It could be worked out that way so that bond-holders, shareholders and those who cannot get credit lines would share the pain. That is my view, which is simple enough. It was explained in detail in Deputy Bruton's paper, so we are not hiding our views. We have been more forthcoming in our views than any previous Opposition and we have set them out before the House. This is a red-letter day. I knew the Taoiseach would not like that comment but as soon as he goes home and knocks on the doors he will find out.

**The Taoiseach:** Now that comment has finally emerged I had better deal with it. The purpose of trying to sort out our banking system is to secure jobs. If one talks to any business person in this country today about what is the biggest problem for Irish business, they will say it is about getting access to credit. It is about keeping jobs going, finding cash to pay debtors, having the ability to fulfil orders and pay employees. Many employees are prepared to make sacrifices to keep as many of their colleagues as possible in work during these difficult times, rather than going for a simple redundancy route. Therefore it is about jobs, it is not about looking after anybody.

Everyone in this House should accept that, for whatever length of time we are here, we are serving the public interest to the greatest possible extent. If we cannot accord each other that basic axiomatic fact then no wonder we have the distortions the Deputy is talking about. People are making those sort of arguments for no purpose other than to continue on with that sort of discourse, even given the seriousness of the problems we face. In every country people know that as a result of the biggest financial crisis seen in the developed world in 70 years, governments are grappling with the issue of how to capitalise banks properly, how to ensure credit is available, and how to ensure there is a functioning banking system in a modern market economy.

With regard to our own domestic experience, we also know that if the present situation were to continue without any policy direction or decision to deal with it, the problem itself would feed and exacerbate the difficulty of getting access to businesses. Let us be clear therefore that it is about jobs. When people ask what we are going to do about jobs, and at the same time go down this *cul de sac* of ascribing to the Government some malign motive in taking what is a

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hugely important strategic decision, it serves no purpose other than precisely the one mentioned by the Deputy — perhaps some semblance of electoral advantage in that people will listen to that as being the true motivation for what we are trying to achieve.

I do not mind people disagreeing with me or the Government on policy options or positions we bring forward. There was no support in all circumstances in this House for the State guarantee or recapitalisation, but they were necessary measures to effect some semblance of stability in a financial system that was in genuine distress in this country. That is indisputable. People can have whatever views they like after that, but those facts do not go away.

We are trying to ensure that banks in this country get back to their core franchise of looking after businesses that need credit, people who need mortgages, and depositors who can have a sense of security in their deposits in future. Families need to be able to get on with their business, using the credit system to effect the quality of life they enjoy. That is what it is about, and nothing else.

Let us have a debate on the merits of the budget. People can have different models and different views, which is fine. I do not mind that but we should not allow an issue that is so important for the economic future of this country to be brought down that cynical *cul de sac*. I am sure there are some people who may hold that view no matter what the evidence and will never change their minds on such things. There is nothing I can do about that either, but it should not be allowed to dominate this important debate. In respect of that issue, we are simply setting out in this budget the general policy direction we need to take, with a lot of detailed work to be completed in terms of legislative changes that are required and a whole range of issues that have been raised in a preliminary way this evening in the House. We can have those debates and that discussion but it is wrong to portray or characterise the motivation of Government as anything other than trying to protect the interests of the taxpayer.

The taxpayers and workers of this country are not best served by continuing to suggest that the present situation should continue regardless, or that there is a way of getting around this problem other than by dealing with the issue, that is, by acknowledging the impairment of assets and loss of value. On the Deputy's point, reference to book value is not to suggest for one moment that this will be the valuation of assets which will come across to the assets management agency.

**Deputy Pat Rabbitte:** We do not know on what basis the valuations will be done.

**The Taoiseach:** Tomorrow, the National Treasury Management Agency will hold a press conference on this issue. People will be able to get an informed view and proper, technical answers to all types of questions related to this matter. We will take this step by step and in a transparent and open way and we will have our debates.

Deputy Noonan raised this issue in the proper context and I acknowledge what he had to say. Let us have a debate on the issue rather than on side issues. While one cannot ask anyone to avoid the opportunity for political attack, as this debate begins — it will continue in the coming weeks and months — I want to say clearly and openly that the motivation behind this initiative by Government is to protect jobs in this country and protect the ability of businesses, ordinary families and mortgage holders, those who do their business in banks, to secure access to credit to get on with doing business. That is what this is about. Whatever their business is with the banking system, whether it is a family or a commercial or private business, there is no other motivation or issue of concern. There is nothing else.

It will not serve the country or House well if we allow this debate to descend to the level at which debates sometimes take place. While this can be part of the adversarial nature of politics, it should not be the dominant part of it.

**Deputy Michael Noonan:** I accept what the Taoiseach is saying but the Government needs to release details of the banking proposal very quickly. Otherwise, the proposal will go off the rails by the time the details come out.

**The Taoiseach:** There will not be any question of anything going off the rails. As regards what would be the reaction of international markets, as the Deputy knows there has been much misinformation about the level and exposure of Ireland inc., let alone the banking system in relation to these matters, including in places where one would expect people to know a bit better. For example, in relation to the covered institutions a suggestion was made that the whole IFSC was covered. This then entered the equation on the total exposure and someone mentioned an absurd figure of 800% or 900% of GNP.

Deputy Burton referred to a remark I made at a speech last week about the exposure notionally being 230%. I made that remark in the context of the previous figure of 900% which was clearly absurd. The 230% figure on total exposure is also absurd because it suggests that every loan in every bank under the covered institutions is a bad debt. This is not in any way to suggest that these decisions are not important matters which have to be taken into the balance. It is for the purposes of accuracy and having an informed debate because unless we have the basic facts, it is very hard for anyone to get to the point. The whole purpose of this debate is to make sure we bring clarity, not to foment confusion. In other debates on referenda and other issues, we often give out about people who foment confusion. We are not too bad at trying a bit of that ourselves and some people cannot allow an opportunity to do so pass. We live in a democracy and we all have our own way of walking, as they say.

In relation to some of the points raised thus far, on the question of the progressive aspect of the budget, it is progressive in the sense that any Government——

**Deputy Emmet Stagg:** On a point of order, other Members were entitled to speak before the Taoiseach responded.

**The Taoiseach:** I am sorry, I will retreat.

**An Ceann Comhairle:** The Taoiseach is entitled to offer if he wishes.

**Deputy Emmet Stagg:** He is entitled to offer but he is not entitled to take the rest of the time.

**An Ceann Comhairle:** He is entitled to respond.

**The Taoiseach:** I will sit down and listen to other Deputies.

**An Ceann Comhairle:** There are four other speakers before the Taoiseach replies.

**The Taoiseach:** I am the Taoiseach but I will sit back.

**An Ceann Comhairle:** We have very little time left.

**The Taoiseach:** A number of Opposition Deputies spoke and I was entitled, if I so wished, to contribute on behalf of the Government.

**Deputy Jan O'Sullivan:** I do not mind if the Taoiseach wishes to speak for another few minutes.

**The Taoiseach:** I will defer to the Deputy.

**An Ceann Comhairle:** The Taoiseach was entitled to intervene.

**Deputy Jan O'Sullivan:** I return to the issue of the amount of money being taken out of the economy and the effect of the two measures under debate on hard-pressed low and medium income families. I concur with previous speakers who noted that these measures will cause a great deal of hardship and remove a large amount of money from local economies. People will not have any money to spend.

My constituency colleague, Deputy Noonan, referred to how various types of families are affected by the measures. I propose to focus on the family highlighted in example 6 in the Budget Statement, which refers to a married couple with two children on an income of €30,000 per annum. The family in question will lose €1,900 or 5.8% of their income and more than that again if they have a mortgage for seven years or more. A family on €30,000 per annum simply cannot afford to lose €36 per week. I have cited the example of just one family.

All but one of the Deputies from my constituency are in the Chamber. In recent months, I have referred many families in circumstances similar to those I described to the Money Advice and Budgeting Service, the Society of St. Vincent de Paul and various other agencies. Following the measures announced in the budget, I am certain many more such families will be unable to survive. My concern with regard to these two measures is that the Government was not sufficiently conscious of their effect on families such as the one I described.

Clearly, there are broader issues involved and the Taoiseach addressed a general issue on the budget. These two measures will, however, hit families very hard, particularly those on low incomes. In addition to the large number of jobless people who will not have money to spend in local shops, families in the circumstances I have described will not have any surplus money and will probably not be able to pay their bills. I do not believe the Government has thought through how these measures will affect such families.

**An Ceann Comhairle:** I ask speakers to be brief as we have very little time.

**Deputy Caoimhghín Ó Caoláin:** It is regrettable that the budget does nothing to stimulate the economy. There is no support for small and medium size enterprises, many of which are going to the wall on a daily basis. I listened to Deputy Noonan make a point in relation to a reduction in excise duties and VAT but the real reduction we are witnessing is the continued haemorrhage of jobs among those directly employed in the retail and services sector. This does not make news because the job losses are not 100, 200 or 300 in single employment entities but a constant, continual loss of employment opportunities as retail and service sector businesses close every day before our eyes.

While there is a loss in excise and VAT in terms of people's ability to spend, that is a further by-product of these budgetary measures. This is compounded by the fact that we are losing the contributions of those people in those employments and one has a further drain on an ever contracting Exchequer position, as these individuals are entitled to jobseeker's allowance and other supports.

One has to take on board that there is an aggregate impact. All of the issues arising from these financial resolutions, be it the change to the income levy and health levy, the increase in the PRSI ceiling or the corresponding reduction in the entitlement to mortgage interest relief under the income tax provision in Financial Resolution No. 2, severely impact on their own. Taken together, they will unquestionably have a devastating impact on a significant swathe of individuals and families in this economy.

I do not have to go to the examples cited in the appendices circulated with the Supplementary Budget Statement. One only has to instance families, particularly those in the public service sector who are already crippled by the pension levy, the doubling of the income levy, the doubling of the health levy and no entitlement to mortgage interest relief after seven years. Many of those families have young people in third level education. The situation is very grave.

The Minister has done away with the potential to have any spending power and the opportunity to play any part in the rejuvenation of an ever deteriorating economy. This will lead to a further loss of jobs and a lengthening of the dole queue.

I will not speak for as long as the Taoiseach who, I am afraid, is not listening. These measures, in the absence of real initiatives to address the need to stabilise employment and create new employment, will add to our problem. This budget is very negative.

**Deputy Damien English:** I am very concerned about the reduction in mortgage interest relief. Property debt is a significant problem and the Government is turning its back on it by reducing interest relief. It was already reduced in the last budget. A typical couple might have seven or eight years paid off their mortgage and, more than likely, will have a couple of children because the mortgage gets dealt with in the early years. They could be down by up to €900 a year. Their health levy will be doubled, PRSI has increased and they have the income levy as well. It is a significant hit on such a family who, more than likely, have a couple of children.

The Government should not try to argue this is being done because interest rates have come down. If one got a mortgage seven years ago the interest rate was much lower than it was last year. It is wrong. People made a decision based on that policy. Property debt is a major problem in this country and this change is fundamentally wrong. It is an added pressure on people who cannot afford it and who are more than likely those with young families. It is a big mistake and I want the Government to look at it.

The Minister, Deputy Lenihan spoke about the banks and referred to €80 to €90 billion in loans. I want clarity on that. In his speech the Minister said, “the principal uncertainties in relation to asset quality in the Irish banking system lie in the banks’ land and development loans”. We have consistently been told by the regulator in committee meetings that those loans are approximately €40 billion. Yet, the figure in the budget is €80 to €90 billion. That alone needs clarity.

I accept all sides of the House want this matter to be addressed in some way. There are various ideas and the Taoiseach is willing to listen to them. Regarding making money available to local businesses, if moving these assets away from the banks frees up that money we need to make fast decisions and have a quick debate on it because the next six to eight months are serious for small businesses. After that, it is probably too late and many small business will have folded. We need to move on it because we cannot wait until next year for the banks to free up that money. It has to happen now.

**Deputy Emmet Stagg:** I appreciate the Taoiseach should have time to speak and I propose we take ten minutes from the next section to make sure he has that time. I will be brief.

I got to my feet to speak because the Taoiseach adopted a position on the very high moral ground in his response to what I regard as a very friendly remark from Deputy Noonan who gave him a piece of friendly advice. The quote “Methinks the lady does protest too much” and cocks crowing three times come to mind very quickly.

Does the Taoiseach seriously expect the House or the country to believe that there is not a very close association between Fianna Fáil and the building industry? There is. The main funders for Fianna Fáil for a long period of time were building contractors and developers.



[Deputy Emmet Stagg.]

That is a reality. The people who now owe money to the banks are the same people who used to be the funders of the party. That is why there is a suspicion in the wider public. I fully accept the Taoiseach's words in this House but there is a suspicion that there is a relationship between the actions the Government is taking and the fact that the people who bankrolled it are now in serious trouble. That is the reality in the real world. I accept the Taoiseach's word that is not what he is doing today and has no relationship to it.

Deputy Noonan said it is very necessary for the Taoiseach to explain in detail, as Deputy Burton said, to the country and the House exactly what is happening and what is being done with the banks. The Taoiseach said somebody else would do it next week but I think he should do it.

**An Ceann Comhairle:** To allow brief interventions from Deputies Coveney and Durkan and in order to allow the Taoiseach to respond, with the agreement of the House I propose to extend the debate by ten minutes. Is that agreed? Agreed.

**Deputy Simon Coveney:** I wish to emphasise the point made by Deputy Noonan, in terms of the impact of what is proposed in the budget on single income families. The debate we had on tax individualisation a number of years ago when the former Minister, Mr. McCreevy introduced it and the debate which has developed since then comes back onto the table here.

If one looks at the annexes provided in the Supplementary Budget Statement, it can be seen that a family with two children and a single income of approximately €75,000 is losing more than €4,000 of its income. A double income family with exactly the same income loses just over €2,000. There are many families who are changing from having two incomes to one income at the moment because of the number of people who are losing their jobs. We are widening the gap between the unfairness of treatment in the taxation system between single income and double income families on exactly the same household income. I appeal to Government to look at that issue. I do not want to get involved in the other debate, which is more political.

I wish to raise another, more general issue which is linked to this. If one looks at table 7 in the budget, which contains budgetary projections from 2009 to 2013, one can see net current expenditure, as well as gross current expenditure increasing dramatically over that period. I cannot understand that rationale. Clearly, the major problem for the State regarding the current deficit is because we have allowed current expenditure to increase on the back of an unsustainable income that has now collapsed, in terms of taxation revenue. Yet, we are continuing to pursue a net current expenditure programme which increases from €46 billion this year to €54 billion in 2013.

In doing that we are requiring revenue to chase and overtake it to try and close the deficit problem. I cannot understand the rationale behind allowing current expenditure to dramatically increase over a five year period at a time when we are trying to close the deficit. The result of that will be increased pressure on the Government to raise more and more revenue through more and more taxation which will have knock-on impacts on everything from competitiveness to jobs, spending, confidence and all the other things. I ask the Taoiseach to try to help us understand the rationale behind current expenditure projections in the context of the major challenge we face to close the deficit and raise extra tax revenue.

**Deputy Bernard J. Durkan:** A few years ago there was a headline in one of the daily newspapers which said, "It's payback time". I never knew what that meant at the time but I know now because this is definitely payback time. The Government has turned on the entire popu-

lation and has issued a pummelling to it that has never been witnessed since the foundation of the State.

It is not one single measure that is causing the problem. This is not personal; the Taoiseach is a decent and affable fellow and I have no doubt he does not want to do this. The series of hits that the public will have to take would be bad enough if taken one at a time, but taken all together can only have one effect, namely, to damage the economy further. Any prospect of economic recovery is gone out the window. Nobody will want to spend money because nobody will have any money to spend. The Government will have taken it from them; it will have stuck its hands in their pockets and walked away with it.

I cannot see how this can improve the competitiveness of the economy. How will this create jobs? It will do nothing except assist the Government in paying the bills it ran up of its own accord over the last eight or nine years by buying two elections. Two elections were bought and paid for, but the public will now have to pay.

I am amazed the Taoiseach has not gone to the country with this. It deserves to be put to the people. The public do not approve of this kind of nonsense. If they had known about this two years ago they would not have voted for the Government, but they did. If they got an opportunity now they would not vote for them. The only reaction I can have to the proposals I have heard today is one of shock. In my time in this House I have never seen such a concerted and concentrated attack on the public. The result of this is likely to be more negative than anything we have seen so far.

**The Taoiseach:** I thank Deputies for their contributions. There has been a suggestion that the changes to the income levy are not progressive. The levy is progressive. Those with higher incomes pay the most and the burden on lower earners is much less. Around 30% of income earners — 670,000 people — remain exempt from the levy, as do medical card holders above the ceiling. That the principle of fairness was central to the Government's decisions is demonstrated by the fact that the top 1% of income earners — in other words, those with incomes greater than €175,000 — contribute 24% of the total income levy yield and those earning more than €50,000 contribute 70% of the total levy yield. The entry point to the income levy is still €750 higher than the entry point to the tax net in 2005.

I accept that these are impositions on people in various income bands. There is no question about that and it is not being disputed. However, from a wider perspective, the fact that one third of our tax base is gone means there is a structural issue that we must address. The progressiveness of the levy is demonstrated by the fact that people on €20,000 to €25,000 are going back to 2007 levels of taxation, while those on €50,000 are going back to 2005 levels of taxation and those on more than €100,000 are going back to 2002 or 2003 levels. There is a table in the documentation, showing average tax rates on annual earnings in percentage terms, which confirms this. People on €30,000 were paying an average of 12.9% of their earnings in tax in 2008. As a result of this supplementary budget this will increase to 16.9%, which equates to a 4% increase year-on-year. The average level in 2005 was 16%, and this was reduced to 12-13% over the following three years. Thus, there is a step back to a previous period, but that is what is required to make the correction. Given the constraints of a supplementary budget, the levy was the most effective way of doing this.

We will also consider what we can do in terms of tax rates in the future based on the findings of the Commission on Taxation. These will not dictate what happens, but it will give us an opportunity to have a systemic overview of our options for broadening the tax base. How can we achieve new sources of income? How can we ensure we remain pro-enterprise and pro-

[The Taoiseach.]

employment? As I said, the tax wedges still remain among the lowest in the OECD. In redesigning our tax system for the future — given the return to growth we expect, which will not be back to the levels seen in earlier years — we must have some increase in income tax contribution. In good times we see, rightly, continuing reductions in income tax, which means that more income is available for discretionary spending. However, as part of the redesign of our tax system, average tax rates must increase to those of three or four years ago for those on €50,000, while those on €25,000 return to the tax rates of two years ago and those on €100,000 return to rates last seen much longer ago. That illustrates the progressive nature of the income levy.

If we consider the levy itself we will see that the impact for people on low incomes of around €20,000 will be 1.1%, while the impact for people on more than €100,000 will be 8%. There is no question but that it is progressive. Second, it does not apply only to PAYE workers but also to those who are self-employed. It is calculated on the basis of their gross income, before any deductions, without allowing people to reduce their imputable income for taxation purposes. This has the effect of ensuring progressivity.

Deputy O'Sullivan mentioned that a family on an income of €30,000 would lose €1,900 per year. The table I have before me shows a reduction of €1,380 for such a family, although I am not saying that is insignificant.

**Deputy Jan O'Sullivan:** It includes the early child care supplement.

**The Taoiseach:** Yes, but if one of the children is between the ages of three years and three months and four and a half, the family will receive the benefit of the pre-primary school year, which is worth much more than the yearly early child care supplement per child — in fact, it is double the amount. This amounts to a more targeted approach which will ensure the benefits of pre-school education go directly from the system to eligible children. In the past, when child care costs were high and unemployment was low, people had to pay very high rates for crèche facilities and so on. The early child care supplement was the simplest method then, but this is a far more targeted approach.

I commend the Minister of State, Deputy Andrews, for coming forward with a proposal such as this which will cost less for the taxpayer but afford a benefit for pre-school children that is greater than that obtained from the direct payment. That is the sort of lateral thinking we need to see if we are to effect the savings necessary to achieve a budgetary policy that is sustainable while ensuring we do not cut services. In this regard we are developing a service which was not there previously. This area was dealt with by direct payment to families for the purported purpose of providing child care, but since it was paid to families directly it could be used for other purposes depending on the family's circumstances.

Deputy Ó Caoláin stated that he opposed the levy, but also made the point that we do not spend enough on services. The problem is that the Deputy does not have a sustainable budget strategy. He wants us to collect less tax, spend more and create jobs. That is his position.

**Deputy Arthur Morgan:** Collect more tax.

**Deputy Caoimhghín Ó Caoláin:** We were advocating increasing tax long before the idea was triggered in the Taoiseach's poor head, God bless him.

**An Ceann Comhairle:** The Taoiseach without interruption.

**Deputy Caoimhghín Ó Caoláin:** Why does the Taoiseach not read and listen to what people advocate?

**The Taoiseach:** I do listen.

**Deputy Caoimhghín Ó Caoláin:** No, he does not, because he is going to do it his way anyway.

**The Taoiseach:** The Deputy can keep his patronising “God bless you” to himself. He does not have a sustainable budgetary policy. If he wishes to produce one during the course of the budget debate I would be glad to examine it and see if it adds up.

**Deputy Caoimhghín Ó Caoláin:** We have already presented it.

**The Taoiseach:** The ability to bring to the House figures that make sense has evaded the Deputy for a long time.

**Deputy Arthur Morgan:** It is a pity the Taoiseach never read it.

**Deputy Caoimhghín Ó Caoláin:** The Taoiseach is only confirming that he never looked at it.

**Deputy Willie O’Dea:** They have always produced figures out of nowhere.

**The Taoiseach:** Deputy Rabbitte made a point about the deflationary impact of the measure. Clearly, taking money out of the economy has an adverse impact in some respects, but unless we bring some type of order to the public finances, the drift in the deficit means our position is not sustainable. We have had to be careful to emerge with a deficit of 10.75%, taking into account the deterioration in the public finances since the beginning of the year. The mix we have brought forward in terms of tax take and expenditure, without unnecessarily decimating services, is the best way in which we could begin to address this process over a period of years. As people’s tax take has increased as a result of these levies and their disposable income has correspondingly decreased, we are beginning to see costs coming down. By reducing costs, we are improving the relative position of those being asked to pay more tax in the present circumstances. It is a point that can and should be made in terms of assessing the ultimate relative position of taxpayers in regard to the measures we have introduced.

The introduction of these measures comes against a background of reduced tax take from workers in all income groups as a matter of policy during good times, which is the correct approach to take during periods of growth. Now that we are in recession and in a situation where the economy is quite fragile, we do not have the option of simply stepping back and making no decisions in regard to taxation and spending in this financial year. That would be an irresponsible approach which would allow the deficit to increase and would sap the confidence of the international community in terms of the determination of the Government to address the issues.

As I said, we have faced a difficult situation in recent months. However, on every occasion, even without the full support of the House, we have brought forward initiatives which have helped to bolster international confidence in the preparedness of the Government to take whatever decisions are necessary. We all agree that unless there is restoration of order to the public finances, the prospect of economic recovery lengthens further and further. As we saw in the late 1980s, corrective measures can have an adverse effect on an already difficult economic situation. However, this does not take away from reality that we must take the necessary steps, even in these difficult circumstances. Not to do so would weaken the economy to an even greater extent in terms of our ability to fund the widening chasm between taxation and expenditure that has arisen. There seems to be agreement in the House that the structural problem is of the order of 8% to 8.3%. We can at least have a rational debate about what

[The Taoiseach.]

should be the proper response to eliminate that structural deficit over the period of the plan. We all hope the recessionary cycle will go into a growth phase over the course of 2007-13 and provide buoyancy in regard to the cyclical aspect of the deficit.

Deputy Noonan had a question on the impact of individualisation. To clarify, in respect of his reference to a person earning €80,000, the income levy rate of 4% applies in respect of income above €75,000 and not to the full €80,000. Assuming his calculation to be based on the 4% being beyond that——

**Deputy Michael Noonan:** It was based on the Department's tables.

**The Taoiseach:** In regard to the tables, the question of the impact of individualisation is an ongoing issue. The aim of individualisation was to provide each person with his or her own non-transferable standard rate band. Individualisation involves narrowing the gap between the single and the married one earner band so that, at the end of the process, the single band was to be the same as the married one earner band and each spouse in a married couple would have the same non-transferable standard rate band. There have been many modifications of this system since its introduction and we have not gone down the road of full individualisation.

In regard to the question of the impact of individualisation in respect of the levies and other issues that arise, this is something I will reflect on in the context of the Finance Bill in order to ascertain whether anything can be done about that. As the Deputy said, it is part of the system we have. There are benefits to that system in terms of making sure that single people were not subjected to higher marginal rates than was necessary in terms of incentivising employment. I cannot give a considered reply to the detailed issue the Deputy has raised but I hope to do so during the course of the budget debate.

Question put: "That Financial Resolution No. 1 be agreed to."

The Dáil divided: Tá, 85; Níl, 75.

Tá

Ahern, Bertie.  
 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.  
 Cowen, Brian.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.

Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistrim, Thomas.

Tá—*continued*

McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M. J..  
 Ó Cuív, Éamon.  
 Ó Fearghaíl, Seán.  
 O'Brien, Darragh.  
 O'Connor, Charlie.  
 O'Dea, Willie.  
 O'Flynn, Noel.  
 O'Hanlon, Rory.

O'Keeffe, Batt.  
 O'Keeffe, Edward.  
 O'Rourke, Mary.  
 O'Sullivan, Christy.  
 Power, Peter.  
 Power, Seán.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Scanlon, Eamon.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

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

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

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

Question declared carried.

Question put: "That Financial Resolution No. 2 be agreed to."

## The Dáil divided: Tá, 84; Níl, 71.

## Tá

Ahern, Bertie.  
 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.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.

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

## Níl

Allen, Bernard.  
 Bannon, James.  
 Barrett, Seán.  
 Behan, Joe.  
 Breen, Pat.  
 Broughan, Thomas P.  
 Burke, Ulick.  
 Burton, Joan.  
 Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.  
 Coveney, Simon.  
 Crawford, Seymour.

Creed, Michael.  
 Creighton, Lucinda.  
 Deasy, John.  
 Deenihan, Jimmy.  
 Doyle, Andrew.  
 Durkan, Bernard J.  
 English, Damien.  
 Enright, Olwyn.  
 Feighan, Frank.  
 Ferris, Martin.  
 Flanagan, Charles.  
 Flanagan, Terence.  
 Gilmore, Eamon.  
 Hayes, Brian.  
 Hayes, Tom.  
 Higgins, Michael D.

Hogan, Phil.  
 Howlin, Brendan.  
 Kehoe, Paul.  
 Kenny, Enda.  
 Lynch, Ciarán.  
 Lynch, Kathleen.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 McHugh, Joe.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Morgan, Arthur.  
 Neville, Dan.  
 Noonan, Michael.  
 Ó Caoláin, Caoimhghín.  
 Ó Snodaigh, Aengus.  
 O'Dowd, Fergus.  
 O'Keeffe, Jim.

O'Mahony, John.  
 O'Shea, Brian.  
 O'Sullivan, Jan.  
 Perry, John.  
 Quinn, Ruairí.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Stanton, David.  
 Timmins, Billy.  
 Tuffy, Joanna.  
 Upton, Mary.  
 Varadkar, Leo.  
 Wall, Jack.

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

Question declared carried.

### Financial Resolution No. 3: Tobacco Products Tax.

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** I move the following Financial Resolutions:

(1) THAT for the purposes of the tax charged by virtue of section 72 of the Finance Act 2005 (No. 5 of 2005), that Act be amended, with effect as on and from 8 April 2009, by substituting the following for Schedule 2 to that Act (as amended by section 52 of the Finance (No. 2) Act 2008 (No. 25 of 2008)):

#### “SCHEDULE 2

#### Rates of Tobacco Products Tax

Description of Product	Rate of Tax
Cigarettes	€183.42 per thousand together with an amount equal to 18.25 per cent of the price at which the cigarettes are sold by retail
Cigars	€261.066 per kilogram
Fine-cut tobacco for the rolling of cigarettes	€220.301 per kilogram
Other smoking tobacco	€181.117 per kilogram

”.

(2) It is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

### Financial Resolution No. 4: Mineral Oil Tax.

(1) THAT for the purposes of the tax charged by virtue of section 95 of the Finance Act 1999 (No. 2 of 1999), that Act be amended, with effect as on and from 8 April 2009, by



substituting the following for Schedule 2 to that Act (as amended by section 47(b) of the Finance (No. 2) Act 2008 (No. 25 of 2008)):

“SCHEDULE 2

Rates of Mineral Oil Tax

Description of Mineral Oil	Rate of Tax
<i>Light Oil:</i>	
Petrol	€508.79 per 1,000 litres
Aviation gasoline	€508.79 per 1,000 litres
<i>Heavy Oil:</i>	
Used as a propellant	€409.20 per 1,000 litres
Used for air navigation	€409.20 per 1,000 litres
Used for private pleasure navigation	€409.20 per 1,000 litres
Kerosene used other than as a propellant	€00.00
Fuel oil	€14.78 per 1,000 litres
Other heavy oil	€47.36 per 1,000 litres
<i>Liquefied Petroleum Gas:</i>	
Used as a propellant	€63.59 per 1,000 litres
Other liquefied petroleum gas	€00.00
<i>Coal:</i>	
For business use	€4.18 per tonne
For other use	€8.36 per tonne

”.

(2) It is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

Resolution No. 3 provides for excise duty increases in tobacco products with effect from midnight tonight. The increase amounts to 25%, inclusive of VAT, on a packet of 20 cigarettes with *pro rata* increases on other tobacco products.

The price of a packet of 20 cigarettes, as the most popular price category, will increase to around €8.35. The price of cigarettes in the State will continue to be the highest in the EU, for example, some €2 per packet dearer than in the UK and more than twice the average price of the EU as a whole. The overall tax take from a packet of cigarettes following this increase will be €6.67, which is just under 80% of the retail price. The excise duty component is €5.19, which is 2.5 times the average excise duty of €2.07 for the EU as a whole as at 1 January this year. The high price of cigarettes in Ireland reflects the action taken over the years to ensure taxation policy plays a central part in the Government’s strategy to protect public health by discouraging smoking. Given the high levels of taxation and prices compared to other countries, a larger increase in excise duty would not have been appropriate at this stage. Account has been also taken of the fact that it could make Ireland a more attractive location for cigarette smuggling.

The Revenue Commissioners have applied significant resources to tackling all aspects of cigarette and tobacco smuggling and they have engaged the tobacco industry in this matter. This measure is estimated to yield €32 million in 2009 and €45 million in a full year and have

a consumer price index, CPI, impact of 0.11%. The increase is expected to reduce cigarette consumption by approximately 0.8% in the next 12 months.

Financial Resolution No. 4 provides with effect from midnight tonight for an increase in mineral oil tax on auto diesel, which, when VAT is included, amounts to 5 cent on a litre. The same increase is applied to jet kerosene for non-business use and to diesel use for private pleasure navigation. This is the first increase to the rate of mineral oil tax on auto diesel since December 2003. Following the increase, auto diesel is expected to be approximately 10 cent per litre cheaper than in Northern Ireland. The expected yield from this increase is approximately €70 million in 2009 and €100 million in a full year. The CPI will increase by approximately 0.4%.

**Deputy Simon Coveney:** I do not have a difficulty with the proposed measure relating to tobacco, although I am sceptical that this will result in an 8% reduction in the consumption of cigarettes. The evidence is that as the price has increased, there has not been a corresponding reduction and while I hope there is a corresponding increase in the tax take, I have doubts about that as well, as the black market for cigarettes in Ireland is expanding and developing. We have a battle on our hands to combat that illegal industry as people's incomes come under more pressure. I encourage the Government to ensure the policing measures adopted regarding cigarette smuggling are examined and beefed up.

My reason for being present relates to the excise duty increase on diesel. I accept the Government needs to find money from somewhere and it makes sense to target this area. My problem is that the Government is targeting diesel but not petrol. I understood clearly the rationale in this year's budget was that a price advantage would be proffered on diesel over petrol on the basis of emissions. Presumably, this was due to the influence of the Green Party. The decision has been reversed. It is a fact that, in equivalent sized engines, diesel produces significantly lower emissions than petrol. The Government made the sensible decision to ensure a price advantage for diesel over petrol to encourage people to buy diesel engines to drive down emissions, to improve the efficiency of engines and so on because diesel was more expensive than petrol in the autumn of last year for supply and demand reasons primarily. Why has the Government reversed this policy? If there is an issue regarding competitiveness and fuel prices north and south of the Border, surely that applies to diesel as well as petrol. The Government's policy in this year's budget was correct to give diesel an advantage over petrol from an excise perspective. Why has it reversed this policy?

**Deputy Liz McManus:** I do not want to oppose the proposed excise increase on cigarettes because price can have an influence on young people and ensure they do not take up smoking. It will not make a difference as a preventative measure for older people. However, money collected in this way should be used to help people to give up smoking since that does not happen currently. I strongly recommend such provision be made, as we will not see a reduction in numbers smoking otherwise. The smoking ban initially led to a reduction in the numbers smoking but then numbers began to increase.

It is extraordinary that an increase in the price of diesel has been proposed in this supplementary budget. What has happened to the Green Party Ministers? They do not attend the House for the Order of Business anymore and they do not appear to have had an influence on the preparation of the budget. I do not know whether they are even interested in what is going on. Fianna Fáil has taken over 100% but anybody with an interest in reducing carbon emissions and being more environmentally friendly would not target diesel for an excise duty increase. Until recently, diesel was more expensive than petrol, which was unprecedented, and we had

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difficulties in ensuring we could sell the message that we wanted to reduce carbon emissions and people could make a choice to their benefit.

I refer to the reality in my constituency of Wicklow. A public transport service is not available in large tracts of the county. It is not as if people can make a choice to use public transport. That is not an option for thousands of people living in County Wicklow but many commute to Dublin or travel long distances to work elsewhere. These hard working people have been hammered in this budget through increased income and health levies, cutbacks in child care provision and a range of other blows. It will take people a day or two to come to terms with what has been taken from them in this budget. This increase is yet another blow. The Minister can say it amounts to only 5 cent on every litre but that will ensure €100 million is collected in a full year. The ordinary commuter will pay that amount. As it is, the Government takes a sizeable chunk of the cost of petrol, gas and other fuels. It is not as if the State is not taking a good percentage out of every litre bought but, in this instance, in addition to the taxes the Government is imposing on the average working family, it is imposing a tax on them every time they use a diesel engine car, which is unacceptable.

**Deputy Aengus Ó Snodaigh:** I have no problem with the increase in the cost of cigarettes, as I was hoping the Minister would announce a higher increase. Even though that would not be popular, there is logic to it as it would discourage people from smoking and the money could be used specifically to help the health service.

There is absolutely no logic, however, to the retrograde step of increasing the excise duty on diesel. It is an economically retrograde step for small industries that depend on haulage to keep their markets in the Six Counties and Britain where the sterling-euro exchange rate causes them to struggle. This is an added cost.

This also affects public transport. This budget is already screwing Bus Éireann and Dublin Bus by way of the substantial reduction in the subvention for Córas Iompar Éireann despite its being one of the lowest public transport subventions in the European Union. We have all been lobbied by taxi drivers who are struggling. Most of the taxis in the State run on diesel which is logical. Those drivers are being hammered again by the increase in the cost of diesel. This is the opposite of what the Government should have done. It should intervene to impose a moratorium on taxi plates. The drivers do not have alternative employment but are stuck driving taxis with ever-increasing costs which they will transfer to the public. Taxis are dear enough since the Government recently agreed an increase in taxi charges with the Taxi Regulator even though the unions did not look for that increase. The Minister for Enterprise, Trade and Employment should examine this again. It is not logical and is the wrong road to take.

**Deputy Eamon Gilmore:** This section of the budget caused me some surprise. Will the Minister for Enterprise, Trade and Employment tell us the expected take from the increases in excise in the budget? I thought there was scope for the Government to do more in this area than it has done because it would raise money immediately and do so more fairly than applying levies that hit the pay packets of working people.

Strong cases have been made on health grounds for increased excises on tobacco and alcohol. The Minister for Finance referred in his statement today to cross-Border smuggling in respect of alcohol, tobacco and, I think, petrol. RTE recently screened a very good documentary about smuggling, particularly of cigarettes which made clear that enforcement is the problem. The customs and excise officers catch some of the smugglers but are not able to bring them to court or when they do the fines are so derisory as to make a joke of the process. If the Government

made some serious effort on the enforcement side it would be able to get a higher take in this area.

I agree with my colleagues who have spoken about the bizarre decision to increase the excise on diesel but not on petrol. The Minister rightly spoke today about competitiveness and the need to get costs down in the economy and to do things that will encourage employment. Diesel is employment-related. We live on an island and so have high transport costs but this measure will add to those costs and will have a knock-on effect on employment.

Was the Green Party at the Cabinet table when decisions were made on this budget? I can find some evidence in the statement of the Government's having taken on board some of the suggestions Fine Gael and the Labour Party made in our respective pre-budget statements. I can find no evidence of anything that is even remotely close to something the Greens might have wished to achieve in this budget. This measure in particular baffles me completely because I would have thought, for the reasons that Deputies Coveney and McManus have stated, that it would have been the reverse.

**Deputy Arthur Morgan:** I have no problem with the tobacco increases. I would even be tempted to advocate a higher charge because of tobacco's adverse effect on people's health and all the consequences. If that happened, however, I would have concerns about the enforcement issues the previous speaker has addressed.

The diesel increase is unfortunate. The Government probably went for a quick fix here on the basis that sticking 5 cent on to a litre would throw up €100 million, without sufficiently considering its impact on competitiveness and businesses across the land. Everybody who stands up here talks about how hard-pressed business is. We all know that is fact, not waffle. Cash turnover, calling in debt and so on are important issues for businesses which were probably never as cash-strapped as now. What products are not transported? Even on a small island such as this transport costs are astronomical. Those who work in the transport sector are still reeling from the major impact of high oil prices in recent years. Now that the oil prices are beginning to return to a manageable margin this excise is a retrograde step.

It is designated as a 'mineral oil tax' which raises an interesting question. What if the Government were to introduce a decent tax on our mineral reserves? That would be a more strategic, more far-sighted and profitable application than going after people in the transport business and small companies. The Corrib field is worth at least €10 billion yet the rights to it were given away by people who are no longer here so there is no point harping on about that. Unfortunately, this move is symptomatic of the Government's propensity to move to the easy option to grab a few bob when a much more strategic approach could and should have been taken. It would have had more merit. This move sets competitiveness back again.

**An Leas-Cheann Comhairle:** Three Deputies are listed to speak before I call on the Minister to reply and there are 11 minutes remaining. Deputies should bear this in mind.

**Deputy Leo Varadkar:** I will be as brief as possible and might make some more substantive comments on the next resolution.

Speaking as a doctor and a non-smoker, I can see the case for increasing excise on tobacco from a health point of view. I am concerned, however, by the Government's projection that it will raise €32 million from this. I do not think that will happen. There is a law of diminishing returns with taxation. There is a significant amount of cigarette smuggling as we all know. The year on year, monthly returns from tobacco are interesting. Last month was the first in which the year on year return from excise on tobacco went down. That might perhaps be because of a sudden reduction in smoking, for the first time ever, but the likelihood is that it is due to

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fraud and smuggling. This is one of the many holes in the budget. Revenue from excise on tobacco will fall for several reasons and the Government will have to address that. It will have to come back in its mini-budget in June or September, or whenever it will introduce the next budget——

**Deputy Willie O’Dea:** December.

**Deputy Leo Varadkar:** ——and address that issue again. The monthly year on year returns from excise on alcohol are falling because of the law of diminishing returns. I will not be two-faced about diesel. My party proposed to increase excise on diesel by more than the Government proposed. However ours was part of an overall package that did not hammer middle-class families through massive increases in taxation, which the Government has done here. That is horrendous. This is a tax and spend budget from the 1980s. The Government is taking €4,000 from the pockets of the average family and €2,500 from the average working person. It is recreating all those problems we had in the 1980s between PAYE workers who pay all the tax and others who can avoid it, and between those who benefit from welfare payments and those who do not.

Deputy Gilmore asked about the influence of the Greens in this budget. It is clear that the PDs’ influence is also missing from this budget because when it formed part of this Government it kept taxes down. The Government is returning to tax and spend socialism and will tax people out of their jobs and onto the dole queues. The mistakes the Government has made are huge. I expect we will have another mini budget in a few months time and if not we will be faced with a much greater economic crisis as a consequence of this budget.

**Deputy Emmet Stagg:** The last speaker has a strange idea of what a socialist is. I must give him a few lessons some time.

**Deputy Leo Varadkar:** Ah go on. The Deputy will not try to tell me he is against tax and spend. If he is, he should join Fine Gael.

**Deputy Willie O’Dea:** Deputy Varadkar is an expert on every subject.

**Deputy Emmet Stagg:** The Irish people use three general drugs as social drugs of choice in large quantities, namely alcohol, cannabis and cigarettes or tobacco. If the Government wanted to stop people smoking cigarettes, and did not just want to raise revenue, it would put €5 on each packet. That would stop people from smoking. This is simply a revenue raising exercise. As far as I can calculate the Government takes in €1.35 billion per year in cigarette taxes. I am not sure if that is accurate but I did a rough calculation on what the Government gets on this increase, and I know the amount I pay every day for a packet of cigarettes and roughly the revenue the Government takes from that packet. The Government should respect the 1 million smokers in the country and not denigrate them at every turn. They are good cash cows for revenue and should be treated with respect and not as the Government usually treats them in this House.

**Deputy Jimmy Devins:** Is that Labour Party policy?

**Deputy Emmet Stagg:** I also suggest the Minister consider legalising cannabis and taxing it in the same way as cigarettes. The Government might then be able to meet some of the other costs it has that it has not been able to meet because cannabis is nearly as widely used as tobacco and alcohol, despite the best efforts of the authorities to prevent it.

I thought the excise increase on diesel was a carbon tax when I heard it, but the Green Party reduced the tax one pays to county councils for having a diesel car and Fianna Fáil took it back with this increase. Obviously the Greens were not at the meetings.

**Deputy Eamon Gilmore:** They were smoking something.

**Deputy Emmet Stagg:** The commuters in my constituency will not be at all pleased that the Greens let them down again by not being present at the meetings where the carbon tax reduction on nice, clean cars was neutralised.

**Deputy Michael D. Higgins:** And the cuts in bus services.

**Deputy Aengus Ó Snodaigh:** They were sniffing bio-fuel.

**Deputy Seán Barrett:** As we are sitting until midnight I fail to see why we are all rushed and have not five minutes to make a contribution. It is ridiculous and is typical of what happens in this House. We are being rushed.

**Deputy Emmet Stagg:** Deputy Barrett should take his time.

**Deputy Thomas P. Broughan:** Fair play.

**Deputy Seán Barrett:** It is 9.15 p.m. and we have until midnight, yet I am told I have one minute to make a point on this issue.

**An Leas-Cheann Comhairle:** The problem is we have to take Financial Resolutions Nos. 5 to 10, inclusive.

**Deputy Seán Barrett:** So what? There is plenty of time.

**An Leas-Cheann Comhairle:** If the Deputy wishes to propose and the Tánaiste wishes to accept an extension of the time, the Chair is in the hands of the House.

**Deputy Seán Barrett:** Give us five or ten minutes to make a point.

**Deputy Eamon Gilmore:** I propose we take an additional 20 minutes on this motion.

**Deputy Seán Barrett:** I do not need 20 minutes.

**Deputy Liz McManus:** Ten minutes.

**Deputy Mary Coughlan:** If the Deputies keep talking we will be here all night.

**Deputy Seán Barrett:** I just want to make a point. I do not want much time, I just want to make my point.

**An Leas-Cheann Comhairle:** I am obliged to call the vote at 9.20 p.m.

**Deputy Seán Barrett:** With respect, this is one example of the lack of direction in this budget. We do not know where we are going. The people hit by this are those who commute the most and commercial enterprises. We are driving up costs again. As my colleagues said, we went to the trouble of establishing an Oireachtas Joint Committee on Climate Change and Energy Security. The Greens boasted that they were instrumental in the setting up of this committee, but at every hand's turn we do the direct opposite to try to deal with the issues at hand. Transport is one of the greatest emitters of CO<sub>2</sub>?. Rather than encouraging people to use diesel

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instead of petrol we raise the cost. There is no attempt to meet the targets we set for ourselves and which are being set for us. We are going to find ourselves spending hundreds of millions of euro on fines for not meeting our targets.

If this were part of a plan I could understand it, but I wish we would stop wasting our time and not pretend we are trying to do something about CO<sub>2</sub>? emissions. We should lead by example. An all-party committee went to the trouble of producing a Bill on offshore renewable energy. We launched it nearly two months ago and have not heard a dickie bird since from the Government. An all-party committee produced a piece of legislation to modernise——

**An Leas-Cheann Comhairle:** The Deputy is straying from the Financial Resolution.

**Deputy Seán Barrett:** I am giving an example of trying to do something, and then seeing these measures that are totally contrary to what we are trying to do introduced in the budget, never mind the problem of increasing costs for industry.

**An Leas-Cheann Comhairle:** Deputy Broughan has one minute.

**Deputy Aengus Ó Snodaigh:** Ah go on.

**An Leas-Cheann Comhairle:** Unless there is a resolution to the contrary I must call the vote in two minutes.

**Deputy Aengus Ó Snodaigh:** I propose an extension for five minutes.

**Deputy Mary Coughlan:** Deputy Broughan would like to speak.

**Deputy Thomas P. Broughan:** The overall impact of this budget is profoundly deflationary on an economy that is already going down the tubes. Resolution No. 4 on transport will increase the magnitude of that deflationary impact. The tragedy is that we seem to be doing it to bail out the friends of the Tánaiste, her Government and party.

**Deputy Mary Coughlan:** Deputy Broughan should withdraw that.

**Deputy Eamon Gilmore:** The Tánaiste must take her medicine.

**Deputy Mary Coughlan:** This is disgraceful.

**Deputy Thomas P. Broughan:** The documents on the banking rackets are profoundly disturbing. They are the most outrageous feature of this outrageous budget. Resolution No. 4 is another whammy for public transport and the transport industry after a series of measures this Government has taken. For example, all last year the Government had the opportunity to do something about the withdrawal by the European Union of the fuel rebate, to negotiate some sort of continuing support for public transport at EU level, and it failed to do that. Here again we have another measure which will make things much more difficult. At the same time in the capital budget we are removing approximately €320 million of spending on transport. The net impact will be a smaller subsidy for public transport. The most sinister phrase in the budget on capital spending is, “in public transport the way ahead will also see some deferrals and rescheduling of other programmes”. This presumably refers to the whole range of public transport initiatives including perhaps, despite the Minister, Deputy Dempsey’s recent speeches, metro north, the interconnector, the western rail corridor, the Navan rail line and so on. Are they all in danger as a result of today’s debacle? I oppose Financial Resolution No. 4.

**Deputy Mary Coughlan:** I am sure the Deputy will have more than adequate time to say what he wants to say on Second Stage of the legislation. A number of specific issues were raised.

**An Leas-Cheann Comhairle:** Unless the House agrees to an extension of time, I am required by an order of the House of this day to——

**Deputy Mary Coughlan:** I propose that I be given at least one minute to respond.

**Deputy Emmet Stagg:** The Tánaiste did not agree to a time extension earlier.

**An Leas-Cheann Comhairle:** Is the House agreeable to extending the time for——

**Deputy Emmet Stagg:** No, the Tánaiste did not agree to a time extension earlier.

**Deputy Mary Coughlan:** That is okay. Molaim an rún ar dtús. Cuir an vóta.

**An Leas-Cheann Comhairle:** As the time allocated has expired, I am required to put the question.

Question, “That Financial Resolution No. 3 be agreed to”, put and declared carried.

Question put, “ That Financial Resolution No. 4 be agreed to.”

The Dáil divided: Tá, 84; Níl, 23.

Tá

Ahern, Bertie.  
 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.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.

Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Conor.  
 Lowry, Michael.  
 Mansergh, Martin.  
 Martin, Micheál.  
 McDaid, James.  
 McEllistrim, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M. J.  
 Ó Cuív, Éamon.  
 Ó Fearghaíl, Seán.  
 O’Brien, Darragh.  
 O’Connor, Charlie.  
 O’Dea, Willie.  
 O’Flynn, Noel.  
 O’Hanlon, Rory.  
 O’Keeffe, Batt.  
 O’Keeffe, Edward.  
 O’Rourke, Mary.



Tá—*continued*

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

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

Níl

Broughan, Thomas P.  
 Costello, Joe.  
 Ferris, Martin.  
 Gilmore, Eamon.  
 Higgins, Michael D.  
 Howlin, Brendan.  
 Lynch, Ciarán.  
 Lynch, Kathleen.  
 McGrath, Finian.  
 McManus, Liz.  
 Morgan, Arthur.  
 Ó Caoláin, Caoimhghín.

Ó Snodaigh, Aengus.  
 O'Shea, Brian.  
 O'Sullivan, Jan.  
 Quinn, Ruairí.  
 Rabbitte, Pat.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Tuffy, Joanna.  
 Upton, Mary.  
 Wall, Jack.

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

Question declared carried.

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** I move the following financial resolutions:

#### **Financial Resolution No. 5: Capital Acquisitions Tax**

(1) THAT, as respects a gift or an inheritance taken on or after 8 April 2009, the definition of “group threshold” in paragraph 1 of Part 1 of Schedule 2 to the Capital Acquisitions Tax Consolidation Act 2003 (No. 1 of 2003) be amended—

- (a) in subparagraph (a) by substituting “€304,775” for “€381,000”,
- (b) in subparagraph (b) by substituting “€30,478” for “€38,100”, and
- (c) in subparagraph (c) by substituting “€15,239” for “€19, 050”.

(2) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

#### **Financial Resolution No. 6: Capital Acquisitions Tax**

(1) THAT, as respects a gift or an inheritance taken on or after 8 April 2009, the Table in Part 2 of Schedule 2 to the Capital Acquisitions Tax Consolidation Act 2003 (No. 1 of 2003) be amended by substituting “25” for “22”.

(2) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

**Financial Resolution No. 7: Capital Gains Tax**

(1) THAT section 28(3) of the Taxes Consolidation Act 1997 (No. 39 of 1997) be amended by substituting “25 per cent” for “22 per cent” in respect of the disposal of assets made on or after 8 April 2009.

(2) THAT section 649A(1) of the Taxes Consolidation Act 1997 be amended by substituting the following for paragraph (b):

“(b) in the case of a relevant disposal made on or after 8 April 2009, 25 per cent.”.

(3) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

**Financial Resolution No. 8: Life Assurance Policies and Investment Funds**

(1) THAT section 730F(1) of the Taxes Consolidation Act 1997 (No. 39 of 1997), as respects the happening of a chargeable event in relation to a life policy (within the meaning of Chapter 5 of Part 26) on or after 8 April 2009, be amended—

(a) by substituting the following for paragraph (a):

“(a) subject to paragraph (b), where the chargeable event falls on or after 1 January 2001, at the rate of 28 per cent,”

and

(b) in paragraph (b) by substituting “(S+28) per cent” for “(S+26) per cent”.

(2) THAT Chapter 6 of Part 26 of the Taxes Consolidation Act 1997, as respects the receipt by any person of a payment in respect of a foreign life policy (within the meaning of Chapter 6 of that Part) or the disposal in whole or in part of a foreign life policy (within that meaning) on or after 8 April 2009, be amended—

(a) in section 730J (a)—

(i) by substituting the following for clause (I) of subparagraph (i):

“(I) where the payment is a relevant payment, at the rate of 25 per cent, and”,

(ii) in clause (II)(A) of subparagraph (i) by substituting “(S+28) per cent” for “(S+26) per cent”,

(iii) by substituting the following for clause (II)(B) of subparagraph (i):

“(B) in any other case, at the rate of 28 per cent,”

and

(iv) in clause (I) of subparagraph (ii) by substituting “(H + 25) per cent” for “(H + 23) per cent”,

and

(b) in section 730K –

(i) in subsection (1) by deleting “the rate determined by the formula” where it first occurs,

(ii) in paragraph (a) of subsection (1) by substituting “(S+28) per cent” for “(S+26) per cent”, and

(iii) by substituting the following for paragraph (b) of subsection (1):

“(b) in any other case, at the rate of 28 per cent.”.

(3) THAT Chapter 1A of Part 27 of the Taxes Consolidation Act 1997, as respects the happening of a chargeable event in relation to an investment undertaking (within the meaning of section 739B(1)) on or after 8 April 2009, be amended—

(a) in section 739D by substituting the following for subsection (5A):

“(5A) The amount referred to in subsection (2)(dd) is the amount determined by the formula—

$$A \times G \times \frac{100}{100 - (G \times 28)}$$

where—

A is the appropriate tax payable on the transfer by a unit holder of entitlement to a unit in accordance with subsection (2)(d), and

G is the amount of the gain on that transfer of that unit divided by the value of that unit.”,

(b) in section 739E(1)—

(i) by substituting the following for paragraph (a):

“(a) subject to paragraph (ba), where the amount of the gain is provided by section 739D(2)(a), at the rate of 25 per cent.”,

(ii) by substituting the following for paragraph (b):

“(b) subject to paragraph (ba), where the chargeable event happens on or after 1 January 2001 and the amount of the gain is provided by paragraph (b), (c), (d), (dd) or (ddd) of section 739D(2), at the rate of 28 per cent.”, and

(iii) in paragraph (ba) by substituting “(S+28) per cent” for “(S+26) per cent”, and

(c) in section 739G(2)(c) by substituting “specified in” for “determined in accordance with”.

(4) THAT Chapter 4 of Part 27 of the Taxes Consolidation Act 1997, as respects—

(a) the receipt by any person of a payment in respect of a material interest in an offshore fund (within the meaning of Chapter 4 of that Part), or

(b) the disposal in whole or in part of a material interest in an offshore fund (within that meaning), on or after 8 April 2009, be amended—

(i) in section 747D—

(I) in paragraph (a)(i)(I)—

(A) in subclause (A) by substituting “(S+28) per cent” for “(S+26) per cent”, and

(B) by substituting the following for subclause (B):

“(B) in any other case, at the rate of 25 per cent.”,

(II) in paragraph (a)(i)(II)(A) by substituting “(S+28) per cent” for “(S+26) per cent”,

(III) by substituting the following for paragraph (a)(i)(II)(B):

“(B) in any other case, at the rate of 28 per cent,” and

and

(IV) in paragraph (a)(ii)(I) by substituting “(H+25) per cent” for “(H+23) per cent”,

and

(ii) in section 747E(1)—

(I) in paragraph (b) by deleting “the rate determined”,

(II) in paragraph (b)(i)—

(A) by inserting “the rate determined” before “by the formula”, and

(B) by substituting “(S+28) per cent” for “(S+26) per cent”, and

(III) by substituting the following for paragraph (b)(ii):

“(ii) in any other case, at the rate of 28 per cent.”

(5) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

#### **Financial Resolution No. 9: Income Tax**

(1) THAT, as respects any payment or crediting of relevant interest (within the meaning of Chapter 4 of Part 8 of the Taxes Consolidation Act 1997 (No. 39 of 1997)) made on or after 8 April 2009, the definition of “appropriate tax” in section 256(1) of the Taxes Consolidation Act 1997 be amended—

*(a) in paragraph (a), by substituting “25 per cent” for “23 per cent”,*

*(b) by substituting the following for paragraph (b):*

“(b) subject to paragraph (c), in the case of interest paid in respect of any other relevant deposit, at the rate of 25 per cent, and”,

and

*(c) by substituting the following for paragraph (c):*

“(c) in the case of interest paid in respect of a relevant deposit, being a deposit made on or after 23 March 2000, other than interest which is—

(i) referred to in paragraph (a), or

(ii) payable annually or at more frequent intervals, or

(iii) specified interest within the meaning of section 260, at the rate of 28 per cent;”.

(2) THAT as respects any dividend paid on or credited to a special share account or a special term share account (within the meaning of Chapter 5 of Part 8 of the Taxes Consolidation Act 1997), section 267B of the Taxes Consolidation Act 1997 be amended in respect of dividends paid or credited on or after 8 April 2009—

*(a) in subsection (2)(b), by substituting “25 per cent” for “23 per cent”, and*

*(b) in subsection (3)(b), by substituting “25 per cent” for “23 per cent”.*

(3) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

**Financial Resolution No. 10: Stamp Duties.**

(1) THAT in this Resolution—

“Principal Act” means the Stamp Duties Consolidation Act 1999 (No. 31 of 1999);

“assessable amount”, “premiums” and “insurer”, in paragraph (2)(a) of this Resolution, have, respectively, the meanings assigned to them in section 125(1) of the Principal Act;

“assessable amount”, “premiums” and “insurer”, in paragraph (2)(b) of this Resolution, have, respectively, the meanings assigned to them in section 124B(1) (inserted by paragraph (3)(b) of this Resolution).

(2) THAT this Resolution shall have effect—

(a) in relation to paragraph (3)(a) of this Resolution, as respects so much of the assessable amount as is comprised of premiums received on or after 1 June 2009 in respect of offers of insurance or notices of renewal of insurance issued by an insurer on or after 8 April 2009, and

(b) in relation to paragraph (3)(b) of this Resolution, as respects so much of the assessable amount as is comprised of premiums received on or after 1 June 2009 in respect of contracts of insurance whensoever entered into by an insurer

(3) THAT Part 9 of the Principal Act is amended—

(a) in section 125(3) by substituting “3 per cent” for “2 per cent”,

(b) by inserting the following after section 124A:

“Certain premiums of life assurance.

124B.— (1) In this section—

‘assessable amount’, in relation to a quarter, means the gross amount received by an insurer by means of premiums in that quarter for policies of insurance referred to in classes I, II, III, IV, V and VI of Annex I to the Directive, to the extent that the risks to which those policies of insurance relate are located in the State (being risks deemed to be located in the State by virtue of section 61);

‘Directive’ means Directive 2002/83/EC of the European Parliament and of the Council of 5 November 2002 concerning life assurance;

‘due date’ means, in respect of a quarter ended on—

(a) 31 March, 30 April in the same year,

(b) 30 June, 31 July in the same year,

(c) 30 September, 31 October in the same year, and

(d) 31 December, 31 January in the following year;

‘insurer’ means—

(a) a person who is the holder of an assurance licence under the Insurance Act 1936,

(b) the holder of an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994), or

(c) the holder of an official authorisation to undertake insurance in Iceland, Liechtenstein or Norway, pursuant to the EEA Agreement within the meaning of

the European Communities (Amendment) Act 1993, who is carrying on the business of life assurance in the State;

‘life assurance’ means insurance of a class referred to in Annex I to the Directive; ‘premium’ has the same meaning as in the Insurance Act 1936;

‘quarter’ means a period of 3 months ending on 31 March, 30 June, 30 September or 31 December.

(2) An insurer shall, in each year, not later than the due date for the quarter concerned, commencing with the quarter ending on 30 June 2009, deliver to the Commissioners a statement in writing showing the assessable amount for the insurer in respect of that quarter.

(3) There shall be charged on every statement delivered in pursuance of subsection (2) a stamp duty of an amount equal to 1 per cent of the assessable amount shown in the statement.

(4) The duty charged by subsection (3) on a statement delivered by an insurer pursuant to subsection (2) shall be paid by the insurer on delivery of the statement.

(5) There shall be furnished to the Commissioners by an insurer such particulars as the Commissioners may deem necessary in relation to any statement required by this section to be delivered by the insurer.

(6) In the case of failure by an insurer—

(a) to deliver any statement required to be delivered by the insurer pursuant to subsection (2), or

(b) to pay the stamp duty chargeable on any such statement on delivery of the statement, the insurer shall—

(i) from that due date until the day on which the stamp duty is paid, be liable to pay, in addition to the stamp duty, interest on the stamp duty calculated in accordance with section 159D, and

(ii) from that due date, be liable to pay a penalty of €380 for each day the stamp duty remains unpaid.

(7) Where during any quarter but before the due date—

(a) an insurer ceases to carry on a business in the course of which the insurer is required to deliver a statement (in this subsection referred to as the ‘first-mentioned statement’) pursuant to subsection (2) but has not done so before that cesser, and

(b) another person (in this subsection referred to as the ‘successor’) acquires the whole, or substantially the whole, of the business, then—

(i) the insurer is not required to deliver the first-mentioned statement, and

(ii) the successor shall

(I) where the successor is, apart from this subsection, required to deliver a statement (in this subsection referred to as the ‘second-mentioned statement’) pursuant to subsection (2) in respect of the same quarter but has not done so before that acquisition, include in that second-mentioned statement the assessable amount that would have been required to have been shown in the first-mentioned statement had the insurer not ceased to carry on the business concerned,

(II) where subparagraph (I) does not apply, deliver the first-mentioned statement as if the successor were the insurer.

(8) The delivery of any statement required by subsection (2) may be enforced by the Commissioners under section 47 of the Succession Duty Act 1853 in all respects as if such statement were such account as is mentioned in that section and the failure to deliver such statement were such default as is mentioned in that section.”,

and

(c) in section 126B(1) by substituting the following for the definition of “specified section”:

“‘specified section’ means section 123, 123A, 123B, 123C, 124, 124A, 124B or 125.”.

(4) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

Financial Resolution No. 5 decreases the three tax free CAT group thresholds applicable to gifts or inheritance taken on or after 8 April 2009 by 20%. These tax-free group thresholds, which are indexed each year in line with inflation, are based on the relationship between the disowner and the beneficiary of a gift or inheritance.

The new tax free thresholds will be €434,000 for group A, inheritance and gifts from parents to children, €43,400 for group B, which is inheritance and gifts between brothers and sisters, grandparents to grandchildren, uncles and aunts to nieces and nephews and €21,700 for group C, inheritance and gifts between all other persons. Deputies will note that the proposed new threshold amounts do not represent a precise 20% reduction. They have been rounded down to the advantage of beneficiaries. It is estimated that the additional yield arising from the budget proposal will be in the order of €15 million in 2009 and the full year yield is expected to be in the region of €18 million. The impact of the rate increases has to be considered in tandem with the proposed 20% decrease in the three tax free CAT thresholds.

In overall terms, the estimated yield from the rate increase and the threshold reduction is €16 million in 2009 and €24 million in a full year. Deputies should also note that the legislation does not contain the current tax free group threshold figures. Instead, it contains figures which were set in 1999, indexed to the CPI. In order to achieve the intended reduction in the tax free group thresholds, it is necessary to insert the figures shown in the resolution, into the legislation. In other words, when the current figure of €381,000 for the group A tax free threshold is replaced by €304,775 and is multiplied by the appropriate CPI factor, it gives us a new group A tax free threshold, which will be €434,000.

Financial Resolution No. 6 increases the rate of tax on gifts and inheritance, taken on or after 8 April 2009, from 22% to 25%. It is estimated that the additional yield from the budget proposal will be in the order of €15 million in 2009 and the full year yield is expected to be in the region of €18 million. The impact of the rate increase must be considered in tandem with the proposed 20% decrease in the three tax thresholds. In overall terms, the estimated yield from the rate increase and the threshold reduction is €31 million in 2009 and €42 million in a full year.

The receipt of a gift or inheritance can constitute an important benefit and a potential source of income for a beneficiary through the acquisition of assets such as property or money. As

such, these individuals must be expected to contribute to the requirement to raise additional revenue for the Exchequer at a time of serious pressure on the public finances.

Financial Resolution No. 7 increases the rate of capital gains tax applicable to the disposal of other assets from 22% to 25%. It applies to disposals made on or after 8 April 2009. It is estimated that the additional yield arising from the budget proposal will be in the order of €30 million this year and the full year yield is expected to be in the region of €45 million. It will be appreciated that it is difficult to accurately determine the effects of a rate increase in Exchequer receipts because of declining asset valuations and a decrease in the number of transactions. There is a degree of confidence that the rate increase will not determine disposals, however. Capital gains on the disposal of an asset constitute an important source of income to the owners of these assets and as such these individuals must be expected to contribute to the requirement to raise additional revenue for the Exchequer at a time of serious pressures on the public finances.

The CGT rate increase of 3% to 25% is mirrored by the 3% raise in the CAT rate and a rise in DIRT by 2% from 23% to 25%. As a result a similar rate applies across the three taxation areas which cover sources of incomes based on assets and savings. This is part of the base broadening process which this Government started in budget 2009 when these rates were also increased. Change of this nature helps to ease the additional tax requirements on labour and consumption by increasing taxes on wealth and on sources of wealth.

Financial Resolution No. 8 gives statutory effect to the budget announcement that the rate of tax applying to life assurance policies and investment funds are being increased with effect from 8 April 2009. This amendment applies to the rate of exit taxes and domestic life assurance policies and investment undertakings under the gross roll-up regime introduced in the Finance Act 2000. It also increases the rates of tax that apply to profits and gains on life assurance policies and investment funds in other EU member states, EEA states and OECD countries with which Ireland has double taxation agreements. Under gross roll-up, investments may accumulate without the imposition of tax. However, an exit tax applies where a chargeable event occurs, such as receipt of payments from or the disposal of investments in the life policy or fund, or the ending of each eight year period following the acquisition of the policy or units in the fund.

There are varying rates of tax in these investments depending on the frequency of the payment to the investor and, in the case of the foreign investments, whether the income or gains are correctly included the investor's tax return. The rates are generally at the standard rate of income tax, currently 20%, plus 3% or at the standard rate plus 6%. As an anti-avoidance measure, where the investment is held in a personal portfolio investment undertaking or personal portfolio life policy, the tax rates applied are the standard rate plus an additional 26%. Similarly, where a payment is in receipt of a foreign life policy and is not correctly included in the investor's tax return, the rate of tax that applies is at the investor's marginal rate plus an additional 23%. Each of the above rates is being increased by 2%, which is expected to yield the Exchequer an additional €5 million in 2009 and €8 million in a full year. The combined projected additional yield from this the measure and the 2% increase in deposit retention tax and tax on special savings accounts and special term accounts is expected to be €50 million in 2009 and €70 million in a full year.

Financial Resolution No. 9 gives legislative effect to the budget announcement that the rates of direct interest retention tax would be increased by 2% with effect from 8 April. The resolution amends section 256(1) of the Taxes Consolidation Act 1997 to give statutory effect to



the new rates of DIRT applicable to deposits held in banks and other financial institutions. The changed rates are as follows: the general 23% rate which applies to deposit interest, including deposit interest arising on special savings accounts and special term accounts, has been increased to 25%; and the 26% rate is being increased to 28% in the case of interest which was not payable annually or at more frequent intervals and where the interest cannot be calculated until the maturity of the investment. This includes investments such as tracker bonds, where the amount of interest payable depends on the changes in a financial or other index or the number of years.

The resolution also amends section 267B of the Taxes Consolidation Act 1997 to increase the 23% rate which applies to special share accounts and special term accounts held in credit unions to 25%. This measure is expected to yield the Exchequer €45 million in 2009 and €62 million in a full year. The combined projected yield from this measure and the increased exit tax on life assurance and investment funds is €50 million in 2009 and €70 million in a full year.

Financial Resolution No. 10 provides for an increase in the current 2% non-life levy by 1% to 3% and by a new 1% levy on life assurance policies. The non-life insurance levy, which has been in place for many years, does not apply to voluntary health insurance, reinsurance, marine, aviation and transport insurance, export credit insurance and certain dental contracts. The increase in the levy is unlikely to deter people from taking out insurance because it is a relatively small part of the cost of insurance. People are legally required to have certain types of insurance, for example, drivers are required to have motor insurance and mortgage lenders usually require borrowers to take out home insurance. It is important for people to take out home insurance and business property insurance to cover future unforeseen events. The increase in the non-life levy will apply to premiums received on or after 1 June 2009 in respect of offers of insurance or notice of renewal of insurance issued by an insurer on or after 8 April 2009. The new life levy will also apply to premiums received on or after 1 June 2009 in respect of life insurance policies. The new levy will be a very small part of the cost of life assurance, the purpose of which is to provide for expenses of future events. The yield from measure in respect of the non-life levy is estimated at €40 million in a full year and €27 million in 2009, while the yield from the life levy is estimated at €114 million in a full year and €83 million in 2009.

**Deputy Leo Varadkar:** The majority of these resolutions provide for increases in capital taxation. I share the view that capital taxes in Ireland should be considerably higher because it is wrong to tax income from work at such a high rate while taxing wealth not gained through work, such as inheritance or capital gains on property, at a lower rate. That is why I have no difficulty in seeking significant increases in capital taxes provided that they form part of a wider package involving reduced taxes on income.

These resolutions, however, merely comprise yet another major tax grab by the Fianna Fáil led Government. Death and gift taxes are being increased, as are taxes on life assurance and savings. These come on top of the horrendous increases in tax on work through PRSI increases, the Lenihan levy, the health levy, excise increases and the previous budget's increases on VAT and taxes on second homes and parking spaces. The Minister for Finance has indicated his intention to tax children and homes in the next budget. I have not even mentioned the travel tax on those flying to this country. The Government's entire economic and budgetary strategy appears to be tax and more tax. My party opposes this view because we do not think one can tax one's way out of recession. A much more sophisticated approach is required. First, one needs to control spending. The adjustment should come two thirds from spending and one third from tax increases. Some measures also need to be included which will stimulate demand

and employment. We have put those views across for reducing both VAT rates, abolishing the travel tax, and bringing the pension fund back home to invest in infrastructure and new State enterprises. The Government's strategy, however, is just about tax.

What really defines this budget and the entire policy is subhead C15 which refers to gross current expenditure at €62.4 billion this year, €64.5 billion in 2010, €65.4 billion in 2011, €67.4 billion in 2012, and €68.9 billion in 2013. It is spend, spend, spend and when the Government has finished doing that, let us spend some more. How will the Government manage that? It will hit people on tax. Tax revenue will be €34.4 billion this year, €35.3 billion in 2010, €38.9 billion in 2011, €41.3 billion in 2012 and €43.73 billion in 2013. This is the budget that Fidel Castro or Kim Il Sung would have eaten their hearts out for. These are the pure tax-and-spend, old-fashioned policies of the early 1980s, the kind of failed policies that ended up with a national debt of 120% of our gross domestic product, unemployment of 20% and a recession-depression for the best part of a decade. That is where the Government is going.

We have learned nothing from our economic history in this State if we think this kind of approach will work. It will not work because the Government will not get the returns from tax increases that it expects. It will find out that these attempts to tax everything that is not already taxed while taxing everything else more will not bring increased revenues. It will drive money out of the country and drive people out of jobs. The Government will have to come back here either in three or six months' time with a new budget that involves some of the measures that are necessary, including reduced spending. One cannot increase spending from €46.3 billion to €54.5 billion in five years. The Government has already spent too much. We already spend 48% of our gross national product, our national income, on public spending. It will be well over 50% within two years, so the Government cannot go on like this.

Tax and spend is not the solution. That is my argument in a nutshell when it comes to these particular issues. We will certainly be voting against this. I could countenance increases in capital taxes if they were part of a process that involved reducing taxes at work but certainly not in this scenario. This policy will lead us to ruin. It is back to the 1980s.

**Deputy Arthur Morgan:** It is.

**Deputy Leo Varadkar:** It is extraordinary that this is the Government's economic policy. I cannot believe it. We will be back here very soon.

**Deputy Eamon Gilmore:** The batch of financial resolutions before us covers quite a wide range. If taxes on income are to increase — and they clearly are in this budget in the form of the increased income levy and changes in PRSI — then there is a consistent logic in applying similar increases at least to capital taxes. On the issue of capital acquisitions tax, I understand why and I agree that in times when property values are falling the threshold for capital acquisitions tax should also be reduced. I have some difficulty however in following the logic of what is being done here. The Tánaiste took us through the reductions which are being made and then took us through the upward adjustments that are then being made on that figure in line with indexation. I am not entirely clear how that indexation works, so she might return to it in her reply.

The Labour Party does not have any difficulty with the increase in the rate of capital acquisitions tax from 22% to 25%. I suppose the same logic applies to capital gains tax, although I am surprised at the yield the Tánaiste suggested would arise from that increase. Given the extent to which capital gains are not being made at the moment and also the likely impact on transactions, the estimated yield is probably on the optimistic side.

[Deputy Eamon Gilmore.]

I note the Tánaiste said there was a policy to have a consistent level of capital taxes at 25% in the context of the Government's policy to widen the tax base. When he was presenting the budget, the Minister for Finance indicated that it was intended to introduce a property tax, probably in the next budget but certainly in a future budget. From what the Tánaiste and the Minister for Finance have said, can we anticipate that the level of a property tax will also be at 25% whenever it is introduced?

I do not agree with the proposed increase in DIRT, which is a tax on people's savings. In this context, we are talking about people, many of whom have worked hard all their lives and have paid their taxes. The savings which attract DIRT are after-tax income. Many pensioners have seen the value of their private pensions decline. People were advised in pre-retirement courses to take out shares in banks, but have seen the value of those declining. This is a further tax on pensioners who have lost their entitlement to the medical card and may have some small savings on deposit. It is not something with which I can agree.

As I understand the stamp duty changes in financial resolution No. 10, the effect of the proposed increases is that the levy on life insurance will increase. In addition, the levy on mortgage insurance will increase, which will drive up the mortgage bill. Mortgage holders who have been benefiting from a reduction in mortgages, which is welcome, will find themselves facing a double whammy on their mortgages as a result of this budget. They will lose their mortgage interest relief and the insurance portion of the mortgage will be increased. Similarly, this resolution will also increase the cost of motor insurance, which comes on top of an increase in the price of diesel, thus hitting people whose pay packets are already being hit. When one adds up all the different hits on a person at work, they include the cost of travelling to work, the loss of the early childhood supplement, a large reduction in income as a result of levies, the loss of mortgage interest relief, an increase in mortgage insurance, and increased diesel and motor insurance costs. The Labour Party agrees with some of the proposals contained in this batch of financial resolutions, such as the change in the capital acquisitions tax threshold and the rate of capital taxation, but other measures are unfairly impacting on people.

I wish to make a final comment in respect of what Deputy Varadkar said and I understand the point he is making. The Government envisages that tax revenues in 2013 will be €43.7 billion. If our economy is in such a state that it will only produce tax revenues of €43.7 billion by 2013, we have a much greater problem than we believe. The Government has argued that as a result of what it is doing, it will restore order to the public finances, the economy will recover and people will presumably return to work and start spending again. We have had a large decrease in our tax revenue not because of our tax rates but because people are losing their jobs and fewer people are paying income tax. As a result of job losses and concerns about the future, people are not spending as they did previously and there has been a significant decrease in revenues from expenditure taxes. We also know what has happened to the property market, with the consequential decline in taxes from transactions.

If there is not a bigger recovery in tax revenues by 2013 than the €9 billion provided for in the projections, the budget will not have been a road map to recovery but, at best, a "business as business is" in 2009 and we are in for a much grimmer period economically than the Government has suggested might be the case. The Labour Party certainly hopes for and wants an economic recovery such that as a result either of increased domestic economic activity and, hopefully, an upturn in the global economy, tax revenues — by virtue of buoyancy and the activity that will take place in the economy — will have improved much more substantially than projected in the Government's figures.

**Deputy Arthur Morgan:** The Tánaiste is faced with a diversity of opinion on this side of the House. I have no problem with the change in capital acquisitions tax and not much difficulty with the change in capital gains tax. However, I have a major problem with the introduction of a levy on life assurance policies and the increase in the levy on non-life assurance policies. The vast majority of those fortunate enough to be able to take out a mortgage from a financial institution are required, upon doing so, to take out a life assurance policy. As part of the deal, it is unavoidable. Such people already face a problem arising from the decision in the budget to slash mortgage interest relief after seven years. As a result of the economic downturn they are in substantial difficulty. The ordinary person in the street will be forced to dip even deeper into their pockets to meet the cost of the new levy and the increase in levy on non-life assurance. I have a major problem with this measure because it is grossly unfair to catch people in this manner.

The Tánaiste travels around the country as much or more than any Member of the House and will be aware that people are in serious trouble. This is not a cliché but a statement of fact. We know the overwhelming majority of people with mortgages, most of which are substantial coming off the back of the boom, are genuinely struggling. As with many other aspects of the budget, the Government's strategy, in introducing this measure, was to take a short-sighted, individualistic and blinkered option. It chose to grab €140 million from people who, if they are lucky enough to get mortgages, will have to pay a substantial amount. This is an unfortunate decision, particularly when measured against the broad range of tax measures.

On the one hand, one has the ordinary Joe and Josephine soap who have to dig deep to pay for life insurance, while on the other end of the income scale we have people who can employ tax consultants to provide the best of advice — in their terms — to enable their clients to get off very lightly. The position is grossly unfair. The Government's stab in the dark, as it were, in raiding a particular pocket was extremely short-sighted. The budget did not contain any strategic long-term measures.

I do not have a problem with the increase in DIRT tax which probably does not go far enough. Deputy Varadkar argued that Government policy was one of tax and spend. The Budget Statement indicates that savings in transport will amount to €300 million, including a reduction of €150 million or 8% in investment in roads.

**Deputy Leo Varadkar:** The Deputy is referring to capital investment, which I accept will be cut.

**Deputy Arthur Morgan:** That is fair enough but we must examine what the Government is doing on the expenditure side because the cutbacks are scary.

The centrepiece of this budget should have been job retention and job creation. Deputy Gilmore and I both made the point that the revenue stream will not improve unless we maintain existing jobs and create new jobs to cater for the 370,000 people on the live register. As ever more people join the dole queues, the drain on revenue through unemployment benefits and welfare payments becomes larger. This is the element of the budget that disappoints me most. I do not say this to make a party political point but because I genuinely believe the jobs issue needs to be tackled most. While we can argue about the other issues, the crisis will not begin to bottom out until such time as the issues of job retention and job creation are addressed.

**Deputy Michael D. Higgins:** It is probably appropriate in the discussion on this group of proposals to say something about wealth and I am encouraged to do so by the Tánaiste. The

[Deputy Michael D. Higgins.]

first thing that strikes one when one looks at the yield across the ten measures is the relatively low figure they produce when aggregated. In assessing the budget one should contrast each one of these low figures with the high yield figures arising from the cuts and the implications on the other side of the budget speech.

I ask the Tánaiste to respond to one or two points I will make. Will she explain the reason there is such antipathy to the study of wealth in the Department of Finance and other Departments? I tabled a question to the Minister for Finance recently asking how many studies had been carried out in the past ten years on the transfer pattern and accretion of wealth. The answer, when one deconstructs it, was that hardly any studies had been done on wealth. The reason I asked the question is that most of the commentary in the financial press in the run in to the budget concentrated on the balance between, on the one hand, what would be its impact on income and what needed to be done by way of raising tax and, on the other, what cuts in expenditure should be made, with considerable emphasis on the high proportion of expenditure on the social welfare budget. There was, however, almost a deadly silence about wealth and what took place during what is described as the Celtic tiger. The former Taoiseach, Deputy Bertie Ahern, travels the world talking about how he built the Celtic tiger.

It is very interesting to note what has happened to the wealth accumulated during the Celtic tiger. I throw in, as a casual comment, a statement of the obvious, namely, that property values have fallen. Nevertheless, property values increased dramatically as a result of the disgraceful decisions taken by the former Minister for Finance, Mr. Charlie McCreevy, when he was a Member of the House. For example, I saw a figure on what happened when capital gains tax was reduced. A great deal of the money went into property straight away. In 1981, for example, housing related property was valued at €39 billion whereas this figure had increased to €553 billion in 2006. Perhaps that is irrelevant to many people. What was happening in between with that money?

I will, on another occasion, go into the implications of claiming to have a successful economy. Today ours is referred to by the Minister for Finance, Deputy Lenihan as one of the best in the world in the final paragraph of his speech. In fact, there was high growth rate and exports had flattened out. Why was the Government doing that? It was because it was revaluing the property base of the economy. This was preceded by a whole series of transactions from which people made an enormous amount of money. I understand one of the reports of the Revenue Commissioners suggests the cost from 1999 to 2006 of urban renewal was some €1.423 billion. Where is there a single line in this budget that suggests there is any clawback by way of capital regained from the people who benefited from that?

In 2003 three of the top 400 earners had reduced their effective tax to zero and 48 others had kept their tax liability under 5%. Has the Government gone after any of these people? Building car parks, spas and so forth were the top choices of such people who referred to “effective tax” and were advised by people on tax avoidance. A total of 86% of the people who benefited from that policy earned more than €200,000. I fire these figures in to show it is not a case of “we” lived beyond our means and suddenly have to reduce our income, as the Minister for Finance said, to 2007, 2005 or 2003 levels.

Some people did awfully well. I would be less than I honest if I did not say the Tánaiste’s party knew many of them very well. She knew the people who benefited from urban renewal.

**Deputy Mary Coughlan:** I thought the Deputy’s party were champagne socialists.

**Deputy Michael D. Higgins:** I will be very direct about it, in so far as she encourages me to be. The banking element of the budget follows the consequences of the speculative economy abroad to the four winds to try to suggest we, as taxpayers, must recover stability in a banking system which was ransacked by people who behaved disgracefully.

Let us be clear about why we are raising all of this. What does it cost per day to run the country? It costs some €55 million. We borrow a significant proportion of that and pay two or three points over the borrowing rate because of Mr. FitzPatrick and his little toxic clique. The Tánaiste knows that toxic clique and it was well placed across the corporate sector and all of the banks.

**Deputy Mary Coughlan:** That is a charge I will not accept.

**Deputy Michael D. Higgins:** After I have listened to all the guff today, the various banking elite are still in place. We will return to that issue another day.

I wish to discuss capital gains tax. This Government, which created the problems the budget is addressing, has no interest in wealth. It is one of the great scandals that the media has neglected. It is as if it does not matter. Once one has it, one can hide it. Once one has made one's gains from all of the different schemes available, it does not matter. Who are the easy people to go after? The laziest way to go after the people most easily targeted is through levies. One can even achieve this in an eight month period. On the expenditure side one can get rid of the Christmas bonus.

What about all the people who shifted, when capital gains tax was initially reduced, into property? They borrowed from banks which were not real banks but were, in fact, speculators' clubs. What we had, and what the former Taoiseach describes around the world as the most successful economy in the world, had moved from being a real economy with a real banking system into a speculative economy that had a little racket going for people who were shifting their balances from one balance sheet to another at the end of the year.

I appreciate the detail which the Minister and Members of the Government go into to explain the yield and everything like that. I acknowledge the officials are preparing real figures and there are exceptions. Auditing, accountancy and public finance have been significantly degraded by the people involved in auditing accounts in our banking system. It has reached a point where they have not only dragged the economy down but have dragged fine professions down too. That is the real truth of it. The changes and the different ways we have to respond to different property values are like discussing Hamlet without the ghost. I am very interested to hear the Tánaiste being realistic in replying to what I have to say.

I ask the Tánaiste to tell me what studies have been carried out regarding wealth, the contribution of transfer patterns regarding the increase in wealth and the Commission on Taxation. Will the commission suggest how the Government can claw back money from those who abused every one of the property related, tax driven systems? It is a small group of people. How will the Government access the wealth? It has not all gone away. These are real issues. To be frank, most of the other issues are simply small potatoes which could waste our time late at night when there is no political intention or will to ever address the question of making those who are wealthy contribute in the same way as people who pay income tax or who are trying to benefit from the other side of transfers.

The phrase used in the financial press is that one is looking at the "transfer pattern". When it editorialises and questions, one finds it is talking about social welfare. There has been another major transfer pattern. There are people who reduced their tax contribution to the State in

[Deputy Michael D. Higgins.]

effective tax terms, in some cases to zero and other cases to nearly 5%, not to speak of the several thousand who moved themselves out of the country altogether and who were happy to have an Irish passport but were unwilling to pay their tax. These are the people who are the real scum of our society.

**Deputy Mary Coughlan:** I want to refute the charge made by Deputy Higgins but I can discuss it later.

**Deputy Thomas P. Broughan:** I support the remarks of my party leader and Deputy Higgins. The story of the budget has been one of a savage attack on the incomes of working people in particular and on people who live on social welfare benefits. That is its fundamental impact.

There is major anger which is now boiling over in people and we have heard it on the phones and in e-mails. I met a person who was weeping thinking about the kind of threats and implementation in the social welfare budget today. It is something the Tánaiste should be profoundly aware of because the tumbrel is coming for her and the Government. This budget marks a watershed and the public will feel the need for vengeance on 5 June and on any other date the Government decides to seek a mandate.

I did not have the opportunity over the six or seven months of this intense financial crisis to make the point that this Government has no mandate. When people voted two years ago, if they voted for anything they made a last minute decision to stick with the then Taoiseach, for whatever reason. They were not happy with who they thought might be the alternative Taoiseach. They stuck with the then Taoiseach and we then got a Government nobody had voted for, led by Deputy Cowen, the Tánaiste and a number of senior Ministers. The Government has no mandate whatsoever to introduce these fundamental changes. It is a Government that has an air almost of illegitimacy about it because people have not had a chance to vote on these matters and take decisions about where the country should go. If a general election was held, no matter what the outcome, people would be prepared to consider all the options prepared by such a Government. However, the Government does not have that backing, as our spokesperson said, and that is a fundamental problem for our democracy.

It is a pity we do not have the report of the Commission on Taxation in assessing the resolutions. It must be said that the resolutions on capital gains propose relatively minor changes. It is striking that the most important change to capital taxation was made by former Deputy McCreevy, who slashed the rate. Due to the massive property bubble the resulting gains to the Exchequer were considerable, although that was not predicted by the Department of Finance. Looking at the overall figures put forward on the capital side by the Department, one can see that for the rest of this year a return of €61 million is predicted, but who can believe the predictions of the Department of Finance? I have a fundamental problem with the management of our economy by that Department over the past 12 years. I have raised the issue of forecasting by the Department at the Committee of Public Accounts, of which I am a member, and I will be delighted to raise it in two or three weeks' time when the Secretary General and his staff come before us again. I will ask them to provide an account for the whole financial system over the past 12 years. What on earth happened to the senior Department of State when casino banking took over our banking system, wrecked this economy—

**Deputy Michael D. Higgins:** Hear, hear.

**Deputy Thomas P. Broughan:** —and indebted our people for decades and perhaps generations? Was the Department of Finance on the bridge when that happened? How can I accept its predictions when it has been wrong year after year on so many issues, including tax returns and gross domestic product? Will the yield, for example, be a great deal higher than it predicts? We had the balance right when we were in the territory of 40% capital taxation, whereby people who had made serious gains were required to give some of that super-normal profit back to the people, the community and the State. The former Taoiseach, Deputy Ahern, the former Tánaiste, Deputy Harney, and former Deputy McCreevy dismantled all that during their great 11-year regime. They ran the budget on a phoney basis, relying on the property bubble. That is the central problem we experienced. Today we are told, and we will be told over the next week, that working families on €40,000 or €50,000 and much less will be paying for this for the rest of their lives. That is what the Minister has done in his pay-back budget, and the Government will be paid back on 5 June — it had better believe it.

I do not know where Deputy Varadkar has been over the past year and a half or two years, but his Milton Friedman-Chicago school economic system has collapsed. It has fallen apart; it has failed.

**Deputy Leo Varadkar:** The Deputy should vote for the budget then.

**Deputy Thomas P. Broughan:** It does not work anymore. We are now trying desperately to rebuild a different model. There were parts of the world in which that rotten, corrupt style of capitalism, the Anglo-Saxon model, never really took hold. One could cite, for example, the Scandinavian democracies. Proudly led, for the most part, by Labour Party or social democratic Governments, they were prepared to find the right balance of taxation, including capital taxation, to provide high employment economies with large budgets and considerable spending on health, education, welfare and public transport, whatever was necessary for those states. We, unfortunately, had the kind of Government Deputy Varadkar still seems to yearn for.

I agree with the comments of my colleagues with regard to DIRT and the implications of the second last resolution increasing the levy on non-life insurance premiums, which will surely be another deflationary influence and will make things that little bit harder. Tonight many people following this debate will say this is the straw that broke the camel's back. This must end. Working people cannot support this approach anymore. Therefore, I say to the Tánaiste, the Taoiseach and the Minister for Finance that, in the words of the AIB shareholders, they should just go. Let us have an election and a proper Government with a mandate, which will bring in policies that will suit the whole country.

**Deputy Michael Noonan:** I do not know about Deputy Varadkar's attitude to Milton Friedman, but it was the great American investor Warren Buffett who said recently that it is only when the tide goes out one can see who is swimming naked. After 12 years with the tide in, it has now gone out, and Fianna Fáil is swimming naked tonight.

**Deputy Mary Coughlan:** It is better to have me that way than the Deputy.

**Deputy Eamon Gilmore:** Is it a good idea to talk about who is naked?

**Deputy Michael Noonan:** I think the water is colder off Donegal than around my way.

**An Ceann Comhairle:** The Deputy should be down my way.

**Deputy Michael Noonan:** They have the Gulf Stream.



**Deputy Mary Coughlan:** Actually, we could tax that.

**Deputy Michael Noonan:** They can hop in and out in Cahirciveen every day.

**Deputy Michael D. Higgins:** There is a chill wind blowing.

**Deputy Michael Noonan:** The constituency calls are coming in already and I have just one question to ask the Minister, which is with regard to the withdrawal of tax reliefs for nursing homes. I do not want to comment on the merits or demerits of the issue, but will the measure apply from midnight tonight or will provision be made for persons who have poured foundations? Will they have to go up to the wall and template? Will they get it with full planning permission? It seems that anyone who has made arrangements to the extent of obtaining full planning permission should get the relief. If they do not get it they will not build anyway so there is no loss to the Exchequer, but there is a possibility of extra nursing home beds being provided in certain cases. The Minister's colleague, the former Tánaiste, Deputy Harney, might be interested as well because the same provision gives tax relief for PPPs for private hospitals. Some of these would have gone to planning permission stage and some of them would have made financial arrangements. Thus, we would both be interested in the answer to that question, although perhaps for different reasons. I am particularly interested in nursing homes, but there are certainly implications for private hospital projects as well. I presume there is some transitional measure. As there is no financial resolution, I assume the measure will not come in from midnight tonight.

**Deputy Mary Coughlan:** No.

**Deputy Michael Noonan:** Consequently, the provisions must be made in the Finance Bill. Will the Minister indicate whether these have been worked out?

**Deputy Mary Coughlan:** There will be transitional measures, which will be dealt with in the context of the Finance Bill. Although it would be appropriate to speak to the officials in order to have absolute clarity, the transitional measures will address the concerns raised by the Deputy.

**Deputy Michael Noonan:** I thank the Minister.

**Deputy Mary Coughlan:** One must be reasonable. Deputy Morgan said we may not necessarily get agreement from all sides of the House when it comes to the issues we are discussing here in an amalgamation of all the financial resolutions. This is correct. I would normally concur with Deputy Varadkar's views on capital gains. A tax on capital would be the preferred option in normal circumstances, but unfortunately we are not in normal circumstances as we have had to deal with major difficulties in our public finances. However, I accept his view that increasing CGT and CAT is the right thing to do. It is a question of widening the tax base.

Deputy Gilmore raised the issue of property tax. The Minister for Finance indicated that it is intended to examine the introduction of such a tax. That has not been finalised by the Government but the Commission on Taxation will put forward its views in the autumn and we will work through how best it can be implemented.

I have been in this House many years and have listened on many occasions to Deputy Higgins speak about issues to which he clearly has an emotional attachment, particularly in regard to foreign policy and aid. He and I may not be in agreement in terms of our views on various aspects of social policy, but I appreciate his views. However, it is slightly disingenuous to talk

about the Nordic model of social policy. In places such as Sweden, although one can spend a great deal of money in providing social services on the back of extreme wealth, diversity is the way in which any culture or any family can make decisions. Having a situation where one can determine by diktat how people are reared or how they live is not necessarily a good social policy.

**Deputy Michael D. Higgins:** That is not the Swedish model.

**Deputy Emmet Stagg:** It is nothing to do with the Swedish model.

**Deputy Mary Coughlan:** There is a social policy model whereby there may be good social services but it is the Government which dictates that everybody must do X, Y and Z.

**Deputy Emmet Stagg:** In what country is that model in place?

**An Ceann Comhairle:** The Tánaiste should be allowed to continue without interruption.

**Deputy Mary Coughlan:** I am saying there is need to have a greater diversity of opinion in respect of our social policy as opposed to the Nordic model——

**Deputy Emmet Stagg:** I was not aware that the Government had any social policy.

**Deputy Mary Coughlan:** ——not to mention the expense attaching to the latter and the fact that personal taxation in the Nordic model is astronomical.

**Deputy Michael D. Higgins:** The Government is in favour of some degree of inequality, as espoused by the former Minister, Mr. Michael McDowell.

**Deputy Mary Coughlan:** I appreciate that the Labour Party has a certain view about wealth. I cannot articulate that view in such a way as to ensure I am not thrown out of the House.

**Deputy Thomas P. Broughan:** The Labour Party is of the view that wealth should be shared.

**Deputy Mary Coughlan:** Deputies Higgins and Broughan should be reminded that in recent years, the Department of Finance has evaluated the issue of tax evasion measures. The Minister has introduced procedures whereby we can move away from non-productive means of investment. Deputy Higgins raised one specific case in this regard. It is often forgotten that in the last budget we introduced a situation whereby everybody would be liable for an effective income tax rate of approximately 20%. This supplementary budget deals with the removal of other shelters. As he indicated in his speech, this will be the continued view of the Minister for Finance.

**Deputy Michael D. Higgins:** I asked about wealth studies.

**Deputy Mary Coughlan:** As I said to Deputy Gilmore, the Commission on Taxation will deal with that issue. We must await the outcome of the commission's deliberations so that we can ensure broadening of the tax base.

**Deputy Emmet Stagg:** The Government is using the commission as a cover for its lack of ideas.

**Deputy Mary Coughlan:** That is the best way forward. The Commission on Taxation has given a great deal of time, energy and effort to listen, evaluate, analyse and discuss. It will

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bring forward its report in the autumn, at which stage the Government will make a decision on the broadening of the tax base. The Labour Party or any other party is more than welcome to make a submission to the commission, as many others have done.

**Deputy Michael D. Higgins:** Why did the Government not study wealth when there was wealth to be studied?

**Deputy Mary Coughlan:** We must await the outcome of the deliberations by the Commission on Taxation before introducing any further taxation measures in the next budget.

I have listened to Deputy Varadkar speaking for the past hour and a half in the course of which he referred several times to another budget. I am sorry to disappoint him in this regard but it is not the Government's intention to introduce a further budget. That is important to say in the context of the decisions we are making today. Deputy Varadkar stated that there should have been greater reductions in spending, while Deputy Morgan was of a contrary view. These are the disparate views we are likely to encounter from different sides of the House. The reality is that expenditure has been reduced considerably.

**Deputy Leo Varadkar:** No, it has not. The Tánaiste has not even read the budget.

**Deputy Mary Coughlan:** We have dealt with both capital and current expenditure.

**Deputy Leo Varadkar:** There have been some cuts in specific areas but overall expenditure has increased.

**Deputy Mary Coughlan:** We have also dealt with the issue of taxation. This has been done on the basis of very difficult decisions. No Member of this House would take from that. The Minister for Finance referred in his opening remarks to the difficulties arising from the impact of these decisions on individuals and families. I agree that sustaining employment and creating export growth is the only way to trade ourselves out of this situation.

**Deputy Tom Sheahan:** There is no mention of that in the budget.

**Deputy Mary Coughlan:** The Deputy missed the discussion on aspects of the budget that are outside the scope of these financial resolutions. For example, in the case of my Department, more than €500 million will be spent this year on enterprise, science and technology through Enterprise Ireland, the IDA, a new investment and stabilisation fund and through the county enterprise boards.

**Deputy Damien English:** What is different this year when compared with last year?

**Deputy Mary Coughlan:** In comparative terms, my colleagues have seen a huge reduction in their allocation, particularly in terms of their capital spend. They have made sacrifices so that my Department can continue to support enterprise despite the difficulties we currently face. An investment of €500 million represents a considerable commitment to employment creation and sustainability.

The stabilisation of the banking system is vital if we are to return to a situation where credit is available to businesses and enterprises.

**Deputy Michael D. Higgins:** That is not happening.

**Deputy Damien English:** When will it happen?

**Deputy Mary Coughlan:** I agree it is not happening. The work that will be carried out by the Minister in the context of the new agency being set up and the consequent stabilisation of the banking sector will get us back to where we want to be.

**Deputy Damien English:** That will take a year or longer.

**Deputy Mary Coughlan:** Deputy Gilmore referred to the changes in regard to DIRT. Exemptions remain in place. For individuals aged 65 years and over, since the enactment of the Finance Act 2007, there is an exemption from DIRT where the total income, including interest, is below the annual exemption of €20,000 for a single person and €40,000 in the case of a married couple. This exemption also continues to apply in the case of permanently incapacitated individuals.

We are framing a method by which we can increase our tax base to deal with the specific issues we currently face. Deputy Morgan asked about life assurance schemes. Such schemes do not relate solely to mortgages.

**Deputy Michael D. Higgins:** I am sure Mr. Fingleton has made adequate provision in this regard.

**Deputy Mary Coughlan:** None of us would encourage people not to take out life assurance. In the present difficulties, it is a method by which we can accrue investment.

Deputy Broughan referred to a capital gains tax estimate of €45 million, which is a full-year estimate of the 3% tax increase from 22% to 25%. The investment we expect to accrue in 2009 will be €625 million. Not everybody will be happy with these increases. However, they are methods by which we can increase our tax base and accrue further income to the State outside of taxation on labour. I am sorry about the increase in the cost of cigarettes. Also, I am desperately sorry I was not in a position to retort to the Deputy's view. I suggest if cigarettes cost €100 per packet Deputy Stagg would still not give them up, which I appreciate.

**Deputy Michael D. Higgins:** Smokers are giving more than the wealthy.

**Deputy Emmet Stagg:** By my calculations, smokers are giving the Government approximately €1.3 billion.

**Deputy Mary Coughlan:** The figure is €1.1 billion.

**Deputy Emmet Stagg:** I was close enough. I was only €200 million out.

**Deputy Michael D. Higgins:** How much are the property speculators giving?

**Deputy Mary Coughlan:** Excise on tobacco are a considerable method by which taxation is collected for the Exchequer. It is also true to say — this has not been said previously on the floor of the House — that a percentage of that money is allocated to the health budget to deal with issues appertaining to smoking.

I have answered as many questions as I can. The methods by which we are increasing taxation on capital and wealth are, in my view, the best in current circumstances in terms of expanding the tax base.

**Deputy Tom Sheahan:** What incentive will people earning more than €289, who will now enter the tax bracket, have to go to work?

**An Ceann Comhairle:** Deputy Sheahan is not in order now. I call Deputy English.

**Deputy Damien English:** I have grave concerns about the life insurance levy for two reasons. Perhaps the Tánaiste will clarify if non-life insurance includes critical illness?

**Deputy Mary Coughlan:** No.

**Deputy Damien English:** There will be no increase of 3% in respect of critical illness.

**Deputy Mary Coughlan:** No.

**Deputy Damien English:** That is definite. We should be encouraging people — in fact it should be made law — to take out life insurance and critical illness cover. In some cases, people have no choice and are forced by the banks to do so. I believe people should be legally required to take out critical illness cover. It is wrong to introduce a deterrent that will put people off taking out life insurance and critical illness cover, which are important. These policies result in enormous savings to the State and should not be penalised further. While I accept an increase may be necessary in respect of life insurance policies which pay out a lump sum, general straightforward life insurance policies which provide no lump sum payment should not be hit. It is wrong to do so. Also, it sends out the wrong message. We should be encouraging people to take out insurance. Critical illness cover is just as important as life insurance. It is a pity the the Government is going down this road.

On the banks, earlier I asked the Taoiseach from where the figure of €80 billion to €90 billion arises. We have been told numerous times at committee meetings by the Financial Regulator and others that total loans in respect of land and development, potential bad debts, is €41 billion. The Financial Regulator also claimed €24 billion of that sum was doubly secured with other assets.

**Deputy Michael D. Higgins:** Yes.

**Deputy Damien English:** That figure has now risen to €80 billion. Perhaps the Tánaiste will outline how this figure, which appears to have landed out of the sky, was arrived at. I accept an attempt is being made to address the bad debts issue. We all agree the issue must be addressed although we may differ on the method by which that is done. The proposed method will in my opinion take a long time. We were told by the Taoiseach that this will be the answer to freeing up money to businesses and so on. However, that is no good if it is going to take six or eight months to take effect. Small businesses need money now. Six months time will be too late. This year is about survival.

**Deputy Emmet Stagg:** That is correct.

**Deputy Damien English:** This measure will not deal with the issues and problems of the next six months. We could be facing a serious situation come October or November. The crisis is happening this year, not next year. I am concerned it will take too long to establish the proposed National Asset Management Agency. I hope the Tánaiste heeds my concern. There is a perception among the public that officials in the Department of Enterprise, Trade and Employment are asleep on these issues. There are serious problems out there.

**Deputy Tom Sheahan:** On being smart, the Government fails.

**Deputy Damien English:** What we got today is a promise of 400 new CE places. One small town in Sneem, County Kerry, would take up 400 CE places.

**Deputy Tom Sheahan:** Chalk it down.

**Deputy Damien English:** We need to get real.

**Deputy Tom Sheahan:** The Tánaiste is also Minister for Enterprise, Trade and Employment. How will she sleep at night when there are 520,000 unemployed at the end of this year?

**An Ceann Comhairle:** I call on the Tánaiste to wrap up.

**Deputy Mary Coughlan:** I do not know if how I will sleep at night is a technical question. I will certainly do so with a clear conscience.

**Deputy Tom Sheahan:** I ask that question in the context of benchmarking and doing a good job.

**Deputy Mary Coughlan:** Benchmarking relates to salaries. On Deputy English's question, critical illness cover is exempt. On the banking issue, a colleague of the Deputy stated earlier in the debate that this is a complex issue. I agree with that statement.

**Deputy Damien English:** I said that too.

**Deputy Mary Coughlan:** We cannot provide for a quick fix on the floor of the House before midnight.

**Deputy Damien English:** I did not ask for that.

**Deputy Mary Coughlan:** I do not disagree that businesses continue to encounter difficulties in terms of accessing working capital and the normal methods by which they involve themselves in business. That being said, it is important we have a critically well examined outcome in terms of setting up the new agency. These complex issues will have to be addressed by experts and evaluated by this House. It is appropriate, therefore, that we await the technical outcomes and that the complexities of this issue are worked through as quickly as possible. In the meantime, serious decisions must be made by Government. This Government will make decisions on the basis of the sustainability of the banking system to ensure the country can move forward, thus returning us to a situation whereby enterprise, employment and access to working capital and the methods by which we continue to operate business and create export potential take place. This is the most critical issue in the context of the banking sector. This will marry into supporting people in enterprise. I referred earlier to the €100 million fund——

**Deputy Damien English:** It is €50 million this year.

**Deputy Mary Coughlan:** ——€50 million this year and €50 million next year — the parameters of which I will announce soon. The matter has been worked on with Enterprise Ireland and signed off on by the European Commission under the State aid rules. We will continue to deal with the issue of competitiveness, one of the biggest challenges we face.

**Deputy Leo Varadkar:** By increasing taxes.

**Deputy Mary Coughlan:** There has been a reduction in energy costs with further reductions to come and this will address the issue of the cost of doing business. We have worked within this framework during the past couple of months and will continue to do so on the basis that critically we must revert to a situation whereby wealth — I regret Deputy Higgins has left the House — to this State will be such that it will come from the export potential which I believe we will continue to have. A number of announcements were made in the previous budget in regard to research and development. Today, there have been announcements in regard to intellectual property, which will deal with the absolute necessities of this economy.

It is important to reiterate that my Department will spend more than €500 million on enterprise in 2009, not to mention what will be spent by other Departments involved in other aspects of science, technology, innovation and education. Although I accept there will be difficulties attached to the increases introduced through some of the measures discussed here this evening, there is equally an acceptance that some of these measures are the correct way through which we continue to expand our tax base.

**Deputy Damien English:** I wish to clarify a point. I was not suggesting we rush through the establishment of the national asset management agency. My concern is that its establishment will take a long time and rightly so.

**Deputy Mary Coughlan:** Not necessarily.

**Deputy Damien English:** It is a delicate issue. In accepting that establishment of the agency may take a long time, the Tánaiste should take on board our concerns in regard to small business. If it takes six months to sort out the problem, that is six months during which small business will not have access to money, which is my concern. That is what I meant. What will happen in the next six months to a year has not been addressed. Today's budget does not set out what will happen to small business if movement of toxic assets takes a long time, which it could given it is a delicate matter. Also, it is exposing taxpayers to a great deal of money.

My question in respect of the figure of €80 billion has not been answered. The Tánaiste is the second person to whom I have put the question today. It has not yet been explained how the figure rose to €80 billion.

**Deputy Tom Sheahan:** On the €500 million at the disposal of the Department of Enterprise, Trade and Employment, what is the Tánaiste's projection for job creation? In the context of the 520,000 people who may be unemployed by the end of the year, what is the Tánaiste's projection for the €500 million job creation fund?

**Deputy Mary Coughlan:** Unlike the Fine Gael document, I will not cod the people by saying that 100,000 jobs can be created by setting up a new agency.

**Deputy Tom Sheahan:** We did not cod anybody.

**Deputy Mary Coughlan:** Could I just say——

**Deputy Willie O'Dea:** It is performance budgeting.

**Deputy Tom Sheahan:** What will the Tánaiste spend the €500 million budget on?

**An Ceann Comhairle:** Let her finish.

**Deputy Mary Coughlan:** On the projected value of the——

**Deputy Tom Sheahan:** Listen to Willie the gun.

**Deputy Willie O’Dea:** Performance budgeting.

**Deputy Tom Sheahan:** Willie the gun.

**Deputy Willie O’Dea:** Who is this idiot?

**Deputy Mary Coughlan:** The figure of between €80 billion and €90 billion came from the banks.

**Deputy Willie O’Dea:** We have never heard of him.

**Deputy Tom Sheahan:** I said nothing to the Minister.

**Deputy Willie O’Dea:** We have never seen him before.

**Deputy Mary Coughlan:** There will be a process by which this will be valued and that valuation will be determined in due course.

**Deputy Tom Sheahan:** The Minister is not very good at the sums himself.

**Deputy Mary Coughlan:** Deputy English also raised the issue of the timeframe and asked what will happen in the interim. I feel that liquidity in the banking sector will improve on the basis of the decisions to be made by this House, which were indicated today on the floor of the House by the Minister for Finance. Along with all of my agencies, I will continue to work with the banks on a constant basis to put forward the view that there is an absolute necessity to support enterprise. A new framework has been introduced by me and my agencies to ensure that happens. We will continue to do that *ad infinitum* until the liquidity of the banking sector is such that it enables businesses to improve and prosper.

**Deputy Tom Sheahan:** How many jobs will we get for the €500 million?

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

**Deputy Damien English:** I would like to finish my point.

**Deputy Tom Sheahan:** How many jobs will we get for the €500 million?

**Deputy Mary Coughlan:** I cannot say that. That is not the way it is done.

**Deputy Willie O’Dea:** He does not understand.

**Deputy Damien English:** I just need a couple of seconds.

**An Ceann Comhairle:** If Deputy Kehoe wishes to give way, that is okay.

**Deputy Damien English:** Will the Tánaiste speak to the Taoiseach and her colleagues? Will she go back to the regulator and his staff, who came into our committee on two occasions to tell us that having scrutinised, researched and checked the loans in the banks, they had come up with a figure of approximately €39 billion? I accept that the Tánaiste cannot give the answer now. There is a big difference between €39 billion and €80 billion.



**Deputy Willie O’Dea:** Did the regulator tell the Deputy that?

**Deputy Damien English:** Yes.

**Deputy Willie O’Dea:** The Deputy had better have a chat with him so.

**Deputy Damien English:** A Cheann Comhairle, I am not going to take smug stupidity from a Minister who should know better.

**Deputy Paul Kehoe:** He is like Mickey Mouse.

**Deputy Damien English:** The Minister, Deputy O’Dea, does not have the cop on to realise that the difference between €40 billion and €80 billion is a hell of a lot of money. He should not make a laughing matter of it in here.

**Deputy Mary Coughlan:** The Deputy should——

**Deputy Damien English:** The Irish taxpayer will not make a joke of €40 billion. It is a lot of money.

**Deputy Willie O’Dea:** The regulator told the Deputy something.

**Deputy Damien English:** The regulator came into a committee of this House.

**Deputy Willie O’Dea:** Yes. The Deputy should talk to him.

**Deputy Damien English:** He spoke about loans of approximately €40 billion.

**Deputy Willie O’Dea:** Talk to the regulator.

**Deputy Damien English:** The Minister for Finance, the Tánaiste and the Taoiseach came in and said that the relevant figure is €80 billion. There is a hell of a difference.

**Deputy Willie O’Dea:** Talk to the regulator about that.

**Deputy Damien English:** I know you are interested in guns and defence. Maybe counting is hard for you.

*(Interruptions).*

**Deputy Damien English:** I can count. There is a big difference.

**Deputy Tom Sheahan:** The Minister is not great at sums.

**Deputy Damien English:** Do not make a laughing matter out of it.

**An Ceann Comhairle:** I ask the Deputy to address his comments through the Chair.

**Deputy Damien English:** I would have thought that the Ceann Comhairle had more control than that. The Minister is making a joke out of the whole thing.

**Deputy Willie O’Dea:** You are a joke.

**Deputy Damien English:** This is a very serious budget. We are being watched by those interested in world affairs.

**Deputy Willie O’Dea:** The regulator told you something.

**Deputy Tom Sheahan:** We are getting no jobs for the €500 million we are spending.

**Deputy Mary Coughlan:** That is not true. I will explain that to the Deputy some other day.

**Deputy Tom Sheahan:** The Tánaiste has not said anything to the contrary.

**An Ceann Comhairle:** I must call Deputy Kehoe. Time is running out.

**Deputy Damien English:** I have asked the Tánaiste to get somebody to come in here tomorrow and clarify who is telling the truth.

*(Interruptions).*

**Deputy Damien English:** The Minister can laugh all he wants, but this is serious.

**An Ceann Comhairle:** I must call Deputy Kehoe now anyway.

**Deputy Damien English:** Can the Tánaiste ensure that somebody clarifies the matter tomorrow?

**An Ceann Comhairle:** We will let her clarify it in a minute.

**Deputy Damien English:** I am only asking for an explanation of this, one way or the other.

**An Ceann Comhairle:** Right. That is okay.

**Deputy Damien English:** It is a serious matter. There is a big difference between €40 billion and €80 billion.

**An Ceann Comhairle:** I must call Deputy Kehoe.

**Deputy Damien English:** I am sorry, a Cheann Comhairle, but the Tánaiste cannot just bow her head and avoid my question.

**An Ceann Comhairle:** She will answer in a minute. Deputy Kehoe is next.

**Deputy Tom Sheahan:** She is making no effort.

**An Ceann Comhairle:** The debate on these resolutions is coming to an end.

**Deputy Tom Sheahan:** Some €500 million is being provided, but no jobs are being created.

**An Ceann Comhairle:** Please, Deputy.

**Deputy Paul Kehoe:** If the Tánaiste wants to reply to Deputy English now, I have no problem waiting.

**Deputy Mary Coughlan:** No, I do not.

**Deputy Paul Kehoe:** I assure her that I do not mind waiting while she replies to him.

**An Ceann Comhairle:** She will reply to all the questions at the end.

**Deputy Damien English:** I am not asking her to give an answer now. I am asking her to get an explanation in advance of tomorrow's debate. Is that too much to ask, on behalf of the Irish taxpayer, who has been hit for thousands of euro today?

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

**Deputy Damien English:** Is it too much to ask for an explanation to be provided tomorrow?

**An Ceann Comhairle:** I ask Deputy Kehoe to continue.

**Deputy Damien English:** Why has the figure increased from €40 billion to €80 billion?

**Deputy Leo Varadkar:** Where does the €80 billion figure come from in the first place?

**Deputy Tom Sheahan:** Yes.

**Deputy Damien English:** I am being very reasonable.

**An Ceann Comhairle:** I will ask the Deputy to leave in a minute if he keeps this up.

**Deputy Damien English:** I am being very reasonable.

**An Ceann Comhairle:** You are, but it is Deputy Kehoe's turn to speak. I do not want to have to ask Deputy English to leave.

**Deputy Paul Kehoe:** The Tánaiste spoke about the need to support enterprise. Over the last number of months, I have not seen any evidence of Government support for enterprise.

**Deputy Mary Coughlan:** What about Coca-Cola? Is that not in the Deputy's constituency?

**Deputy Damien English:** It left Dublin and went to Wexford. There was no additional investment in this country.

**Deputy Mary Coughlan:** We made a big investment in the local network.

**Deputy Paul Kehoe:** It is interesting that the Tánaiste and the Minister for Defence are present, as they comprised the Cabinet delegation that went to the United States to try to save the Dell facility in Limerick. They came back with their tails between their legs, unfortunately.

**Deputy Tom Sheahan:** That is right.

**Deputy Paul Kehoe:** The Minister, Deputy O'Dea, said that this is a global thing and everything like that.

**Deputy Willie O'Dea:** What does the Deputy mean by "everything like that"?

**Deputy Paul Kehoe:** I was in Limerick when it all happened.

**Deputy Damien English:** He was well able to mind himself.

**Deputy Paul Kehoe:** I was reminded of Minnie Mouse when I saw that the work he did to try to save the Dell facility in Limerick was unsuccessful. I was not a bit surprised. This economy will not move into the recovery stage until we create new jobs and look after small and medium-sized enterprises. Fine Gael produced an excellent document last week. The Labour

Party brought out its document yesterday. I do not feel that anything in this budget will protect small and medium-sized enterprises. Nothing in it will encourage outside investors to come to Ireland and replace companies like Dell which have gone.

It is great to see Coca-Cola in County Wexford. In 1997, County Wexford lost out when the Fianna Fáil-led Government took Coca-Cola out of the county and moved it to another part of the country. We are only getting what we were due ten years ago. The Coca-Cola jobs comprise the only employment this Government has ever brought into County Wexford. I assure the House that it was not the Government's work and commitment that brought Coca-Cola into County Wexford. One of the major factors that enticed Coca-Cola was the infrastructure that is available at Rosslare Europort.

**Deputy Mary Coughlan:** Who built that?

**Deputy Damien English:** She speaks.

**Deputy Mary Coughlan:** Was it the fairies who built it?

**Deputy Leo Varadkar:** It was not the current Government anyway.

**Deputy Damien English:** There is life over there.

**Deputy Paul Kehoe:** I will tell the Tánaiste one thing——

**Deputy Michael D. Higgins:** It was Seánie who ran away with the fairies.

**Deputy Paul Kehoe:** I assure the House that the Government has not invested much in Rosslare Europort over recent years. I do not think the Tánaiste has been there since she was appointed Minister for Enterprise, Trade and Employment.

**Deputy Mary Coughlan:** I was there on my holidays last year.

**Deputy Paul Kehoe:** I suppose that is the way the members of this Government treat enterprise.

**Deputy Damien English:** The Tánaiste is well able to answer the easy questions.

**Deputy Paul Kehoe:** They laugh and talk about their holidays.

**Deputy Mary Coughlan:** I have been to County Wexford at least twice.

**An Ceann Comhairle:** We do not need to talk about our holidays.

**Deputy Mary Coughlan:** I have been to Gorey, Rosslare and Wexford town.

**Deputy Paul Kehoe:** I am disappointed that there is nothing in the budget to support enterprise. The Minister, Deputy O'Dea, seems to think it is great that we lost Aer Lingus from Shannon Airport.

**Deputy Willie O'Dea:** We got it back.

**Deputy Paul Kehoe:** I assure the Minister that he did not get it back.

**Deputy Willie O'Dea:** We got it back.

**Deputy Paul Kehoe:** He did not get it back because he did not try to get it back.

**An Ceann Comhairle:** I need to call the Tánaiste to conclude this debate.

**Deputy Paul Kehoe:** He went off with his tail between his legs on that occasion as well.

**Deputy Tom Sheahan:** He said it was “armageddon”.

**Deputy Paul Kehoe:** That is the way it was.

**Deputy Tom Sheahan:** Armageddon.

**Deputy Paul Kehoe:** I assure the Minister——

**Deputy Tom Sheahan:** He did not say it was armageddon when 1,800 jobs were lost in Dell.

**An Ceann Comhairle:** Do not mind armageddon now.

**Deputy Paul Kehoe:** I would be interested to hear the Minister’s comments on that.

**Deputy Tom Sheahan:** Armageddon.

**Deputy Willie O’Dea:** We need subtitles for this debate.

**An Ceann Comhairle:** I ask the Tánaiste to wrap up the debate.

**Deputy Damien English:** Can I have an answer to my question? If not, can I have a commitment that it will be answered tomorrow?

**An Ceann Comhairle:** Perhaps the Tánaiste feels she has already wrapped it up.

**Deputy Mary Coughlan:** I wish to reiterate what the Minister for Finance said earlier today.

**Deputy Damien English:** I know what he said. I have read it into the record.

**Deputy Mary Coughlan:** He said:

The potential maximum book value of loans that will be transferred to the agency is estimated to be in the region of €80 billion to €90 billion (although) the amount paid by the agency will be significantly less than this to reflect the loss in value of the properties. In the longer term, if the agency were to fall short of recouping all of the costs, the Government intends that a levy should be applied to recoup any shortfall.

The Minister, Deputy Brian Lenihan, has indicated that the “potential maximum book value” of the loans is between €80 billion and €90 billion.

**Deputy Damien English:** On a point of information——

**Deputy Mary Coughlan:** That information would have come from the banks in the first place.

**Deputy Damien English:** This is very important.

**An Ceann Comhairle:** Let her finish.

**Deputy Mary Coughlan:** When we talk about the budgetary framework, it is important to emphasise that this country's 12.5% rate of corporation tax has been reiterated. That is very important to this country, especially if it is to attract foreign direct investment. I accept that it will be difficult to attract further such investment. We have done that in the past on the basis of our rate of corporation tax. Our research and development tax rates are 20% and 25%. We have introduced a new taxation measure on intellectual property. That is where we want to be in this country over the next number of years.

11 o'clock

**Deputy Tom Sheahan:** It was not enough to keep Dell here.

**Deputy Mary Coughlan:** If we are to attract high-potential, high-value employment and jobs into this country, we have to provide incentives to facilitate that. This Government has done that.

**Deputy Tom Sheahan:** Armageddon.

**Deputy Mary Coughlan:** The Deputy asked how many jobs are being created this year. It is planned that IDA Ireland will spend €73.5 million and Enterprise Ireland will spend €103.6 million. The county and city enterprise boards will spend €20.2 million on microenterprises. Enterprise Ireland and Science Foundation Ireland will spend €295 million on research and development and innovation.

**Deputy Leo Varadkar:** We do not doubt the capacity of the Tánaiste's party to spend money. It is getting results that is the problem.

**Deputy Mary Coughlan:** Further investment will be made through Shannon Development, InterTrade Ireland and the INTERREG programme.

**Deputy Tom Sheahan:** How many jobs will be created?

**Deputy Mary Coughlan:** We will continue to invest in the creation of jobs and sustain the jobs we have in the economy.

**Deputy Tom Sheahan:** How many jobs will be created?

**Deputy Mary Coughlan:** One cannot do a simplistic transaction whereby X amount of jobs equals Y amount of money. That is farcical—

**Deputy Tom Sheahan:** So €500 million could equate to 1,000 jobs.

**Deputy Mary Coughlan:** —but it is true to say that IDA Ireland, with my support, will continue to encourage and entice people to come to this country—

**Deputy Tom Sheahan:** She has a budget of €500 million.

**Deputy Mary Coughlan:** —to invest and to create jobs.

**Deputy Tom Sheahan:** She has €500 million and she cannot say how many jobs it will deliver.

**Deputy Mary Coughlan:** Creating new jobs is the absolute necessity of the work that we will continue to do. Irrespective of whether Deputy Sheahan wants to take a simplistic view on

[Deputy Mary Coughlan.]

that, we must have key messages to give and those are the key messages we will continue to give — the flexibility of our workforce,——

**Deputy Tom Sheahan:** Hold on, €500 million is not simplistic.

**Deputy Mary Coughlan:** ——our investment in research and development, our investment in intellectual property and the methods by which we will attract FDI and sustain new opportunities for indigenous companies, which are the only way,——

**Deputy Damien English:** Does the Ceann Comhairle like the sound of my colleague? She is babbling all day.

**Deputy Mary Coughlan:** ——in my view, we will continue to create further trade opportunities and export value.

**Deputy Damien English:** In one sentence I will clarify what I seek. I am only asking that the Tánaiste send somebody else in tomorrow with the answer if possible.

**An Ceann Comhairle:** I must move it on.

**Deputy Damien English:** No, this is too serious. The Minister for Finance, in his speech earlier today, stated what would be transferred over, and the Members opposite can laugh all they want. I read it back to the Taoiseach earlier. According to the Government's question and answer document, the eligible land and development loans of each bank involved will be transferred. That is development-led land that is partly built on, built on and not built on at all. I asked repeatedly at committee meetings, and I have been assured by the regulator's staff that they have checked the loans and counted them up, and the exposure was €39.4 billion to be exact. They were adamant about that. I raise a big problem here. I am not blaming anybody.

**Deputy Leo Varadkar:** It is the foreign assets. That is the difference, is it?

**Deputy Damien English:** The problem is I need to find out why all of a sudden——

**Deputy Leo Varadkar:** The land is not even in Ireland.

**Deputy Damien English:** ——€40 billion has become €80 billion. If there is an answer I will sit down happy if I get it tomorrow, but we cannot debate a potential transfer of toxic assets——

**An Ceann Comhairle:** Deputy English said that.

**Deputy Damien English:** ——without knowing what the figure is,——

**An Ceann Comhairle:** He must to revisit it.

**Deputy Damien English:** ——and it is not simple arithmetic.

**Deputy Mary Coughlan:** We will not know the figure until we get the valuation.

**An Ceann Comhairle:** Deputy English must revisit it.

**Deputy Mary Coughlan:** We are only working on the book value at present and it will be based on the valuation.

**Deputy Damien English:** I will not be sneered at. At committees of this House the staff of the regulator who work on behalf of the people clarified twice, in October last and again in January, what the figure was and it is not good enough to state that the Government will take the banks' word for it. The regulator, who had checked all their loans, told us it was €40 billion.

**An Ceann Comhairle:** Deputy English has made his point at this stage.

**Deputy Damien English:** This is a serious point and I will not be brushed aside on it because it is too important.

**Deputy Paul Kehoe:** The Tánaiste should be compelled to reply.

**An Ceann Comhairle:** Nobody is brushing the Deputy aside.

**Deputy Damien English:** It is a very serious point.

**An Ceann Comhairle:** The Chair has no authority at all to compel anybody to reply.

**Deputy Mary Coughlan:** To be fair to the Chair, we are completely out of order because this is a financial resolution.

**An Ceann Comhairle:** It is a financial resolution.

**Deputy Paul Kehoe:** The Tánaiste should be compelled to reply on behalf of the taxpayer.

**An Ceann Comhairle:** I am going to put the question anyway.

**Deputy Damien English:** Can I be happy that I will get an answer tomorrow? Will somebody come in and explain it?

**An Ceann Comhairle:** The Chair has no power over that.

Question put: "That Financial Resolution No. 5 be agreed to."

The Dáil divided: Tá, 84; Níl, 51.

Tá

Ahern, Bertie.  
Ahern, Dermot.  
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.  
Cowen, Brian.  
Cregan, John.

Cuffe, Ciarán.  
Cullen, Martin.  
Curran, John.  
Dempsey, Noel.  
Devins, Jimmy.  
Dooley, Timmy.  
Fahey, Frank.  
Finneran, Michael.  
Fitzpatrick, Michael.  
Fleming, Seán.  
Flynn, Beverley.  
Gallagher, Pat The Cope.  
Gogarty, Paul.  
Gormley, John.  
Grealish, Noel.  
Hanafin, Mary.  
Harney, Mary.  
Haughey, Seán.  
Healy-Rae, Jackie.  
Hoctor, Máire.  
Kelleher, Billy.



Tá—*continued*

Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistram, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 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.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

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

Hayes, Tom.  
 Hogan, Phil.  
 Kehoe, Paul.  
 Kenny, Enda.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 McHugh, Joe.  
 Mitchell, Olivia.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 O'Dowd, Fergus.  
 O'Keeffe, Jim.  
 O'Mahony, John.  
 Perry, John.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Stanton, David.  
 Timmins, Billy.  
 Varadkar, Leo.

Tellers: Tá, Deputies Pat Carey and John Cregan; Níl, Deputies Paul Kehoe and David Stanton.

Question declared carried.

Question put: "That Financial Resolution No. 6 be agreed to."

## The Dáil divided: Tá, 85; Níl, 51.

## Tá

Ahern, Bertie.  
 Ahern, Dermot.  
 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.  
 Cowen, Brian.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.

Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistrim, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M. J.  
 Ó Cuív, Éamon.  
 Ó Fearghaíl, Seán.  
 O'Brien, Darragh.  
 O'Connor, Charlie.  
 O'Dea, Willie.  
 O'Flynn, Noel.  
 O'Hanlon, Rory.  
 O'Keeffe, Batt.  
 O'Keeffe, Edward.  
 O'Rourke, Mary.  
 O'Sullivan, Christy.  
 Power, Peter.  
 Power, Seán.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Scanlon, Eamon.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

Allen, Bernard.  
 Bannon, James.  
 Barrett, Seán.  
 Breen, Pat.  
 Bruton, Richard.  
 Burke, Ulick.  
 Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Coveney, Simon.  
 Crawford, Seymour.  
 Creed, Michael.  
 Creighton, Lucinda.  
 D'Arcy, Michael.  
 Deasy, John.

Deenihan, Jimmy.  
 Doyle, Andrew.  
 Durkan, Bernard J.  
 English, Damien.  
 Enright, Olwyn.  
 Feighan, Frank.  
 Flanagan, Charles.  
 Flanagan, Terence.  
 Hayes, Brian.  
 Hayes, Tom.  
 Hogan, Phil.  
 Kehoe, Paul.  
 Kenny, Enda.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.

Níl—*continued*

McHugh, Joe.  
 Mitchell, Olivia.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 O'Dowd, Fergus.  
 O'Keeffe, Jim.  
 O'Mahony, John.  
 Perry, John.

Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Stanton, David.  
 Timmins, Billy.  
 Varadkar, Leo.

Tellers: Tá, Deputies Pat Carey and John Cregan; Níl, Deputies Paul Kehoe and David Stanton.

Question declared carried.

**An Ceann Comhairle:** Ní foláir dom an cheist seo a leanas a chur de réir Ordú an lae seo ón Dáil: “Go n-aontaítear leis an tairiscint maidir le Rún Airgeadais Uimh. 7.” I am required to put the following question in accordance with an order of the Dáil of this day: “That the motion on Financial Resolution No. 7 is agreed to.”

Question put: “That Financial Resolution No. 7 be agreed to.”

The Dáil divided: Tá, 85; Níl, 51.

Tá

Ahern, Bertie.  
 Ahern, Dermot.  
 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.  
 Cowen, Brian.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.

Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistram, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 Moloney, John.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M. J.  
 Ó Cuív, Éamon.  
 Ó Fearghaíl, Seán.  
 O'Brien, Darragh.  
 O'Connor, Charlie.  
 O'Dea, Willie.  
 O'Flynn, Noel.  
 O'Hanlon, Rory.  
 O'Keeffe, Batt.  
 O'Keeffe, Edward.

Tá—*continued*

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

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

Níl

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

Hayes, Tom.  
 Hogan, Phil.  
 Kehoe, Paul.  
 Kenny, Enda.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 McHugh, Joe.  
 Mitchell, Olivia.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 O'Dowd, Fergus.  
 O'Keeffe, Jim.  
 O'Mahony, John.  
 Perry, John.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Stanton, David.  
 Timmins, Billy.  
 Varadkar, Leo.

Tellers: Tá, Deputies Pat Carey and John Cregan; Níl, Deputies Paul Kehoe and David Stanton.

Question declared carried.

Question put: "That the motion on Financial Resolution No. 8 be agreed to."

The Dáil divided: Tá, 85; Níl, 71.

Tá

Ahern, Bertie.  
 Ahern, Dermot.  
 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.  
 Cowen, Brian.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.

## Tá—continued

Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistrim, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.

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'Keefe, Batt.  
 O'Keefe, Edward.  
 O'Rourke, Mary.  
 O'Sullivan, Christy.  
 Power, Peter.  
 Power, Seán.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Scanlon, Eamon.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

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

Kenny, Enda.  
 Lynch, Kathleen.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 McHugh, Joe.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Morgan, Arthur.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 Ó Caoláin, Caoimhghín.  
 Ó Snodaigh, Aengus.  
 O'Dowd, Fergus.  
 O'Keefe, Jim.  
 O'Mahony, John.  
 O'Shea, Brian.  
 O'Sullivan, Jan.  
 Perry, John.  
 Quinn, Ruairí.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Stanton, David.  
 Timmins, Billy.  
 Upton, Mary.  
 Varadkar, Leo.  
 Wall, Jack.

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

Question declared carried.

**An Ceann Comhairle:** Ní foláir dom an cheist seo a leanas a chur de réir Ordú an lae seo ón Dáil: “Go n-aontaítear leis an tairiscint maidir le Rún Airgeadais Uimh. 9.” I am required to put the following question in accordance with an order of the Dáil of this day: “That the motion on Financial Resolution No. 9 is agreed to.”

Question put: “That Financial Resolution No. 9 be agreed to.”

The Dáil divided: Tá, 85; Níl, 70.

Tá

Ahern, Bertie.  
 Ahern, Dermot.  
 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.  
 Cowen, Brian.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.

Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistram, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 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.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Scanlon, Eamon.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

Níl

Allen, Bernard.  
 Bannon, James.  
 Barrett, Seán.  
 Breen, Pat.

Broughan, Thomas P.  
 Bruton, Richard.  
 Burke, Ulick.  
 Burton, Joan.

Níl—*continued*

Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.  
 Coveney, Simon.  
 Crawford, Seymour.  
 Creed, Michael.  
 Creighton, Lucinda.  
 D’Arcy, Michael.  
 Deasy, John.  
 Deenihan, Jimmy.  
 Doyle, Andrew.  
 Durkan, Bernard J.  
 English, Damien.  
 Enright, Olwyn.  
 Feighan, Frank.  
 Flanagan, Charles.  
 Flanagan, Terence.  
 Gilmore, Eamon.  
 Hayes, Brian.  
 Hayes, Tom.  
 Higgins, Michael D.  
 Hogan, Phil.  
 Howlin, Brendan.  
 Kehoe, Paul.  
 Kenny, Enda.  
 Lynch, Ciarán.  
 Lynch, Kathleen.  
 McCormack, Pádraic.

McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 McHugh, Joe.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 O’Dowd, Fergus.  
 O’Keeffe, Jim.  
 O’Mahony, John.  
 O’Shea, Brian.  
 O’Sullivan, Jan.  
 Perry, John.  
 Quinn, Ruairí.  
 Rabbitte, Pat.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Stanton, David.  
 Timmins, Billy.  
 Tuffy, Joanna.  
 Upton, Mary.  
 Varadkar, Leo.  
 Wall, Jack.

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

Question declared carried.

**An Ceann Comhairle:** Ní foláir dom an cheist seo a leanas a chur de réir Ordú an lae seo ón Dáil: “Go n-aontaítear leis an tairiscint maidir le Rún Airgeadais Uimh. 10.” I am required to put the following question in accordance with an order of the Dáil of this day: “That the motion on Financial Resolution No. 10 be agreed to.”

Question put.

The Dáil divided: Tá, 84; Níl, 71.

Tá

Ahern, Bertie.  
 Ahern, Dermot.  
 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.  
 Cowen, Brian.  
 Cregan, John.  
 Cuffe, Ciarán.  
 Cullen, Martin.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.

Tá—*continued*

Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gallagher, Pat The Cope.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Harney, Mary.  
 Haughey, Seán.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McDaid, James.  
 McEllistram, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.

McGuinness, John.  
 Mansergh, Martin.  
 Martin, Micheál.  
 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.  
 Roche, Dick.  
 Ryan, Eamon.  
 Sargent, Trevor.  
 Scanlon, Eamon.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Mary.  
 White, Mary Alexandra.  
 Woods, Michael.

## Níl

Allen, Bernard.  
 Bannon, James.  
 Barrett, Seán.  
 Breen, Pat.  
 Broughan, Thomas P.  
 Bruton, Richard.  
 Burke, Ulick.  
 Burton, Joan.  
 Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.  
 Coveney, Simon.  
 Crawford, Seymour.  
 Creed, Michael.  
 Creighton, Lucinda.  
 D'Arcy, Michael.  
 Deasy, John.  
 Deenihan, Jimmy.  
 Doyle, Andrew.  
 Durkan, Bernard J.  
 English, Damien.  
 Enright, Olwyn.  
 Feighan, Frank.  
 Flanagan, Charles.  
 Flanagan, Terence.  
 Gilmore, Eamon.  
 Hayes, Brian.  
 Hayes, Tom.  
 Higgins, Michael D.  
 Hogan, Phil.

Howlin, Brendan.  
 Kehoe, Paul.  
 Kenny, Enda.  
 Lynch, Ciarán.  
 Lynch, Kathleen.  
 McCormack, Pádraic.  
 McEntee, Shane.  
 McGinley, Dinny.  
 McGrath, Finian.  
 McHugh, Joe.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 O'Donnell, Kieran.  
 O'Dowd, Fergus.  
 O'Keeffe, Jim.  
 O'Mahony, John.  
 O'Shea, Brian.  
 O'Sullivan, Jan.  
 Perry, John.  
 Quinn, Ruairí.  
 Rabbitte, Pat.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sheehan, P. J.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Stanton, David.



*Níl—continued*

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.

Question declared carried.

**Financial Resolution No. 11: General.**

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** I move:

That it is expedient to amend the law relating to inland revenue (including value-added tax and excise) and to make further provision in connection with finance.

Debate adjourned.

The Dáil adjourned at 12.35 a.m until 10.30 a.m. on Wednesday, 8 April 2008.

## Written Answers.

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**The following are questions tabled by Members for written response and the ministerial replies as received on the day from the Departments [unrevised].**

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### Departmental Schemes.

1. **Deputy Thomas P. Broughan** asked the Taoiseach if he will report on the operation of the cycle to work scheme in his Department; if all agencies under the remit of his Department will be included in the scheme; if not, the reason for same; the State agencies under the remit of his Department currently offering this scheme to employees; and if he will make a statement on the matter. [14158/09]

**The Taoiseach:** Tax relief was provided in the Finance (No 2) Act, 2008 where an employer provides a bicycle for an employee. The implementation of the scheme for the Civil Service is being dealt with by the Department of Finance. It is understood that implementing the scheme in the Civil Service has given rise to a number of issues, particularly in relation to procurement, warranty and insurance. The Department of Finance has, it is understood, raised these issues with the State Claims Agency, Chief State Solicitors Office and the Office of the Attorney General. Once these issues have been clarified, the Department of Finance will issue a circular providing for a scheme in the Civil Service. This scheme can provide a framework for a similar scheme in the wider Public Service.

My Department and the agencies under it will address the implementation of the scheme when the relevant circular has issued.

### Departmental Staff.

2. **Deputy Michael Ring** asked the Taoiseach the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005, 2006, 2007 and 2008; if he will confirm if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14202/09]

**The Taoiseach:** The scheme of awards which, in the civil service, applies at the levels of Deputy and Assistant Secretary is based on performance by reference to demanding targets. The pool for performance awards is 10% of the pay bill in the relevant year for the group concerned. Within that overall limit individuals can receive payments of up to 20% of pay.

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Decisions on awards are made by the Committee for Performance Awards (CPA), which includes a majority of private sector members. The main roles of the committee are to monitor the application of the scheme of performance-related awards and to bring independent judgement to bear in approving objectives for the persons covered by the scheme and in approving recommendations for awards.

The total payments made to senior officials in my Department under the performance related pay scheme for each of the years 2005, 2006, 2007 is detailed as follows:

Year 2005 Paid in 2006	Year 2006 Paid in 2007	Year 2007 Paid in 2008
Awards totalling €46,750 were made to 4 officers.	Awards totalling €51,200 were made to 4 officers.	Awards totalling €62,400 were made to 6 officers.

Approval from the Committee for Performance Awards was received on 18th March, 2008 in respect of the year 2007. As the Deputy may be aware, on 5 February last, the Minister for Finance announced in the Dáil the discontinuation of the scheme for Assistant Secretaries, Deputy Secretary and related grades subject to consultation with the relevant Staff Associations. Therefore no assessments or payments have been made in respect of performances in 2008.

#### **Dáil Reform.**

3. **Deputy David Stanton** asked the Taoiseach further to Parliamentary Question No. 120 of 24 February 2009, the number of times the Government Working Group on Dáil Reform has met; when he expects to receive a report from the group; the action he will take in relation to Dáil reform; and if he will make a statement on the matter. [14486/09]

**The Taoiseach:** The Government Working Group on Dáil Reform has met once to date. Its members are the Government Chief Whip, Minister Dempsey, Minister Ahern and Senator Dan Boyle.

Various options as regards the operation of the Dáil, timetabling of business etc are being considered and the Group will meet again in the coming weeks to discuss proposals. They will then be submitted to the Government for consideration. If approved, they will be brought to the sub-Committee on Dáil Reform of the Committee of Privilege and Procedures for consideration with a view to their being agreed and implemented.

#### **Active Citizenship.**

4. **Deputy David Stanton** asked the Taoiseach the action he has taken to implement the recommendations of the task force report on active citizenship; and if he will make a statement on the matter. [14487/09]

**Minister of State at the Department of the Taoiseach (Deputy Pat Carey):** The Steering Group on Active Citizenship, chaired by Mary Davis was appointed by me in October, 2008, to oversee the implementation of the recommendations of the Taskforce on Active Citizenship. In addition, the Active Citizenship Office was established under my Department to co-ordinate the implementation process.

An Active Citizenship Progress Report outlining the position in relation to implementing the public policy recommendations of the Taskforce on Active Citizenship was presented to Government in December, 2008 and will be published shortly. The Report outlines what has

been achieved up to the end of last year and the status of those recommendations which will take more time to implement, subject to resources.

In addition, the Report outlines many active citizenship initiatives being pursued by universities, businesses, volunteer organisations and others which underpin the Taskforce on Active Citizenship's call to everyone— not just to Government — to encourage greater connectivity with the community and maximise the potential we all have to generate positive engagement for the greater good.

Copies of the Report are available in the Library of the House.

### Departmental Expenditure.

5. **Deputy Michael Ring** asked the Taoiseach the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14537/09]

**The Taoiseach:** The following table details the cost to my Department of mobile telephony provided to me since May 2008. I have not been provided with PDA services during this period.

Year	Handset Costs	Rental Costs	Call Costs	Other	Total
	€	€	€	€	€
2008	Nil	114.49	1,368.31	Nil	1,482.80
2009 to end March	Nil	46.17	99.12	Nil	145.29

All mobile telephony costs which I incurred related to official business.

### Departmental Staff.

6. **Deputy David Stanton** asked the Taoiseach the number of staff with fewer than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14589/09]

**The Taoiseach:** Under the terms of Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009, no members of staff in my Department with less than two years service on 1 March 2009 gave notice to terminate their employment before 1 April 2009.

7. **Deputy Phil Hogan** asked the Taoiseach the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15048/09]

**The Taoiseach:** There are no staff in my Department under temporary employment contracts on a fixed term basis. There are a number of persons in the National Economic and Social Development Office employed under contract. The expiry of a fixed term contract is determined by the terms of that contract. The decision as to whether to renew such a contract depends on a number of grounds, including the existence of objective reasons for renewing the

[The Taoiseach.]

contract on a fixed term basis. In the context of the moratorium, the renewal of fixed term contracts is treated in the same way as all employment in the public service. In relation to all public service posts including fixed term positions, no such posts can be filled without the prior sanction of the Minister for Finance.

### Research Funding.

8. **Deputy Seán Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment the percentage of GDP spent on scientific research; and if she will make a statement on the matter. [14612/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Jimmy Devins):** Table 1 sets out the percentage of GDP spent on Research and Development for each year from 2000-2008. However, it should be noted that, in Ireland's case, it is regarded that the level of R&D performed as a percentage of GNP is a more relevant measurement as these figures exclude the profit repatriations from multinationals. Table 1 also outlines the level of R&D as a percentage of GNP. It should be noted that the figures for 2007 and 2008 are estimates.

The background to these figures is that gross expenditure on R&D in the Irish economy has almost trebled in the ten years from 1998-2008, growing to an estimated €2.6 billion in 2008. The continuous growth in R&D performance reflects the Government's commitment to investing in Ireland's science base as one of the key cornerstones underpinning future jobs in Ireland and the lynchpin of our transformation to the Smart Economy. The significant infrastructure investment underpinning the Strategy for Science, Technology and Innovation over the 2007-2013 period, and the return on that investment, are central to the robustness of our economic future. During the last decade the government has instituted a number of measures designed to enhance the level of R&D performed in Ireland in both the Business and Higher Education sectors. The Programme for Research in Third Level Institutions (PRTLTI) is ten years in place and continues to transform the research landscape in Ireland by investing in human and physical infrastructure to strengthen national research capabilities. Biotechnology and ICT were identified as key areas of opportunity for Ireland and in response the Government created the Technology Foresight Fund in 2000 and subsequently established Science Foundation Ireland to invest in academic researchers and research teams who are most likely to generate new knowledge, leading edge technologies and competitive enterprises in these areas. The Government also continues to support the performance of R&D in the business sector through the R&D tax credit and a variety of supports and programmes run by Enterprise Ireland and the IDA.

	Total % of GDP spent on R&D	Total % of GNP spent on R&D
	%	%
2000	1.12	1.32
2001	1.10	1.32
2002	1.12	1.36
2003	1.17	1.39
2004	1.23	1.46
2005	1.25	1.48
2006	1.24	1.45
2007 (e)	1.28	1.51
2008 (e)	1.41	1.67

### **FÁS Training Programmes.**

9. **Deputy Jack Wall** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views in regard to a submission (details supplied); the actions she is proposing to address the matter; and if she will make a statement on the matter. [14712/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The reply to Question No. 64 of 2nd April 2009 refers. The changed economic and employment market situation has meant that many of the workers who would have benefited from training programmes for those in employment are now unemployed. It is against this background that we must adjust our training programmes to the new reality. That is why my Department is implementing a number of initiatives to increase training for the unemployed. Accordingly, the finite budgetary resources for training are increasingly being deployed towards activation measures to support training for greater numbers of unemployed persons. It is in this context that the Skillnets Training Network Programme allocation for 2009 has been reviewed and the allocations committed to individual projects have been adjusted.

Proposals made to my Department from Skillnets as to how the enterprise-led skillnets training network model might potentially assist in the training and upskilling of the unemployed and of part-time workers have already been the subject of joint discussions.

### **State Agencies.**

10. **Deputy Terence Flanagan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the remuneration package of each of the chief executive officers of State agencies reporting to her Department including pay, pension and ancillary benefits; and if she will make a statement on the matter. [14041/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The basic salary and emoluments granted to the chief executive officer of all of the public agencies under the aegis of my Department are sanctioned by the Department of Finance.

In addition to the above, the CEO of Science Foundation Ireland is paid an allowance in the nature of pay on a personal basis (as approved by the Department of Finance) in recognition of his international research experience and expertise.

The CEO's of all agencies under the aegis of my Department participate in a Performance Related Award Scheme approved by the Minister for Enterprise, Trade and Employment, with the consent of the Minister for Finance. The Schemes, which are based on the Department of Finance's Guidelines on Performance Related Awards in non-commercial state bodies, provide for a maximum award of 20% of total remuneration.

CEOs of the following agencies under the aegis of my Department have the use of a car for official business:

- Forfás,
- IDA Ireland Enterprise Ireland
- Science Foundation Ireland
- Shannon Free Airport Development Co.

Each CEO with the exception of FÁS is a member of the superannuation scheme of their respective agency. The DG of FÁS is a retired senior civil servant and is already in receipt of

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a pension having retired from his last position as a Secretary General in the Department of Finance therefore his salary is abated.

### **Pension Provisions.**

11. **Deputy John O'Mahony** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views, in view of the present high unemployment rates in the construction industry, on whether there is a need to amend the construction federation operatives pension scheme to encourage employment in this sector; and if she will make a statement on the matter. [14060/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** The Construction Industry (Pension Assurance and Sick Pay) Registered Employment Agreement (REA) is an agreement reached between employers and trade unions representative of workers in the sector. The REA requires employers in the construction sector to become and remain a party to a contributory pension scheme approved by the Revenue Commissioners and sets out the conditions upon which pension and mortality payments are payable and the associated minimum amounts and benefits. The REA does not specify any particular pension scheme to apply but rather sets out the general criteria within which any such scheme should operate.

I have no function in relation to the negotiation of, or changes to, this REA or any other Registered Employment Agreement.

The Construction Workers Pension Scheme (generally referred to as CWPS) has been established on foot of the Registered Employment Agreement. The conditions upon which such pension, mortality and sick pay benefits are payable and the amounts thereof must not be less favourable than those which are set out in the REA.

The Construction Workers Pension Scheme is an independently run occupational scheme and I have no function in relation to its operation.

### **Community Employment Schemes.**

12. **Deputy Leo Varadkar** asked the Tánaiste and Minister for Enterprise, Trade and Employment the amount set aside for community enterprise schemes in 2008 and 2009; the amount spent on wages; the amount spent on administration; the amount spent on any use not related to wages; and if she will make a statement on the matter. [14098/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** 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.

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.

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. The information requested by the Deputy is contained in the following table. As the 2009 budget has not yet been finalised, the amounts stated are subject to change.

Programme	Description	2008		2009	
		€m	%	€m	%
Community Employment	Direct Allowances	342.620	90.8	349.583	90.7
	Admin	20.489	5.4	20.999	5.5
	Training	13.626	3.6	13.742	3.6
	Other	0.777	0.2	0.721	0.2
	Total	377.512	100	385.000	100
Job Initiative	Direct Allowances	34.258	90.8	34.864	89.4
	Admin	2.787	7.4	2.865	7.3
	Training	0.689	1.8	1.271	3.3
	Other				
	Total	37.734	100	39.000	100

### **Redundancy Payments.**

13. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Enterprise, Trade and Employment the reason for the delay in paying redundancy rebate to a company (details supplied). [14105/09]

28. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment when a refund of redundancy payments will be made in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [14715/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** I propose to take Questions Nos. 13 and 28 together.

I can confirm that the Redundancy Payments Section of my Department has received a number of applications from the company concerned. Owing to a very significant influx in the number of redundancy applications filed with the Department in the latter part of 2008 and, to date in 2009, there is a considerable backlog of applications waiting to be processed in the Section. I am conscious that many employers who have paid the due entitlements to workers are genuinely waiting on rebates for cash flow purposes and my Department is trying to process these claims as quickly as possible in the circumstances. I have taken a number of measures, including the provision of additional staff resources in the Redundancy Payments Section, to deal with the increased workload and I expect that given some time, these measures will assist in making significant inroads into the backlog of applications.



[Deputy Billy Kelleher.]

As it stands, the Section is currently processing applications for rebate payments submitted online by employers dating from very early November 2008. I understand that, in the case of the company referred to, there are a number of applications filed spanning the period from early November 2008 and into the early months of 2009. I expect that the applications in question will be examined very shortly given that the Section is currently processing applications filed since early November 2008.

#### **Departmental Expenditure.**

14. **Deputy Leo Varadkar** asked the Tánaiste and Minister for Enterprise, Trade and Employment her most recent estimates for receipts and expenditure to the national training fund in 2009; and if she will make a statement on the matter. [14115/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The National Training Fund forms part of the supplementary budget process and the most recent estimates for the receipts and expenditure of the Fund in 2009 will be published as part of the Revised Estimates Volume.

#### **Work Permits.**

15. **Deputy Thomas Byrne** asked the Tánaiste and Minister for Enterprise, Trade and Employment the status of Romanian nationals living here; and if Romanian nationals may be fully entitled to work in this State without a work permit. [14159/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** In 2006, the Irish Government decided that, following their accession to the EU, nationals of Romania and Bulgaria would still have to apply for work permits in order to work in Ireland. Following a review of the situation in 2008, Government decided to maintain this requirement. The considerable challenges now posed as a result of the downturn in the global economic environment and its direct impact on the labour market have been factors influencing this decision.

While nationals of Romania have to apply for work permits in order to work in Ireland, they are given preferential access to our labour market, ahead of non-EEA nationals. In addition, Romanians who have been in the State on a valid employment permit for an uninterrupted period of 12 months or longer are not required to renew their employment permit in order to remain in the workplace.

#### **Redundancy Payments.**

16. **Deputy Tom Hayes** asked the Tánaiste and Minister for Enterprise, Trade and Employment when a redundancy payment will be made in respect of a person (details supplied) in County Tipperary. [14163/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** The Redundancy Payments Section of my Department has checked to see if a redundancy payments claim has been lodged for the individual in question but currently there is no record of a claim having been submitted. However, given the huge increase in the volume of claims and the current backlog which is being tackled by staff, not all claims have been logged on to the system as yet. In the circumstances, if the Deputy wishes to provide me with further information which would help to clarify the application, I would be happy to renew enquiries.

### Departmental Staff.

17. **Deputy Michael Ring** asked the Tánaiste and Minister for Enterprise, Trade and Employment the payments made to senior officials in her Department under the performance related pay scheme for each of the years 2005 to 2008, if she has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if she will make a statement on the matter. [14218/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The scheme of performance-related awards in the civil service applies to Deputy and Assistant Secretaries and equivalent grades. The pool for performance awards is 10% of the pay bill for the group concerned. Details of awards made to individual officers under the performance-related scheme are not disclosed on the basis that they are confidential to the officer concerned.

Details of the operation of the scheme are available in the report of the Committee for Performance Awards which can be accessed on the website of the Department of Finance [www.finance.gov.ie](http://www.finance.gov.ie).

The table outlines the total cost of payments made to senior officials and other office holders in my Department under the scheme for performance-related awards for each of the years 2005 to 2008.

Payments relating to 2007 were approved by the Committee for Performance Awards in May 2008. No awards have been approved for officers of my Department under the scheme in respect of 2008. The Deputy will be aware that my colleague the Minister for Finance recently announced the discontinuation of the scheme for performance-related awards. I am currently awaiting clarification from the Minister on the matter.

Number	2005	2006	2007	2008
7 Assistant Secretaries and 7 Office holders	€160,000	€168,000	€196,000	Nil

### Redundancy Payments.

18. **Deputy Eamon Gilmore** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the problems created for small and medium sized enterprises which have been forced to make employees redundant as a result of the recession because of the delays in processing applications for the rebate of 60% of the statutory redundancy payments to which they are entitled; if she will confirm that applications made in October 2008 have not been dealt with; the steps she is taking to ensure that applications for rebates are dealt with promptly; and if she will make a statement on the matter. [14231/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Billy Kelleher):** The Tánaiste and I 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 steps to address the issues.

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, as at 1 April 2009, the number of new claims lodged with my Department was 20,798 which is more than 50% of the entire level of applications lodged for the whole of 2008 i.e. 40, 607. The number of claims received is averaging 1,600 per week.

[Deputy Billy Kelleher.]

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 massive increase in claim numbers. I can confirm that applications made online for rebate payments dating from early November 2008 are being processed and from October 2008 in respect of claims filed manually.

Since the start of the year, I have re-allocated an additional 15 persons to the Redundancy Payments Section and a further re-allocation of staff is due to be made in the next couple of weeks.

In addition, I have just introduced a new temporary arrangement so that the dedicated information centre of the National Employment Rights Authority (NERA) will be able to give out better and more up-to-date information to callers about the status of their applications. This will ensure that staff in the Redundancy Payments area of operation will be able to focus fully on and prioritise the most important aspect of the task, the actual processing of claims.

I can 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.

#### **Departmental Statistics.**

19. **Deputy Ciarán Cuffe** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will make a statement on the geographical areas used in the compilation of her Department's statistics. [14281/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** With regard to the industrial development agencies, the Forfás Annual Employment Survey reports on job numbers in companies that are clients of the industrial development agencies. Information is aggregated on an annualised basis at county level. The information is provided by companies on a confidential basis for statistical purposes only. In the circumstances we do not publish information equating to companies.

#### **Departmental Funding.**

20. **Deputy Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her Department provides multi-annual funding to community or voluntary sector organisations; and if so, the organisations receiving this funding since 2006 to date in 2009. [14479/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The only Voluntary or Community organisations which receive funding directly from my Department are the Irish National Organisation for the Unemployed (the INOU) and "The Wheel" (a national support and representative network for the Community and Voluntary Sector). The amount of funding each received from 2006 to date is as follows.

The Deputy might also wish to be aware that while FÁS, an Agency which comes under the remit of my Department, does not provide "direct multi-annual funding" to Community and Voluntary Organisations, it does provide funding for community based employment and training programmes to make learning accessible in local areas. Such programmes are organised in conjunction with community, voluntary and public organisations. In this way, local organisations help to develop their area by sponsoring programmes, typically in the areas of social services, healthcare, heritage, arts, culture, tourism, sport, environment and education.

In 2008, over 30,000 people benefited through training and work-experience programmes, with approximately 1,400 voluntary and community sponsors involved. Each of the sponsor groups are contracted on an annual basis taking into account the overall budget available, sponsors business plans, any past history of the project including progression and certification. The project work must respond to an identified community need and offer valuable work experience to the project workers. Local Partnership Area groups would also be involved in this process.

	2006	2007	2008	2009
	€	€	€	€
The INOU	50,000	51,000	52,000	52,000
The Wheel	500,000	367,000	375,000	Not yet agreed but expected to be similar to that of 2008.

### Departmental Expenditure.

21. **Deputy Michael Ring** asked the Tánaiste and Minister for Enterprise, Trade and Employment the cost of providing mobile telephony and PDA services for her in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by her in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if she will make a statement on the matter. [14530/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** I was appointed as Tánaiste and Minister for Enterprise, Trade and Employment on 7 May, 2008. My predecessors in the Department were Micheál Martin who was the Minister for Enterprise, Trade and Employment from September 2004 until 7 May 2008 and Mary Harney who was the Tánaiste and Minister for Enterprise, Trade and Employment during 2002 and until September, 2004.

Since 2002 the annual costs incurred by the Department of Enterprise, Trade and Employment on mobile telephony services for the various Ministers for Enterprise, Trade and Employment were as follows:

Year	€
2002	Not available
2003	Not available
2004	6,144.54
2005	4,131.31
2006	3,609.26
2007	4,641.63
2008	4,786.34

Of the amount expended in 2008, €2,184.73 relates to Minister Martin and the balance of €2,601.61 relates to me. It is not possible to provide a breakdown for each year according to handset purchase costs, rental costs, call costs and other costs. Personal Digital Assistants (PDAs) were not used by me or the previous Ministers for Enterprise, Trade and Employment. No refunds were made for personal use of the mobile telephony services by Ministers during 2008, 2007, 2006; such information for 2005, 2004, 2003 and 2002 is not readily available.

[Deputy Mary Coughlan.]

In the time available, it has only been possible to provide the information requested by the Deputy insofar as the records of the Department of Enterprise, Trade and Employment are concerned. If the above information is not exactly what the Deputy wanted, I would be happy to supply any additional information on hearing from the Deputy.

### **Departmental Staff.**

22. **Deputy David Stanton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009; and if she will make a statement on the matter. [14582/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** No staff member in my Department with less than two years service on 1 March 2009 gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

### **Departmental Funding.**

23. **Deputy Seán Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment the amount of moneys allocated from the €500 million venture capital fund to specific companies; the breakdown of said companies; and if she will make a statement on the matter. [14611/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** Negotiations are continuing between officials of my Department, other Government Departments, Enterprise Ireland and the various parties whose cooperation and participation will be required before this Fund becomes operational.

### **Research Funding.**

24. **Deputy Seán Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment the amounts allocated to Science Foundation Ireland's centres for science and engineering, technology in 2008 and 2009; the amount allocated to academic industrial partnerships; the amount allocated to specific projects and the projects in relation to same; and if she will make a statement on the matter. [14613/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Jimmy Devins):** As outlined in the Government's "Building Ireland's Smart Economy — A Framework for Sustainable Economic Renewal" Science Foundation Ireland (SFI) is playing a central role in Ireland's sustainable economic renewal. SFI has a number of programmes, which are specifically designed to promote strong industry/academic collaborations. The awards and 2008 funding provision for the most significant of these programmes, SFI Centres for Science, Engineering and Technology (CSETs) and the Strategic Research Clusters (SRCs) are set out in Tables 1 and 2.

The financial allocation to SFI for the full range of programmes for 2009 will be set out in the Revised Book of Estimates following the Budget announcement on 7th April.

To date, SFI has made awards to 9 CSETs and 17 SRCs in total. These industry-embedded research groups are formally linked to over 150 multinational and small to medium high-tech enterprises that employ over 60,000 people in high value jobs in Ireland. These groups have been integral to IDA Ireland's strategy of attracting more R&D-based foreign direct investment to Ireland. In recent years SFI has gradually shifted the focus of investments from individually-led investigator groups to groups within enterprise clusters with over double the number of SFI funded world-class Principal Investigators now being located within the CSETs and SRCs when compared to the 2004 position.

These SFI funded activities are consistent with promoting research and development as a key part of the enterprise agenda, assisting as they do the retention and attraction of quality employment in Ireland, and thereby increasing the value of Irish industry.

In addition, SFI also operates an industry supplement to SFI funded researchers and the 2008 expenditure associated with this programme amounted to €701,864. Therefore total payments made by SFI in 2008 for all the industry / academic collaborative programmes it supports (CSETs, SRCs and Industrial Supplements) amounted to €39.19m.

Table 1 — SFI Centres for Science, Engineering and Technology (CSETs)

Recipient	Institute	SFI funding in 2008
		€m
Alimentary Pharmabiotic Centre (APC)	University College Cork	6.28
Biomedical Diagnostics Institute (BDI)	Dublin City University	4.39
Centre for Research on Adaptive Nanostructures and Nanodevices (CRANN)	Trinity College Dublin	3.92
Centre for Telecommunications Value Chain Driven Research (CTVR)	Trinity College Dublin	4.34
CLARITY Bringing Information to Life	University College Dublin	1.36
Digital Enterprise Research Centre (DERI)	NUI Galway	3.87
LERO	University of Limerick	1.96
Next Generation Localisation (CNGL)	Dublin City University	1.48
Regenerative Medicine Institute (REMEDI)	NUI Galway	3.55
CSET Total		31.19

Table 2 — SFI funding of Strategic Research Clusters

Recipient	Institution	2008 SFI funding
		€m
Advanced Biomimetic Materials for Solar Energy Conversion	UCC	0.25
BioNanoInteract	UCD	—
Clique: Graph & Network Analysis Cluster	UCD	0.38
EEDSP: Efficient Embedded Digital Signal Processing for Mobile Digital Health	UCC	0.08
Federated, Autonomic Management of End-To-End Communications Services (FAME)	Waterford IT	0.69
FORME-Functional Oxides and Related Materials for Electronics	Tyndall National Institute	0.04

[Deputy Jimmy Devins.]

Recipient	Institution	2008 SFI funding
		€m
Glycoscience Research Cluster	NUI Galway	0.75
Immunology Research Cluster	TCD	1.26
Irish Drug Delivery Research Network (IDDN)	UCD	—
Irish Separation Science Cluster-Comprehensive multi-dimensional and multi-modal separation science for complex biological systems	DCU	1.07
ITOBO: Information and Communication Technology for Sustainable and Optimised Building Operation	UCC	0.13
Network of Excellence for Functional Biomaterials (NFB)	NUI Galway	0.05
Photonics — Integration 'From Atoms to Systems' (PiFAS)	Tyndall National Institute	0.14
PRECISION-Plasma Technology for Nano Manufacturing	Dublin City University	1.09
Reproductive Biology Research Cluster	NUI Galway	0.23
Solid State Pharmaceuticals Cluster (SSPC)	University of Limerick	—
Strategic Research Cluster In Advanced Geotechnologies	NUI Maynooth	1.07
Totals		7.23

### Competition Acts.

25. **Deputy Jim O’Keeffe** asked the Tánaiste and Minister for Enterprise, Trade and Employment the practices from which retailers are prohibited from engaging in under the Competition Acts in their dealings with suppliers; the number of such prohibited practices which have come to light in each of the past three years; and the response of the Competition Authority thereto. [14660/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** Retailers, like all other undertakings, are subject to the provisions of sections 4 and 5 of the Competition Act 2002. They are therefore prohibited from engaging in a variety anti-competitive practices such as price-fixing, market sharing abusing dominance etc.

In addition, the Competition (Amendment) Act 2006 inserts a new Part 2A immediately after section 15 of the 2002 Act. The Part deals specifically with competition in the grocery goods trade and prohibits certain practices by grocery goods undertakings (defined as an undertaking that is engaged for gain in the production, supply or distribution of grocery goods). Breaches of the prohibitions are civil only.

Section 15B(1) prohibits a grocery goods undertaking, directly or indirectly, attempting to compel or coerce another grocery goods undertaking, whether by threat, promise or any like means, to resell or advertise for resale any grocery goods at:

- a price fixed directly or indirectly by the first mentioned grocery goods undertaking, or
- a price above a minimum price fixed directly or indirectly by the first mentioned grocery goods undertaking.

This prohibits, not retail price maintenance itself (which is already prohibited by section 4 of the 2002 Act, and which is a criminal offence) but any attempt to force retail price maintenance.

Section 15B(2) prohibits a grocery goods undertaking from applying dissimilar conditions to equivalent transactions with any other grocery goods undertaking. This is meant to catch unilateral behaviour by a non-dominant undertaking. If the undertaking was dominant, the behaviour would be caught by section 5 of the 2002 Act. A typical case might be a large supplier who gives better discounts or rebates to a supermarket than to a smaller store. However, it should be noted that the provision prohibits discrimination where the transactions are equivalent: it does not, for example, prohibit a supplier from providing volume discounts to retailers based on the size of purchases, or from providing better terms to those who pay cash rather than on credit or wait to pay per the terms of an invoice period.

Section 15B(3) prohibits a grocery goods undertaking from directly or indirectly compelling or coercing, whether by threat, promise or any like means, another grocery goods undertaking to make any payment or grant any allowance for the advertising or display of grocery goods. This is intended to prevent large supermarkets refusing to specially advertise or display new products unless they are paid to do so.

Section 15B(4) prohibits a retailer from directly or indirectly compelling or coercing, whether by threat, promise or any like means, another grocery goods undertaking to make any payment or grant any allowance to the retailer in consideration of any of the following matters:

- providing space for grocery goods within a new retail outlet on or within the first 60 days after its opening to the public;
- providing space for grocery goods within a newly expanded or extended retail outlet on or within the first 60 days after the opening to the public of the expanded or extended part of the outlet;
- providing space for grocery goods within a retail outlet on or within the first 60 days after its opening to the public under new ownership.

All the prohibitions of section 15B are subject to subsection (5) of the section. This provides that the conduct described in the section will not be prohibited unless it has the object or effect of preventing, restricting or distorting competition. The reason for this proviso is that some of the behaviour referred to is capable of having a pro-competitive effect in certain cases.

The Competition Authority is the statutory independent agency responsible for the enforcement of competition law in Ireland. The Competition Authority's role in relation to alleged breaches of the legislation is to investigate those alleged breaches. The Competition Authority investigates alleged breaches of the legislation either on its own initiative or on receipt of complaints from the public. If, having conducted an investigation, the Competition Authority believes that there is evidence that a breach of the legislation has occurred, it brings the matter to the Courts, either directly itself or through the Director of Public Prosecutions, depending on the nature of the alleged breach.

It is the Courts alone that decide whether a breach of the Acts has occurred or not. There is also a right of private action to the Courts for any person aggrieved in consequence of a breach of the Competition Acts. I am not aware of any decisions by the Courts in the last three years relating to breaches of the Acts in the grocery goods trade.

### **Company Closures.**

26. **Deputy Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment when her attention was first drawn to the impending closure of a company (details



[Deputy Aengus Ó Snodaigh.]

supplied) in County Dublin; the steps she took to inform the employees and the Cabinet; and if discussions were held to set up an emergency employment task force to address the future employment needs of the workforce who are to be laid off; and if she will make a statement on the matter. [14665/09]

27. **Deputy Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment the reason no consideration was given to a proposal to nationalise a company (details supplied) in view of its vital national economic strategic interest, the fact that Ireland is an island nation, that the State holds a key shareholding in both Aer Lingus and Údarás Aerfort Átha Cliath and other airports here, the number of employees facing unemployment with no prospect of employment again in their field, and the fact that it was a profitable company prior to the development company closing it to relocate. [14680/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** I propose to take Questions Nos. 26 and 27 together.

The formal decision by SR Technics to close the Dublin facility was first conveyed at a meeting on 11 February 2009. However, I had been aware for some months before that date that the company was engaged in a major review of group operations which would have consequences for the Dublin facility. IDA had intensified its engagement with the company with a view to assisting the Irish subsidiary to achieve the optimal outcome in the circumstances.

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 assist and I have conveyed this 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. It is not proposed to take the Irish operation into public ownership. The sector operates on the basis of a competitive market and the Dublin operation, whether publicly or privately owned, will have to compete on a level playing field with other companies in the same market.

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.

*Question No. 28 answered with Question No. 13.*

#### **State Agencies.**

29. **Deputy Phil Hogan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of

those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if she will make a statement on the matter. [15042/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The moratorium is effective from 27 March 2009 to end 2010. Currently this Department employs 10 people on temporary contracts, which are due to expire on dates between 1 May and end 2009. It had not been anticipated that any of these contracts would be extended but this would have been considered in the context of the Department's business needs, prior to the expiry of each contract. Therefore, none of the people concerned will lose their jobs specifically due to the moratorium. The saving in salaries that would accrue to the Exchequer as a consequence of the non-renewal of these contracts would be €249,592 on a full-year basis.

#### *IDA Ireland*

IDA Ireland currently employs 21 people on fixed term contract, all of these posts are affected by the decision. The estimated saving in salaries would amount to €221,897 in 2009 in respect of 6 posts and €773,605 in 2010 in respect of 15 posts.

#### *Shannon Development*

Shannon Development has a total of 9 people on fixed term contract, which will be affected by the decision before the end of 2010. There is an estimated saving of €253,264, however, as Shannon Development meets its pay and administration costs from own resource income, the savings involved here will not accrue to the Exchequer.

#### *Forfás*

Forfás has 9 staff engaged on a fixed term contract basis. The terms of these contracts will expire over the period 2009-2011. Those contracts due to expire in 2009 would result in savings in that year of €52,000; annual or full-year savings would amount to €201,000. The contracts due to expire in 2010 would result in a saving of €117,000; the annual or full year savings on these contracts would amount to €234,000. Savings in 2011 on contracts due to expire would be €69,000, with annual or full-year savings amounting to €75,000.

#### *National Standards Authority of Ireland (NSAI)*

There are 10 staff employed in NSAI under a fixed term contract of employment. The salary cost of these 10 individuals and eventual savings in the period in question amounts to €550,500.

#### *County and City Enterprise Boards (CEBs)*

It is understood that 2 people across the CEB Network will be affected by this instruction. The salaries for these positions range from €20,001 to €50,000. Enterprise Ireland Enterprise Ireland has 29 staff on fixed term contracts in permanent posts, mainly overseas, where contracts will expire before 31 December 2010. It is estimate that the non-replacement of these posts could save up to €1.2 million. Personal Injuries Assessment Board The Personal Injuries Assessment Board has 6 fixed term contractors employed whose contracts are due to expire at varying dates by mid 2010. The savings made will not accrue to the Exchequer.

[Deputy Mary Coughlan.]

### *FÁS*

FÁS currently has 52 staff on fixed term contracts. Forty-one of these staff are due to finish their contracts in 2009 and eleven in 2010. The renewal or otherwise of these contracts would normally be dependent on the prevailing operational requirements. If all contracts were renewed it would represent an additional cost to the organisation of €940,000 in 2009 and €1,800,000 in 2010.

### *Science Foundation Ireland*

Science Foundation Ireland has 1 member of staff currently serving on contract, this contract will expire before the end of 2010. There will be no savings accruing in 2009 and minimal related savings in 2010.

### *Health & Safety Authority*

There is one person in the Health and Safety Authority employed on a fixed term contract due to expire in June 2010. Based on the recent decisions from the Department of Finance this contract will not be renewed. No savings will accrue to the Authority in 2009.

### **Flood Relief.**

30. **Deputy Liz McManus** asked the Minister for Finance if funding has been set aside for flood protection in Bray, County Wicklow; when the scheme will be implemented; and if he will make a statement on the matter. [14229/09]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** The Office of Public Works is working with Bray Town Council to develop and implement a Flood Relief Scheme for the town.

Funding is being provided to the Town Council from the provision in the National Development Plan for Flood Risk Management measures.

The Environmental Impact Statement for the proposed scheme and the necessary Compulsory Purchase Orders have been approved by An Bord Pleanála and I anticipate that construction of the scheme will commence next year.

### **State Companies.**

31. **Deputy Joe McHugh** asked the Minister for Finance the State owned and State partially owned companies here; and if he will make a statement on the matter. [14893/09]

61. **Deputy Joe McHugh** asked the Minister for Finance if he will list all State owned and State partially owned companies here; and if he will make a statement on the matter. [14569/09]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 31 and 61 together.

I assume that the Deputy's question refers to bodies with a commercial mandate: a list of such bodies is set out as follows. The list refers to bodies in which the State has a direct holding. Some bodies may have subsidiaries or holdings in other companies or may have entered into joint-ventures with other companies.

Parent Department	Body
Department of Agriculture, Fisheries & Food.	Irish National Stud Company Ltd Coillte (The Irish Forestry Company) Fastnet Mussels Ltd Kush Seafarms Ltd
Department of Arts, Sports & Tourism	Bord na gCon Horse Racing Ireland
Department of Communications, Energy & Natural Resources	Bord na Móna  Bord Gáis Éireann ESB An Post EirGrid RTE TG4 Ordnance Survey Ireland
Department of Finance	Anglo Irish Bank An Post National Lottery Company
Department of Health and Children	Voluntary Health Insurance Board
Department of Transport	Irish Aviation Authority Dublin Airport Authority Cork Airport Authority Shannon Airport Authority Córas Iompair Éireann (CIE) (Iarnród Éireann, Bus Éireann, Dublin Bus) Railway Procurement Agency <i>Port Companies:</i> Port of Cork Company, Drogheda Port Company, Dublin Port Company, Dundalk Port Company, Dun Laoghaire Harbour Company, Galway Harbour Company, New Ross Port Company, Shannon/Foynes Port Company, Port of Waterford Company, Wicklow Port Company

### Banking Sector.

32. **Deputy Fergus O'Dowd** asked the Minister for Finance if he had knowledge, discussions or meetings with persons pertaining to the stockbroking division of a bank (details supplied); and if he will make a statement on the matter. [14035/09]

33. **Deputy Fergus O'Dowd** asked the Minister for Finance if he received a copy or correspondence relating to an audit report (details supplied); and if he will make a statement on the matter. [14047/09]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 32 and 33 together.

The Financial Regulator has informed me that on 19 October 2001 AIB Capital Markets plc in accordance with the obligations imposed in the Central Bank's Handbook for Investment and Stockbroking firms, submitted a copy of an AIB Group Internal Report entitled "Special Investigation Goodbody Stockbrokers — Trading in AIB Shares" and a copy of a management letter addressed to the Internal Audit Committee of the Board of AIB to the Central Bank. The work related to this report had been undertaken from May to September 2001.

The report articulated that the arrangements that Goodbody Stockbrokers (Goodbody) had put in place to allow them to trade in AIB shares had not operated in accordance with those previously communicated to the Central Bank and the Irish Stock Exchange. The original arrangements presented were designed to allow Goodbody, as a stockbroker, to trade in AIB shares in compliance with the provisions of the Companies Act, 1990 which restricted trading by a company in its own shares. The Companies Acts were subsequently amended with effect from 4 August 2001 enabling Goodbody, as stockbroking subsidiary of AIB, to trade AIB shares.

Subsequent to the submission of the report the Central Bank met with senior personnel in AIB, as part of its examination of this matter. I understand that under confidentiality legislation at the time the Central Bank was precluded from passing on information to other parties, including the Minister for Finance. Ultimately significant personnel changes took place in Goodbody.

The Financial Regulator has also informed me that the procedure at the time, in accordance with the provisions of the Criminal Justice Act, 1994, was for suspicions of money laundering identified by the Bank to be reported to the Garda and I can confirm that all reporting obligations were met by the Central Bank.

I have not received a copy of the Report or had discussions with the Financial Regulator regarding the Report.

#### **Tax Code.**

34. **Deputy Aengus Ó Snodaigh** asked the Minister for Finance his views on reducing the €250 donation threshold above which charities can claim tax back in an effort to address the shortfall in funding experienced by charities involved in overseas development. [14075/09]

**Minister for Finance (Deputy Brian Lenihan):** Section 848A of the Taxes Consolidation Act 1997 allows tax relief on donations made by either individuals or corporate bodies to eligible charities and other approved bodies, including first and second level schools and third level institutions. The minimum qualifying donation for relief purposes to an eligible charity or approved body is €250 per annum.

Reducing the threshold to allow tax relief on smaller donations, as the Deputy has proposed, could significantly increase the current cost of the scheme to the Exchequer. The relief is already very generous. There is no upper limit on the amount that can be donated generally and relief is granted at the donor's marginal rate of income tax. Donations can be cumulative, so that a donation of just €5 per week over the course of a year would qualify.

The donations scheme was one of the tax reliefs examined as part of the 2005 overall review of tax reliefs and exemptions. The review concluded that the €250 minimum threshold is serving its purpose and should be retained at its current level, subject to ongoing review. The Deputy

may wish to note that the full text of the review can be found on my Department's website at [www.finance.gov.ie/documents/publications/other/revtaxreliefsvol3.pdf](http://www.finance.gov.ie/documents/publications/other/revtaxreliefsvol3.pdf).

The Commission on Taxation, as part of its remit, is reviewing all existing tax reliefs, including relief under section 848A. It is expected that the Commission will furnish its report to me at the end of July 2009.

### **Departmental Funding.**

35. **Deputy Finian McGrath** asked the Minister for Finance if he will support a matter (details supplied). [14085/09]

**Minister for Finance (Deputy Brian Lenihan):** I have noted the proposal regarding the Global Disaster Funding Bank Corporation, however I cannot support it. At this time of unprecedented economic and financial crisis, it is imperative that we respond quickly in an effective, cooperative and coordinated manner to bring about a resolution to this crisis and restore economic and financial stability as soon as possible. Ireland is committed to the G20 process and we welcome the discussions that took place at last week's London Summit and the resulting pledges to:

- restore confidence, growth, and jobs;
- repair the financial system to restore lending;
- strengthen financial regulation to rebuild trust;
- fund and reform our international financial institutions to overcome this crisis and prevent future ones;
- promote global trade and investment and reject protectionism, to underpin prosperity; and
- build an inclusive, green, and sustainable recovery.

### **Pension Provisions.**

36. **Deputy Brian O'Shea** asked the Minister for Finance his proposals to exempt from the pension levy persons who have paid 40 years constant contribution to their pension scheme but because they are not yet 65 years are required to make pension contributions; and if he will make a statement on the matter. [14090/09]

**Minister for Finance (Deputy Brian Lenihan):** The pension related deduction has been introduced as one of a range of measures required to help address the economic crisis, including the serious imbalance in the Exchequer finances. The deduction applies generally given the fact that public servants enjoy the benefits of a public service pension which provides for greater security and more favourable terms than the generality of private sector pensions. The deduction is a reasonable means of reconciling the need to achieve the necessary savings while seeking to ameliorate the impact on lower paid staff.

On the point raised by the Deputy I would point out that public servants who have paid 40 years contributions continue to enjoy the considerable benefits which are reflected in the pension and lump sum payable on retirement. In the circumstances I am satisfied that it is fair and appropriate that such public servants pay the pension related deduction.

**Tax Code.**

37. **Deputy Joanna Tuffy** asked the Minister for Finance when the Revenue Commissioners on-line service will provide an on-line facility for payment of the new income levy for businesses and individuals who make their returns to the Revenue Commissioners through the on-line system; the system used at present by Revenue for calculating the amount of income levy received since its introduction on 1 January 2009; and if he will make a statement on the matter. [14095/09]

**Minister for Finance (Deputy Brian Lenihan):** As the Deputy will be aware the income levy is effective from 1 January 2009. I am advised by the Revenue Commissioners that the arrangements for the introduction of the Income Levy were focused on limiting administrative and compliance costs for employers. Employers incorporate the payment of the Income Levy into the existing monthly form P30 and the Income Levy is included with PAYE tax payments. This mirrors the current arrangements for payment of the Health Levy (and previously the Employment Levy), which is also incorporated in the form P30 and is included with PRSI payments. The monthly apportionment by Revenue between payments of PAYE tax and Income Levy for the 2009 tax year is determined by applying a breakdown formula derived from a tax-forecasting model maintained by Revenue. The precise breakdown between PAYE tax and the Income Levy will be available in the first quarter of 2010 on receipt of the forms P35 from employers. Facilities already exist for businesses to file both the P30 and P35 on-line.

A similar approach will be taken in respect of payments of Income Tax and Income Levy for self-assessed individuals for 2009. In calculating their Preliminary Income Tax for 2009, due no later than 31 October 2009, the self-assessed individual will be required to add the income levy to the amount of their income tax payment due. Such taxpayers will pay a single amount and Revenue will apportion the payment between Income tax and Income levy.

The 2009 tax return for self-assessed taxpayers is not due until 2010. In this context the on-line service for self-assessed individuals to file returns for 2009, providing for a separate calculation of tax and levies due, is expected to be available by 1 January 2010.

**Credit Ratings.**

38. **Deputy Joan Burton** asked the Minister for Finance his views on the recent downgrade of Irish sovereign debt from AAA to AA+ by a company (details supplied); if he will provide an estimate as to the expected effect this will have on funding costs for Irish sovereign debt for 2009; if the company had communicated to him or his officials at any point over the previous three months certain targets, criteria or benchmarks against which Irish sovereign debt would be considered in the context of a revision of the sovereign rating; the date on which Irish sovereign debt last had a rating lower than AAA; and if he will make a statement on the matter. [14099/09]

**Minister for Finance (Deputy Brian Lenihan):** The National Treasury Management Agency (NTMA) have advised me that it is not possible at this stage to quantify the effect of the downgrade on funding costs. Yields have been falling recently from the levels reached in late January and, at this point, the NTMA are of the view that it appears that the effect of the downgrade had already been priced in by the market.

All the rating agencies are in regular contact with my officials, along with officials of the NTMA, the Central Bank and many other public and private bodies in Ireland. While the rating methodology is public, the agencies do not set targets or criteria for individual countries. Finally, while losing the AAA rating is disappointing, I would remind the Deputy that prior to October 2001, Ireland was rated AA+ by at least one rating agency.

### **Pension Provisions.**

39. **Deputy Jack Wall** asked the Minister for Finance his views in regard to a submission by a person (details supplied) in County Kildare; if there are plans to address the issue as stated; if so, the timescale of such plans; and if he will make a statement on the matter. [14107/09]

43. **Deputy Ciarán Lynch** asked the Minister for Finance if he will provide an exemption from the pension levy for research staff who are employed on fixed term non-permanent contracts dependant on external funding; his views on whether staff who are without job security and an incremental payscale and who do not accumulate sufficient years of service to adequately benefit from a public service pension should not be subject to the pension levy; and if he will make a statement on the matter. [14135/09]

46. **Deputy Catherine Byrne** asked the Minister for Finance if he will clarify the position of a large number of university research staff who must pay the pension levy although they are employed on fixed term or non-permanent contracts which are contingent on external funding sources and, as such, are non-renewable; his views on the fact that these people will never accumulate the years of service needed to receive a meaningful benefit from a public service pension, and will therefore not benefit from the pension levy; and if he will make a statement on the matter. [14160/09]

55. **Deputy Joan Burton** asked the Minister for Finance if, with respect to the public sector pension levy, public sector workers, such as researchers, for instance, employed on fixed term or short term contracts are excluded from paying the public sector pension levy; if he will exclude such workers from paying the levy; and if he will make a statement on the matter. [14232/09]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 39, 43, 46 and 55 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



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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 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 Code.**

40. **Deputy Leo Varadkar** asked the Minister for Finance if he has received representations with regard to tax relief for trade union subscriptions in the past three years; the source of the representation; the approximate date of representation; the details of the case made; and if he will make a statement on the matter. [14118/09]

**Minister for Finance (Deputy Brian Lenihan):** Section 472C of the Taxes Consolidation Act 1997 provides for tax relief in respect of trade union subscriptions. The tax relief is currently capped at €350. This is the equivalent of a tax credit to the value of €70.

In its pre-budget submission for Budget 2007, the Irish Congress of Trades Unions (ICTU) called for an increase in the tax credit to €100.

A similar request was made prior to Budget 2008, seeking an increase to €120.

Copies of the pre-budget submissions are available from the ICTU website at [www.ictu.ie](http://www.ictu.ie).

#### **Tax Collection.**

41. **Deputy Leo Varadkar** asked the Minister for Finance further to Parliamentary Question No. 97 of 12 February 2009 if he will estimate the amount that would be raised by an income levy applied as 20% on all income up to €40,000, 30% on income from €40,000 to €80,000, 40% on all income between €80,000 and €120,000 and 50% on all income above €120,000 assuming that the current general and age exemption are not retained; and if he will make a statement on the matter. [14130/09]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that the full year yield to the Exchequer, estimated by reference to 2009, from the changes mentioned by the Deputy is estimated to be of the order of €22.4 billion.

The figures are estimates from the Revenue tax-forecasting model using actual data for the year 2005 adjusted as necessary for income and employment growth for 2009. They are therefore provisional and likely to be revised.

42. **Deputy Leo Varadkar** asked the Minister for Finance further to Parliamentary Question No. 97 of 12 February 2009, if he will estimate the amount that would be raised by an income levy applied as 20% on all income up to €50,000, 30% on income from €50,000 to €100,000 and 40% on all income above €100,000 assuming that the current general and age exemption are not retained; and if he will make a statement on the matter. [14131/09]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that the full year yield to the Exchequer, estimated by reference to 2009, from the changes mentioned by the Deputy is estimated to be of the order of €20.7 billion.

The figures are estimates from the Revenue tax-forecasting model using actual data for the year 2005 adjusted as necessary for income and employment growth for 2009. They are therefore provisional and likely to be revised.

*Question No. 43 answered with Question No. 39.*

### **EU Directives.**

44. **Deputy Joan Burton** asked the Minister for Finance the time-line for the transposition of the Payments Services Directive into law here; the person who is the competent authority for the management of this process; if the process of drafting the relevant legislation has commenced; if his attention has been drawn to the fact that private sector operators based here who might be put at a competitive disadvantage should the transposition of the directive be delayed, that such operators would be in a position to move their operations to another jurisdiction where transposition of the directive is at a more advanced stage and that this is being actively considered for reasons of maintaining competitiveness; and if he will make a statement on the matter. [14141/09]

45. **Deputy Enda Kenny** asked the Minister for Finance when the payment services directive will be transposed here; the reason there has been a delay; if he is confident he will have the necessary legislation in place before November 2009; and if he will make a statement on the matter. [14145/09]

**Minister for Finance (Deputy Brian Lenihan):** I propose to take Questions Nos. 44 and 45 together.

I refer the Deputies to the answer to Question No. 158 of 31 March 2009. The Payment Services Directive (PSD) provides the necessary legal framework to support the development of the Single Euro Payments Area (SEPA), a major payments industry initiative aimed at eliminating any remaining difference between domestic and cross-border payments within the eurozone. The Directive introduces standard rules for payment execution in all Member States, seeks to ensure fair market access to new payment services providers and introduces harmonised standards of consumer protection.

The Directive comes into effect on 1 November 2009 and my Department is currently preparing legislation to enable Ireland to apply the Directive provisions by that date. A set of draft regulations was submitted to the Office of the Parliamentary Counsel in February 2009 for formal drafting and work is now progressing to produce a final set of regulations, which will give effect to the Directive by the required transposition date. It is anticipated that the relevant regulations will be published in Summer 2009 and be given effect from 1 November 2009.

As regards the competent authority for the management of the transposition of the Directive into law in Ireland, Section 3 of the European Communities Act 1972 allows me, as Minister,

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to make Regulations in order to fulfil Ireland's obligations which arise by virtue of our membership of the EU. In this case, the Directive will be transposed through a Statutory Instrument. The Statutory Instrument will designate a competent authority for the authorisation and prudential supervision of payment institutions, as required by Article 20 of the Directive.

My Department consulted relevant stakeholders on two occasions in 2008. In February 2008, it held a public consultation on the national discretions available within the PSD and in October 2008, it held a further consultation on the draft text of the transposing regulations. My Department plans to hold another consultation when the text of the regulations is more advanced.

I am aware generally that industry participants have sought and received assurances from my Department that the Directive would be transposed in time and officials from my Department and the Central Bank and Financial Services Authority of Ireland continue to be available to meet relevant stakeholders as necessary.

*Question No. 46 answered with Question No. 39.*

### **Pension Provisions.**

47. **Deputy Joan Burton** asked the Minister for Finance if further consideration has been given to the possible transfer to the Exchequer of the assets and liabilities of pension funds from State agencies or other public or semi-public bodies; if he views this as a possibility; if actuarial studies have been carried out as to the expected financial impact this would have on the Exchequer over both the short and long term; and if he will make a statement on the matter. [14170/09]

**Minister for Finance (Deputy Brian Lenihan):** Discussions have been progressing satisfactorily with the trustees and administrators of the funded pension schemes of the five older universities and certain non-commercial semi-State bodies (IDA, SFADCo, FÁS, Bord Bia, Irish Goods Council, Arts Council, CERT and a number of regional tourism organisations) which have funded schemes, with a view to providing consistency and clarity for the future in terms of meeting the liabilities of these schemes. This follows consideration some time ago of the pensions difficulties facing those universities by a working group under the Higher Education Authority which recommended such discussions. The liabilities of the funds at the end of 2008 are estimated to be approximately €3bn with the assets valued at €1.7bn at that time. As regards the impact on the public finances, the current classification of these funds under the EUROSTAT rules is such that the transfer of the assets of the universities' funds and the SSB funds established under Trusts would impact positively on the General Government Balance (GGB) when received. The initial revenue and subsequent investment return would be offset in the future by the payment of pension benefits which would be recorded as Government expenditure at the time of payment.

The background to this is that all funded schemes must now meet minimum funding standards under EU law unless they are covered by the State. This has presented problems for the universities and non-commercial SSBs with funded pension schemes where the State ultimately carries the liability but where this is not clear enough to warrant exemption under EU law. In that context, it is proposed that the assets of those schemes would be transferred to the State along with the liabilities which would then be met, effectively, by the State on a pay as you go basis in the future. The terms and conditions of the schemes would be no better nor worse than the members would be entitled to anyway. If agreement is reached, legislation to give effect to all this would be required.

### **Tax Collection.**

48. **Deputy Joan Burton** asked the Minister for Finance the amount the income levy has raised in each month since its introduction; the measures that have been taken to track the volume of revenue raised by the levy specifically, as opposed to the amount of income tax inclusive of the levy; and if he will make a statement on the matter. [14171/09]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that the monthly apportionment between payments of PAYE tax and Income Levy for the 2009 tax year is determined by applying a breakdown formula derived from a tax-forecasting model maintained by the Revenue Commissioners. The precise breakdown between PAYE tax and the Income Levy will be available in the first quarter of 2010 on receipt of the forms P35 from employers.

On this basis, it is estimated that approximately €55m per month has been collected in Income Levy in February and March 2009.

A similar approach will be taken in respect of payments of Income Tax and Income Levy that will be made by the self-employed for 2009 (preliminary tax) which is due for payment by 31 October 2009.

### **Banking Sector.**

49. **Deputy Lucinda Creighton** asked the Minister for Finance if he, as the sole member and shareholder of Anglo Irish Bank, has sought assurances from the bank or from individuals and entities involved in loan transactions of an amount greater than €250 million that were sanctioned in the period of 15 November to 31 December 2008 from the bank, that these amounts will be repaid; and if he will make a statement on the matter. [14200/09]

**Minister for Finance (Deputy Brian Lenihan):** As the Deputy will be aware, Anglo Irish Bank is being run on an arms length commercial basis. Consequently, normal commercial matters, which include those relating to credit management and control, are a matter for the Board of Anglo.

I would point out that the terms applying to debtors of Anglo Irish Bank were unaffected by the decision to take Anglo into public ownership. As with any commercial bank, Anglo will pursue all loan agreements to their full extent, to maximise the return from the bank's loan book.

50. **Deputy Lucinda Creighton** asked the Minister for Finance if there were unusual transactions of a significant amount involving Anglo Irish Bank in the period from 1 to 21 January 2009; and if he will make a statement on the matter. [14201/09]

**Minister for Finance (Deputy Brian Lenihan):** As the Deputy will be aware, the Government took the decision to take Anglo Irish Bank into public ownership with effect from 21 January 2009, in order to stabilise the bank and ensure financial stability. This took place in a context where Anglo's funding position had weakened and unacceptable practices in the bank had caused serious reputational damage at a time when overall market sentiment towards Anglo was negative. The Government's decision to take Anglo into public ownership was taken as a final step only after the alternatives for stabilising the position of the bank had been pursued.

Certain matters relating to corporate governance at Anglo prior to its being taken into public ownership, are now the subject of ongoing investigations, including by the Financial Regulator and the Office of the Director of Corporate Enforcement.

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As I have stated previously, it would not be appropriate for me to comment on or in any way prejudge the outcome of these investigations. However, if the Deputy has information in relation to particular transactions at Anglo Irish Bank which may give cause for concern, I am of course disposed to referring such matters to the Board of Anglo, or the relevant statutory authority, as appropriate, for review.

### **Pension Provisions.**

51. **Deputy Michael Ring** asked the Minister for Finance if he will confirm that the proposed pension levy for public servants will be paid directly into the National Pension Reserve Fund; the expected yield from this levy; and if this levy is not to be paid into the reserve fund, his proposals for this money. [14204/09]

**Minister for Finance (Deputy Brian Lenihan):** The pension related deduction element of the payroll saving will be €1.35 billion in a full-year and €1.12 billion in 2009 based on the provisions of the Financial Emergency Measures in the Public Interest Act 2009. These savings will be applied to the benefit of the Exchequer and are not earmarked for the National Pensions Reserve Fund.

52. **Deputy Michael Ring** asked the Minister for Finance the schedule and amounts of payments which he proposes to make into the National Pension Reserve Fund during 2009. [14210/09]

**Minister for Finance (Deputy Brian Lenihan):** The National Pensions Reserve Fund Act 2000 provides for an annual contribution from the Exchequer to the National Pensions Reserve Fund equivalent to 1% of GNP. The amount to be paid in respect of 2009 is €1.584 billion. The contribution is normally paid quarterly and the payment in respect of the first quarter of 2009 was made in March.

The Government announced on 11 February 2009 that the recapitalisation of Allied Irish Bank and Bank of Ireland through the purchase of preference shares to the value of €3.5 billion in each bank would be funded through the National Pensions Reserve Fund, with €4 billion coming from the Fund's resources and €3 billion to be provided by frontloading the Exchequer contributions for 2009 and 2010. The recapitalisation of Bank of Ireland was effected on Tuesday, 31 March 2009 from the Fund's resources. The balance of this year's contribution and the further payment of €1.416 billion will be paid to the Fund for the recapitalisation of Allied Irish Bank when that bank has completed the necessary internal procedures to approve the issuance of preference shares. This is expected to be in early May.

### **Tax Collection.**

53. **Deputy Michael Ring** asked the Minister for Finance the Exchequer returns for each of the years 2000 to 2008; the percentage increase or decrease as appropriate; the expenditure for those same years; and the percentage increase or decrease in tabular form. [14211/09]

**Minister for Finance (Deputy Brian Lenihan):** The audited Exchequer Account is published each year in the Finance Accounts, the most recent of which covers the year 2007. Monthly Exchequer Statements are published on the Department's website and the December 2008 Exchequer Statement provides details on the end-year outturn for 2008. On this basis, the information the Deputy requests is detailed in the table.

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Exchequer Surplus/Deficit (€m)	3,177	653	93	-979	33	-499	2,264	-1,619	-12,714
Current Expenditure (€m)	20,634	24,009	26,126	28,747	30,764	33,496	37,090	40,896	44,693
Percentage Change		16%	9%	10%	7%	9%	11%	10%	9%
Capital Expenditure (€m)	6,527	6,020	6,868	6,678	6,729	7,847	8,662	10,019	11,043
Percentage Change		-8%	14%	-3%	1%	17%	10%	16%	10%

### Departmental Staff.

54. **Deputy Michael Ring** asked the Minister for Finance the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14220/09]

**Minister for Finance (Deputy Brian Lenihan):** I presume that the Deputy is referring to the scheme which, in the civil service, applies at the levels of Deputy and Assistant Secretary. The scheme of awards is based on performance by reference to demanding targets. The pool for performance awards is 10% of the pay bill in the relevant year for the group concerned. Within that overall limit individuals can receive payments of up to 20% of pay.

Decisions on awards are made by the Committee for Performance Awards (CPA), which includes a majority of private sector members. The main roles of the committee are to monitor the application of the scheme of performance-related awards and to bring independent judgement to bear in approving objectives for the persons covered by the scheme and in approving recommendations for awards.

Details of the procedures, the numbers covered by the schemes, the range of awards and the total amounts paid in Departments — including the Department of Finance — are outlined in the annual reports of the committee. The Committee's Annual Reports 2006-2008 covering the operation of the scheme in 2005-2007, are available on the Department of Finance website [www.finance.gov.ie](http://www.finance.gov.ie). The committee does not identify the amount paid to individuals as this is regarded as personal information. I, as Minister, have no role in either the assessment of performances under the scheme or the allocation of individual awards.

As the Deputy may be aware, on 5 February last I announced in the Dáil the discontinuation of the scheme for Assistant Secretaries, Deputy Secretary and related grades subject to consultation with the relevant Staff Associations. Therefore no assessments or payments have been made in respect of performances in 2008.

*Question No. 55 answered with Question No. 39.*

### Tax Code.

56. **Deputy Joan Burton** asked the Minister for Finance if, with respect to his reply to Parliamentary Question No. 143 of 31 March 2009, he will set out the interpretation of the Valuation Act 2001 in circumstances in which a sports club has more than one premises, not all of which are licensed; if for the purpose of this Act, one or more properties belonging to the club could be exempted from rates when those properties do not operate a licensed premises; if this is not the case, if he proposes to amend the Act to that effect; and if he will make a statement on the matter. [14238/09]

**Minister for Finance (Deputy Brian Lenihan):** At the outset, I might mention that the Commissioner of Valuation is independent in the exercise of his duties under the Valuation Act, 2001 and the making of valuations for rating purposes is his sole prerogative. The statute does not accord me, as Minister for Finance, any function in this regard.

The position is that the Valuation Act, 2001 provides for the exemption from rates of “Community Halls”. To be classified as a Community Hall, the premises need to be used for purposes which are not for profit or gain and involve participation by inhabitants of the locality generally and are used for purposes which are of a recreational or otherwise of a social nature. Many sports clubs achieve exemption from rates under this provision. However, the Valuation Act, 2001 specifically excludes premises of a club registered under the Registration of Clubs (Ireland) Act, 1904 from this provision. Therefore, the premises of such a registered club is rateable. Essentially, this means that clubs licensed to sell alcohol are rateable. It is important to point out that this exclusion, whereby ‘Registered Clubs’ cannot be treated as exempt under the Community Hall provision, has the effect of excluding all premises occupied by the club and not just those premises used for the sale of alcohol.

The sale of alcohol is a commercial activity and a licensed sports club is competing with other commercial licensed premises, all of which are rateable. Therefore, in equity, exemption from rates can only be achieved by the cessation of the club’s registration under the 1904 Act. I have no plans to provide for special treatment of licensed clubs under the Valuation Act, which maintains the long-standing principle that all properties are valued in a fair and equitable manner.

I trust that the foregoing explains the position in relation to registered clubs, which form part of the rateable valuation base. Should a club have concerns regarding the valuation of their property or any part of thereof, including its rateability, they 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, they 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.

### **Redundancy Payments.**

57. **Deputy Seán Barrett** asked the Minister for Finance if, in view of the fact that the 60% statutory redundancy rebates to employers who made staff redundant in the economic downturn are running four months overdue and jeopardising small businesses, such employers could offset the 60% rebate against any tax liability due to the Revenue Commissioners with immediate effect, and with any resulting refund balances to be refunded by the Revenue Commissioners; and if he will make a statement on the matter. [14491/09]

**Minister for Finance (Deputy Brian Lenihan):** I presume that the Deputy is referring to the 60% statutory redundancy rebates that the Department of Enterprise, Trade and Employment administer.

Taxes paid by employers include tax levied directly on the employer such as income Tax or Corporation Tax but also fiduciary taxes such as PAYE Income Tax, Income Levy or VAT levied on the employees or customers of that employer. Also relevant would be levies and contributions collected from employees such as PRSI and Health Levy.

In the circumstances and given that there is no provision in taxation, social welfare or health legislation to offset tax liabilities in the manner suggested, it is not possible to offset the 60% statutory redundancy rebates against a tax liability due to Revenue.

### Departmental Expenditure.

58. **Deputy Michael Ring** asked the Minister for Finance the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14532/09]

**Minister for Finance (Deputy Brian Lenihan):** The table sets out the details requested by the Deputy in respect of handset purchase and rental and call costs. There were no other costs. Since mid 2008, my Department pays a fixed monthly sum for all voice and data calls, including roaming charges in respect of my phone usage and a number of staff of my Department, where this provides a more economic charging option. For such bills, individual calls costs are not identified separately.

Year	Handset Purchase	Rental and Call costs	Refunds
	€	€	
2002	1,41.20	181.50	Nil
2003	Nil	1,402.12	Nil
2004	Nil	2,369.57	Nil
2005	Nil	1,891.86	Nil
2006	Nil	1,677.89	Nil
2007	Nil	2,179.98	Nil
2008	Nil	1,637.46	Nil

### State Agencies.

59. **Deputy Finian McGrath** asked the Minister for Finance if the cap on executive pay in the banking sector will apply to the position of chief executive of the National Treasury Management Agency, which is reported to carry a remuneration package of €980,000; the remuneration package for this position in 2008; and his views on whether it is appropriate that the salary of some individual public servants such as those in the NTMA who earned an average of €115,000 in 2008 should be kept secret from the public. [14541/09]

**Minister for Finance (Deputy Brian Lenihan):** The remuneration packages of all National Treasury Management Agency staff, including that of its CEO, are negotiated on an individual contract basis and are confidential. According to the National Treasury Management Agency's 2007 Annual Report — their most recent Annual Report — total salaries and bonuses amounted to €16.4 million in 2007.

The administration accounts (including pay and pensions, etc.) of the NTMA are audited by the Comptroller & Auditor General each year.

### Loan Repayments.

60. **Deputy Finian McGrath** asked the Minister for Finance if he will confirm if any Government Minister has had loans written off by a building society (details supplied); and if a Government Minister has received fast track loans from the building society. [14542/09]

**Minister for Finance (Deputy Brian Lenihan):** The building society referred to by the Deputy is an independent financial institution operating on a commercial basis. I have no role in the lending or credit policy of this Society.



*Question No. 61 answered with Question No. 31.*

### **Departmental Staff.**

62. **Deputy David Stanton** asked the Minister for Finance the number of staff with fewer than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14584/09]

**Minister for Finance (Deputy Brian Lenihan):** No staff in my Department or Offices under the aegis of my Department gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

63. **Deputy Phil Hogan** asked the Minister for Finance the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by his Department on 27 March 2009; the organisations and Departments in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [14617/09]

**Minister for Finance (Deputy Brian Lenihan):** The expiry of a fixed term contract is determined by the terms of that contract. The decision as to whether to renew such a contract depends on a number of grounds, including the existence of objective reasons for renewing the contract on a fixed term basis. In the context of the moratorium, the renewal of fixed term contracts is treated in the same way as all employment in the public service. In relation to all public service posts including fixed term positions, no such posts can be filled without the prior sanction of the Minister for Finance.

### **Tax Code.**

64. **Deputy Phil Hogan** asked the Minister for Finance if office holders, including Ministers, who have a State car and drivers at their disposal pay benefit-in-kind as a consequence; and if he will make a statement on the matter. [14618/09]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that the law governing benefit-in-kind in respect of company cars is set out in Section 121 of the Taxes Consolidation Act 1997. The section provides that the benefit-in-kind percentage charge is applied to the original market value of the car.

Office holders, including Ministers, who are provided with State cars and drivers, are not subject to a charge for benefit-in-kind on the private usage element of the car and driver provided. The reason for this is because the State cars provided by the Department of Justice are primarily supplied for security reasons, as evidenced by the use of Garda drivers.

### **Pension Provisions.**

65. **Deputy Denis Naughten** asked the Minister for Finance the reason public service staff were deducted a days pay in respect of industrial action yet had to pay the pension levy for five days; and if he will make a statement on the matter. [14676/09]

**Minister for Finance (Deputy Brian Lenihan):** The pension related deduction applies to income earned by public servants on or after 1 March 2009. Should any over-deductions have

been made in individual cases in respect of industrial action taken prior to that date, such deductions would fall to be restored in line with normal practice.

### EU Budget Payments.

66. **Deputy Simon Coveney** asked the Minister for Finance the contribution of payment made by the State to the European Community under the Community own resource provisions in each year from 1993 to date in 2009, including the proposed payment for 2009, with the breakdown of each element of the payment including CCT payment, VAT payment and GNI payment. [14677/09]

**Minister for Finance (Deputy Brian Lenihan):** The information requested by the Deputy is set out in the table.

Breakdown of EU Budget Payments<sup>1</sup>

Year	VAT	GNI	Other <sup>2</sup>	Total
	€ m	€ m	€ m	€ m
1993	289.9	97.0	188.9	575.8
1994	301.2	121.6	219.1	641.9
1995	350.8	108.0	230.4	689.2
1996	364.8	172.8	149.4	687.1
1997	265.7	177.1	209.2	652.0
1998	444.7	348.5	196.2	989.4
1999	454.7	429.5	166.8	1,051.0
2000	461.9	413.9	199.2	1,075.0
2001	578.3	481.6	160.1	1,220.0
2002	281.6	653.1	76.5	1,011.3
2003	291.4	794.5	104.5	1,190.4
2004	181.7	875.5	128.4	1,185.5
2005	229.7	1,084.8	182.3	1,496.8
2006	245.1	1,082.4	202.3	1,529.7
2007	276.0	1,076.0	218.0	1,570.0
2008	260.0	1,125.0	201.0	1,586.0
Q1 2009 <sup>3</sup>	116.3	382.1	48.8	547.2
Total	5,393.7	9,423.4	2,881.3	17,698.4

<sup>1</sup> Rounding may effect totals.

<sup>2</sup> The category "Other" includes customs duties, agricultural and sugar levies, as well as any refunds received from the EU.

<sup>3</sup> The aggregate total for 2009 is currently forecast to be of the order of €1,690 million.

### Departmental Expenditure.

67. **Deputy Simon Coveney** asked the Minister for Finance the gross expenditure by the State each year from 1993 to date in 2009 including the proposed expenditure for 2009. [14678/09]

**Minister for Finance (Deputy Brian Lenihan):** The table shows gross total Voted and non-Voted expenditure. The gross Voted expenditure figures between 1993 and 2007 are taken from the Appropriation Account for the relevant years. Non-Voted expenditure is derived from the appropriate Finance Accounts for the relevant years. The gross Voted expenditure figure for 2008 is a provisional outturn estimate, while the post-Budget expenditure figures are as published in Supplementary Budget April 2009 on Tuesday 7 April 2009.

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	Gross Voted Total Expenditure	Non-Voted Total Expenditure*	Gross Total Expenditure
	€m	€m	€m
1993 Outturn	14,148	3,983	18,131
1994 Outturn	15,367	3,997	19,364
1995 Outturn	16,702	3,894	20,596
1996 Outturn	17,442	4,119	21,561
1997 Outturn	18,857	4,841	23,698
1998 Outturn	20,512	4,843	25,355
1999 Outturn	22,811	9,946	32,757
2000 Outturn	25,925	6,578	32,503
2001 Outturn	31,303	4,722	36,025
2002 Outturn	35,808	4,171	39,979
2003 Outturn	38,364	4,683	43,047
2004 Outturn	40,751	4,945	45,696
2005 Outturn	45,095	5,875	50,970
2006 Outturn	50,016	6,360	56,376
2007 Outturn	56,426	6,305	62,731
2008 Provisional Outturn	62,395	6,423	68,818
2009 Post-Budget	63,916	9,726	73,642

\*Includes payments to the NPRF.

### EU Budget Payments.

68. **Deputy Simon Coveney** asked the Minister for Finance the payments by the EC to the State in each year from 1993 to date in 2009 including the proposed payments for 2009, with the breakdown of these payments into different categories and sectors. [14679/09]

**Minister for Finance (Deputy Brian Lenihan):** The information requested by the Deputy is set out in the table.

Breakdown of Receipts from the EU Budget<sup>1</sup>

€ million

Year	FEOGA FUNDS						ERDF	Cohesion Fund	Other	Total
	Guarantee	Guidance	EAGF European Agriculture Guarantee Fund	EAFRD European Agricultural Fund for Rural Development	ESF European Social Fund	European Regional Development Fund				
1993	1,627.6	159.9	—	—	395.7	589.7	51.7	25.4	2,849.8	
1994	1,490.3	166.2	—	—	351.8	223.0	86.6	20.1	2,338.0	
1995	1,460.5	181.5	—	—	325.3	454.7	127.1	17.5	2,566.5	
1996	1,732.6	191.2	—	—	321.1	377.2	176.4	21.8	2,820.4	
1997	1,929.8	210.7	—	—	344.1	452.3	216.6	36.6	3,190.0	
1998	1,618.7	235.7	—	—	397.6	596.8	142.6	23.9	3,015.1	
1999	1,723.0	106.3	—	—	265.5	265.0	290.0	29.1	2,678.9	
2000	1,681.4	34.7	—	—	220.6	513.1	152.2	0.0	2,601.9	
2001	1,584.3	20.7	—	—	135.0	359.5	297.1	11.5	2,408.1	
2002	1,709.3	11.4	—	—	109.9	444.3	206.0	29.9	2,510.7	
2003	1,945.2	16.6	—	—	111.4	294.5	172.6	35.5	2,575.8	
2004	1,829.7	61.9	—	—	208.3	439.7	25.8	36.5	2,602.0	
2005	1,806.0	33.0	—	—	211.2	255.6	15.6	61.1	2,382.6	
2006	1,723.3	41.4	—	—	160.9	192.3	39.5	43.4	2,200.8	
2007	—	50.2	1,387.8	373.7	136.1	105.4	0.0	30.0	2,083.2	
2008 <sup>2</sup>	—	9.0	1,450.3	355.0	79.9	126.5	0.0	38.7	2,059.4	
Q1 2009 <sup>2</sup>	—	0.0	1,234.6	170.6	0.0	0.6	22.9	0.8	1,429.5	
Total	23,861.5	1,530.2	4,072.7	899.3	3,774.4	5,690.1	2,022.8	517.8	42,312.6	
2009 <sup>3</sup>	—	0.0	1,355.1	329.2	55.3	40.0	50.2	53.2	1,883.0	

<sup>1</sup> The table includes certain receipts that are paid directly to the relevant implementation agencies and are not received by the Exchequer.

<sup>2</sup> Figures for 2008 and Q1 2009 are the provisional outturn. Certain figures for Q1 2009 under the category "Other" are not yet available.

<sup>3</sup> Figures for 2009 are estimates.

### **Budgetary Proposals.**

69. **Deputy Willie Penrose** asked the Minister for Finance if, in the context of correspondence (details supplied), he will ensure that small businesses do not suffer additional burdens in the forthcoming budget, such as increasing the price of diesel, which could be extremely damaging to such small and medium sized businesses; and if he will make a statement on the matter. [14708/09]

**Minister for Finance (Deputy Brian Lenihan):** As this question relates to potential Budgetary measures, I do not propose to comment in advance of the Supplementary Budget.

### **Tobacco Industry.**

70. **Deputy Jack Wall** asked the Minister for Finance his views in relation to a submission (details supplied); the actions proposed to address the concerns expressed; and if he will make a statement on the matter. [14710/09]

**Minister for Finance (Deputy Brian Lenihan):** The Irish Tobacco Manufacturers' Advisory Committee (ITMAC) is already in ongoing contact with the Office of the Revenue Commissioners in relation to this matter; and a meeting with Revenue was held in January 2009. Direct ongoing contact between Revenue, my Department and the tobacco industry is the appropriate forum to address this issue. Indeed officials from my Department and Revenue again met with representatives from the tobacco industry last month.

### **Tax Refunds.**

71. **Deputy Bernard J. Durkan** asked the Minister for Finance if a person (details supplied) in County Kildare qualifies for a tax refund; and if he will make a statement on the matter. [14716/09]

**Minister for Finance (Deputy Brian Lenihan):** I have been advised by the Revenue Commissioners that the taxpayer is jointly assessed with her spouse for income tax purposes. A review of their joint liability for 2008 has been carried out and P21 balancing statement was issued on 16 March 2009.

### **Tax Code.**

72. **Deputy Bernard J. Durkan** asked the Minister for Finance the full allowances and tax credits in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [14717/09]

**Minister for Finance (Deputy Brian Lenihan):** I have been advised by the Revenue Commissioners that the taxpayer has the following tax credits; Personal Tax credit €1,830, PAYE Tax credit €1,830 and Trade Union Subscriptions Tax credit €70 making a total of €3,730 per annum with Standard Rate Cut Off Point of €36,400. A certificate of tax credits for the tax year 2009, with breakdown of the above, issued to the taxpayer on 18th November 2008.

If any adjustments are required the taxpayer can contact Lo-Call: 1890 44 44 25.

### **Youth Services.**

73. **Deputy Ruairí Quinn** asked the Minister for Health and Children further to Parliamentary Question No. 534 of 5 February 2008, if the review of the Youth Work Development Plan 2003 to 2007 has been completed; if a new plan has been drawn up; if not, the reason for same; and if she will make a statement on the matter. [14038/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** As part of its work programme for 2009, the National Youth Work Advisory Committee is currently reviewing the progress made on the implementation of the 2003-2007 Plan in the general context of youth work policy and practice in Ireland and the next steps which might be taken with regard to future planning development. When this work is completed, the Committee will submit its comments and advice for my consideration.

#### **Female Genital Mutilation.**

74. **Deputy Aengus Ó Snodaigh** asked the Minister for Health and Children if her attention has been drawn to the fact that according to UNICEF 8,000 young girls every day are subject to female genital mutilation; the action she will take to ensure this practice is not carried out here; if she will strengthen the law in this area; and if she will make a statement on the matter. [14307/09]

103. **Deputy Aengus Ó Snodaigh** asked the Minister for Health and Children if a study has been done or any attempt made to quantify the number of women in this State who have undergone the practice of female genital mutilation prior to coming here or since being here; and if she will make a statement on the matter. [14308/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 74 and 103 together.

In 2008 the Women's Health Council published a report on Female Genital Mutilation. The Council's research found no evidence that Female Genital Mutilation is being carried out in Ireland among migrant ethnic communities now living here.

A National Action Plan to Address Female Genital Mutilation, drawn up by non-governmental organisations and statutory agencies including the HSE, was launched on 25th November 2008. The Report indicated that there are 2,585 women living in Ireland who have undergone Female Genital Mutilation. I understand that since then the HSE has had a number of meetings with AkiDwa, the African and Migrant Women's Health Network in Ireland with a view to establishing a National Working Group to implement the recommendations of the National Action Plan, including the recommendation that a uniform data collection system be established to record incidence/prevalence of FGM in Ireland.

My Department is currently working with the National Office for the Prevention of Domestic, Sexual and Gender-based Violence (COSC) and other relevant agencies in the preparation of a National Strategy on Domestic, Sexual and Gender-based Violence. The Strategy will set out the general vision, objectives and actions to tackle these issues. Female Genital Mutilation will be among the gender-based violence issues which the Strategy will address.

Legal advice which I obtained in 2004 strongly indicated that Female Genital Mutilation would constitute an offence under the Non-Fatal Offences Against the Person Act 1997.

In September 2006, the UN Committee on the Rights of the Child (UNCRC) in its concluding observations on Ireland's second period report urged Ireland to continue its efforts to end the practice of Female Genital Mutilation through, inter alia, prohibiting it by law. I am currently examining the question of introducing specific legislation to ban the practice in the content of the UNCRC's recommendations.

#### **Child Care Services.**

75. **Deputy Dan Neville** asked the Minister for Health and Children when she will make a

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decision on funding and if she will provide funding for applications (details supplied).  
[14539/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** As the Deputy will be aware, with the economic downturn, a review of capital expenditure programmes has been undertaken. While existing capital commitments will continue to be processed during 2009 and 2010, it is not possible at this point to approve additional capital grant applications under the National Childcare Investment Programme (NCIP) 2006 — 2010.

I understand that the position is currently being communicated to capital grant applicants, including those referred to by the Deputy, who are affected by this decision.

#### **Pension Provisions.**

76. **Deputy Denis Naughten** asked the Minister for Health and Children the reason a person (details supplied) in County Roscommon is being subjected to the public service pension levy despite the fact that they have no pension entitlement; and if she will make a statement on the matter. [14561/09]

**Minister for Health and Children (Deputy Mary Harney):** All employees, including full time and part time employees on the payroll, who are, or are entitled to be members of a public service occupational pension scheme or pension arrangement are subject to the deduction provided for under the Financial Emergency Measures in the Public Interest Act, 2009.

I can confirm that the levy applies to all employees of Brothers of Charity as this employer is deemed to be a public sector employer for the purposes of the legislation (Sections 1(i), 2(1)(b)(i) and 2(1)(b)(iii) refer).

The individual referred to opted out of the occupational pension scheme and will be entitled to a non pensionable gratuity on reaching retirement age as provided for under the scheme rules.

#### **EU Directives.**

77. **Deputy Joe Carey** asked the Minister for Health and Children the position with regard to the introduction of a proper food labelling system within the EU; and if she will make a statement on the matter. [14662/09]

**Minister of State at the Department of Health and Children (Deputy Mary Wallace):** Food labelling is currently governed by Council Directive 2000/13/EC, transposed in 2002, with several amendments since. This applies to the labelling of prepackaged foodstuffs for sale to the ultimate consumer or for supply to mass caterers. The principle underlying this Directive is that the purchaser must not be misled and it has helped to ensure that the consumer is provided with the information required to make healthy consumption choices.

In January 2008, the European Commission presented its proposals on updating and harmonising this legislation. The proposal is still under discussion. This proposal consolidates existing legislation in the area of food labelling and introduces, inter alia, new provisions for Country of Origin Labelling, a mandatory nutrition declaration and allergen labelling.

In November 2008, Ireland submitted its position paper on the proposal. This paper was informed by submissions made to the FSAI by many of the key stakeholders. Ireland's position will be further informed by the outcome of an FSAI Consumer Survey, to be completed in June 2009. In its position paper, Ireland supports mandatory Country of Origin Labelling; shares the concerns of a significant number of other member states with regard to National

Schemes; welcomes the proposal for mandatory allergen labelling and supports the highlighting of allergens on labels; supports the equal treatment of all alcohol products; asks that consideration should be given to bringing alcohol products into the scope of the legislation; supports the retention of the Commission's proposal with regard to the use of "per portion" expression alone in certain cases, and does not support the proposal for a minimum font size of 3mm for display of mandatory particulars and suggests that other aids to legibility, such as contrasting background, be explored.

Since January 2008 a number of meetings have taken place at European Union Working Group level, attended by officials from Department of Health and Children and the Food Safety Authority of Ireland. The next meeting is due to take place on 27 April 2009. On 16th March 2009, the European Parliament examined the proposal. Parliament has indicated, however, that it will not be in a position to conduct the first reading of the document until after the May European Parliament elections.

At this stage, it is likely that the proposal will not be finalised until end of 2009 at the earliest.

### **Inter-Country Adoptions.**

78. **Deputy Joe Carey** asked the Minister for Health and Children the position on the bilateral adoption agreement signed with Vietnam in 2004; and if she will make a statement on the matter. [14782/09]

86. **Deputy Emmet Stagg** asked the Minister for Health and Children if direct contact has been made with the Vietnamese authorities since the draft new bilateral agreement on adoption was forwarded to them; and if there has been progress in allowing the current agreement to continue without interruption pending the full sign off of the new agreement. [14106/09]

92. **Deputy Catherine Byrne** asked the Minister for Health and Children the position regarding the bilateral agreement for adoptions from Vietnam; when a new bilateral agreement will be agreed; her views on the couples who have completed the Health Service Executive assessment for foreign adoption, and more who are being assessed by the HSE and who are hoping to adopt a child from Vietnam; and if she will make a statement on the matter. [14162/09]

104. **Deputy Brian O'Shea** asked the Minister for Health and Children further to Parliamentary Question No. 72 of 31 March 2009, if she will provide a categorical assurance that there will be no gap between the expiry of the current bilateral agreement between Ireland and the Socialist Republic of Vietnam in regard to inter-country adoptions and the introduction of the new one; and if she will make a statement on the matter. [14314/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** I propose to take Questions Nos. 78, 86, 92 and 104 together.

The Adoption Bill 2009, which will give force of law to the Hague Convention on the Protection of Children and Co-operation in Respect of Inter-country Adoption, was published on Friday 23rd January.

Under the new legislation, prospective adoptive parents will be able to adopt from countries which have also ratified the Hague Convention, and countries with which Ireland has a bilateral agreement which meets Hague standards.

While it is true to say that our current Agreement with Vietnam is based on Hague principles, as part of the preparations for our new legislation we need to ensure that our Agreement reflects the Hague Convention as comprehensively as possible. A new Agreement allows the opportunity to elaborate and strengthen some existing provisions to meet the standards which



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have been set in draft legislation. There have been considerable developments in inter-country adoption in Vietnam since the Agreement was signed 5 years ago. This progress also needs to be reflected in any new Agreement.

In December 2008, the Irish Government issued a formal request to the Vietnamese Authorities stating that we wish to enter into discussions immediately for the purpose of negotiating a new Agreement to follow on from the existing Agreement which will expire on 1 May 2009. The Vietnamese Authorities have responded positively to Ireland's request.

Ireland offered to provide the Vietnamese Authorities with the text of a draft agreement as a basis for negotiations. A draft bilateral agreement for inter-country adoption was delivered on 6 March, through the Department of Foreign Affairs, to the Vietnamese Authorities for their consideration. I am pleased to inform the House that the Vietnamese Government have invited a delegation from Ireland to discuss the provisions of the draft agreement provided. The delegation will travel in the coming weeks for an intensive round of discussions on the draft agreement.

I would like to again reiterate my personal commitment and the commitment of the Government to conclude an agreement with Vietnam.

As the Deputy will be aware, Ireland has a long and positive relationship with the Socialist Republic of Vietnam but I must also emphasise the need to respect the authority of that jurisdiction, having regard to the sensitive nature of discussions regarding inter-country adoption.

The work to prepare for and advise the Government on this issue and the implementation of Government's decisions is being given the highest priority. These are complex matters which require careful consideration. At all times, the Minister and the Government, and officials advising them, are guided by the need to respect and protect the best interests and rights of the child.

### **Health Services.**

79. **Deputy Frank Feighan** asked the Minister for Health and Children if, with the movement of cancer care services from Sligo to the position at the Galway regional centre, she will reconsider same in view of the evidence of Galway's incapacity to cope and the existing services set up in Sligo. [14033/09]

**Minister for Health and Children (Deputy Mary Harney):** The matter raised by the Deputy relates to the provision of health care services and accordingly, I have asked the HSE to respond directly to the Deputy on the matter.

### **Hospital Waiting Lists.**

80. **Deputy Michael McGrath** asked the Minister for Health and Children when a person (details supplied) in County Cork will be given an appointment for surgery at St. Mary's Orthopaedic Hospital, Cork. [14039/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply. The National Treatment Purchase Fund arranges treatment for patients who have been on a surgical waiting list for more than three months. It is open to the person in question or anyone acting on their behalf to contact the Fund directly in relation to their case.

### **Eating Disorders.**

81. **Deputy Terence Flanagan** asked the Minister for Health and Children the waiting lists for St. Columcille's Hospital, Dublin 1; the steps being taken by her to aid St. Columcille's Hospital; the measures being taken to combat obesity here; and if she will make a statement on the matter. [14045/09]

**Minister for Health and Children (Deputy Mary Harney):** An intersectoral group has been established by the Department of Health and Children to oversee the implementation of the recommendations of the report of the National Taskforce on Obesity. The Group comprises representatives of all key stakeholders, including experts from Government Departments and agencies, the food industry, and relevant NGOs.

The inaugural meeting of the group was held in January 2009, chaired by Ms Mary Wallace, Minister of State at the Department with special responsibility for Health Promotion and Food Safety.

The first task of the group was to examine the recommendations contained in the Taskforce report and prepare a report on progress to date on their implementation. It is clear that much work has taken place and that many of the recommendations have been, or are partially implemented. The report is being finalised and should be available shortly.

My Department has asked the HSE to reply directly to the Deputy on the other issue raised.

### **Departmental Reports.**

82. **Deputy Denis Naughten** asked the Minister for Health and Children if she will publish the report of the vaccine damage steering group; the reason for the delay in its publication; and if she will make a statement on the matter. [14056/09]

**Minister for Health and Children (Deputy Mary Harney):** I have recently received the report of the Vaccine Damage Steering Group and I am currently considering its recommendations.

### **Health Services.**

83. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support the case of a person (details supplied) in Dublin 3. [14059/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

### **Medical Cards.**

84. **Deputy Richard Bruton** asked the Minister for Health and Children the reason she has chosen to use gross income as the basis of the means test for medical cards in respect of persons aged 70 years and over whereas net income is used in all other medical card eligibility tests; and if she will make a statement on the matter. [14063/09]

**Minister for Health and Children (Deputy Mary Harney):** Under the new arrangements effected by the Health Act 2008, a much simplified system of assessment for eligibility was introduced in respect of persons aged 70 or over, based on the significantly higher gross income thresholds rather than the standard net income limits. The gross income thresholds are €700 per week for a single person and €1,400 for a couple, as against net income limits of €201.50 for a single person and €298 for a couple. Under the net income assessment system, allowance may be made for rent/mortgage, travel to work and child care costs. However, these would not be a factor for the vast majority of older people.

[Deputy Mary Harney.]

Where a person aged 70 or over does not qualify for a medical card by virtue of their gross income being over the specified thresholds, the person may apply to the HSE for a medical card or GP visit card under the existing net income thresholds.

Notwithstanding the above, the HSE may issue a medical card on a discretionary basis, if the applicant would otherwise be caused undue hardship in providing general medical and surgical services for himself/herself and any dependants.

#### **Health Services.**

85. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support the case of a person (details supplied) in Dublin 5. [14088/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hocht):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

*Question No. 86 answered with Question No. 78.*

#### **Health Services.**

87. **Deputy Seán Sherlock** asked the Minister for Health and Children when the Health Service Executive proposes to publish a report (details supplied); and if she will make a statement on the matter. [14113/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hocht):** I have been informed that the independent investigation committee appointed by the Health Service Executive to investigate the circumstances of the case referred to by the Deputy continues to meet. The chairperson has indicated that its report will be submitted to the Executive by the end of April 2009. The question of its dissemination will then be a matter for the HSE.

88. **Deputy Mary Alexandra White** asked the Minister for Health and Children the position regarding the provision of new day places at a service (details supplied); and if the Health Service Executive will provide the necessary funding for new day places. [14114/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** As the Deputy's question relates to service matters I have arranged for the question to be referred to the Health Service Executive for direct reply.

#### **Nursing Education.**

89. **Deputy Leo Varadkar** asked the Minister for Health and Children the progress made on the introduction of nurse prescribing as provided for in the Irish Medicines Board Act 1995; and if she will make a statement on the matter. [14121/09]

**Minister for Health and Children (Deputy Mary Harney):** Since the enactment of legislation and regulations giving prescriptive authority to nurses and midwives in May 2007, the Health Service Executive has funded 248 nurses and midwives to undertake the six-month education programme provided in the Royal College of Surgeons in Ireland and University College Cork. These nurses and midwives are from 61 clinical areas and 83 health service providers across the country.

The regulation of prescribing is twin track. In addition to provisions set out in the 2007 regulations An Bord Altranais, whose key functions include registration and regulation of nurses and midwives in Ireland, has devised a registration and notification process and has

introduced practice standards for nurses and midwives with prescriptive authority. In order to prescribe a registered nurse or midwife must have successfully completed the approved education programme, have the appropriate clinical experience, be registered with An Bord Altranais as a Registered Nurse Prescriber, and have authority from the employing health service provider to prescribe a range of medicinal products within her/his scope of practice. To date a total of 70 nurses and midwives throughout the Health Service Executive have registered with An Bord Altranais and have the authority to prescribe medicinal products. This group are from a diversity of health service providers and clinical areas.

I am satisfied that significant progress has been made in relation to the introduction of nurse/midwife prescribing. Improving patient care is at the heart of this initiative with patients receiving earlier interventions and therefore a better service. Since the first Registered Nurse Prescriber wrote the first prescription in January 2008, Registered Nurse Prescribers in 20 health service providers in the Health Service Executive reported writing 2962 prescriptions for 2485 patients involving 4300 individual medicinal products.

I would also like to announce that following a comprehensive tendering process the Health Service Executive has engaged a team from University College Dublin to conduct an independent external review of nurse prescribing. The team commenced its work in January 2009 and is expected to report by the end of June 2009.

#### **Proposed Legislation.**

90. **Deputy Leo Varadkar** asked the Minister for Health and Children when she will introduce legislation regarding consent for the retention of human tissue by hospitals and other institutions; and if she will make a statement on the matter. [14122/09]

**Minister for Health and Children (Deputy Mary Harney):** My Department plans to circulate its draft Proposal for the General Scheme of the Human Tissue Bill 2009 for public consultation shortly. A central element of the draft Proposal will be the implementation of the key recommendations of the report by Dr Deirdre Madden into Post-mortem Practice and Procedures. In line with the report, the legislation will provide that no hospital post-mortem examination should be carried out and no tissue retained for any purpose whatsoever without authorisation. Consent/authorisation will be the defining principle underpinning any of the specified activities involving human tissue in the draft Proposal, including hospital post-mortems.

My Department will analyse all submissions received from the consultation process and aims to present the final General Scheme to Government for its approval in the Autumn.

#### **Hospital Services.**

91. **Deputy Catherine Byrne** asked the Minister for Health and Children her views on whether the recent decision to postpone the building of new, dedicated cystic fibrosis facilities at St Vincent's Hospital, Dublin, will have a devastating effect on cystic fibrosis patients; if she will underline her commitment to cystic fibrosis patients across the country and guarantee that these rooms for cystic fibrosis patients will be built without further delay; and if she will make a statement on the matter. [14161/09]

**Minister for Health and Children (Deputy Mary Harney):** I have consistently emphasised the need to improve facilities and services to persons with cystic fibrosis and we have made considerable progress in this regard over recent years. On the staffing side, some 48 additional staff ( 19 at St Vincent's), including consultant, nursing and allied health professionals, have been appointed.

[Deputy Mary Harney.]

There have also been significant improvements to the physical infrastructure at St. Vincent's Hospital as the national adult tertiary referral centre for patients with cystic fibrosis. These include the refurbishment last year of accommodation to provide eight single en-suite rooms for the exclusive use of people with cystic fibrosis.

In addition a new ward block, which is to replace existing accommodation, will include appropriate isolation facilities and accommodation for cystic fibrosis patients as required. It has been agreed that the project will proceed to tender and be operational as early as possible in 2011.

The project will proceed on the basis that payment to the contractor will be made at the end of the construction phase. This is a different way of funding the project as it involves the construction company financing the development up to the final phase of construction. The method previously envisaged for this project would have involved staged payments throughout the construction period.

I am very pleased that an innovative way has been found to deliver this project. In the current challenging environment we need to find new solutions and devise new ways of progressing important projects such as this. This is one of them. The project has always been a priority and never ceased to be so. I want to see it progressing now with urgency.

*Question No. 92 answered with Question No. 78.*

#### **Youth Services.**

93. **Deputy Brian O'Shea** asked the Minister for Health and Children when final decisions will be made on the operation of the programme for the funding of youth cafes in 2009; and if she will make a statement on the matter. [14167/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** Final decisions on the operation in 2009 of the structured programme of youth cafes in are still under consideration. At this stage, the focus of my Office is to bring greater coherence to the approach taken to date, retaining the strong inter-agency element and identifying appropriate models for the future development of youth cafés. Since September 2007 my Office has undertaken a small survey of some of the existing cafés looking at mission/objectives, management and organisation, service levels and the role of young people. Following that survey the National Children's Advisory Council (NCAC) was requested to advise on the development of a youth café model. Research was carried out by the National University of Ireland Galway (NUIG) and a draft report has been forwarded to me for my consideration. This work will ensure that funding is targeted and co-ordinated most effectively on a model or models of youth cafés which meet the needs of young people themselves. It will also ensure that any funding that may be available will augment without displacing existing inter-agency resources. The NUIG has also been requested to prepare a toolkit and guide to support groups setting up youth cafés. This will be a "how to" guide which will deal with issues such as guiding principles, practical operational matters and provide advice and tips on the day to day management and ongoing development of a café as well as setting up cafes. A draft of the 'toolkit' is currently being finalised. I intend to launch the NUI Galway Youth Café report and the toolkit along with the announcement on the advancing the youth café programme in the near future.

#### **Health Repayment Scheme.**

94. **Deputy Aengus Ó Snodaigh** asked the Minister for Health and Children the reason persons (details supplied) are having problems getting moneys repaid under the Health

(Repayment Scheme) Act 2006, commonly known as the nursing home repayment scheme. [14184/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

#### Departmental Staff.

95. **Deputy Michael Ring** asked the Minister for Health and Children the payments made to senior officials in her Department under the performance related pay scheme for each of the years 2005 to 2008, if she has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if she will make a statement on the matter. [14222/09]

**Minister for Health and Children (Deputy Mary Harney):** The Performance Related Awards Scheme (PRA) was introduced following a decision by the Government on the implementation of the Review Body on Higher Remuneration in the Public Sector. The operation of the scheme is overseen by the Committee for Performance Awards (CPA) and its reports, detailing the background and operation of the scheme and providing information on payments made in respect of performance in 2005, 2006 and 2007 are available at <http://www.finance.gov.ie>. The Committee does not identify the amount paid to individuals as this is regarded as personal information. The following table details the amount paid to eligible officers in my Department for the years stated.

Year	Amount
	€
2005	96,000
2006	100,000
2007	123,000

As the Deputy may be aware, on 5 February 2009 the Minister for Finance announced in the Dail the discontinuation of the scheme for Assistant Secretaries, Deputy Secretary and related grades subject to consultation with the relevant Staff Associations. Therefore, no payments have been made to eligible officers in my Department in respect of performance in 2008.

#### Cancer Screening Programme.

96. **Deputy Eamon Gilmore** asked the Minister for Health and Children the percentage of eligible women who have been screened by BreastCheck as of 31 January 2009, broken down by county; and if she will make a statement on the matter. [14230/09]

**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.

#### Health Service Staff.

97. **Deputy David Stanton** asked the Minister for Health and Children if a person (details supplied) in County Cork who is employed by the Health Service Executive is exempt from the pension levy; and if she will make a statement on the matter. [14237/09]

**Minister for Health and Children (Deputy Mary Harney):** The Health Services Executive administers the pension scheme in question and therefore is the appropriate organisation to address the Deputy's query. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issue to the Deputy.

#### **Departmental Contracts.**

98. **Deputy Joan Burton** asked the Minister for Health and Children the number of limited companies, established as sole trader ventures, with agreements for the provision of services on a full-time basis and a part-time basis to her, her Department or to a public body under the aegis of her Department, indicating the nature of the services; and if she will make a statement on the matter. [14278/09]

**Minister for Health and Children (Deputy Mary Harney):** My Department has no agreements with limited companies on the basis indicated by the Deputy.

Service agreements made with bodies under the aegis of my Department is an operational matter for the bodies in question and my Department does not routinely compile or hold this information. My Department has referred the Deputy's question to the Parliamentary Affairs Division of the Health Service Executive for its attention and direct reply to the Deputy.

#### **Health Services.**

99. **Deputy Liz McManus** asked the Minister for Health and Children the number of hospice beds in counties Wicklow, Wexford, Kildare, Carlow, Kilkenny, Meath, Laois and Offaly; the number of palliative home care nurses in each county; and if she will make a statement on the matter. [14282/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hackett):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

#### **Hospital Services.**

100. **Deputy Mary Upton** asked the Minister for Health and Children the cost of setting up the lung transplant unit at the Mater Hospital, Dublin; the cost of maintaining the unit, on an annual basis; the length of time this unit has been in place; the number of patients who have received single lung transplants; the number of patients who have received double lung transplants; the number of cystic fibrosis patients who have received lung transplants there; the number of cystic fibrosis patients currently on the transplant list for the Mater Hospital; the number of cystic fibrosis patients who are currently on the Newcastle list for transplant; and if she will make a statement on the matter. [14287/09]

**Minister for Health and Children (Deputy Mary Harney):** The Lung Transplant Unit at the Mater Hospital was formally opened in March 2004. My Department has requested the Health Service Executive to reply directly to the Deputy on the specific service issues raised.

#### **Health Services.**

101. **Deputy Jan O'Sullivan** asked the Minister for Health and Children when the commitment that a health campus would be built in Tuam, County Galway, will be implemented; and if she will make a statement on the matter. [14289/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hackett):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

### **Health Repayment Scheme.**

102. **Deputy Michael Ring** asked the Minister for Health and Children if a person (details supplied) in County Mayo qualifies for the health repayment scheme. [14292/09]

**Minister for Health and Children (Deputy Mary Harney):** The Health (Repayment Scheme) Act 2006 provides the framework for the repayment of recoverable health charges to those who were incorrectly charged for publicly funded long stay care. The Act only provides for prescribed repayments to be made in respect of recoverable health charges. Recoverable health charges are charges for in-patient services, imposed on persons with full eligibility, under the Health (Charges for In-Patient Services) Regulations 1976, as amended, and the Institutional Assistance Regulations 1954. For the purpose of the scheme both medical card holders and those entitled to medical cards are deemed to be persons with full eligibility.

The estates of all those fully eligible persons who were incorrectly charged and who died since 9 December 1998 are eligible for repayment under the scheme provided a valid application form was submitted prior to the closing date.

*Question No. 103 answered with Question No. 74.*

*Question No. 104 answered with Question No. 78.*

### **Health Services.**

105. **Deputy Kathleen Lynch** asked the Minister for Health and Children the out of hours social worker services available in the Cork area; and if she will make a statement on the matter. [14470/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** As this is a service matter it has been referred to the HSE for direct reply.

### **Child Care Services.**

106. **Deputy Kathleen Lynch** asked the Minister for Health and Children if her attention has been drawn to the fact that three quarters of the 650,000 calls to a help-line (details supplied) in 2008 were made outside the hours of 9 a.m. to 5 p.m.; her views on making funding available to subvent the setting up of a 24-hour service; and if she will make a statement on the matter. [14471/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** I presume the Deputy is referring to a 24 hour social work service for children. The Government and the HSE remain committed to the development of a comprehensive needs-based service for children at risk. I personally chair regular meetings between officials from my Office and senior child welfare and protection managers in the HSE aimed at improving the provision of services to children at risk. A key component of these discussions has been the provision of out of hours care.

In this context, the HSE is now putting in place a standardised national system whereby Gardaí can access an appropriate place of safety for children found to be at risk out of hours under Section 12 of the Child Care Act 1991. This service will conform with Child Care Regulations and with the National Foster Care Standards. The provision of this service aims to ensure that children presenting as ‘at risk’ outside of normal working hours are provided with



[Deputy Barry Andrews.]

an appropriate emergency place of safety thereby reducing or eliminating social admissions of children in an acute hospital setting. Foster families are currently being recruited with a view to commencing the service on or before 1 June 2009.

In addition, and instead of developing a stand alone social work out of hours service, it has been agreed to develop alternative proposals based on a more integrated approach which builds on the HSE's existing out of hours services including GPs, acute hospital services and mental health services. This should provide a more effective and integrated service by using existing resources and strengthening the links between services such as mental health and social work to appropriately address incidents occurring outside usual working hours. The aim is to ensure that persons seeking personal social services outside normal working hours can be provided with appropriate advice, information, support and, in emergency situations, access to specialist staff, such as staff working in the areas of mental health and suicide prevention.

### **Voluntary Sector Funding.**

107. **Deputy Aengus Ó Snodaigh** asked the Minister for Health and Children if her Department provides multi-annual funding to community or voluntary sector organisations; and if so, the organisations receiving this funding since 2006 to date in 2009. [14481/09]

**Minister for Health and Children (Deputy Mary Harney):** My Department does not provide multi-annual funding to community or voluntary sector organisations. However, my Department does provide funding each year to community and voluntary organisations through its National Lottery allocation.

108. **Deputy Aengus Ó Snodaigh** asked the Minister for Health and Children if the Health Service Executive provides multi-annual funding to community or voluntary sector organisations; and if so, the organisations receiving this funding since 2006 to date in 2009. [14483/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

### **Ambulance Service.**

109. **Deputy Noel J. Coonan** asked the Minister for Health and Children the status of proposed new ambulance bases in towns (details supplied) in County Tipperary; the reason for the delay in progressing the projects; the timeframe for completion of the new amenities; and if she will make a statement on the matter. [14492/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for direct reply.

### **Diabetes Incidence.**

110. **Deputy Ciarán Lynch** asked the Minister for Health and Children if she will provide a numerical county by county permanent residential breakdown of patients with a diagnosis of diabetes who had full or partial lower limb amputations here in each of the years 2005, 2006 and 2007; if she will further provide a numerical permanent residential breakdown of these patients by Health Service Executive area in each of the years 2005, 2006 and 2007; and if she will make a statement on the matter. [14508/09]

**Minister for Health and Children (Deputy Mary Harney):** The information as requested by the Deputy is set out in the following table.

## Lower Limb Amputations and Diabetes by HSE Area and County of Residence

HSE Area of Residence	2005	2006	2007
Dublin Mid Leinster	74	78	75
Dublin North-East	50	49	55
South	114	68	117
West	79	89	86
Total	317	284	333

County of Residence	2005	2006	2007
Dublin	57	60	57
Cork	51	23	45
Galway	13	21	17
Limerick	13	16	19
Kerry	11	13	19
Wexford	17	9	13
Mayo	13	15	10
Kildare	10	11	17
Waterford	12	10	8
Tipperary South	9	10	11
Clare	6	9	14
Tipperary North	9	10	9
Louth	9	7	12
Westmeath	8	7	5
Donegal	7	7	5
Laois	5	6	7
Longford	6	6	5
All Other Counties	61	44	60
Total	317	284	333

Source: Hospital In-Patient Enquiry.

Notes:

Data refer to discharges from publicly funded acute hospitals with a principal or secondary diagnosis of diabetes, and a procedure code for full or partial lower limb amputation.

Data for counties with less than 5 observations in any year are not shown separately above to protect confidentiality. These cases have been aggregated and are reported in the 'All Other Counties' category.

There was one case in 2005 and one case in 2007 with area of residence outside of Ireland. These cases have been excluded from the data reported above.

Private hospitals are not included.

### Departmental Expenditure.

111. **Deputy Michael Ring** asked the Minister for Health and Children the cost of providing mobile telephony and PDA services for her in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by her in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if she will make a statement on the matter. [14534/09]

**Minister for Health and Children (Deputy Mary Harney):** The following table gives the total costs involved ( including VAT ) from the time I took office in September 2004. My official phone is used primarily for official purposes. No special instruments were purchased on my behalf and any new handsets provided, were by way of free upgrades. I do not have the use of a Blackberry or PDA.

The Deputy will be aware that following a competitive tendering process my Department has negotiated a new contract for the provision of mobile phone telephony. This will result in significant savings being achieved.

Year	Total
	€
2005	5,749.07
2006	5,845.13
2007	5,409.73
2008	6,288.3
Overall Total	23,292.23

#### Health Services.

112. **Deputy Finian McGrath** asked the Minister for Health and Children if there are plans in place to move rheumatology services from Our Lady's Hospital, Manorhamilton, County Leitrim to Sligo General Hospital (details supplied); and if she will make a statement on the matter. [14546/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for direct reply.

#### Medical Cards.

113. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children the reason the Health Service Executive have moved the processing of medical cards from Roselawn Health Centre in Blanchardstown Dublin 15 to Rathdown Road-Grangegorm Road; and if she will make a statement on the matter. [14550/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

#### Child Care Services.

114. **Deputy Jack Wall** asked the Minister for Health and Children her views on a proposal (details supplied) in view of its importance to the community; and if she will make a statement on the matter. [14552/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** As the Deputy will be aware, I have responsibility for the National Childcare Investment Programme (NCIP) 2006 — 2010.

I understand that the person in question received approval in 2008, for capital grant funding under the National Childcare Investment Programme (NCIP) 2006 -2010, to develop a childcare service in Castledermot, Co Kildare. I also understand that the applicant does not wish to proceed with the grant application and is proposing that consideration is given to transferring

the grant approval to a community childcare provider, presumably with a view to enabling the community provider to purchase the premises.

Each grant application is considered on its merits and it would not be normal practice to transfer approval for funding in the manner proposed. However, I understand that the matter has been referred to Pobal, who are responsible for the day to day operation of the NCIP on behalf of my Office, for examination and report. When a report is received from Pobal, a decision will be taken in regard to the applicant's request and he will be informed of the outcome as soon as possible thereafter.

#### **Health Services.**

115. **Deputy Bernard J. Durkan** asked the Minister for Health and Children when a psychological and behavioural assessment will be offered to a person (details supplied) in County Kildare; and if she will make a statement on the matter. [14553/09]

**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.

#### **Medical Cards.**

116. **Deputy James Reilly** asked the Minister for Health and Children the saving that will be made from the return of 19,445 over 70 years medical cards; and if she will make a statement on the matter. [14564/09]

**Minister for Health and Children (Deputy Mary Harney):** Following enactment of the Health Act 2008, the Health Service Executive (HSE) wrote to all medical card holders aged 70 years and over in January 2009. Persons who were in receipt of a medical card on a non means tested basis were requested, if over the income limits set out in the Act, to make a declaration to the Executive, on or before the 2nd March 2009. To-date, 19,954 medical cards for persons aged 70 and over have been returned or removed from the medical card register as part of an ongoing data quality exercise. The HSE has estimated that the removal of these 19,954 cards will produce savings in excess of €20 million.

#### **Health Service Staff.**

117. **Deputy Michael Creed** asked the Minister for Health and Children the details of the decision not to renew temporary contracts for nursing staff; the way this applies to nurses currently under contract; and if she will make a statement on the matter. [14566/09]

**Minister for Health and Children (Deputy Mary Harney):** In order to implement savings measures on public service numbers, the Government has decided that, with effect from 27 March 2009 to end 2010, no post in the public sector, however arising, may be filled by recruitment, promotion, or payment of an allowance for the performance of duties at a higher grade. Therefore when vacancies arise, each agency must reallocate or reorganise work or staff accordingly. In the case of the Health Services, any exceptions to this principle, which will arise in very limited circumstances only, require the prior sanction of the Minister for Finance and myself. The decision also applies to temporary appointments on a fixed-term basis and to the renewal of such contracts.

The way in which the Government decision will be applied to nursing staff on temporary contracts is a matter for the Health Service Executive, and I have accordingly referred that part of the Deputy's question to the Executive for attention and direct reply.

118. **Deputy David Stanton** asked the Minister for Health and Children the number of medical personnel who applied for early retirement every month for the past 12 months; the number of applications for early retirement which are currently being processed; the number expected to apply for early retirement in the next 12 months; and if she will make a statement on the matter. [14575/09]

**Minister for Health and Children (Deputy Mary Harney):** The Health Service Executive is responsible for HR matters in relation to medical personnel and therefore is the appropriate organisation to address the Deputy's query. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the matter investigated and to have a reply issue to the Deputy.

119. **Deputy David Stanton** asked the Minister for Health and Children the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if she will make a statement on the matter. [14586/09]

**Minister for Health and Children (Deputy Mary Harney):** I can confirm that no officer of my Department, with less than two years service on 1st March 2009, has given notice to terminate their employment, under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

#### **Health Services.**

120. **Deputy Seán Sherlock** asked the Minister for Health and Children if an application for referral of a person (details supplied) in County Cork was received; if so, if an appointment will be expedited in respect of the person. [14595/09]

**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.

121. **Deputy Bernard Allen** asked the Minister for Health and Children if she will investigate a situation regarding a person (details supplied) in County Cork. [14614/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hackett):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

#### **National Treatment Purchase Fund.**

122. **Deputy Jack Wall** asked the Minister for Health and Children the position regarding a date for a hip replacement operation in respect of a person (details supplied) in County Kildare in view of the fact that two earlier appointments have been cancelled; if this person is entitled to have the operation carried out under the National Treatment Purchase Fund scheme; if so, if this aspect will be investigated and be favourably resolved in view of the fact that the applicant has serious problems in accessing any sector of their home or having a normal social life outside of it, due to their condition; and if she will make a statement on the matter. [14622/09]

**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. The National Treatment Purchase Fund arranges treatment for patients who have been on a surgical waiting list for more than three months. It is open to the person in question or anyone acting on their behalf to contact the Fund directly in relation to their case.

### Medical Cards.

123. **Deputy Jan O’Sullivan** asked the Minister for Health and Children if it is an offence for anyone over 70 years with gross income over €700 single or €1400 couple to retain their medical card; if so, the way they can make a case for keeping the card on medical or hardship grounds if they are only marginally over the limit; and if she will make a statement on the matter. [14645/09]

**Minister for Health and Children (Deputy Mary Harney):** Under the new arrangements effected by the Health Act 2008, a much simplified system of assessment for eligibility was introduced in respect of persons aged 70 and over, based on gross income rather than net income, as applies otherwise for means-testing of eligibility for medical cards.

The simplified approach taken for persons aged 70 and over who held a medical card prior to 31st December 2008 is close to a self-assessment system. In introducing the measures, I emphasised my belief in the honesty and integrity of the vast majority of older persons in our society.

Long-standing provisions of the Health Act 1970, as amended, continue to apply. For instance, under Section 49(1) there is a requirement for a person to notify the HSE of any change in his/her circumstances which would render him/her ineligible for services. In addition, under Section 50, when a person has obtained a service and it is later ascertained that he/she was not entitled to the service, the HSE may charge the individual for any services provided to him/her for the period for which he/she had no entitlement. Failure to notify the HSE or the use of a service one is not entitled to is an offence on summary conviction.

Where a person aged 70 or over does not qualify for a medical card by virtue of their gross income being over the specified thresholds, he/she may apply to the HSE for a medical card or GP visit card under the existing net income thresholds, which allow for medical, nursing and other relevant expenses to be taken into account (The net weekly income thresholds for a medical card are €201.50 (single person) and €298 (couple) and for a GP visit card are €302 (single person) and €447 (couple).

Notwithstanding the above, the HSE may issue a medical card on a discretionary basis, if the applicant would otherwise be caused undue hardship in providing general medical and surgical services for himself/herself and any dependants.

Persons who are in any way confused by the new scheme are encouraged to seek advice from their local health office which will continue to provide any necessary support, and which along with the HSE National Helpline (1850 24 1850), will handle enquiries from clients in respect of their medical card entitlements.

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124. **Deputy Jan O’Sullivan** asked the Minister for Health and Children if new clinical directors are being appointed in the area of psychiatry; if so, the way they will relate to the clinical directors already in existence in that discipline; if the posts will be duplicated and filled by different persons; if clinical directors in both categories receive the extra salary for the post; and if she will make a statement on the matter. [14646/09]

**Minister for Health and Children (Deputy Mary Harney):** As the appointment of Clinical Directors is a matter for the Health Service Executive, I have asked the Executive to examine the issues raised by the Deputy and reply to her directly.

### Medical Cards.

125. **Deputy Jan O’Sullivan** asked the Minister for Health and Children the basis on which a person over 70 years who has surrendered their medical card and subsequently re-applies for a card, is means tested; if the €700 cut-off point is used or if they are assessed on the income limit for a single person under 70 years; and if she will make a statement on the matter. [14647/09]

**Minister for Health and Children (Deputy Mary Harney):** Under the new arrangements effected by the Health Act 2008, a much simplified system of assessment for eligibility was introduced in respect of persons aged 70 and over, based on gross income rather than net income, as applies otherwise for means-testing of eligibility for medical cards.

The simplified approach taken for persons aged 70 and over who held a medical card prior to 31st December 2008 is close to a self-assessment system. In introducing the measures, I emphasised my belief in the honesty and integrity of the vast majority of older persons in our society.

Long-standing provisions of the Health Act 1970, as amended, continue to apply. For instance, under Section 49(1) there is a requirement for a person to notify the HSE of any change in his/her circumstances which would render him/her ineligible for services. In addition, under Section 50, when a person has obtained a service and it is later ascertained that he/she was not entitled to the service, the HSE may charge the individual for any services provided to him/her for the period for which he/she had no entitlement. Failure to notify the HSE or the use of a service one is not entitled to is an offence on summary conviction.

Where a person aged 70 or over does not qualify for a medical card by virtue of their gross income being over the specified thresholds, he/she may apply to the HSE for a medical card or GP visit card under the existing net income thresholds, which allow for medical, nursing and other relevant expenses to be taken into account (The net weekly income thresholds for a medical card are €201.50 (single person) and €298 (couple) and for a GP visit card are €302 (single person) and €447 (couple)).

Notwithstanding the above, the HSE may issue a medical card on a discretionary basis, if the applicant would otherwise be caused undue hardship in providing general medical and surgical services for himself/herself and any dependants.

Persons who are in any way confused by the new scheme are encouraged to seek advice from their local health office which will continue to provide any necessary support, and which along with the HSE National Helpline (1850 24 1850), will handle enquiries from clients in respect of their medical card entitlements.

126. **Deputy Jan O’Sullivan** asked the Minister for Health and Children if certain people over 70 years have been removed from the list of people approved for medical cards which is used by pharmacists; if so, the basis for same; and if she will make a statement on the matter. [14648/09]

**Minister for Health and Children (Deputy Mary Harney):** Following enactment of the Health Act 2008, the Health Service Executive (HSE) wrote to all medical card holders aged 70 years and over in January 2009. Persons who were in receipt of a medical card on a non means tested basis were requested, if over the income limits set out in the Act, to make a declaration to the Executive, on or before the 2nd March 2009.

To-date, 19,954 medical cards for persons aged 70 and over have been returned or removed from the medical card register. 10,690 of these cards were returned to the HSE by persons

aged 70 or over whose weekly income was in excess of the specified thresholds and a further 9,264 medical cards were removed from the medical card register as part of a data quality exercise, where for example, the HSE had been advised that the card holder is deceased or the card holder was not known at the address, etc.

If card holders have been removed from the HSE's medical card register where they have not declared to the HSE that they are in excess of the specified thresholds, they should contact their Local Health Office immediately and as soon as the details can be confirmed, their General Medical Services eligibility will be restored. Local Health Offices will continue to deal with queries of a general nature about the medical card scheme and will provide any assistance needed with the application process, and along with the National Helpline (1850 24 1850), will deal with enquiries from clients in respect of their medical card entitlements and completion of application forms.

### **Medical Aids and Appliances.**

127. **Deputy Jan O'Sullivan** asked the Minister for Health and Children if there has been reconsideration of the practice of not returning aids such as crutches, walking frames and wheelchairs for re-use; if this practice will be changed in the context of the need to save money without hurting patient services; and if she will make a statement on the matter. [14649/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** The Deputy will be aware from the reply received from the Health Service Executive (HSE) dated 20th October 2008, that the policy of Primary, Community and Continuing Care offices is to recycle aids and appliances to the greatest extent possible. I understand that some items, such as crutches and Zimmer frames, are considered single use items and the manufacturers will not guarantee them if they are recycled.

However, I have referred this question to the HSE for an update on the position and a direct reply to you.

### **Hospitals Building Programme.**

128. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the stage of the planning of a new building for St. Mary's Hospital, Mullingar, County Westmeath; if the finance to build the project is secure; and if she will make a statement on the matter. [14656/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hocht):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

129. **Deputy Jan O'Sullivan** asked the Minister for Health and Children when phase 2B of Mullingar General Hospital will open; and if she will make a statement on the matter. [14657/09]

**Minister for Health and Children (Deputy Mary Harney):** The Midland Regional Hospital at Mullingar forms part of the Dublin/Midlands Hospital Group and provides an extensive range of acute services to the population of Dublin/Midlands and in particular the Longford/Westmeath area.

Stage I of the Phase 2B Capital Development at Mullingar commenced in 2006 and is scheduled for completion shortly at a cost of €23m.

This Phase of the Project includes:



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- Fit out of the existing ward shells to provide a new paediatric ward, a new day surgery/gynaecology ward, a new obstetric ward and a new medical ward, incorporating an acute stroke unit.
- Refurbishment of the existing paediatric and obstetric wards to provide surgical and medical wards and a Palliative Care Unit.
- An extension of the existing facilities to accommodate an interim Special Care Baby Unit adjacent to the new paediatric ward.

I understand that these works are completed and that the ward areas are now fully occupied.

In addition, approval was granted for the refurbishment of two further wards in the existing hospital — a Medical/Surgical and a Delivery/Gynaecology ward. This work is due to be completed shortly.

Completion of this Phase of the project will see the bed complement increase from 215 to 244 and will enhance the range and level of services provided.

### **Nursing Home Subventions.**

130. **Deputy Denis Naughten** asked the Minister for Health and Children the primary, community and continuing care here which are not in any circumstances paying enhanced nursing home subvention; and if she will make a statement on the matter. [14674/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hocht):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

131. **Deputy Denis Naughten** asked the Minister for Health and Children if a review of nursing home subventions has taken place in view of the reduced value of capital assets; and if she will make a statement on the matter. [14675/09]

**Minister of State at the Department of Health and Children (Deputy Máire Hocht):** The Nursing Home Subvention Scheme is governed by the Health (Nursing Homes) (Amendment) Act 2007. The Health Service Executive (HSE) has also produced National Guidelines for the Standardised Implementation of the Nursing Home Subvention Scheme.

The legislation provides for an individual's means to be reviewed. In addition, the Guidelines state that an individual's means should be reviewed at least on an annual basis. This would take account of declines in the housing market as well as reduced levels of rental income. However, the Guidelines further state that reviews of means can be undertaken at any time, when the means of the client warrant a review.

Finally, the legislation also provides for certain decisions of the HSE, including the result of a review of an individual's means, to be appealed.

### **Hospital Services.**

132. **Deputy Joe Carey** asked the Minister for Health and Children if she will intervene in order to prevent the planned closure of 24 hour accident and emergency services at Ennis General Hospital, County Clare; and if she will make a statement on the matter. [14702/09]

133. **Deputy Pat Breen** asked the Minister for Health and Children the additional resources which have been put in place in view of the plans to close the 24 hour accident and emergency

at Ennis General Hospital, County Clare going ahead from 6 April 2009; and if she will make a statement on the matter. [14704/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 132 and 133 together.

The Government is committed to ensuring the delivery of the best quality health services possible, in an effective and efficient way. Ensuring patient safety is of paramount importance, so that people can have confidence in the services and the best possible patient outcomes can be achieved.

The HSE has commissioned a number of reviews in relation to how acute hospital services should be organised, including the Teamwork/Horwath Report in relation to the Mid-West region, which the Executive has recently published. The Report highlights the need for changes to be made in the provision and organization of acute hospital services across the region, particularly in relation to accident and emergency services, critical care, acute surgery and medicine. The Report found that the services were too fragmented, carried increased risks for patients and staff and were not sustainable in the future.

The HSE has indicated that certain changes to the present arrangements for the provision of some acute services, including accident and emergency services, must be made, in the interests of patient safety and also to make best use of the clinical resources available within the Mid West region. The HSE has been engaged in a consultation process with key stakeholders as it formulates detailed plans in relation to emergency care, critical care and surgical services in the region.

The HSE plans involve the reorganisation of the arrangements in Ennis and Nenagh so that these hospitals provide an urgent care/minor injuries service for 12 hours a day as part of a regional Accident and Emergency structure. These hospitals will also continue to admit appropriate medical cases. Protocols are in place to ensure that all trauma, paediatric and obstetric emergency cases will be brought directly to the major tertiary centre rather than the local hospital. As part of the new arrangements the ambulance services in North Tipperary and Clare have been enhanced and an advanced 24-hour paramedic service is in operation.

The plans also involve the reconfiguration of Acute Hospital services into a network and their better integration with primary care services across the region, with a regional centre at the Regional Hospital Limerick that will deal with complex and specialist cases. The changing nature of health service delivery is such that smaller hospitals can meet much of the demand for less complex services, especially those that are increasingly done on a day case basis. Day surgery and diagnostic service activity at Nenagh and Ennis will also be significantly enhanced.

I am satisfied that the measures being taken by the HSE are necessary and appropriate in order to ensure the provision of safe and effective health services to the people of the Mid West region. My Department has asked the HSE to respond directly to the Deputy in relation to the detailed operational issues raised.

### **Medical Cards.**

134. **Deputy Bernard J. Durkan** asked the Minister for Health and Children when a medical card will issue to a person (details supplied) in County Laois; the card number; and if she will make a statement on the matter. [14727/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

**Services for People with Disabilities.**

135. **Deputy Bernard J. Durkan** asked the Minister for Health and Children if funding will be put in place for day placement in September 2009 with a service for a person (details supplied) in County Kildare; and if she will make a statement on the matter. [14728/09]

**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.

**Medical Cards.**

136. **Deputy Bernard J. Durkan** asked the Minister for Health and Children when a medical card renewal will issue to a person (details supplied) in Dublin 7; and if she will make a statement on the matter. [14729/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

**Health Service Staff.**

137. **Deputy Phil Hogan** asked the Minister for Health and Children the number of people working in the public service under temporary employment contracts on a fixed-term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if she will make a statement on the matter. [15045/09]

**Minister for Health and Children (Deputy Mary Harney):** In order to implement savings measures on public service numbers, the Government has decided that, with effect from 27 March 2009 to end 2010, no post in the public sector, however arising, may be filled by recruitment, promotion, or the payment of an allowance for the performance of duties at a higher grade. The decision also applies to temporary appointments on a fixed-term basis and to the renewal of such contracts.

Arrangements have been put in place for the health sector that aim to ensure that key services are maintained insofar as possible and there will be flexibility in relation to the filling of key front-line posts for the following grades; Hospital Consultants, Speech and Language Therapist, Occupational Therapist, Physiotherapist, Clinical Psychologist, Behavioural Therapist, Counsellor, Social workers and Emergency Medical Technicians to allow for the continued development of integrated health care, particularly primary and community care, care of the elderly and people with disabilities.

The way in which the Government decision will be applied is a matter for the Health Service Executive, and I have accordingly referred that part of the Deputy's question to the Executive for attention and direct reply.

**Road Network.**

138. **Deputy Michael Ring** asked the Minister for Transport the contract price tendered for a project (details supplied) in County Mayo; the final outturn and the final cost of the project. [14518/09]

**Minister for Transport (Deputy Noel Dempsey):** The provision and improvement of regional and local roads, including bridges, in its area is a matter for Mayo County Council to be funded from its own resources supplemented by State grants.

In May 2007, approval was conveyed to Mayo County Council to award a contract for the construction of a new bridge at Achill Sound at a tender price of €4,392,846.14 inclusive of VAT@ 13.5%. State road grants are being provided to Mayo County Council by my Department towards the cost of the project, subject to maximum grant aid of €2,046,423.

Any cost incurred above the maximum grant aid is a matter for Mayo County Council.

### **Departmental Staff.**

139. **Deputy Michael Ring** asked the Minister for Transport the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14225/09]

**Minister for Transport (Deputy Noel Dempsey):** The scheme for performance-related awards in the Civil Service applies to Deputy and Assistant Secretaries and equivalent grades. Details of awards to individual officers under the performance-related scheme are not disclosed on the basis that they are confidential to the officer concerned.

However I can say that during 2006, awards totalling €46,800 (averaging €11,700) were made to 4 officers in my Department in respect of 2005; in 2007, awards totalling €64,000 (averaging €12,800) were made to 5 officers in my Department in respect of 2006 and in 2008, awards totalling €63,500 (averaging €12,700) were made to 5 officers in my Department in respect of 2007.

No approval has been given for payments for 2008. Regarding payments for 2007, approval was conveyed in a letter dated 18th March 2008 from the Department of Finance.

Details of the operation of the scheme, the numbers covered by the scheme and the total amounts paid in Departments, are available in the annual reports of the Committee for Performance Awards which can be accessed on the website of the Department of Finance [www.finance.gov.ie](http://www.finance.gov.ie).

### **Departmental Expenditure.**

140. **Deputy Michael Ring** asked the Minister for Transport the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14538/09]

**Minister for Transport (Deputy Noel Dempsey):** A breakdown of individual items of expenditure is not readily available from my Department's records.

There have been no monies refunded to the Department by me in respect of personal use of phones, PDAs and Blackberries since 2002.

### **Departmental Staff.**

141. **Deputy David Stanton** asked the Minister for Transport the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before

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1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14590/09]

**Minister for Transport (Deputy Noel Dempsey):** No staff in my Department with less than two years service on 1 March 2009 gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

#### **Company Closures.**

142. **Deputy Aengus Ó Snodaigh** asked the Minister for Transport when his attention was first drawn to the impending closure of a company (details supplied) in County Dublin; the steps he took to inform the employees and the Cabinet; and if he will make a statement on the matter [14664/09]

143. **Deputy Aengus Ó Snodaigh** asked the Minister for Transport if, as a stakeholder in Údarás Aerfort Átha Cliath, his attention has been drawn to the amount it is paying a company (details supplied) for the leases of the hangars at Dublin Airport. [14669/09]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 142 and 143 together.

I wish to refer the Deputy to my reply to Dáil question numbers 53, 56, 112 and 125 of 2 April 2009 in which, among other things, I gave details of when I was informed about the difficulties at SR Technics and when I informed the Tánaiste and Minister for Enterprise, Trade and Employment who has cabinet responsibility for the matter.

As to the closure decision by SR Technics, the responsibility of informing employees is a matter for their employer and I have no function in the matter.

#### **Public Transport.**

144. **Deputy Bernard J. Durkan** asked the Minister for Transport if he provides funding to Bus Átha Cliath for the provision or subvention of services to meet the requirements of commuters using the rail stations at Kilcock, Maynooth, Leixlip Confey, Hazelhatch, Newbridge, Kildare, Monasterevin and Athy, County Kildare; if an assessment has been carried out to determine the extent to which road traffic congestion could be alleviated as a result of such measures; if he proposes to take initiatives in this regard having particular regard to his recent announcements; and if he will make a statement on the matter. [14752/09]

**Minister for Transport (Deputy Noel Dempsey):** This is a day-to-day operational matter for the relevant transport provider and not one in which I have any role.

#### **Departmental Staff.**

145. **Deputy Phil Hogan** asked the Minister for Transport the number of people working in the public service under temporary employment contracts on a fixed-term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15049/09]

**Minister for Transport (Deputy Noel Dempsey):** There is 1 person in my Department who is working on a temporary fixed-term contract covered by the decision referred to by the Deputy.

That Decision provides for consideration by the Minister for Finance of whether such temporary fixed-term contracts should be renewed upon their expiry. The full-year savings that would arise in the event of non-renewal are of the order of €100,000

The terms of employment contracts in State bodies under the auspices of my Department are matters for the bodies concerned.

### **Garda Training.**

146. **Deputy Terence Flanagan** asked the Minister for Justice, Equality and Law Reform the number of training places and courses available to gardaí in Templemore and Garda headquarters; the number who have attended courses; the capacity for each year from 2002 to date in 2009; the Garda budget allocated to fund ongoing training courses for gardaí for each year from 2002 to date in 2009; the duration of each course; and if he will make a statement on the matter. [14043/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I have requested the information sought by the Deputy from the Garda Commissioner and I will write to him directly when this information is to hand.

### **Residency Permits.**

147. **Deputy Mattie McGrath** asked the Minister for Justice, Equality and Law Reform the status of an application for long-term residency by a person (details supplied) in County Tipperary which was lodged on 16 April 2008; if a decision will be made soon; and if he will make a statement on the matter. [14051/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I would refer the Deputy to my response to Parliamentary Question No. 533 of 24th March, 2009. Officials in the Long-Term Residency section of my Department advise me that applications from July 2007 are now being considered. Otherwise, the position remains the same.

### **Prison Committals.**

148. **Deputy Andrew Doyle** asked the Minister for Justice, Equality and Law Reform the number of days spent in prison in 2008 for the non-payment of fines. [14058/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It has not been possible to retrieve the required statistical information in the timeframe available. This will be forwarded to the Deputy in due course.

### **Adoption Services.**

149. **Deputy Richard Bruton** asked the Minister for Justice, Equality and Law Reform the steps necessary to acquire a visa or immigration clearance letter for a non-Irish national child who has been adopted from a country (details supplied) by an Irish parent without prior clearance by the Adoption Board of Ireland, and when the child currently resides in another country; and if he will make a statement on the matter. [14078/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The immigration clearance letter allows a child from a specified country safe passage through immigration controls into the State in lieu of a visa.

However this letter will only issue on verification of proof that all the criteria set by the Adoption Board of Ireland have been fully met. This requires receipt by the Foreign Adoption

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Unit of my Department of the original declaration of eligibility and suitability from the Adoption Board attesting to the prospective parents.

### **Proposed Legislation.**

150. **Deputy Leo Varadkar** asked the Minister for Justice, Equality and Law Reform his plans to outlaw upward rent review only clauses in contracts for commercial properties; and if he will make a statement on the matter. [14117/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I have already announced that, as a first step, I have written to a number of relevant bodies highlighting my concerns about current practice in relation to upward only rent reviews, and urging that a more flexible and innovative approach be taken in relation to this issue. I am keeping this matter of legislative intervention under active consideration.

### **Garda Operations.**

151. **Deputy Leo Varadkar** asked the Minister for Justice, Equality and Law Reform if his Department has engaged in discussions with the Garda and the Defence Forces with regard to a management plan to deal with civil unrest or rioting in Dublin city; and if he will make a statement on the matter. [14132/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Deputy will appreciate that it is not my function as Minister to issue operational policing advice to the Garda Commissioner or his senior management.

### **Firearms Licences.**

152. **Deputy John Deasy** asked the Minister for Justice, Equality and Law Reform the number of handgun licences that have issued nationally each month in 2008 and each month to date in 2009. [14134/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The information requested is being compiled and will be forwarded to the Deputy as soon as possible.

### **Asylum Applications.**

153. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of persons (details supplied) in County Westmeath who seek leave to remain here. [14165/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The first named person concerned applied for asylum on 10 May 2006. Her asylum application was refused following consideration of her case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

The person concerned has initiated Judicial Review proceedings, challenging the decision of the Refugee Appeals Tribunal in her case. As these proceedings are ongoing, it would not be appropriate for me to comment further at this time.

In relation to the position in the State of the second named person concerned, in the event that an application for asylum has been made by that person the Deputy will be aware that is not the practice to comment on asylum applications where a final decision has not been made.

### Departmental Staff.

154. **Deputy Michael Ring** asked the Minister for Justice, Equality and Law Reform the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14223/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my answers to Parliamentary Question number 367 of 30th September 2008 and Parliamentary Question number 369 of 10th February 2009 which deal with the information sought by him.

Approval for the payment of awards in respect of 2007 under the high level performance awards scheme was given by the Committee for Performance Awards in the Department of Finance on 13 May 2008.

### Citizenship Applications.

155. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the number of citizenship applications received each year for each of the past ten years; the number processed in each of those years; the average waiting time for applicants; and the countries which applicants are from originally. [14233/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The information is as follows.

Year	Applications received	Certificates issued	No of apps refused/ deemed ineligible
1999	739	416	79
2000	1,004	125	57
2001	1,431	1,048	8
2002	3,574	1,332	135
2003	3,580	1,664	179
2004	4,074	1,335	779
2005	4,527	1,451	2428
2006	6,813	1,390	2,191
2007	7,616	1,501	1,612
2008	10,885	3,117	2,795
2009	2,179 to date	1,054 to date	613 to date

Following the decentralisation of the Citizenship Division to Tipperary Town, substantially increased resources have been made available to it in order to reduce backlogs and provide a better quality service to all applicants. This has also had a positive impact on processing times. The average processing time from application to decision for the generality of valid applications for certificates of naturalisation is now at 23 months. The Citizenship Division is currently commencing further processing of applications received in mid 2007. Applications for certificates of naturalisation have been received from nationals of 181 countries.

The Deputy will appreciate that a certificate of naturalisation is an exceptional and important document that facilitates a non-national becoming a citizen of Ireland. Therefore, there is a limit to the reduction in the processing time that can be achieved as applications for naturalisation must be processed in a way which preserves the necessary checks and balances to ensure



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that the status of Citizenship is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria. The procedures involved have been developed and refined over a number of years and I am satisfied that they are necessary to maintain the integrity of the naturalisation process.

156. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the longest length of time an applicant for citizenship is currently waiting for their application to be dealt with; and the reason for the delays in the citizenship process. [14234/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Further processing of applications for naturalisation currently commences after 18 months on average. The average processing time from application to decision is now at 23 months. This is primarily due to the significant increase in the volume of applications received in the last number of years. In 1999 there were 739 applications whereas in 2008, the number of such applications was 10,885. An element of cases are now being dealt with in less than that time scale and more complicated cases can at times take more than the current average. In many cases outside the average timescale, delays can be due to the non-return of important information by the applicant themselves or can be due to outside agencies with which we liaise being required to conduct more intensive investigations to resolve the merits of an application.

In a very small number of cases this process can take significantly longer than the average timeframe.

The Deputy will appreciate that a certificate of naturalisation is an exceptional and important document that facilitates a non-national becoming a citizen of Ireland. Therefore, there is a limit to the reduction in the processing time that can be achieved as applications for naturalisation must be processed in a way which preserves the necessary checks and balances to ensure that the status of Citizenship is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria. The procedures involved have been developed and refined over a number of years and I am satisfied that they are necessary to maintain the integrity of the naturalisation process.

#### **Public Service Contracts.**

157. **Deputy Joan Burton** asked the Minister for Justice, Equality and Law Reform the number of limited companies, established as sole trader ventures, with agreements for the provision of services on a full-time basis and a part-time basis to him, his Department or to a public body under the aegis of his Department, indicating the nature of the services; and if he will make a statement on the matter. [14279/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** My Department and the public bodies under its aegis do not keep information as to whether their service providers are limited companies, established specifically as sole trader ventures. Because of the level and wide range of services provided by and to my Department and its agencies, I am afraid that the information sought by the Deputy cannot be compiled without the application of a disproportionate amount of staff time and resources.

#### **Voluntary Repatriation.**

158. **Deputy Michael Ring** asked the Minister for Justice, Equality and Law Reform the number of people who have left Ireland under a scheme (details supplied) in 2007 and in 2008;

the countries which they have gone to; and the cost in each case to get a person reintegrated in their own country. [14288/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** In 2007, a total of 231 people voluntarily returned to their home country under the Voluntary Assisted Return & Reintegration Programme (VARRP), with a further 436 being assisted under the Programme in 2008. The average cost of each return under the VARRP during the 2007/2008 period was €3,047. The countries of return were Afghanistan, Albania, Algeria, Belarus, Bolivia, Botswana, Brazil, Cameroon, Chile, China, Croatia, DR Congo, Egypt, Ethiopia, Georgia, Ghana, Hong Kong, India, Indonesia, Iraq, Israel, Ivory Coast, Jordan, Kazakhstan, Kenya, Kosovo, Kyrgyzstan, Lebanon, Lesotho, Libya, Malawi, Malaysia, Mali, Mauritius, Moldova, Mongolia, Morocco, Nigeria, Pakistan, Philippines, Russia, Serbia, South Africa, South Korea, Sri Lanka, Syria, Tanzania, Uganda, Ukraine, Venezuela and Zimbabwe.

### **Sexual Offences.**

159. **Deputy Paul Gogarty** asked the Minister for Justice, Equality and Law Reform the person who is responsible for monitoring sex offenders here; if the local gardaí are made aware of the number and location of sex offenders within their area; if such offenders are monitored on a regular basis; if a sex offenders register exists; if sex offenders have to report to a Garda station in the area in which they reside on a regular basis; the course of action normally taken if a sex offender is identified or recognised, particularly if protests are organised by members of the public; if they are relocated for their own safety; and if he will make a statement on the matter. [14300/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Sex Offenders Act, 2001 contains a comprehensive series of provisions aimed at protecting children and other persons against sexual abuse and attack.

The Act makes persons convicted of a range of sexual offences subject to notification requirements under Part 2 of the Act. The provisions of the Act also extend to any sex offenders who enter the State.

An Garda Síochána has a system in place for the monitoring of persons subject to these requirements. The Domestic Violence and Sexual Assault Investigation Unit monitors and manages the notification provisions. The Unit maintains all information relating to persons who have obligations under the Act. There is a nominated Garda Inspector in each Garda Division who has responsibility for the monitoring of persons subject to the requirements of the Act in their Division. As soon as the Domestic Violence and Assault Investigation Unit is advised by a relevant authority, such as the Irish Prison Service, the Courts Service or a foreign law enforcement agency, of the impending release or movement of sex offenders into their area this information is immediately passed to the nominated Inspectors, who are advised of information relevant to their Division. Should they arise, child protection issues are raised with the health authorities, as set out in the Children First guidelines.

Section 10 of the Sex Offenders Act, 2001 requires offenders to notify the Garda Síochána of their name and home address within seven days of becoming subject to the notification requirement. Notification is made at any Garda Divisional or District headquarters and may be done so in person or by post. Thereafter offenders must, within seven days of the event, notify the Garda of any subsequent changes to their name or address. Offenders who leave the State for an intended continuous period of seven days or more must inform the Garda in advance of their leaving.

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The identity of, or other information relating to, such offenders is not made public. If An Garda Síochána becomes aware that such an offender has been identified, he or she is informed and appropriate advice is provided.

### **Asylum Applications.**

160. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if an Internet site (details supplied) is being used as a source or reference when making decision on asylum applications. [14302/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Under the Refugee Act 1996, two independent statutory offices were established to consider applications and appeals in respect of refugee status and to make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted. These offices are the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal.

I am informed by the Office of the Refugee Applications Commissioner that the guidelines for staff dealing with the investigation of applications for asylum regarding the use of Wikipedia are that it should not be used as a primary or reliable information source and the information available on Wikipedia cannot be relied upon.

I am informed by the Refugee Appeals Tribunal that Members of the Tribunal take account of best international practice and the jurisprudence of the High Court when assessing country of origin information and that Members have been advised that Wikipedia should not be used as a primary or reliable source of country of origin information. In this regard the Deputy should be aware that an appellant is entitled to provide to the Tribunal any country of origin information he/she so wishes to support his/her own case and the Tribunal must consider it.

161. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the action to be taken on admitted fraud and leaking of documents surrounding the asylum appeal case of a person (details supplied); and if he will make a statement on the matter. [14303/09]

162. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the details of an investigation into documents related to an appeal for asylum by a person (details supplied) were selectively disclosed to two media outlets, while their case was still in the legal process, creating trial by media; the person who was responsible for briefing these two newspapers; and the person who authorised them to do so. [14304/09]

163. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the cost of investigating an appeal for asylum by a person (details supplied) by sending a senior detective and a representative of the Irish embassy to Nigeria; if it was in the region of the €10,000 reported recently; if it was fully accounted for; and if that cost included the pursuit of documents to support the State's case against the person's appeal. [14305/09]

164. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform the reason it has taken his Department more than three years to fully investigate an asylum application by a person (details supplied); and if it is coincidence that the renewed investigations seem to have begun following the decision of the European Court of Human Rights to hear the person's case. [14306/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 161 to 164, inclusive, together.

The persons to whom the Deputy refers are failed asylum seekers. This applicant and her daughters applied for asylum on 21 January 2005. Following a full and detailed consideration of their applications by the Refugee Applications Commissioner and an unsuccessful appeal to the Refugee Appeals Tribunal, they were refused declarations of refugee status on 2 September 2005. Following a full and detailed examination of her and her daughters' files, pursuant to section 3 of the Immigration Act 1999 and section 5 of the Refugee Act 1996, Deportation Orders were signed in respect of the applicant and her daughters on 23 November 2005.

The Refugee Act, 1996 (Section 19) makes provision for the protection of the identity of asylum seekers throughout the period during which the asylum application is being investigated. Under this particular provision, the Refugee Applications Commissioner, the Refugee Appeals Tribunal, the Minister, the Minister for Foreign Affairs and their respective officers must take all practicable steps to ensure that the identity of asylum applicants is kept confidential.

This clearly prevents any enquiries or investigations being made in the country of origin of asylum applicants. The legislation also states that no matter likely to lead members of the public to identify a person as an applicant under the Act can be published without the consent of the person.

The validity of the Deportation Orders was challenged by way of judicial review. Following a full hearing in the High Court, Mr. Justice Feeney refused all relief sought and upheld the validity of the Deportation Orders.

The applicant and her daughters made an application pursuant to Regulation 4(2) of the European Communities (eligibility for Protection) Regulations 2006, S.I. no. 518 of 2006, requesting my predecessor to exercise discretion to accept and consider an application for subsidiary protection applications from them. This application was refused. The applicant then challenged by way of judicial review the decision of my predecessor to refuse to exercise discretion under Regulation 4(2) of the European Communities (eligibility for Protection) Regulations 2006, S.I. no. 518 of 2006.

Following a full hearing in the High Court, all reliefs sought were refused by Mr. Justice McGovern and the validity of the decision was upheld. The applicant has appealed the judgement of Mr. Justice McGovern to the Supreme Court.

The applicants lodged an application to the European Court of Human Rights under Article 34 of the European Convention of Human Rights and Rules 45 and 47 of the Rules of the Court. The applicants sought a declaration that their rights under Articles 3, 6, 13 and 14 of the European Convention on Human Rights had been violated.

The total costs of the enquiry referred to by the Deputy are subject to the normal civil service travel and subsistence rates and have not yet been fully invoiced.

As the other matters raised are either sub judice or speculative, I do not propose to comment any further.

#### **Missing Persons.**

165. **Deputy Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if his attention has been drawn to the fact that the common European Missing Children's Helpline number which is currently operational in five member states and will shortly be operational in a further two will be formally launched on 25 May 2009, Missing Children's Day; if

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he will take steps to ensure that the helpline which complements existing statutory mechanisms and can be utilised to raise an alert, to support parents and guardians and missing children themselves in the context of free movement across Europe becomes operational here if not by this date then without delay thereafter; and if he will make the necessary funding available to a society (details supplied) who are ideally placed to operate the service. [14473/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The telephone number to which the Deputy refers is made available by national telecoms regulators. This is therefore a matter primarily for the Department of Communications, Energy and Natural Resources and the Commission for Communications Regulation (ComReg). I should mention that I have asked the Garda Inspectorate to undertake a study of the handling by An Garda Síochána of missing persons reports.

### **Asylum Applications.**

166. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of persons (details supplied) in County Westmeath. [14474/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The first, second and third named persons, a husband, wife and dependant child, applied for asylum in the State on 5 September 2005. The third named person was included in her mother's asylum application. The fourth named person was born in the State in late 2005 and was subsequently included in her mother's asylum application. As the immigration case histories and up to date positions of the two adult asylum applications are almost identical, for the purposes of the Deputy's Question, I will deal with the two cases as one.

The applications for asylum of the persons concerned were refused following individual consideration of their cases by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal. Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the first and second named persons concerned were informed, by separate letters dated 19 March 2009, that the Minister proposed to make Deportation Orders in respect of them and their two children. They were given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of Deportation Orders or of making representations to the Minister setting out the reasons why they and their children should be allowed to remain temporarily in the State. In addition, they were notified of their entitlement to apply for Subsidiary Protection in the State in accordance with the European Communities (Eligibility for Protection) Regulations, 2006 (S.I. No. 518 of 2006).

The 15 working day period referred to in my Department's letter of 19 March 2009 expires on 16 April 2009. It is open to the persons concerned to submit written representations and/or apply for Subsidiary Protection within that period. In any event, final decisions on their cases will not be made prior to the expiry of the 15 working day period referred to above.

### **Legislative Programme.**

167. **Deputy Michael Creed** asked the Minister for Justice, Equality and Law Reform his views on introducing legislation whereby for certain categories of crimes a convicted person found guilty of anti-social behaviour, criminal damage, assault and so on will have a financial penalty imposed on them determined by law whereby they pay on a monthly basis an amount determined in Court to the State; and if he will make a statement on the matter. [14505/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I expect to publish the Fines Bill very shortly. It will include a provision under which the courts will be able to direct that fines, imposed on conviction for criminal offences, be paid in instalments over a 12 month period, or in exceptional circumstances, over a 24 month period.

#### **Residency Permits.**

168. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of a person (details supplied) in County Westmeath who seeks leave to remain here on humanitarian grounds. [14511/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my detailed Reply to her recent Parliamentary Question, No. 84 of Thursday 29 January 2009, in this matter. The position in the State of the person concerned is as set out in that Reply.

169. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of a person (details supplied) in County Westmeath who has applied for leave to remain here. [14513/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my reply to Parliamentary Question No. 337 of 21 October 2008. I wish to add that the person concerned was subsequently informed, by letter dated 28 January 2009, of her entitlement to apply for Subsidiary Protection. Representations have been received from the person concerned and are being considered by the relevant officials. The person concerned will be contacted directly and notified of any decisions made regarding her status in the State in due course.

#### **Deportation Orders.**

170. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of a person (details supplied) in County Westmeath who has applied for leave to remain here on humanitarian grounds. [14514/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned arrived in the State on 19 December 2005 and applied for asylum on 20 December 2005. Her application was refused following consideration of her case by the Office of the Refugee Applications Commissioner, and, on appeal, by the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act 1999, as amended, the person concerned was informed, by letter dated 20 May 2008, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State i.e. why she should not be deported.

By correspondence dated 10 June 2008, an application for Subsidiary Protection was made on behalf of the person concerned by her legal representative. Following consideration of the information submitted, the application was refused. The person concerned and her legal representative were notified of this decision by letter dated 3 March 2009.

Her case was then examined under Section 3(6) of the Immigration Act, 1999, as amended, and Section 5 of the Refugee Act, 1996, as amended, on the Prohibition of Refoulement. Consideration was given to representations submitted on her behalf by her legal representative

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for permission to remain in the State. On 12 March 2009, I refused permission to remain temporarily in the State and instead signed a Deportation Order in respect of her. Notice of this order was served by registered post which obliges the person concerned to leave the State. To this end, the person concerned is required to present herself at the Garda National Immigration Bureau (GNIB) 13-14 Burgh Quay, Dublin 2 on Tuesday 14 April 2009 in order to make travel arrangements for her removal from the State.

I am satisfied that the applications made by the person concerned for asylum, for temporary leave to remain in the State and for Subsidiary Protection, together with all refoulement issues, were fairly and comprehensively examined and, as such, the decision to deport her is justified. The effect of the Deportation Order is that the person concerned must leave the State and remain thereafter out of the State. The enforcement of the Deportation Order is an operational matter for the GNIB.

### **Departmental Expenditure.**

171. **Deputy Michael Ring** asked the Minister for Justice, Equality and Law Reform the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14535/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** It has not been possible, given the timeframe involved, to collate the information required by the Deputy going back to 2002. However, I can inform the Deputy that my Department's records for the period 7 May, 2008 (the date of my appointment) to 31 December, 2008 — the latest period for which records are available — show that the cost of providing me with my official mobile telephony and PDA services amounted to approximately €340 per month.

### **Garda Investigations.**

172. **Deputy Finian McGrath** asked the Minister for Justice, Equality and Law Reform if he will support a matter (details supplied). [14540/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Garda authorities that the location referred to by the Deputy is in Clontarf Garda Sub-District. While local Garda management is aware of incidents of public disorder and anti-social behaviour in the area, they are not aware of any specific incidents at the location referred to by the Deputy. However, arrangements have been made for Garda personnel from the Neighbourhood Policing Unit to visit staff and students at the third level institution referred to by the Deputy and make them aware of the difficulties being experienced by local residents.

The area is subject to regular patrols by uniform and plain-clothes personnel, including the local Community Policing Unit and the Garda Mountain Bike Unit, who have been directed to pay particular attention to any incidents of public disorder and anti-social behaviour in the area.

Current policing policy in the area is predicated on the prevention of crime, including crimes of violence against persons and crimes against property, the prevention of public order offences and the maintenance of an environment conducive to the improvement of the quality of life of

the residents. This strategy is, and will continue to be, central to the delivery of the policing service in this area.

### **Legislative Programme.**

173. **Deputy Finian McGrath** asked the Minister for Justice, Equality and Law Reform the timeframe for the examination of the competency legislation (details supplied); and if he will make a statement on the matter. [14544/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The issue raised in the Question is the competency of persons with an intellectual disability to give evidence in court, in particular in cases of alleged sexual offences. This is a sensitive and complex subject, and following an examination of the issues involved, I have concluded that a more detailed review of the matter is warranted. Projects included in the Law Reform Commission's Third Programme include the laws on evidence, the criminal law on sexual offences and the law concerning vulnerable persons and the criminal justice system. I would consider the matter raised by the Deputy as suitable for consideration by the Commission.

### **Deportation Orders.**

174. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of persons (details supplied) in County Cork. [14548/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The first named person concerned arrived in the State on 20 May 2005 and applied for asylum. Her application was refused following consideration of her case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the first named person concerned was informed, by letter dated 26 April 2006, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State. Representations were submitted by the first named person concerned at that time.

The first named person concerned has also submitted an application for Subsidiary Protection in the State in accordance with the European Communities (Eligibility for Protection) Regulations, 2006 (S.I. No. 518 of 2006) and this application is under consideration at present. When consideration of this application has been completed, the first named person concerned will be notified in writing of the outcome.

In the event that the Subsidiary Protection application is refused, the case file of the first named person concerned, including all representations submitted, will then be considered under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement. When this latter consideration has been completed, the case file of the first named person concerned is passed to me for decision.

The second named person concerned arrived in the State on 22 January 2003 and applied for asylum. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the second named person concerned was informed, by letter dated 9 December 2004, that the



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Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. Representations have been submitted on behalf of the second named person concerned and these representations will be fully considered, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

175. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform if he will review the case of a person (details supplied) in County Dublin who has applied for leave to remain here on humanitarian grounds. [14565/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 25 July 2003. Her application was refused following consideration of her case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 21 March 2005, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should be allowed to remain temporarily in the State.

Representations have been submitted on behalf of the person concerned and these representations will be fully considered, under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement, before the file is passed to me for decision.

**Garda Strength.**

176. **Deputy David Stanton** asked the Minister for Justice, Equality and Law Reform the number of the Garda Síochána who applied for early retirement every month for the past 12 months; the number of applications for early retirement which are currently being processed; the number expected to apply for early retirement in the next 12 months; and if he will make a statement on the matter. [14571/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Garda Commissioner that the number of his Members who have applied for early retirement in the year since April 2008 and the numbers being processed are as set out in the following table.

2008									2009				
April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May
25	18	34	11	9	61	41	21	34	23	16	86	64	52

It is not possible to provide a detailed breakdown of how many other members may leave the force for different reasons. However the figures for previous years may be helpful to the Deputy and these are shown in the following table.

Year	Total
2004	478
2005	462
2006	403
2007	289

### **Irish Prison Service.**

177. **Deputy David Stanton** asked the Minister for Justice, Equality and Law Reform the number of prisoner officers who applied for early retirement every month for the past 12 months; the number of applications for early retirement which are currently being processed; the number expected to apply for early retirement in the next 12 months; and if he will make a statement on the matter. [14572/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Deputy may be aware that the Public Service Superannuation (Miscellaneous Provisions) Act, 2004 made significant changes to the Civil Service Superannuation Scheme. That Act increased to 55 the minimum age at which superannuation benefits may be paid to ‘new entrants’ to the Prison Service. Whilst the compulsory retirement age for members of the Prison Service remains unchanged at 60 years, staff who entered the Irish Prison Service prior to 2004, can retire with full pension entitlements at age 50 provided they have 30 years actual prison service.

Having set out the current provisions I am assuming that the Deputy is seeking information on Prison Officers who applied to retire before reaching 50 years and, accordingly, details of officers who may have retired early on grounds of ill health have not been incorporated in the reply. The Director General of the Prison Service informs me that there have been no applications for early retirement in the last 12 months and no early retirement applications are being processed at the current time.

I am sure the Deputy will appreciate that it is not possible for the Irish Prison Service to predict, with any degree of certainty, what level of application(s) may or may not be made for early retirement over the next 12 months.

### **Departmental Staff.**

178. **Deputy David Stanton** asked the Minister for Justice, Equality and Law Reform the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14587/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** No staff in my Department terminated their employment under the circumstances set out by the Deputy.

### **Citizenship Applications.**

179. **Deputy Richard Bruton** asked the Minister for Justice, Equality and Law Reform the number of applications for naturalisation in each of the past four years; the numbers approved in each of the past four years; the typical period between application and granting for applications granted in each of the past four years; and his proposals to streamline the procedures. [14606/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The number of applications for naturalisation is contained in the following tables.

Year	Applications Received	Certificates Issued
2005	4,527	1,451
2006	6,813	1,390
2007	7,616	1,501
2008	10,885	3,117
2009	2,179 to date	1,054 to date

Following the decentralisation of the Citizenship Division to Tipperary Town, substantially increased resources have been made available to it in order to reduce backlogs and provide a better quality service to all applicants. This has also had a positive impact on processing times. The average processing time from application to decision for the generality of valid applications for certificates of naturalisation is now at 23 months. The Citizenship Division is currently commencing further processing of applications received in mid 2007.

The Deputy will appreciate that a certificate of naturalisation is an exceptional and important document that facilitates a non-national becoming a citizen of Ireland. Therefore, there is a limit to the reduction in the processing time that can be achieved as applications for naturalisation must be processed in a way which preserves the necessary checks and balances to ensure that the status of Citizenship is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria. The procedures involved have been developed and refined over a number of years and I am satisfied that they are necessary to maintain the integrity of the naturalisation process.

#### **Legislative Programme.**

180. **Deputy Pat Rabbitte** asked the Minister for Justice, Equality and Law Reform if he will revive the Privacy Bill 2006; his plans in respect of its enactment; and if he will make a statement on the matter. [14608/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my response to Question No. 59 of 25 February, 2009, in which I indicated that the Privacy Bill 2006, which is before the Seanad, having been restored to the Seanad Order Paper in late 2007 by the Leader of the Seanad, represents Government policy in the area of privacy. My Department continues to review the provisions in the Bill taking into account developments in the interpretation of the law of privacy in our courts and elsewhere, with a view to possible amendments of the Bill.

#### **Detention Centres.**

181. **Deputy Ciarán Cuffe** asked the Minister for Justice, Equality and Law Reform his plans for the future of St. Patrick's Institution; and his policy in regard to youth offenders. [14615/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** As the Deputy will be aware the Irish Youth Justice Service was established as an executive office within my Department to develop an integrated response to youth offending. That Office has published a National Youth Justice Strategy for the period 2008-2010 in which the vision for managing youth offending is clearly set out.

In relation to St Patrick's Institution I would point out that whilst it is currently the designated detention centre for young male offenders aged between 16 and 21 years of age, the Irish Youth Justice Service will ultimately take responsibility for the detention facilities for all boys under 18 years. In that regard construction of the new National Children Detention Facilities is scheduled to take place on a phased basis so as to ensure the continued operation of the existing children detention facilities. It is anticipated that phase 1 should be completed by end 2012 and phase 2 by end 2014. The Deputy will be aware, however, that tendering for the construction of the new facilities will be subject to Government approval and to the necessary funding being made available.

In the interim, the separation of children and young adults in St. Patrick's Institution has taken place in so far as is possible, given the physical limitations of the St. Patrick's site. The Special School (B Division) was opened in April 2007 specifically for this purpose. It has a bed capacity of 44 and is self contained. Inmates aged 16 and 17 now have a residential area, communal dining area, and education, work training and recreational areas that are separate from young adults. This has created a separate and enhanced regime for them.

When the number of such prisoners exceeds 44, priority is given to the 16-year-olds, and those 17-year-olds who cannot be accommodated in the Special School are accommodated in the drug-free D Division of the main institution. A small number of 17-year-olds with specific individual needs are kept in the young adult part of the institution. These include sex offenders and vulnerable inmates who, for their own protection, are accommodated separately.

The new prison facilities at Thornton will have a separate, self-contained, stand alone accommodation unit for 16/17 year old male offenders. The accommodation is being provided as an interim measure pending the provision of the additional accommodation by the Irish Youth Justice Service.

#### **Oaths of Office.**

182. **Deputy Ciarán Cuffe** asked the Minister for Justice, Equality and Law Reform the State positions that require an oath of office to be taken prior to assuming office; if such an oath involves a religious reference; if he has plans to implement changes in this area. [14616/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** There is a form of oath or solemn declaration provided for in the appointment of members of the Judiciary and An Garda Síochána. The Government has no proposals to amend these provisions at present.

#### **Criminal Prosecutions.**

183. **Deputy Jan O'Sullivan** asked the Minister for Justice, Equality and Law Reform if he has made representations to the British authorities for a retrial of a person (details supplied); and if he will make a statement on the matter. [14658/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Proceedings under the European Arrest Warrant Act 2003 in relation to the case raised by the Deputy are currently before the courts. As the Deputy will be aware, subject to the Constitution and the law, the courts are independent in the exercise of their functions. As Minister for Justice, Equality and Law Reform, I have no function in relation to the determination of the proceedings.

#### **Legislative Programme.**

184. **Deputy Jim O'Keeffe** asked the Minister for Justice, Equality and Law Reform if he

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has proposals to provide for liability or responsibility on the part of parents for the wrongdoing of their children; and if he will make a statement on the matter. [14661/09]

**Minister of State at the Department of Justice, Equality and Law Reform (Deputy Barry Andrews):** The Children Act 2001, as amended, provides for a number of measures in relation to parental responsibility in respect of children involved in anti-social behaviour and children found guilty of offences.

Section 111 of the Act provides that in any proceedings in which a child is found guilty of an offence, the court may make an order for the supervision of the child’s parents where it is satisfied that a wilful failure of the child’s parents to take care of or control the child contributed to the child’s criminal behaviour.

Section 113 of the Act provides that where a court is satisfied of the guilt of a child and that the appropriate way of dealing with the case is to make a compensation order, it may order that the compensation be paid by the parent or guardian of the child instead of the child. Section 114 of the Act provides that a parent or guardian may be ordered by the court to enter into a recognisance to exercise proper and adequate control over their child. If the child is found guilty of another offence as a result of said parent or guardian failing to exercise such control, the parent or guardian would forfeit the recognisance. It should be noted, however, that the imposition of any particular sanction referred to above on the parents or guardians of an offending child is a matter for the courts.

There are, currently, no proposals for additional measures in this regard.

#### **Ministerial Councils.**

185. **Deputy Denis Naughten** asked the Minister for Justice, Equality and Law Reform when the ministerial council on integration will be established; and if he will make a statement on the matter. [14673/09]

**Minister of State at the Department of Justice, Equality and Law Reform (Deputy Conor Lenihan):** I am currently reviewing the structure of the proposed Ministerial Council on Integration and I will make an announcement as soon as possible.

#### **Detention Centres.**

186. **Deputy Joe Carey** asked the Minister for Justice, Equality and Law Reform when the new national child detention facility planned for Lusk, County Dublin will be completed; and if he will make a statement on the matter. [14701/09]

**Minister of State at the Department of Justice, Equality and Law Reform (Deputy Barry Andrews):** Construction of the new National Children Detention Facilities is scheduled to take place on a phased basis so as to ensure the continued operation of the existing facilities. It is anticipated that phase 1 should be completed by end 2012 and phase 2 by end 2014. The Deputy will be aware, however, that tendering for the construction of the new facilities will be subject to Government approval and to the necessary funding being made available.

#### **Asylum Applications.**

187. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if

a further appointment with the Refugee Appeals Tribunal will be arranged for a person (details supplied) in County Dublin; and if he will make a statement on the matter. [14730/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** As the Deputy will be aware, it is not the practice to comment on asylum applications.

### **Citizenship Applications.**

188. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for citizenship in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [14731/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** An application for a certificate of naturalisation from the person referred to in the Deputy's Question was received in the Citizenship Division of my Department in December 2007. On examination of the application submitted it was determined that the person in question did not meet the statutory residency requirements as set out in the Irish Nationality and Citizenship Act, 1956, as amended. The person concerned was informed of this in a letter issued on 16 May, 2008 and again on 1 September, 2008.

It is open to the person in question to lodge a new application with the Citizenship Division of my Department if and when he is in a position to meet the statutory requirements

### **Residency Permits.**

189. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to the application for residency or family reunification in the case of a person (details supplied) in County Roscommon; and if he will make a statement on the matter. [14732/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 13 July 2006. His application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Subsequently, in accordance with Section 3 of the Immigration Act, 1999 (as amended), the person concerned was informed, by letter dated 19 June 2008, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why he should be allowed to remain temporarily in the State. In addition, he was notified of his entitlement to apply for Subsidiary Protection in the State in accordance with the European Communities (Eligibility for Protection) Regulations, 2006 (S.I. No. 518 of 2006). The person concerned submitted an application for Subsidiary Protection in the State in accordance with these Regulations and this application is under consideration at present. When consideration of this application has been completed, the person concerned will be notified in writing of the outcome.

In the event that the Subsidiary Protection application is refused, the case file of the person concerned, including all representations submitted, will then be considered under Section 3(6) of the Immigration Act, 1999 (as amended) and Section 5 of the Refugee Act, 1996 (as amended) on the prohibition of refoulement. When this latter consideration has been completed, the case file is passed to me for decision.

### Garda Operations.

190. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the average time taken to serve a warrant for arrest; and if he will make a statement on the matter. [14733/09]

191. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of arrest warrants in respect of criminal activity currently awaiting service; and if he will make a statement on the matter. [14734/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 190 and 191 together.

In the time available it has not been possible for the Garda authorities to supply the details requested by the Deputy. I will be in contact with the Deputy when the information is to hand.

### Criminal Assets Bureau.

192. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the value of goods and property seized by the Criminal Assets Bureau in each of the past five years to date; and if he will make a statement on the matter. [14735/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I have been informed by the Garda Authorities that the table below sets out the value of property/monies secured by the Criminal Assets Bureau pursuant to the Proceeds of Crime Act on a year by year basis from 2003 to 2007.

Table 1: Monies Secured by CAB from 1996 to 2007

	Section 2 Interim Orders	Section 3 Interlocutory Orders	Section 4 and 4A	Section 16(B) POC Act as amended
1996	£2,101,000.00	£2,048,000.00		
1997	£2,334,680.00	£1,496,180.00		
1998	£1,682,544.65	£1,091,412.62		
1999	£1,500,000.00	£813,659.00		
2000	£838,536.00 Stg£52,230.00	£1,641,215.00		
2001	£1,872,654.72 (€2,377,781.00) Stg£491,114.09	£1,342,951.10 (€1,705,196.15) Stg£279,635.70		
Total 1996 – 2001	IR£10,329,415.37	IR£ 8,433,417.72	—	—
<i>Euro Equivalent</i>	€13,115,652.02	€10,708,231.61	—	—
2002	€3,709,086.00 Stg£17,802,004.00 US\$5,558,377.00	€2,504,669.00 Stg£1,993,094.00 US\$5,247,821.00		
2003	€3,045,842.00 Stg£12,150.00	€71,699.00 Stg£557,070.00		

	Section 2 Interim Orders	Section 3 Interlocutory Orders	Section 4 and 4A	Section 16(B) POC Act as amended
2004	€1,027,152.18 Stg£6,115	€1,688,651.63 Stg£375.00	€275,875.43	
2005	€5,860,335.00 US\$314,619.54	€1,200,525.57 Stg£26,760 US\$130,000	€2,002,738.41	
2006	€2,836,479.97 Stg£294,289.39	€726,350.94	€2,459,864.79	€53,000,000.00
2007	€9,804,193.14 Stg£30,690.00	€9,848,432.84	€1,435,340.59	
Totals 1996 – 2007	€39,398,740.31 Stg£18,688,592.48 US\$5,872,996.54	€26,748,560.59 Stg£2,856,934.70 US\$5,377,821.00	€6,173,819.22	€53,000,000.00

It should be noted that these figures are available in the CAB Annual Reports. The figures for 2008 are being prepared and will be published as part of the Annual Report later this year.

### Recidivism Rate.

193. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of sex offenders released from prison having served a sentence during each of the past five years; the number who have re-offended; and if he will make a statement on the matter. [14736/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The table sets out the information sought by the Deputy:

Year	Number of persons released
2004	133
2005	124
2006	112
2007	105
2008	92

It is not possible to establish how many of those persons have been re-committed to custody without going into each individual record and I am informed that the gathering of the information requested would require a disproportionate and inordinate amount of staff time and effort and could not be justified in current circumstances where there are other significant demands on resources.

The Irish Prison Service is introducing a number of new initiatives aimed at increasing the range and availability of therapeutic interventions for sex offenders in prison with the aim of increasing participation rates and enhancing the effectiveness of interventions. I will be making a detailed announcement on this matter in the near future.

I should also tell the Deputy that the whole area of the management of sex offenders was the subject of a comprehensive review by my Department last year. I published the resultant Discussion Document back in January and hosted a Discussion Forum last month to foster



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informed debate on this issue. In tandem with this work my officials are also looking at the whole issue of electronic monitoring and specifically at the introduction of a statutory scheme of GPS electronic monitoring of sex offenders during the first six months after their release. I expect to receive the recommendations of the Project Board, led by the Probation Service, later this year.

**Crime Statistics.**

194. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of prisoners serving sentences in respect of serious crime currently on bail; and if he will make a statement on the matter. [14737/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide the statistics sought by the Deputy directly to him.

**Courts Service.**

195. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if his office receives information from the courts service setting out the number of community service orders made in each of the past five years to date; and if he will make a statement on the matter. [14738/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The information sought by the Deputy is set out in the annual reports of the Courts Service and is reproduced in the table:

Year	Number of Orders
2003	2,883
2004	2,026
2005	2,010
2006	2,492
2007*	2,500

\*Note: The 2008 Report has not yet been published therefore figures for this year are not available.

I should also tell the Deputy that the Probation Service of my Department has responsibility for the supervision and management of Community Service Orders in accordance with the Criminal Justice (Community Service) Act, 1983. The Probation Service provides assessment reports to the Courts and manages the completion of the Orders by offenders. This Scheme is also the subject of a value for money and policy review which is nearing completion.

**Crime Statistics.**

196. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of so called successful crimes committed in each of the past five years to date where grievous bodily harm, homicide or robbery took place and where no prosecution has been initiated, is pending or is expected and where no goods or moneys have been recovered; and if he will make a statement on the matter. [14739/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide the statistics sought by the Deputy directly to him.

### Crime Levels.

197. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of reported or recorded incidents of witness intimidation in each of the past five years to date; the action taken to address the issue; and if he will make a statement on the matter. [14740/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The intimidation of witnesses is an offence pursuant to Section 41 of the Criminal Justice Act 1999, which specifies the offence as harming, threatening or menacing or in any other way intimidating or putting in fear another person who is assisting in the investigation of an offence by the Garda Síochána, with the intention of causing the investigation or course of justice to be obstructed, perverted or interfered with.

The Garda Síochána rigorously enforces the provisions relating to witness intimidation and protection contained in the Criminal Justice Act 1999. In circumstances where the Senior Investigation Officer in a case has identified a witness who is crucial to the case and the evidence to be preferred is not available elsewhere, and there is a serious threat to the life of the witness or his/her family an application can be made, with the consent of the witness, to have him/her included in the Witness Security Programme. Where a threat to or intimidation of a witness or a potential witness arises during the course of criminal proceedings, the matter may be addressed through the trial judge, who has discretion to revoke bail or place other sanctions on the accused/suspect.

The table sets out the figures received from the Garda Síochána on the number of proceedings commenced and convictions for the offences of harming, threatening to harm, menacing, intimidating and the putting in fear of another person, who (a) was assisting in the investigation by An Garda Síochána of an offence or (b) is a witness / potential witness / juror / potential juror in proceedings for an offence with the intention of causing the investigation / the course of justice to be obstructed, perverted or interfered with, for the years 2005 to 3 April 2009.

Year	Proceedings commenced
2009*	2
2008*	14
2007*	16
2006	44
2005	22

\*Figures provided are provisional.

### Crime Statistics.

198. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of crimes committed by persons in County Kildare while on bail in each of the past five years to date; and if he will make a statement on the matter. [14741/09]

199. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of crimes committed by persons while on bail in each of the past five years to date; if any or many committed more than one offence while on bail; the number of those that were serious offences; and if he will make a statement on the matter. [14742/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 198 and 199 together.

The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide the statistics sought by the Deputy directly to him.

200. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of break-ins to private houses, commercial premises or banks reported to the various garda stations in County Kildare in each of the past three years to date; the number of cases in respect of which successful prosecutions or recovery of money or goods has taken place; the number of cases pending; and if he will make a statement on the matter. [14743/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide the statistics sought by the Deputy directly to him.

#### **Garda Operations.**

201. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the action he proposes to take to protect the public from the activities of armed criminal gangs in the future; and if he will make a statement on the matter. [14744/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** One of the priorities I have set for An Garda Síochána in 2009 is the targeting of serious crime, in particular organised, gun and drug related crime. The Garda Policing Plan for 2009 contains a series of measures aimed at reducing the impact of crime and criminal behaviour. These goals are backed up by strategic actions which include a commitment to continue and intensify intelligence-led operations against groups and individuals engaged in criminality.

Operation Anvil commenced in the Dublin Metropolitan Region in 2005 to deal with serious crime, including murder and other violent crime, and was extended nationwide in 2006. The primary focus of the Operation is the targeting of active criminals and their associates involved in serious crime by preventing and disrupting their criminal activity through extensive additional overt patrolling and static checkpoints by uniform, mobile and foot patrols, supported by armed plain clothes patrols.

Under Operation Anvil, up to 22 March, 2009, 2,400 firearms have been recovered. There have also been over 7,000 arrests for serious crimes such as murder, serious assault, robbery and burglary and over 70,000 searches for weapons, drugs and stolen goods. An Garda Síochána will continue to address the issue of illegal guns relentlessly through Operation Anvil.

I am determined that the highest priority will continue to be given to frontline policing. Funding for Operation Anvil will increase in 2009 to €21 million from €20 million in 2008. Other key operations will be maintained through 2009, and I am determined that any savings that have to be made will not be allowed to diminish frontline policing.

Since my appointment as Minister, I have expressed concern at the number of handguns which have been licensed here in recent years. Some time ago, I directed my Department and An Garda Síochána to carry out an urgent and intensive review of the firearms law. Following that review, I have brought forward proposals for strengthening the law. These include no new licenses being issued for handguns, subject to limited exceptions in relation to Olympic sports. Existing licenses will not be renewed unless applicants fully meet the requirements of a radically tightened licensing procedure where the safety of the community will be paramount. While a de facto ban on new handgun licences is already in place, my proposals will also be given legislative form in the Criminal Justice (Miscellaneous Provisions) Bill.

Work is also underway in my Department on other legislation which will assist in tackling criminal gangs, including legislation on covert surveillance, retention of telecommunications data and forensic sampling.

A significant element of the fight against organised crime by An Garda Síochána is the use of specialist units. Units with expertise in specific areas operate under the direction of the Assistant Commissioner in charge of the National Support Services, who has overall responsibility for the coordination of measures designed to address organised crime throughout the State. Specialist units include: the Criminal Assets Bureau which identifies and targets funds accumulated by criminals in order to seize such assets and deprive them of the profits of their criminal activity; the Organised Crime Unit which has a specific remit of targeting those suspected of involvement in organised crime, including the trafficking, importation, sale and supply of drugs; the Garda Bureau of Fraud Investigation which is responsible for the investigation of individuals and organisations involved in Money Laundering; and the National Bureau of Criminal Investigation which is responsible for investigating the activities of organised criminal networks; and the National Drugs Unit and dedicated Divisional and District Drugs Unit. These units are also supported by the Garda Security and Intelligence Section which assists with the provision of intelligence briefings and timely information.

An Garda Síochána also maintains close liaison with other law enforcement agencies throughout Europe and elsewhere, exchanging information and intelligence, which has led to a number of successful joint operations. An Garda Síochána currently has a number of liaison officers on secondment to other jurisdictions and to other international bodies such as Interpol and Europol. Through these officers information is passed between law enforcement agencies to ensure that national borders are not, and cannot, be used by criminals as a means of frustrating law enforcement agencies.

An Garda Síochána follows an integrated approach involving the coordinated use of Garda resources and using criminal legislation to its fullest extent. Developments are kept under constant review by senior Garda management.

### **Crime Statistics.**

202. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of complaints of anti-social behaviour received by the gardaí from residents of various housing estates throughout County Kildare in the past 12 months; the extent to which action has been taken or is expected to be taken in response; and if he will make a statement on the matter. [14745/09]

204. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of incidents of anti-social behaviour reported to each garda station in County Kildare in the 12 months to date; the number of prosecutions taken; the number pending; the

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number in respect of which no action has been taken; and if he will make a statement on the matter. [14747/09]

208. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of anti-social behaviour incidents reported to the gardaí in each garda division here in each of the past five years to date; the number of persons charged arising therefrom; the number of successful prosecutions; and if he will make a statement on the matter. [14751/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I propose to take Questions Nos. 202, 204 and 208 together.

The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide the statistics sought by the Deputy directly to him.

### **Juvenile Offenders.**

203. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of up and coming young criminals who have come to the attention of the gardaí in the various garda divisions here in the past 12 months; the number of those who have shown a potential for serious criminal activity in the future; the number who have been prosecuted or in respect of whom prosecutions are pending; the number who have to date been before the courts more than once; the number who have committed one or several offences or have served more than one prison sentence; and if he will make a statement on the matter. [14746/09]

**Minister of State at the Department of Justice, Equality and Law Reform (Deputy Barry Andrews):** I presume the Deputy is referring to young persons under 18 years of age who have come into conflict with the law when he mentions “young criminals”. The Children Act 2001, as amended, provides the framework for dealing with children who come into conflict with the law. Comprehensive statistics on the number of children who have come into conflict with the law in 2008 are not readily available. However much of the detail requested by the Deputy is available for 2007 and earlier years in the annual reports of the Committee Appointed to Monitor the effectiveness of the Diversion Programme as set out in Part 4 of the Children Act 2001, as amended. The Report for 2007 was laid before the Houses of the Oireachtas on 18 December 2008. The reports for the years 2004 to 2007 are also readily available on the Irish Youth Justice Service website ([www.iyjs.ie](http://www.iyjs.ie)).

In February this year, the Central Statistics Office published a report on Garda Recorded Crime Statistics 2003-2007. This report gives a breakdown, by age, of the number of persons convicted of offences in 2007, including those under 18 years of age. This report is available on the Central Statistics Office website ([www.cso.ie](http://www.cso.ie)). In the time available it has not been possible to collate the balance of the information requested by the Deputy. I will communicate further with the Deputy when the information sought is to hand.

*Question No. 204 answered with Question No. 202.*

205. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if criminal gangs here are supplying weapons for criminal purposes to persons in other jurisdictions; and if he will make a statement on the matter. [14748/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Garda authorities that they have no reason to believe that organised criminal gangs in Ireland are supplying firearms for criminal purposes to persons in other jurisdictions.

One of the priorities I have set for An Garda Síochána in 2009 is the targeting of serious crime, in particular organised, gun and drug related crime. The Garda Policing Plan for 2009 consequently contains a series of measures aimed at reducing the impact of crime and criminal behaviour. These goals are backed up by strategic actions which include a commitment to continue and intensify intelligence-led operations against groups and individuals engaged in criminality.

An Garda Síochána maintains close liaison with other law enforcement agencies throughout Europe and elsewhere, exchanging information and intelligence, including on Irish criminals living abroad. This ongoing liaison has led to a number of successful joint operations, targeting attempted importations of drugs and firearms and resulting in a number of significant arrests here and in other jurisdictions.

Where intelligence, supported by evidence, is available, law enforcement agencies in other jurisdictions put operations in place, as appropriate, to prevent and detect such criminality. Where information exists that a persons who is wanted in relation to a particular crime in this jurisdiction is living abroad and the relevant legal requirements are met, a European Arrest Warrant is applied for or extradition is sought.

Operations against organised criminal gangs operating in this jurisdiction are undertaken on an ongoing basis. The members of such gangs and their operating methods, criminal interests and financial assets are the subject of such operations, which are primarily undertaken by specialist units of An Garda Síochána, including the National Bureau of Criminal Investigation, the Garda National Drugs Unit, the Organised Crime Unit and the Criminal Assets Bureau.

In particular, Operation Anvil commenced in the Dublin Metropolitan Region in 2005 to deal with serious crime, including murder and other violent crime, and was extended nationwide in 2006. The primary focus of the Operation is the targeting of active criminals and their associates involved in serious crime by preventing and disrupting their criminal activity through extensive additional overt patrolling and static checkpoints by uniform, mobile and foot patrols, supported by armed plain clothes patrols.

Under Operation Anvil, up to 22 March, 2009, 2,400 firearms have been recovered. There have also been over 7,000 arrests for serious crimes such as murder, serious assault, robbery and burglary and over 70,000 searches for weapons, drugs and stolen goods. In this way, the Gardaí will continue to address the issue of illegal guns relentlessly.

### **Crime Statistics.**

206. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of persons in each of the garda divisions here who have come to the attention of the gardaí for suspected criminal activity; the extent to which prosecution has been initiated or is pending; and if he will make a statement on the matter. [14749/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide the statistics sought by the Deputy directly to him.

### **Criminal Gangs.**

207. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the number of recognised criminal gangs currently operating here; the number who are known to have retired, emigrated or are in prison; and if he will make a statement on the matter. [14750/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Garda Authorities that membership of organised crime gangs tends to be fluid and the nature of criminal activity is such that offences committed by members of gangs may or may not be connected with the individual's membership of such gangs. The identification of offenders as members of a criminal gang is not an essential factor in the prosecution of offences. It is not therefore possible to ascertain the precise number of criminals who are also members of criminal gangs operating in this country.

With regard to criminal gangs, I am further informed by the Garda Authorities that currently there are two categories of organised crime groups operating within this jurisdiction. The first category consists of individuals/groups that are well established and tightly structured and are involved in drug trafficking, armed robbery and firearms offences. The second category involves groups whose activities are characterised by less cohesive group structures, and criminal activities which are mainly confined to Ireland. Organised criminal gangs operating in Ireland are targeted by the Gardaí on an ongoing basis using Intelligence-led operations undertaken by specialist units of An Garda Síochána, under the remit of the Assistant Commissioner, National Support Services. These units include the National Bureau of Criminal Investigation, the Garda National Drugs Unit, the Organised Crime Unit, and the Criminal Assets Bureau.

The Gardaí also use a multi-agency approach, whereby all of the National Units from National Support Services act in a coordinated manner. These units are also supported by the Security and Intelligence Section who assist with intelligence briefings and the provision of timely information.

I am further advised that information on organised crime groups is disseminated to Europol on a regular basis. An Garda Síochána liaises with other law enforcement agencies throughout Europe and elsewhere, exchanging information and intelligence on Irish criminals living abroad. This has led to a number of successful joint operations targeting attempted importation of drugs and firearms resulting in a number of significant arrests here and in other jurisdictions.

An Garda Síochána adopts best practice by coordinating Garda resources and using the available criminal legislation to its fullest extent. This approach is being closely monitored and kept under constant review by senior Garda management in conjunction with Regional Assistant Commissioners and heads of units.

*Question No. 208 answered with Question No. 202.*

### **Garda Deployment.**

209. **Deputy Mary O'Rourke** asked the Minister for Justice, Equality and Law Reform the number of community gardaí here; the number of community gardaí deployed in Athlone, Mullingar and Longford, and in total throughout this Garda division; and if he will make a statement on the issue of this voluntary force. [14756/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Garda Commissioner that as of 28 February 2009, the latest date for which figures are readily available, the total number of Gardaí assigned to the Community Policing Unit was 736. The areas referred to by the Deputy are covered by Roscommon /Longford and West-

meath divisions. A breakdown of the Community Policing strength of the two Divisions by station was as follows:

	Number
<i>Roscommon/Longford</i>	
Roscommon	1
Boyle	1
Longford	5
<i>Westmeath</i>	
Athlone	7
Mullingar	5

The Commissioner recently launched a new National Model of Community Policing for An Garda Síochána. This new model will build on the success of existing good community policing practice and I look forward to the implementation of this plan. A National Community Policing Office will be established within Garda Community Relations Section and every district officer throughout the country will take ownership of community policing within their area of responsibility.

#### **Public Service Staff.**

210. **Deputy Phil Hogan** asked the Minister for Justice, Equality and Law Reform the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15046/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** This Department has a small number of employees (less than 35 in total) on fixed term contracts whose employment in the Public Service ceases on the expiry of their contract. In accordance with the Protection of Employees (Fixed Term Work) Act 2003, each of these employees' contracts has an end date which is determined by an objective condition, such as arriving at a specific date; completing a specific task; or the occurrence of a specific event.

I am advised by my officials that the moratorium on recruitment will have little, if any, impact on those currently retained by the Department on contract, as very few of their contracts would have been extended in any event.

#### **International Agreements.**

211. **Deputy Terence Flanagan** asked the Minister for Foreign Affairs his plans to meet the Australian Foreign Affairs Minister, Mr. Stephen Smith MP, to help strengthen ties between Australia and Ireland; and if he will make a statement on the matter. [14044/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Relations between Ireland and Australia are excellent. Visits and contacts take place on a regular basis.

The Minister for Justice, Equality and Law Reform, Dermot Ahern T.D., acting on my behalf, met with Australian Foreign Minister, Stephen Smith M.P., on 3 December 2008, while



[Deputy Micheál Martin.]

both Ministers were in Oslo for the signing of the Convention on Cluster Munitions. A range of bilateral and international issues were discussed at that meeting.

More recently the Minister for Community, Rural and Gaeltacht Affairs, Eamon Ó Cuív T.D., met with Australian Prime Minister Kevin Rudd on 16 March in Australia and both bilateral and international issues were discussed. Although there are no firm plans at the moment, I would hope to have an opportunity to meet Minister Smith in the near future.

### **Diplomatic Representation.**

212. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if his attention has been drawn to the case of a person (details supplied) who became ill while on holiday in Turkey and died shortly after their return to Ireland and of the difficulties experienced by their family in terms of inadequacy of consular assistance that they received while in Turkey at the time; the training in place to ensure all staff are familiar with and deliver on his Department's Consular Service Charter; the steps he will take in order that no family is left without the necessary supports and assistance in the future. [14076/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I would like to take this opportunity to express again my deepest sympathy to the family of the person mentioned by the Deputy.

I can assure the Deputy that our Embassy in Ankara and the Consular Division in Dublin provided extensive consular assistance to the family involved. Embassy staff were available at all times to support the family concerned from their arrival in Turkey. Embassy staff remained in regular telephone contact with and spoke regularly to members of the family party for the duration of their stay. They also spoke regularly on behalf of the family to the doctors treating the woman.

I am assured that at no point did the family express to the Embassy any dissatisfaction about the assistance that they were providing. I am sorry, therefore, to learn that the family have since expressed unhappiness at the level of support which they received.

I understand that this is a very difficult time for the family concerned. On my instructions, officials from my Department have been in direct contact with the family to arrange for us to meet to discuss the issues of concern to them. I can assure the Deputy that I place considerable importance on our Embassies and Consulates, around the world, providing the best possible consular service to Irish citizens. This is a core policy of my Department, and I can confirm that extensive training is provided to diplomatic and consular officials prior to overseas posting to assure that they are ready and able to assist Irish citizens in distress and their families. I would confirm that my Department remains available to provide any feasible assistance to the family concerned.

### **Election Monitoring.**

213. **Deputy Leo Varadkar** asked the Minister for Foreign Affairs the process by which election observers are appointed; and if he will make a statement on the matter. [14120/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** The Government believes that international election monitoring missions have an important role to play in the promotion of human rights and democracy. We therefore aim to ensure that, when requested, Ireland is appropriately represented in international observation missions for elections and constitutional referendums. Over the past three years, Ireland has been represented in 62 election observation missions, involving more than 270 Irish observers. The missions have been organised primarily by the European Union and the Organisation for Security and

Cooperation in Europe. We have also been represented in missions organised by the Council of Europe, the United Nations and the Carter Centre.

Irish Aid, the Development Cooperation Division of the Department of Foreign Affairs maintains a roster of volunteers for election monitoring missions. There are currently some 280 volunteers on the roster. They all have either overseas or domestic experience in the administration of elections, or have significant overseas development expertise. Their place on the roster is based on the date of their last participation in a mission.

When a request for electoral observation is received, suitably qualified volunteers are contacted, taking into account their place on the roster and any specific criteria for the mission, including relevant language proficiency. Following completion of the internal selection process, a draft list of nominees is submitted for Ministerial approval. The roster is updated as each mission is completed, to ensure that all registered volunteers have an opportunity to participate in a mission.

In the case of European Union election observation missions, all candidate observers must register with the European Commission as well as with Irish Aid. The final selection of observers rests with the Commission, based on an approved list submitted by the Department of Foreign Affairs.

### Departmental Staff.

214. **Deputy Michael Ring** asked the Minister for Foreign Affairs the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14221/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The Scheme of Performance-Related Pay Awards in the Civil Service applies to Deputy and Assistant Secretaries and equivalent grades. It does not apply to Secretaries General.

The following table sets out the amounts paid for the years 2005 to 2007, inclusive.

Year	Total Amount	Number of staff to whom awards were made
	€	
2005	532,000	46
2006	609,000	45
2007	656,000	48

These payments were subject to tax and PRSI.

The awards were made by the Committee for Performance Awards, chaired by the Secretary General for Public Service Management and Development in the Department of Finance, following recommendations by the Secretary General of the Department of Foreign Affairs. The Minister for Foreign Affairs has no role in the approval of these awards.

Details of the operation of the Performance-Related Pay Awards scheme are available in the annual reports of the Committee for Performance Awards. The Committee's reports for 2005, 2006 and 2007 can be accessed on the website of the Department of Finance at the following links:

<http://www.finance.gov.ie/documents/civilservice/civilservice/CPA2005.pdf>

[Deputy Micheál Martin.]

<http://www.finance.gov.ie/documents/publications/reports/CPArep2006.pdf>

<http://www.finance.gov.ie/documents/publications/reports/2008/cpareport07final.pdf>

Payments in respect of 2007 were approved by the Committee for Performance Awards in April 2008. No payments have been made in respect of performance in 2008.

### **Human Rights Issues.**

215. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if his attention has been drawn to the fact that according to UNICEF 8,000 young girls every day are subject to female genital mutilation; the action he will take to outlaw this practice worldwide; and if he will make a statement on the matter. [14309/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** The practice of female genital mutilation is a clear violation of the human rights of women and girls. Furthermore, it infringes on children's rights to special protections, it has serious social, health and psychological consequences, and it perpetuates negative gender-based stereotypes. The World Health Organisation estimates that between 100 million and 140 million girls and women worldwide are currently living with the consequences of female genital mutilation. In Africa alone, three million girls are at risk annually.

The Government is active in global policy development, funding and research to address this appalling practice. We recognise that it is a form of gender-based violence, and that it is an important element in our comprehensive approach to tackling such violence, through our aid programme. The Government's 2006 White Paper on Irish Aid includes a firm commitment that Ireland will build its support for measures focused on preventing and responding to gender-based violence.

Through Irish Aid, the Development Cooperation Division of the Department of Foreign Affairs, the Government was a co-founder of the Joint Consortium on Gender Based Violence, in which we remain an active member. It brings together representatives from Irish Aid, the Defence Forces, and Irish development, humanitarian and human rights Non-Governmental Organisations (NGOs) in order to promote a coherent and coordinated response to all forms of gender based violence, including female genital mutilation. The Government has increased its funding in this area in recent years, from €110,000 in 2005 to €2.6 million in 2007. Irish Aid's funding guidelines for NGOs have been revised to highlight gender-based violence as a priority for the aid programme. In addition, the Government's agreements with a number of United Nations Funds, Programmes and other agencies include specific commitments to addressing gender-based violence. The Government engages with a number of organisations working to achieve the ending of the practice of female genital mutilation and supporting victims, including a range of UN agencies and Irish NGOs.

The Government has also provided funding for an important joint programme on female genital mutilation undertaken by the UN Population Fund and the UN Children's Fund, with the aim of achieving the ending of the practice in seventeen countries by 2012. While this programme focuses on promoting social change, it also includes support for victims of the practice through the integration of its implications into reproductive health strategies.

We recognise that the achievement of significant progress on gender-based violence is integral to the achievement of the Millennium Development Goals. This includes progress on the ending of the practice of female genital mutilation, which will have direct implications for the empowerment of women, the improvement of maternal health, the reduction of child mortality,

and ultimately the reduction of poverty, which remains the overarching priority of our aid programme.

### **Overseas Development Aid.**

216. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if his Department provides multi-annual funding to community or voluntary sector organisations; and if so, the organisations receiving this funding since 2006 to date in 2009. [14480/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** A number of programmes operating in my Department provide funding to community and voluntary sector organisations: the Reconciliation Fund for North-South and Anglo-Irish Co-operation; the Emigrant Support Programme; the Communicating Europe Initiative and the Irish Aid programme, Ireland's programme of official development assistance. Funding under these programmes is provided on an annual basis, with the exception of the Irish Aid programme.

A significant part of the Irish Aid programme is provided on a multi-annual basis. International donors, including Ireland, are agreed that predictability of aid is vital if countries and organisations are to manage their development programmes effectively. In this context, Irish Aid provides multi-annual funding to a number of Non Governmental Organisations (NGOs) with a proven capacity to operate within a clear set of policies, an agreed budget and programme of work and a rigorous monitoring and reporting framework. Such funding is provided through a number of channels, including the Multi Annual Programme Scheme (MAPS), which has been internationally recognised for its innovative approach to sustainable development funding.

Five major Irish NGOs receive MAPS support from the Government: Concern, Trócaire, Goal, Christian Aid and Self Help Africa. Since 2006, over €259 million has been allocated to these organisations under MAPS. The funding supports the NGOs' work in food and livelihood security, rural economic development, health, education, gender equality and the fight against HIV/AIDS.

The Irish Aid Civil Society Fund, which is open to all Irish-based NGOs, is designed to provide resources for the development activities of civil society organisations. Multi-annual block grant funding arrangements have been in place for a number of years with Oxfam, Action Aid Ireland, World Vision Ireland and the Irish Fairtrade Network. During 2008, new block grant funding agreements were reached with 17 other NGOs, including Aidlink, Christian Blind Mission, Children in Crossfire, Frontline, Plan Ireland, Progression Ireland, SightSavers International, War on Want Northern Ireland, Vita and VSO Ireland.

Multi-annual funding is also provided to NGOs in Ireland's nine priority countries in the developing world, for work in sectors including education, health, rural development, food security, and human rights. Irish Aid also provides multi-annual funding to organisations in the development education sector in Ireland, through a Development Education Grants Funding Scheme. Full details of funding provided between 2006 and 2009 is available in the annual reports of Irish Aid, which can be accessed at:

[http://www.irishaid.gov.ie/publications\\_\\_report.asp](http://www.irishaid.gov.ie/publications__report.asp)

### **Departmental Expenditure.**

217. **Deputy Michael Ring** asked the Minister for Foreign Affairs the proportion of the corporate entertainment budget spent on formal lunches and dinners, including wines and beverages since the last Cabinet shuffle and prior to that Cabinet shuffle in tabular form. [14519/09]

218. **Deputy Michael Ring** asked the Minister for Foreign Affairs the amount of his budget spent on corporate entertainment hosted by the Minister of State at his Department in 2007, 2008 and 2009. [14520/09]

219. **Deputy Michael Ring** asked the Minister for Foreign Affairs the budget for his Department for corporate entertainment in 2007, 2008 and 2009; the amount of this budget associated with events, functions, receptions, dinners, lunches, lunches, launches, diplomatic accreditation ceremonies or other activities and events hosted by him in tabular form. [14521/09]

220. **Deputy Michael Ring** asked the Minister for Foreign Affairs if he has taken all reasonable measures to ensure that the costs incurred by the taxpayer for corporate entertainment are maintained at an absolute minimum. [14522/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 217 to 220, inclusive, together.

I have set out, in tabular form, figures for entertainment incurred by my Department in Ireland. As requested by the Deputy, the figures have been presented to reflect the period prior to, and since, the most recent Cabinet changes.

In the time available, it has not been possible to provide a breakdown of the overall figures in the particular format as requested by the Deputy. In my Department, entertainment costs, incurred in Ireland, fall into two distinct areas: general entertainment and State/Official entertainment.

The State/Official Entertainment budget includes the costs of official entertainment hosted by the Minister for Foreign Affairs and the Ministers of State at my Department as well as costs associated with the presentation of credentials by the Diplomatic Corps. The budget also covers expenditure associated with State and Official visits to Ireland by Heads of State, costs associated with Official or State Visits abroad by the President, certain costs associated with official visits abroad by the Taoiseach and miscellaneous expenditure associated with visits and events such as printing of invitations and the purchase of flags.

The General Entertainment budget is provided for various types of official entertaining carried out by Divisions of my Department including entertainment costs incurred in relation to the Irish Aid programme.

	2007	January-May 2008	June- December 2008	2009 to date
	€	€	€	€
General Entertainment	182,418	63,071	113,190	9,087
State/Official Entertainment	1,369,784	306,572	609,871	94,001
Total	1,552,202	369,643	723,061	103,088

Most events, which I host in my capacity as Minister of Foreign Affairs, are held in Iveagh House which results in significant cost savings compared to the equivalent event being held in a hotel or restaurant.

It is not possible to extract comprehensive figures for costs associated with specific events hosted by Ministers, as many costs are general in nature and the Department will often purchase in bulk to achieve economies of scale, rather than assign costs to particular events or to the person hosting that event. However, in the following table, I have provided detail of a

number of examples of events which have been hosted by me and by the Ministers of State at my Department.

Date	Official Hospitality	Host	Cost
			€
14/09/08	Working lunch with Mr. David Miliband, British Foreign Secretary	Mr. Micheál Martin T.D., Minister for Foreign Affairs	1,549
18/11/08	Networking Reception for Business Leaders	Mr. Micheál Martin T.D., Minister for Foreign Affairs & Ms. Margaret Sweeny, Dublin Chamber of Commerce	3,950
18/02/09	Working lunch with Minister Cecilia Malmstrom, Swedish Minister for European Affairs	Mr. Dick Roche, Minister of State for European Affairs	1,225
25/05/08	Reception held for 200 people to launch Africa Day	Mr. Peter Power T.D., Minister of State for Overseas Development Aid	3,485

My Department will normally incur significant costs in this area in any given year, given the pivotal role which official entertainment plays in the promotion of a positive image of Ireland internationally and in the further development and strengthening of bilateral, economic and cultural links with other countries.

The Department of Foreign Affairs takes all appropriate measures to ensure that costs are kept as low as possible. The Department's practice with regard to the appropriate level of entertainment provided is based on agreed EU Guidelines and on reciprocity. Costs savings are sought wherever possible and, to this end, the panel of caterers used by the Department has recently been expanded, resulting in greater competitiveness and reductions in cost. Business is allocated on the basis of the most economically advantageous tender for each individual assignment. In addition, in accordance with our procurement guidelines, separate requests for tender are issued for any event with a total cost in excess of €5,000, directed at keeping the costs down through selecting a company that provides best value for money, as well as high quality service.

There have been significant reductions in the budgets assigned for general and state entertainment in my Department for 2009. The current 2009 budget for entertainment reflects an 11% reduction on the 2008 figure and every effort is being made to reduce these costs and budgets further.

221. **Deputy Michael Ring** asked the Minister for Foreign Affairs the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14533/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The table sets out the costs relating to my official mobile telephony service since I was appointed Minister for Foreign Affairs in May 2008.

	Rental	Calls	Handset Purchase	Other Costs	Refunds	PDAs	Blackberries
2008	€57.06	€980.00	nil	€13.31 Car charger	nil	nil	nil
2009 to Date	nil	€182.25	nil	nil	nil	nil	nil

[Deputy Micheál Martin.]

My Department avails of the Department of Finance Central Framework for the provision of mobile telephony services. Under the terms of this contract, in place since last October, the monthly rate for my mobile telephony service is €60.75. This rate covers rental, all calls (including roaming charges), and all national text and data charges.

### **Departmental Staff.**

222. **Deputy David Stanton** asked the Minister for Foreign Affairs the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009; and if he will make a statement on the matter. [14585/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** Section 5 of the Financial Emergency Measures in the Public Interest Act allowed for certain public servants to give one month's written notice to terminate their employment before 1 April 2009. No member of staff of my Department has given written notice of termination of their employment under Section 5 of the Act.

### **Overseas Development Aid.**

223. **Deputy Jan O'Sullivan** asked the Minister for Foreign Affairs the action he is taking to ensure that Ireland meets the internationally agreed development goals, including the International Conference on Population and Development Programme of Action and the Millennium Development Goals specifically in relation to family planning, reproductive health and in meeting the needs of young people; if he will commit to funding adequately the relevant budget lines to meet these goals; and if he will make a statement on the matter. [14653/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** Universal access to reproductive health is one of the goals of the Programme of Action agreed at the International Conference on Population and Development held in Cairo in 1994. The fifth of the Millennium Development Goals, adopted internationally in 2000, aims to reduce the maternal mortality ratio by three-quarters, and to achieve universal access to reproductive health by 2015. The Government is fully committed to action in support of these goals, which will also make a vital contribution in addressing the global HIV and AIDS pandemic.

The Government's 2006 White Paper on Irish Aid outlines our commitment to supporting the specific health needs of women and girls within the overall approach to health in developing countries. It makes clear that the health needs of women and girls, particularly in the areas of basic healthcare and maternal and reproductive health, must be at the heart of an effective strategy to improve health in the developing world.

Unfortunately, only limited progress has been made on this issue since the Cairo Conference in 1994. Every year, some 500,000 women die and a further 10 million suffer severe illnesses or disabilities as a result of complications in pregnancy and childbirth. Underlying this tragedy is the lack of access by women in developing countries to good quality maternal and reproductive health services, including family planning.

The Government's aid programme adopts a comprehensive approach in addressing the reproductive health needs of women and young people, through involvement in global policy development, funding and research. Ireland's assistance is directed at programmes at both global and country levels.

The Government works with several partner agencies in the UN system to address maternal health issues. One of the main obstacles to the achievement of universal access to reproductive health is the lack of empowerment of women in developing countries. The issues involved form the core mandate of the United Nations Population Fund (UNFPA), with which Irish Aid has a close relationship.

In recognition of its important mandate, the Government has engaged with and contributed substantially to UNFPA. We provided funding of €20.5 million over the three years 2005-2008, covering a range of programmes, including Trust Funds for Global Reproductive Health Commodities Security, Maternal Health, and Obstetric Fistula. Ireland has also funded a joint programme between the UN Children's Fund (UNICEF) and UNFPA to ensure that the implications of the practice of female genital mutilation are integrated into reproductive health strategies.

Ireland is also working closely with a number of partner countries on these important issues. For instance, in Tanzania, we are working on increasing access to maternal health care; in Ethiopia, we are addressing adolescent reproductive health needs; in South Africa, we are focusing on the prevention of gender based violence; and Irish Aid has been central to the development of maternal health services in Northern Province in Zambia.

### **State Airports.**

224. **Deputy Jan O'Sullivan** asked the Minister for Foreign Affairs further to Parliamentary Question No. 269 of 3 March 2009, if the reply means that there are two officers in total or two administrative and two technical officers based in Shannon Airport; the matters on which they liaise with Irish authorities and with which authorities; the reason it is considered necessary to have them situated at the airport rather than in the US embassy; and if he will make a statement on the matter. [14654/09]

225. **Deputy Jan O'Sullivan** asked the Minister for Foreign Affairs further to Parliamentary Question No. 269 of 3 March 2009, when and by whom the stationing of foreign military personnel at Shannon Airport was approved; the nature of the agreement; if it is short-term or open-ended; if there is a restriction on the number of officers who may be stationed there; the position regarding what is within their authority; and if he will make a statement on the matter. [14655/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I propose to take Questions Nos. 224 and 225 together.

Further to my reply to Parliamentary Question No. 269 of 3 March 2009, there are a total of two US officials of Administrative and Technical status attached to the Embassy of the United States who act as liaison officers at Shannon Airport. They have been notified to this Department by the Embassy under Article 10 of the 1961 Vienna Convention on Diplomatic Relations as incorporated into Irish law by the Diplomatic Relations and Immunities Act 1967.

The two officials concerned are based in Shannon, rather than Dublin, because they are engaged in assisting with the transit of US Government or Government-contracted flights carrying US government officials, civilian and military personnel and cargo through Shannon Airport.

The two officials concerned liaise with the Irish authorities in relation to flight notifications and permissions through the US Embassy in Dublin. As necessary, they also liaise directly with the airport and other authorities in Shannon on technical and logistical issues that arise in relation to transiting aircraft or their passengers.



[Deputy Micheál Martin.]

The stationing of the two US officials in Shannon is fully consistent with the Vienna Convention and is not governed by a specific formal agreement. The current arrangement, which has applied since 2003, operates to the convenience and satisfaction of both the Irish and US authorities and I consider it to be proportionate to the present level of US government air traffic through Shannon.

### **Overseas Development Aid.**

226. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs the percentage of GNP currently spent on overseas development aid; and when the target of 0.7%, continuously being promised, is to be reached. [14681/09]

227. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs the difference in monetary terms between the current spend on overseas development aid and the millennium development goal of achieving 0.7%. [14682/09]

228. **Deputy Aengus Ó Snodaigh** asked the Minister for Foreign Affairs the steps he has taken at EU level to encourage Ireland's EU partners to deliver on their commitments to increase their overseas development aid to the target 0.7%; and if he will make a statement on the matter. [14683/09]

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** I propose to take Questions Nos. 226 to 228, inclusive, together.

Most of Ireland's expenditure on Official Development Assistance (ODA) is provided under Vote 29 and administered by Irish Aid, the Development Cooperation Division of the Department of Foreign Affairs. Further contributions to ODA are made by other Government Departments and through Ireland's allocation to the EU Development Co-operation Budget.

In 2008, total ODA amounted to approximately €900 million or 0.58 per cent of GNP. While the need to reduce public spending makes it unlikely that we will reach a similar percentage of GNP in 2009, I would expect that Ireland will this year retain its position as the sixth highest donor in the world as a percentage of GNP.

The Government intends to continue working towards the target of 0.7% by 2012.

The EU is on track to meet its development aid targets. In November 2005 the EU Member States, including Ireland, formally undertook to achieve the 0.7% target by 2015. (Member States which joined the EU after 2002 will strive to increase their ODA to 0.33 % of GNP by 2015.) The EU confirmed the commitment to these targets as recently as the Doha Conference for Financing on Development in December 2008. Government representatives use every opportunity to urge our EU partners to work together to meet this goal.

In 2008 the EU expenditure on ODA reached 0.4 % of GNP and total EU aid figures for the year exceeded €49 billion. The EU is the largest aid donor in the world. Within the EU, Ireland has the fifth highest ODA/GNP ratio.

### **Departmental Staff.**

229. **Deputy Phil Hogan** asked the Minister for Foreign Affairs the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a con-

sequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15044/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** At present there are 37 individuals working in my Department on temporary employment contracts which will expire before the end of 2010. All but one of those contract staff will cease their employment in my Department before the end of this year.

The majority of these temporary contracts would, in any event, have come to a natural end, irrespective of the moratorium announced by the Minister for Finance. In the time available, it is not possible to provide precise information on the savings that will accrue. However, the departure of these contract staff will assist my Department in achieving a reduction of 3% in payroll costs in 2009 as agreed by the Government last year.

### **Sports Funding.**

230. **Deputy Jack Wall** asked the Minister for Arts, Sport and Tourism his views in regard to a submission (details supplied); and if he will make a statement on the matter. [14711/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** The funding of the Gaelic players grant schemes is a matter for the Irish Sports Council (ISC) in the context of the distribution of its budget for 2009. In light of the current economic constraints and the reduction in the ISC's allocation of funding in the 2009 Estimates, I am having discussions with the Council on optimum funding options, in order to maintain its existing programmes while building on recent progress. The future funding of the Gaelic players schemes is being considered in that context.

### **Departmental Staff.**

231. **Deputy Michael Ring** asked the Minister for Arts, Sport and Tourism the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14213/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** The scheme of performance-related awards in the civil service applies to Deputy and Assistant Secretaries and equivalent grades.

On the basis that the awards are confidential to the officer concerned details of individual awards are not disclosed nor is the total amount awarded under the scheme made known in respect of Departments where there are less than 5 officers covered by the scheme which would allow them to be identified, which is the case in the Department. Details of the operation of the scheme are available in the report of the Committee for Performance Awards which can be accessed on the website of the Department of Finance at:

[www.finance.gov.ie/documents/publications/reports/CPArep2006.pdf](http://www.finance.gov.ie/documents/publications/reports/CPArep2006.pdf)

No awards have been approved in respect of 2008.

232. **Deputy Mattie McGrath** asked the Minister for Arts, Sport and Tourism the number of staff in his Department; the number of staff employed in the national sports grants section; the number of outstanding sports grants applications being dealt with at present; the length of time it is expected to take to have these outstanding applications dealt with; the role and functions of all staff in his Department; and if he will make a statement on the matter. [14301/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** The Department's role, functions and objectives are set out in its Statement of Strategy which can be accessed through the Department's website *www.dast.gov.ie*. The staff employed in the Department are engaged in the delivery of its objectives as set out in the Department's Annual Business Plans which can also be accessed through the same website. The number of staff in the Department, including the National Archives, is currently 164. Of this number, the number of staff in the sports capital grants section of the Department is 14.

Over 7,400 projects, providing a range of essential sports facilities, have benefited from sports capital funding since 1998 bringing the total allocation in that time to over €725 million. At this time an overhang of €175m in commitments is still to be drawn down. The staff in the sports capital unit are currently employed on the management of this drawdown of funding for projects in respect of which the entire grant allocation has not been drawn down. The management of each of these projects can be complex and time consuming to ensure that grantees comply with the conditions of the Programme in relation to tendering, tax clearance, legal and planning requirements.

In addition, staff in the Unit are involved in finalising a five-year strategic plan to inform the future development of necessary sporting facilities throughout the country. The aim of the strategy is to provide high-level policy direction for future investment and grant assistance at national, regional and local level. The strategy will also identify the wider economic, health and social case for continued investment in sports facilities. It will aim to prioritise areas for future investment and to ensure continued impact on participation in the relevant areas including those in lower socio-economic groups. It will address future sports facility funding and provision and will inform decisions on future rounds of the Sports Capital Programme.

I wish to assure the Deputy that the allocation of staff resources within the Department is kept under constant review to ensure efficiency and flexibility with a clear focus on the delivery of priority objectives and making the best use of such resources.

### **Departmental Expenditure.**

233. **Deputy Michael Ring** asked the Minister for Arts, Sport and Tourism the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter.

[14525/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** The net cost of official mobile telephony services in respect of rental and calls provided to me since my appointment as Minister for Arts, Sport and Tourism in June 2008 amounted to €5,014.28 in 2008 and €477.23 to date in 2009. The cost of handsets purchased for me amounts to €507. I do not use an official Blackberry or PDA.

### **Swimming Pool Projects.**

234. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Arts, Sport and Tourism if the local authority swimming pool programme grant will be relaunched in 2009; the expected date for the relaunch; the funding allocated for the programme; if applications from towns such as Carrickmacross, County Monaghan will be considered favourably for the grant; and if he will make a statement on the matter. [14549/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** It is not intended to launch a new round of the Local Authority Swimming Pool Programme at this time. The matter will be reviewed again later this year.

When a new round of the programme is launched it will be open to all Local Authorities, including Monaghan County Council on behalf of Carrickmacross, to submit an application under the terms that will apply.

#### **Departmental Staff.**

235. **Deputy David Stanton** asked the Minister for Arts, Sport and Tourism the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14577/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** No member of staff in this Department with less than two years service on 1 March gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act 2009.

#### **Sports Funding.**

236. **Deputy Brian O'Shea** asked the Minister for Arts, Sport and Tourism if he will protect the remaining sports budget as outlined in correspondence from an organisation (details supplied); and if he will make a statement on the matter. [14764/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** The Deputy will be aware that in addressing the public finances all areas of expenditure have been examined and the budget in relation to sport, like all areas, has been impacted following this process. Nevertheless the huge social and economic benefits of sport are acknowledged by this Government and are reflected in the unprecedented level of Government funding for sport over the last number of years.

In the period 2004 to 2008, more than €1.2bn has been spent on Sport. The allocation in 2009 (prior to today's budget) is just over €199m. While there is a reduction on the 2008 allocation — due mainly to the payment in 2008 of €116m towards the Lansdowne Road project which is not repeated in 2009 — I am confident that the 2009 allocation will be sufficient to sustain Irish sport in the current difficult economic climate.

#### **Departmental Staff.**

237. **Deputy Phil Hogan** asked the Minister for Arts, Sport and Tourism the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15037/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** There are currently seven staff in my Department employed under temporary employment contracts on a fixed term basis. The existing cost of these contracts is in the region of € 310,000 per annum.

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These contracts will expire at varying dates over the next 5 years. As each contract expires, the question of whether it should be renewed will be considered in light of Departmental priorities at the time in consultation with the Department of Finance as appropriate.

The situation regarding staff employed under temporary employment contracts, and associated costs, in the agencies under the aegis of my Department is a day to day matter for these agencies. However the expiry of such contracts will be monitored closely by the Department and a process for this purpose is currently being put in place to ensure compliance with the terms of the recent Government decision.

### Departmental Expenditure.

238. **Deputy Andrew Doyle** asked the Minister for Community, Rural and Gaeltacht Affairs when the value for money and policy review by an independent evaluator on the proposed community service scheme will be available; and the name of the independent evaluator.  
[14057/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** My Department began operating the Community Services Programme (CSP) in 2006. Currently, some 438 organisations have been approved for funding from the Programme.

A review of the Programme is being considered by my Department. The details in this regard — including how best to carry it out given current financial restraints — will be worked out over the coming period.

### Departmental Staff.

239. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14215/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** Under the scheme of performance-related awards for posts at the level of Deputy Secretary and Assistant Secretary, payments as set out in the table below were made to senior officials in my Department for each of the years 2005-2008.

Year Paid	Total
2005	€22,700 (in respect of 2004)
2006	€35,200 (in respect of 2005)
2007	€38,400 (in respect of 2006)
2008	€41,000 (in respect of 2007)

I should point out that I have no role in the approval of such payments, which are approved by the Committee for Performance Awards in the Department of Finance, based on an assessment carried out by the Secretary General of my Department.

The date of the approval of payments relating to 2007 was 13 May 2008. No payments have been approved in respect of 2008.

### Departmental Funding.

240. **Deputy Aengus Ó Snodaigh** asked the Minister for Community, Rural and Gaeltacht Affairs if his Department provides multi-annual funding to community or voluntary sector organisations; and, if so, the organisations receiving this funding since 2006 to date in 2009. [14478/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** In general, my Department mainly provides multi-annual funding to community and voluntary groups under programmes such as Ciste na Gaeilge, Federations and Networks Supports, Supports for Volunteering and the Community Development Programme. Details of recipients under these and other schemes can be found in the annual Appropriation Accounts for my Department.

If the Deputy has an interest in any particular organisation or scheme I will be happy to provide whatever information he requires.

### Grant Payments.

241. **Deputy Michael Creed** asked the Minister for Community, Rural and Gaeltacht Affairs if his Department has received an application for grant aid towards the cost of resurfacing a road leading to the private dwellings (details supplied) in County Cork; if their application will be approved and funding made available in 2009; and if he will make a statement on the matter. [14504/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** An application for funding in the case referred to by the Deputy has been received under my Department's Scéim na mBóithre Áise. The question of allocating funds for this road in 2009 will fall to be considered in the context of the amount of funding available and the level of outstanding commitments.

242. **Deputy Paul Kehoe** asked the Minister for Community, Rural and Gaeltacht Affairs the status of the community services programme grant application for a service (details supplied); when funding will be available for this scheme; and if he will make a statement on the matter. [14509/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** An application was received from this organisation under the 2008 Call for Applications for the Community Services Programme. The assessment of this application has been completed and the applicant has been informed of the outcome. Given the current economic situation, my Department is not in a position to provide funds to enable this organisation to move to the next stage of development of the proposal at this time. The matter will be kept under review.

### Departmental Expenditure.

243. **Deputy Michael Ring** asked the Minister for Community, Rural and Gaeltacht Affairs the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14527/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** The information available in relation to costs for my combined mobile phone/blackberry (I do not hold

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a PDA) is reflected in the table, covering the period from August 2003 to date. Details in relation to costs relating to 2002 and early 2003 are no longer held by my Department.

It should be noted that in general my combined mobile phone/blackberry is used for official work purposes only. In 2007, however, during the course of the election, I used the phone for personal purposes and accordingly reimbursed my Department an amount of €195.87.

Year	Handset purchase costs	Total cost for combined mobile/Blackberry including rental, call and other costs
	€	€
2003	—	730*
2004	—	1,700
2005	—	1,689
2006	—	1,120
2007	242	1,276
2008	—	2,627
2009	—	498**

\*From 1.8.03.

\*\*To date in 2009.

### Departmental Staff.

244. **Deputy David Stanton** asked the Minister for Community, Rural and Gaeltacht Affairs the number of staff with less than two years' service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14579/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** No staff in my Department with less than two years' service on 1 March 2009 gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act 2009.

### Grant Payments.

245. **Deputy Ruairí Quinn** asked the Minister for Community, Rural and Gaeltacht Affairs if he will outline and describe grants for aquaculture activities, including fish farming, which have been allocated by his Department or any agency acting on behalf of his Department, in accordance with EU programmes or national programmes to companies (details supplied) in the past fifteen years; if he will state, in respect of each company, the address of the company, the area of operation for which the grant was made, the year or years the grant was made, the money approved and the money granted; and if he will make a statement on the matter. [14651/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** I can confirm that no grants of the nature referred to by the Deputy have been allocated by my Department.

Údarás na Gaeltachta has been requested to supply any information relevant to the Question. The Deputy will appreciate, however, that the details sought by him, which relate to 25 companies over a period of 15 years, are extensive and it has not been possible to collate them within

the time available. I can assure the Deputy that the information will be forwarded to him as soon as it becomes available.

### **Departmental Staff.**

246. **Deputy Phil Hogan** asked the Minister for Community, Rural and Gaeltacht Affairs the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15039/09]

**Minister for Community, Rural and Gaeltacht Affairs (Deputy Éamon Ó Cuív):** I can confirm to the Deputy that my Department will be implementing in full the moratorium decision announced by Government on 27 March 2009. In line with guidance provided by the Department of Finance, this Department will liaise with that Department as the need arises.

In relation to the Deputy's specific query regarding people working in the public service under temporary employment contracts on a fixed term basis and the loss of their jobs, the matter is under consideration and as previously outlined, this Department will liaise with the Department of Finance as individual cases arise.

### **Employment Support Services.**

247. **Deputy Finian McGrath** asked the Minister for Social and Family Affairs if she will support a matter (details supplied) [14083/09]

252. **Deputy Thomas P. Broughan** asked the Minister for Social and Family Affairs the number of people allocated funds from the back to work enterprise allowance scheme to enter the taxi industry in 2007, 2008 and to date in 2009; the value of funding allocated through the BTWEA for people entering the taxi industry in 2007, 2008 and to date in 2009; and if she will make a statement on the matter. [14094/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I propose to take Questions Nos. 247 and 252 together.

A breakdown by occupation or the nature of the self-employment of recipients of the back to work enterprise allowance scheme is not available from records held by the Department.

A person in receipt of a social welfare payment who decides to set up a business may be eligible to apply for the back to work enterprise allowance. In order to qualify, a person must be in receipt of a qualifying social welfare payment for a certain duration, which is two years in the case of a person on a jobseeker's payment. Those taking up self-employment must first have their self-employment project approved as viable and sustainable.

In partnership areas this will be done by the partnership company. In non-partnership areas this will be done by the Department's local facilitator. Approval normally involves an interview with the applicant to assess the viability of the proposed project, to provide advice on funding or on "Start Your Own Business" courses and other relevant aspects. Each application for the back to work enterprise allowance is decided within the criteria set down for the scheme.



### Social Welfare Benefits.

248. **Deputy Aengus Ó Snodaigh** asked the Minister for Social and Family Affairs if it is her intention to increase the financial ceiling to qualify for rent supplement, in order that individuals who are working in community employment schemes can continue to qualify for rent supplement; and if she will make a statement on the matter. [14185/09]

**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 calculated to ensure that an eligible person after the payment of rent has an income equal to the rate of supplementary welfare allowance appropriate to his or her family circumstances, less a minimum contribution of €18 which each recipient is required to pay from his or her own resources. Many recipients pay more than €18 because recipients are also required to contribute a portion of any additional assessable means that they have over and above the appropriate basic supplementary welfare allowance rate towards their accommodation costs.

A person participating on a community employment scheme can continue to receive rent supplement subject to their satisfying the standard means assessment rules. Since 2007, where a person has additional income in excess of the standard supplementary welfare allowance weekly rate of payment, the first €75 of such additional income together with 25% of any additional income above €75 is disregarded for means assessment purposes. This ensures that those returning to work or participating in training schemes are better off as a result of taking up such an opportunity.

Any changes to the rent supplement scheme, including an easing of the means test, would have to be considered in a budgetary context and in the light of resources available for improvements in social welfare payments generally.

249. **Deputy Aengus Ó Snodaigh** asked the Minister for Social and Family Affairs if her attention has been drawn to the case of a person (details supplied) in Dublin 8. [14186/09]

**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 calculated to ensure that an eligible person after the payment of rent has an income equal to the rate of supplementary welfare allowance appropriate to his or her family circumstances, less a minimum contribution of €18 which each recipient is required to pay from his or her own resources. Many recipients pay more than €18 because recipients are also required to contribute a portion of any additional assessable means that they have over and above the appropriate basic supplementary welfare allowance rate towards their accommodation costs.

A person participating on a community employment scheme can continue to receive rent supplement subject to their satisfying the standard means assessment rules. Since 2007, where a person has additional income in excess of the standard supplementary welfare allowance weekly rate of payment, the first €75 of such additional income together with 25% of any additional income above €75 is disregarded for means assessment purposes. This ensures that those returning to work or participating in training schemes are better off as a result of taking up such an opportunity.

The Executive has advised that it received a rent supplement claim from the person concerned on 2 April 2009. She will be advised shortly of the outcome of her claim.

250. **Deputy Michael Ring** asked the Minister for Social and Family Affairs when a person (details supplied) in County Mayo will be approved and awarded a farm assist payment. [14040/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The person concerned applied for a farm assist payment on 4 March 2009. Her claim is currently with a Social Welfare Inspector for investigation of her circumstances. On completion of enquiries, a decision will be made as soon as possible and she will be notified of the outcome.

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.

### **State Agencies.**

251. **Deputy Terence Flanagan** asked the Minister for Social and Family Affairs the remuneration package of each of the chief executive officers of State agencies reporting to her Department including pay, pension and ancillary benefits; and if she will make a statement on the matter. [14042/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The agencies operating under the aegis of my Department are the Pensions Board, the Citizens Information Board, the Family Support Agency, the Combat Poverty Agency and the Office of the Pensions Ombudsman.

The annual salary of the Chief Executive of the Pensions Board is €158,644. He is a member of the Board's Superannuation Scheme.

The annual salary of the Chief Executive of the Citizens Information Board is €122,977. He is a member of the Board's Superannuation Scheme.

The annual salary of the Chief Executive of the Family Support Agency is €120,190. He is currently on secondment from the Health Service Executive (HSE) and he remains a member of the HSE Superannuation Scheme.

The salary for the post of Director in the Combat Poverty Agency is linked to the Principal Officer Higher Scale in the civil service. The terms and conditions for that post include membership of the Combat Poverty Agency's Superannuation Scheme. The position is currently vacant. In line with a Government decision, the Agency is being integrated with the Office of Social Inclusion within the Department of Social and Family Affairs.

Schemes of performance-related pay can apply to the Chief Executive Officers of non-commercial State sponsored bodies. All of the above post holders are eligible to be considered for a performance related bonus payment of up to a maximum of 20% of basic salary. Decisions regarding the level of payments to be awarded in individual cases are the responsibility of the Board of the body concerned. The annual salary of the Pensions Ombudsman is €136,581. He is a member of the Model Pension Scheme for State Sponsored Bodies. No other ancillary benefits have been paid to any of the above officers.

*Question No. 252 answered with Question No. 247.*

**National Carer's Strategy.**

253. **Deputy Jack Wall** asked the Minister for Social and Family Affairs her views in relation to a submission by a person (details supplied) in County Kildare; if she has plans to reassess the decision not to continue with the national carer's strategy in view of concerns being expressed by many carer's and their support groups; and if she will make a statement on the matter. [14109/09]

256. **Deputy Mary Upton** asked the Minister for Social and Family Affairs if her attention has been drawn to the proposals put forward by an association (details supplied) in the absence of the publication of the national carer's strategy; her views on these proposals, particularly as they are on a cost neutral basis; and if she will make a statement on the matter. [14190/09]

263. **Deputy Brian O'Shea** asked the Minister for Social and Family Affairs the position regarding the implementation of the national carer's strategy (details supplied); and if she will make a statement on the matter. [14557/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I propose to take Questions Nos. 253, 256 and 263 together.

During 2008 an interdepartmental group, chaired by the Department of the Taoiseach, with secretariat support provided by my Department, undertook work, including a public consultation process, to develop a National Carers' Strategy. The work of developing a Carer's Strategy was well advanced by the group.

However, faced with the current economic situation, it was not possible to set targets or time lines which could be achieved. In that context, rather than publishing a document which did not include any significant plans for the future, the Government decided not to publish a strategy at this time.

I am aware of the proposals put forward by the Carers Association. My officials met last week with the Carers Association to discuss those proposals which are within the remit of the Department. However, Deputies should be aware that recommendations described as "cost-neutral" usually do have a cost, in terms of administration, or in follow on effects. The Government remains acutely aware of the sacrifices made by carers and has sought to make many improvements in services and supports for carers.

The Carers Allowance scheme has been significantly improved in recent years and in budget 2009, I continued this process. The rate of carer's allowance for those aged 66 or over increased by €7 to €239 per week and for those aged under 66 by €6.50 to €220.50 per week. These increases took effect from January 2009. Recipients of carer's allowance are also eligible for household benefits, free travel and the respite care grant.

Since 1997 weekly payment rates to carers have greatly increased, qualifying conditions for carer's allowance have significantly eased, coverage of the scheme has been extended and new schemes such as carer's benefit, half-rate carer's allowance and the respite care grant have been introduced and extended.

The means test for carer's allowance has been significantly eased over the years, and is now one of the most generous means tests in the social welfare system, most notably with regard to spouse's earnings. Since April 2008, the income disregard has been 332.50 per week for a single person and €665 per week for a couple. This means that a couple with two children can earn

in the region of €37,200 and qualify for the maximum rate of Carer's Allowance as well as the associated free travel and household benefits.

A couple with an income in the region of €60,400 can still qualify for a minimum payment, as well as the associated free travel, household benefits package. These levels surpass the Towards 2016 commitment to ensure that those on average industrial earnings continue to qualify for a full carer's allowance. From June 2005, the annual respite care grant was extended to all carers who are providing full time care to a person who needs such care, regardless of their income. The rate of the respite care grant has also been increased to €1,700 per year in respect of each care recipient since June 2008. It is estimated that combined expenditure on carer's allowance, carer's benefit, the respite care grant and half-rate carers will be €650 million in 2009.

### **Social Welfare Benefits.**

254. **Deputy Róisín Shortall** asked the Minister for Social and Family Affairs the way casual work and short-time work are respectfully defined by her Department; and if she will address the anomalous position that exists at present where two jobseeker's who have lost two days of work can qualify for two different rates of payment as a result of the different ways the number of days in the working week are calculated using the different short-time and casual work definitions. [14144/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The jobseeker's schemes provide income support for people who are seeking their first job or have lost work and are seeking alternative employment. A fundamental qualifying condition for both the Jobseeker's Benefit and Jobseeker's Allowance is that a person must be available for full-time work.

Where a person is employed for up to three days in a week, they may claim Jobseeker's Benefit or Assistance in respect of the remainder of the week, subject, *inter alia*, to having sustained a substantial loss of employment, being available for full-time work and, in the case of Jobseeker's Assistance, satisfying a means test. A person is regarded as having sustained a substantial loss of employment if they have lost at least one day of insurable employment in any period of six days, provided their reckonable earnings or reckonable income are reduced as a consequence of the loss of employment. Benefit is not payable where a person is available for part-time work only.

When determining the classification of casual and short time workers, each case is examined on its own merits and, because of the variables necessarily involved in making a determination as to entitlement, payment rates and extent of entitlement are individual-specific Employment on a casual basis implies that the number of days worked will vary each week with the amount of work available. There will be no established pattern of days. This variety will also be reflected in the wages paid. Variations in hours or days worked must be due to the employer's requirements, as opposed to a work pattern chosen by the employee. In addition, there must be no guaranteed minimum hours or wages each week.

Short-time employment means employment in which, for the time being, the number of days systematically worked in a working week is less than the number of days which is normal in a working week in the employment concerned. Short-time work must be systematic, i.e., there must be a clear repetitive pattern of employment each week. The person must also work at least one day in each week that he or she would normally be working. In the context of changing economic circumstances there is an increased number of people claiming Jobseeker's Benefit and Assistance categorised as both systematic short-time and casual. The application

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of the jobseeker's payment scheme conditions to workers who are not employed on a full-time basis is being kept under review.

### **Social Welfare Appeals.**

255. **Deputy Róisín Shortall** asked the Minister for Social and Family Affairs the position with regard to an appeal for jobseeker's benefit by a person (details supplied) in County Tipperary; and when a decision can be expected. [14177/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The person concerned was awarded Jobseeker's Allowance at a reduced rate from 30 September 2008 based on means assessed by a Deciding Officer of the Department.

An appeal against this decision was opened on 24 November 2008 and I am advised by the Social Welfare Appeals Office that the case has been referred to an Appeals Officer who has decided to hold an oral hearing. It is not possible at present to state when this case will be heard but every effort is being made to have it dealt with as quickly as possible. The Social Welfare Appeals Office is an office of the Department that is independently responsible for determining appeals against decisions on social welfare entitlements.

*Question No. 256 answered with Question No. 253.*

### **Departmental Expenditure.**

257. **Deputy Michael Ring** asked the Minister for Social and Family Affairs the payments made to senior officials in her Department under the performance related pay scheme for each of the years 2005 to 2008, if she has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if she will make a statement on the matter. [14224/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Civil service posts at the levels of Assistant Secretary and Deputy Secretary are covered by a scheme of performance related awards. Recommendations in relation to awards are made by the Secretary General of each Department and the operation of the scheme is overseen by the Committee for Performance Awards. The funding for awards is based on 10% of the payroll for the posts covered by the scheme. Within this overall limit, payments of up to 20% can be made to individuals.

Details of the procedures, the numbers covered by the scheme, the range of awards and the total amounts paid in Departments are outlined in the annual reports of the Committee for Performance Awards (available on the website [www.finance.gov.ie](http://www.finance.gov.ie)). The committee does not identify the amount paid to individuals as this is regarded as personal information. Recommendations in respect of 2007 were forwarded to the committee in March 2008 and May 2008. No awards have been recommended in respect of 2008.

### **Public Service Contracts.**

258. **Deputy Joan Burton** asked the Minister for Social and Family Affairs the number of limited companies, established as sole trader ventures, with agreements for the provision of services on a full-time basis and a part-time basis to her, her Department or to a public body under the aegis of her Department, indicating the nature of the services; and if she will make a statement on the matter. [14280/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The Department does not have any agreements in place with limited companies established as sole trader ventures for the provision of full-time or part-time services. Similarly, the agencies under the aegis of the Department do not have any such agreements in place.

#### **Departmental Funding.**

259. **Deputy Aengus Ó Snodaigh** asked the Minister for Social and Family Affairs if her Department provides multi-annual funding to community or voluntary sector organisations; and if so, the organisations receiving this funding since 2006 to date in 2009. [14482/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The information requested by the Deputy is being compiled and will be forwarded shortly.

#### **Social Welfare Appeals.**

260. **Deputy Michael Ring** asked the Minister for Social and Family Affairs if she will investigate the length of time it took for an appeal to be heard on behalf of a person (details supplied) in County Mayo in view of the fact that a decision was reached on the appeal on 6 March 2009 and by the 31 March 2009 the file had not left the appeals office, that the person still has not received payment and that this delay is causing stress on the elderly person in question. [14523/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I refer the Deputy to my replies to previous parliamentary questions on 21 October 2008 and 2 December 2008 in relation to the person concerned.

I am informed by the Social Welfare Appeals Office that, following an oral hearing, the appeal of the person concerned was partially allowed. He was notified accordingly on 6 March 2009. Subsequent to that, it became apparent that an error had been made in calculating his means for the purposes of his claim. A revised appeal decision, which increased his entitlement, was issued to the person concerned on 30 March 2009. He was advised at that time that any inconvenience arising from the need to ensure the correct decision was given in his case was regretted.

Given the quasi-judicial nature of the social welfare appeals system, the procedures in place for determining appeals are designed to ensure that each case receives full and satisfactory consideration and that, in the light of those constraints, appeals are determined as expeditiously as possible. The Social Welfare Appeals Office is an office of the Department that is independently responsible for determining appeals against decisions on social welfare entitlements.

#### **Departmental Expenditure.**

261. **Deputy Michael Ring** asked the Minister for Social and Family Affairs the cost of providing mobile telephony and PDA services for her in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by her in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if she will make a statement on the matter. [14536/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Since my appointment as Minister for Social and Family Affairs in May 2008 I have incurred the following costs in relation to mobile voice and data services:

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Voice

Year	Rent	Calls	Vat	Total
	€	€	€	€
2008	36.10	1,480.29	310.88	1,827.27
2009	11.90	363.72	78.18	453.80

Data

Year	Rent	Calls	Vat	Total
	€	€	€	€
2008	180.00	14.81	41.03	235.84
2009	60.00	1.92	13.30	75.22

There were no handset costs as the devices were supplied as part of the normal on-going free hardware upgrade programme operated by the mobile phone companies. This equipment was supplied to assist me in discharging my responsibilities as Minister for Social and Family Affairs and consequently the amounts incurred in relation to personal use are minimal.

The overall cost of telephony is kept under constant review in the Department and it is planned to avail of more cost effective arrangements under the Centralized Mobile Phone Framework for Government Departments and Agencies in the near future.

**Social Welfare Benefits.**

262. **Deputy Finian McGrath** asked the Minister for Social and Family Affairs the cost of the early child care supplement to non-Irish nationals who are resident here, but whose children live abroad in 2007 and in 2008; and if she will make a statement on the matter. [14543/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The Early Childcare Supplement is administered by the Department of Social and Family Affairs on behalf of the Office of the Minister for Children and Youth Affairs. The total expenditure on the Early Childcare Supplement (ECS) for 2007, in respect of non resident children, payable under EU regulations, was €1.1 million. The corresponding figure for 2008 was €4.5 million. The total overall expenditure on the ECS scheme in 2007 was €417 million and in 2008 was €477 million.

Family Benefits payable under EU regulations apply to Irish nationals working in other EU member states in the same way as they do to non-Irish-national EU workers in Ireland.

*Question No. 263 answered with Question No. 253.*

**Departmental Staff.**

264. **Deputy David Stanton** asked the Minister for Social and Family Affairs the number of staff with fewer than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009; and if she will make a statement on the matter. [14588/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** There have been no cases in the Department of Social and Family Affairs of staff with less than two years service on 1

March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

265. **Deputy Aengus Ó Snodaigh** asked the Minister for Social and Family Affairs the number of people in the State and per county or Health Service Executive administrative area in receipt of rent supplement in February 2006, 2007, 2008 and 2009. [14599/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The following tabular statement shows the number of recipients of rent supplement by HSE area for February 2006, February 2007, February 2008 and February 2009.

Number of Recipients of Rent Supplement by HSE Area

HSE Area	End February 2006	End February 2007	End February 2008	End February 2009
Eastern	26,678	25,562	25,135	31,534
Midland	2,309	2,377	2,693	3,996
Mid-Western	4,261	4,051	4,257	5,589
North Eastern	2,917	3,054	3,383	5,214
North Western	2,879	2,996	3,398	4,702
South Eastern	6,508	6,495	6,607	9,149
Southern	8,688	8,877	9,254	11,531
Western	6,043	6,038	6,131	7,991
Total	60,283	59,450	60,858	79,706

### Court Proceedings.

266. **Deputy Jack Wall** asked the Minister for Social and Family Affairs her views in regard to a submission (details supplied); and if she will make a statement on the matter. [14714/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The matters referred to are the subject of Court proceedings which were first initiated in 2003. Recent allegations are currently the subject of a formal complaint to An Garda Síochána. All allegations are denied by the Department.

### Social Welfare Benefits.

267. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs the reason for the cessation of weekly payment in the sum of €4.90 in the case of persons (details supplied) in County Kildare; and if she will make a statement on the matter. [14718/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The supplementary welfare allowance (SWA) scheme is administered on behalf of the department by the community welfare division of the Health Service Executive. The Executive has advised that the payment of SWA at the rate of €4.90 a week is based on an assessment of the personal and financial circumstances of the persons concerned which was made at the time of the application for SWA.

The community welfare officer requested additional information including earnings details from the persons concerned at the time of the last review of their entitlement to SWA. To date, the requested information has not been provided. The community welfare officer will



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review the entitlement of the people concerned when the requested information has been supplied.

268. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when jobseeker's allowance will be awarded in the case of a person (details supplied) in County Meath; and if she will make a statement on the matter. [14722/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The Department has no record of receiving an application for Jobseeker's Allowance from the person concerned. If he wishes to submit an application he should contact his local Social Welfare Office.

#### **Social Welfare Appeals.**

269. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when an appeal hearing will take place in the case of a person (details supplied) in County Laois; and if she will make a statement on the matter. [14725/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The supplementary welfare allowance scheme, which includes mortgage interest supplement, is administered on behalf of the Department by the community welfare division of the Health Service Executive (HSE).

The HSE has advised that the person concerned appealed against the decision to refuse him mortgage interest supplement to the HSE Appeals Officer. That Appeals Officer decided that the person concerned is not entitled to a supplement as the amount of mortgage interest payable by him exceeds such amount as is considered reasonable by the HSE.

The person concerned was advised of his further right of appeal to the Chief Appeals Officer of the Department of Social and Family Affairs. He lodged an appeal with that officer on 26 February 2009. The person concerned will be advised of the decision of an Appeals Officer of the Department as soon as a decision has been given in this case.

#### **Departmental Schemes.**

270. **Deputy Róisín Shortall** asked the Minister for Social and Family Affairs if she will publish the list of third level and other courses that are open to back to education allowance claimants; the changes that have occurred in recent months; and the reason the full list is not yet published on her Department's website. [14760/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Under the back to education scheme there are two study options; second level option (SLO) and third level option (TLO). The scheme is not operated on the basis of a prescribed list of courses.

Under the second level option, a person may attend a second level course of education at any publicly funded Community Comprehensive, Secondary, Vocational School or Institute of Technology. The course being pursued must be a full-time course of study and must lead to a qualification that is recognised by the Department of Education and Science and awarded by FETAC or BTEC.

Under the third level option, the course being pursued must be a full-time day course of study which is approved by the Department of Education and Science for the Higher Education Grant Scheme, the Vocational Education Committee's Scholarship scheme or the Third Level Maintenance Grant scheme for Trainees or has HETAC recognition.

In response to the rise in unemployment, additional capacity in some Institutes of Technology was identified where it was possible to offer accelerated full-time courses in a number of disciplines, commencing in March 2009. The courses are generally 15 weeks in duration and successful students will be allowed progress to year two of the relevant Higher Certificate in September 2009. The courses are generally at HETAC Level 6 under the National Framework of Qualifications. The back to education scheme is available to qualified persons who wish to pursue these courses.

### Departmental Staff.

271. **Deputy Phil Hogan** asked the Minister for Social and Family Affairs the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if she will make a statement on the matter. [15047/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** There are no staff employed in my Department on a fixed term basis. All temporary staff are employed on a fixed purpose basis and their employment will continue until the purpose for which they were employed ceases.

The agencies operating under the aegis of my Department are the Pensions Board, the Citizens Information Board, the Family Support Agency, the Combat Poverty Agency and the Office of the Pensions Ombudsman. Details of fixed term contracts and savings in respect of each of the agencies are shown in the following table.

Organisation	No. of fixed term contracts	Annual savings to Exchequer
		€
Pensions Board	6	*See note
Citizens Information Board	1	39,545
Family Support Agency	3	63,490
Combat Poverty Agency	4**	121,798
Office of the Pensions Ombudsman	Nil	N/A

*Note:*

\*The Pensions Board is a self funding organisation, therefore, no savings will accrue to the Exchequer as a result of the non-renewal of the temporary contracts.

\*\*Temporary fixed term contracts to end June 2009 are in place pending integration of Combat Poverty into the Department of Social and Family Affairs

### Departmental Expenditure.

272. **Deputy Michael Ring** asked the Minister for Defence the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14216/09]

**Minister for Defence (Deputy Willie O'Dea):** Civil Service posts at the levels of Assistant Secretary and Deputy Secretary are covered by a scheme of performance related awards. The

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operation of the scheme is overseen by the Committee for Performance Awards (CPA). Details of awards to individual officers under the scheme are not disclosed on the basis that they are confidential to the officer concerned. However, I can say that for 2005, 2006, and 2007, awards totalling €21,200, €22,400 and €22,000 respectively were made to two officers in my Department. The 2007 award was approved on 18 March 2008. No payments have been approved for 2008.

The Scheme for Performance Related Awards also applies to officers of the Permanent Defence Force at the level of Brigadier General and Major General. The following awards were made under this scheme:

- for 2005 an amount of €119,500 was awarded to a total of 12 personnel;
- for 2006 an amount of €106,800 was awarded to a total of 10 personnel; and,
- for 2007 an amount of €133,700 was awarded to a total of 12 personnel.

The 2007 awards were approved on 16 April 2008 for 11 personnel. One award was subsequently approved on 19 December 2008. No payments have been approved for 2008.

**Departmental Expenditure.**

273. **Deputy Michael Ring** asked the Minister for Defence the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14528/09]

**Minister for Defence (Deputy Willie O’Dea):** Following is the information relating to my mobile and blackberry costs, as requested by the Deputy. Records are not available for earlier years.

Year	Call costs (incl VAT)	Rental costs (incl VAT)	Handset costs	Other costs (Blackberry bundle cost — incl VAT)	Refunds
	€	€	€	€	€
2005	498.12	281.32	No cost	—	—
2006	646.53	182.10	No cost	—	—
2007	959.28	172.78	No cost	—	—
2008	847.22	259.18	No cost	290.40	—
2009 (to date)	180.07	43.37	No cost	48.40	—

**Defence Forces Retirement Scheme.**

274. **Deputy David Stanton** asked the Minister for Defence the number of Defence Force personnel who applied for early retirement every month for the past 12 months; the number of applications for early retirement which are currently being processed; the number expected to apply for early retirement in the next 12 months; and if he will make a statement on the matter. [14573/09]

**Minister for Defence (Deputy Willie O’Dea):** The total number of personnel who were discharged from the Defence Forces, for reasons other than age during the period 01 April 2008 and 01 April 2009 is outlined in the following table:

Month	Number
April 2008	51
May 2008	24
June 2008	39
July 2008	30
August 2008	43
September 2008	52
October 2008	62
November 2008	35
December 2008	37
January 2009	25
February 2009	21
March 2009	20
Total	439*

\*It should be noted that 109 of the personnel involved were recruits and as such had not yet become effective. The number of applications for discharge (for reasons other than age) currently being processed is thirty one (31).

As the Defence Forces does not invite applications for early retirement and does not have an early retirement scheme it would not be possible to predict accurately the number of applications for ‘early retirement’ in the coming twelve months.

#### **Departmental Staff.**

275. **Deputy David Stanton** asked the Minister for Defence the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009; and if he will make a statement on the matter. [14580/09]

**Minister for Defence (Deputy Willie O’Dea):** No staff in my Department with less than two years service on 1 March 2009 gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

#### **Defence Forces Recruitment.**

276. **Deputy Brian O’Shea** asked the Minister for Defence if the embargo introduced on promotions in the Defence Forces from 27 March 2009 applies to promotions which had advanced to the final medical stages; and if he will make a statement on the matter. [14763/09]

**Minister for Defence (Deputy Willie O’Dea):** The implications and implementation of the recent Government Decision on savings measures on public service numbers are currently under consideration in my Department.

While the restriction on recruitment, promotion and payment of allowances for the performance of duties of a higher grade applies to the Defence Forces across the board, questions have arisen in relation to a number of issues and particular cases, including the impact on promotion competitions which had advanced to the final medical stages. Officials from my Department and the Military authorities are working together to clarify all the issues arising. Meetings are

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also taking place with the Representative Associations (PDFORRA and RACO) in an effort to establish the full range of issues requiring clarification.

### **Departmental Staff.**

277. **Deputy Phil Hogan** asked the Minister for Defence the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15040/09]

**Minister for Defence (Deputy Willie O’Dea):** My Department employs a small number of staff on temporary contracts on a fixed term basis and is currently considering the implications of the Government decision on the savings measures on public service numbers announced by the Minister for Finance on 27 March 2009.

### **Private Rented Accommodation.**

278. **Deputy Terence Flanagan** asked the Minister for the Environment, Heritage and Local Government if he has contacted local authorities who manage the rental accommodation scheme to have them reduce rents paid to landlords in line with falling rents in the property market; and if he will make a statement on the matter. [14049/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** The amount of rent paid to private landlords through RAS is agreed following a negotiated process that takes account of current market rents, the value to the landlord of being accepted on to the scheme and the need to deliver value for money for public investment. The actual rent paid is a matter for the individual authority; however guidance from my Department in relation to this matter emphasises the need for authorities to obtain competitive prices for property.

In respect of existing RAS contracts already entered into by local authorities, in many cases these contracts are subject to specific rent review clauses, negotiated at the start of the contract. In undertaking such reviews, local authorities will seek to negotiate a rent that is reflective of the prevailing market conditions in the area.

To further emphasise the need for value for money additional guidance in relation to rental negotiations in respect of the Rental Accommodation Scheme has been developed and is due to issue from my Department shortly.

279. **Deputy Leo Varadkar** asked the Minister for the Environment, Heritage and Local Government his plans to out-law upward rent review only clauses in contracts for residential properties; and if he will make a statement on the matter. [14116/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** The Residential Tenancies Act 2004 introduced a new regulatory framework governing private rented residential tenancies, providing, *inter alia*, for—

- A measure of security for tenants of certain dwellings;

- Amendment of landlord and tenant law in relation to basic rights and obligations of each of the parties;
- The cheap and speedy resolution of disputes between such parties;
- The establishment of the Private Residential Tenancies Board (PRTB) to discharge a range of functions related to these matters.

The Act prohibits the setting of rent above the market rent and it stipulates that, in general, a review of the rent may not occur more frequently than once a year.

On this basis, upwards-only rent reviews are not considered to be a significant issue in the private rented residential sector. Indeed, current data drawn from a number of sources including the Central Statistics Office would bear this out, indicating a decline in rent levels in the sector recently, particularly in the period since early 2008.

### **Local Authority Funding.**

280. **Deputy Martin Ferris** asked the Minister for the Environment, Heritage and Local Government the amount of funding which will be allocated to Kerry County Council in order to allow them to meet applications under the mobility aid grant and housing adaption grant. [14048/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** Allocations to individual local authorities under the Mobility Aids Grant Scheme and the Housing Adaptation Grant Schemes for Older People and People with a Disability will be announced following the publication of the Revised Estimates of Public Expenditure 2009.

### **Special Areas of Conservation.**

281. **Deputy Paul Connaughton** asked the Minister for the Environment, Heritage and Local Government the cost of the conservation measures on the Slieve Aughty hills in south Galway regarding the preservation of the hen harrier; the number of hen harriers that are believed to be in the area; and if he will make a statement on the matter. [14055/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Slieve Aughty Hills, which span the border of counties Galway and Clare, have been designated a Special Protection Area (SPA) to meet Ireland's obligations under the EU Birds Directive. The designation is required because of the presence of breeding hen harriers, a species listed in Annex 1 of the directive. The species is a scarce breeder in Ireland. However, 24 breeding pairs were confirmed in the area in 2008, making the Slieve Aughty hills one of the most important areas for the species in Ireland.

Conservation measures can be supported through my Department's Farm Plan Scheme or the Rural Environment Protection Scheme. 21 Plans under the Farm Plan Scheme have been completed for this SPA, of which seven are in Galway. The cost of these plans in 2008-2009 is estimated at €164,000, including planner fees.

### **Departmental Staff.**

282. **Deputy Terence Flanagan** asked the Minister for the Environment, Heritage and Local Government if he will provide a list of all staff working in the housing section of his Department

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to include grades of staff and a detailed job description; and if he will make a statement on the matter. [14070/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):**

The number of administrative and professional and technical staff assigned to my Department's Housing Division is set out in the following table:

Housing Division

Grade	FTE
Assistant Secretary	1.00
Principal Officer	6.00
Assistant Principal Officer	20.53
Higher Executive Officer	23.50
Executive Officer	21.80
Staff Officer	4.90
Clerical Officer	16.53
Principal Adviser	1.00
Architectural Adviser	1.00
Architectural Engineering Inspector	12.00
Housing Inspector	5.00
Senior Adviser	4.00
Senior Building Inspector	3.00
Statistician	1.00
Supervising Housing Inspector	9.00
Technical Grades Level Four	1.00
Total	131.26

These staff are involved on an ongoing basis in the development and implementation of housing policy and programmes to give effect to the objectives outlined in the Government's housing policy statement, Delivering Homes, Sustaining Communities and the Department's Statement of Strategy 2008-2010, designed to ensure that a broad range of housing supports are available to respond to diverse housing needs.

#### **Departmental Funding.**

283. **Deputy Jack Wall** asked the Minister for the Environment, Heritage and Local Government if funding is available for a group (details supplied) in County Kildare to provide facilities in its area in view of the increase in the population of the area; and if he will make a statement on the matter. [14077/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):**

Section 67 of the Local Government Act 2001 empowers local authorities to promote the interests of the local community in relation to amenity, recreation and other functions. This includes the provision of sports, games and similar activities and general recreational and leisure facilities such as playgrounds. It is a matter for each local authority to determine the extent to which these facilities should be provided and to allocate resources accordingly. Kildare County Council was awarded grant aid by my Department in 2006 towards the pro-

vision of a playground in Kilcullen. The grant has not been drawn down by the local authority as I understand that the project has yet to commence construction.

### **Housing Estates.**

284. **Deputy Joanna Tuffy** asked the Minister for the Environment, Heritage and Local Government the number of housing estates taken in charge by Meath County Council, broken down by electoral area, for the years 2005, 2006, 2007, and 2008; and if he will make a statement on the matter. [14087/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I refer to the reply to Question No. 398 of 17 February 2009. My Department does not collect information on the names and locations of housing estates taken in charge by planning authorities.

### **Proposed Legislation.**

285. **Deputy Brian O'Shea** asked the Minister for the Environment, Heritage and Local Government his proposals to amend the local government superannuation legislation in order that persons who have completed 40 years pensionable service are not required to continue paying a superannuation payment; and if he will make a statement on the matter. [14089/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Members of the Local Government Superannuation Scheme are required, under sections 23, 42, 80 and 102 of the Local Government (Superannuation) (Consolidation) Scheme 1998 to make contributions in respect of all pensionable service. I have no plans to amend this requirement.

### **Election Management System.**

286. **Deputy Leo Varadkar** asked the Minister for the Environment, Heritage and Local Government if, with regard to the plans that he announced recently (details supplied) to prohibit corporate donations to political parties, he will include a ban on donations from other bodies corporate such as trade unions, professional associations, lobbying organisations, charities, clubs and so on; and if he will make a statement on the matter. [14119/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I will consider all relevant issues in the development of my proposals in this area.

### **EU Directives.**

287. **Deputy Michael Creed** asked the Minister for the Environment, Heritage and Local Government if he will provide an estimate of the cost of introducing an inspection regime by local authorities to ensure compliance with nitrates regulations; and if he will make a statement on the matter. [14137/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Local authorities have primary responsibility for implementation of the Nitrates Regulations, including the inspection of farmyards, since their introduction in 2005. This is in keeping with their statutory responsibilities for the protection and improvement of water quality acting under the supervision of the EPA. Information in relation to the costs incurred by local authorities on inspections is not available to my Department.



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The most recent amendments to the Regulations, which were introduced as a key part of the State's response to a judgment of the European Court of Justice in relation to inadequate transposition and implementation of the Dangerous Substances Directive, provide for strengthened enforcement by local authorities under the farmyard inspection provisions of the Regulations, and improved farmyard management. In addition to the inspection activities of local authorities, implementation of the Nitrates Regulations is supported by farm inspections carried out by staff of the Department of Agriculture, Fisheries and Food in the context of the operation of the Single Farm Payment Scheme and cross-compliance requirements.

The amendments recently introduced enhance the basis for sharing information between the local authorities and the Department of Agriculture, Fisheries and Food so as to improve efficiency in the management of the respective inspection regimes. The draft regulations were the subject of extensive consultation with the European Commission in their preparation as well as a public consultation process.

### **Local Authority Funding.**

288. **Deputy Emmet Stagg** asked the Minister for the Environment, Heritage and Local Government the reason some local authorities were allocated more than they sought in 2008 under the disabled person's grant scheme and housing aid for the elderly scheme, such as Cavan, Kerry, Laois, Leitrim, Offaly, Roscommon and Waterford County Councils; the reason Kildare County Council only received 33% of the amount sought while Carlow County Council received 79%, Clare County Council received 92% and Westmeath County Council received 91% of the amount sought; and if he will make a statement on the matter. [14174/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** I refer to the reply to Question No. 882 of 24 March 2009.

Allocations to local authorities under the Disabled Persons and Essential Repairs Grant Schemes and the Housing Adaptation Grant Schemes for Older People and People with a Disability are calculated on the basis of a number of criteria and on foot of detailed discussions between my Department and the local authorities.

A range of relevant issues are taken into consideration in determining allocations to individual local authorities. These include the overall amount of funding available at national level, the levels of activity experienced under each of the schemes in previous years, the volume of claims on hand in local authorities, the degree to which prioritisation of applications has taken place, the ability of individual authorities to meet their share of the cost in recouping claims to applicants and the anticipated level of activity in the year in question.

It is a matter for each local authority to decide on the specific level of funding to be directed towards each of the schemes, from within the combined allocation notified to them by my Department, and to manage the operation of the schemes in their areas from within this allocation. Recoupments are made having regard to the final allocations for a particular year and on foot of payment claims received from the local authorities, setting out details of certified expenditure under each of the schemes.

### **Rental Accommodation Scheme.**

289. **Deputy Terence Flanagan** asked the Minister for the Environment, Heritage and Local Government the number of households on the rental accommodation scheme by quarter for 2006, 2007 and 2008; and if he will make a statement on the matter. [14178/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** The information requested is set out in the following table.

Quarter	Households to RAS
Q1 2006	493
Q2 2006	375
Q3 2006	592
Q4 2006	873
Q1 2007	611
Q2 2007	888
Q3 2007	711
Q4 2007	916
Q1 2008	717
Q2 2008	994
Q3 2008	867
Q4 2008	1,067
Total	9,104*

\*In addition to these 9104 households, a further 8,100 households formerly in receipt of Rent Supplement were accommodated through other social housing options.

### Special Amenity Areas.

290. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government his views on extending the area of Liffey Valley in Dublin covered by a special amenity area order (details supplied); and if he will make a statement on the matter. [14179/09]

291. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government when he will make a decision regarding extending the special amenity area order on lands of the Liffey Valley to give protection to the lands of St. Edmundsbury and Woodville, Lucan, having received a report on the matter from South Dublin County Council two months ago. [14180/09]

292. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government the scope of the report requested from South Dublin County Council which was submitted in February 2009 regarding a special amenity area for Liffey Valley; if he or South Dublin County Council will be publishing the report and its recommendations; the recommendations of same; and if the report is not being published if he will discuss it with or give access to the report to a group (details supplied). [14181/09]

293. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government if he has sought clarification or additional information from the authors of South Dublin County Council's report regarding a special amenity area for Liffey Valley; the nature of the clarifications or additions sought; and if provided the reason for the delay in the decision being taken on this matter. [14182/09]

294. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government if he will discuss the report requested from South Dublin County Council regarding a special amenity area for Liffey Valley with local community groups, a group (details supplied) and other interested groups before proceeding. [14183/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I propose to take Questions Nos. 290 to 294, inclusive, together.

In September 2008, I requested South Dublin County Council to arrange for an evaluation of lands between Palmerstown and Lucan Bridge, the existing area of special amenity and the N4/Old Lucan Road/Old Hill Road, in order to assess the suitability of some or all of these lands being designated a new area of special amenity, having regard to the provisions of section 202 of the Planning and Development Act 2000.

In February 2009, South Dublin County Council submitted a report on the matter. This has been considered within my Department, and it is intended to request the Council to give further consideration to the extent of lands that might be included in such an area. Following a further response from the Council, I will decide whether to give a direction under section 202(2) of the Act regarding the making of a further special amenity area order. For the present, it is not my intention to publish the report in question.

In February 2009 my Department requested Dublin City Council, Fingal County Council and Kildare County Council to carry out evaluations of lands in the Liffey Valley which fall within their functional areas, in order to assess the suitability of some or all of these lands being designated as part of an extended area of special amenity. A response from Kildare County Council is under consideration. Replies are awaited from Fingal County Council and Dublin City Council.

#### **Local Authority Funding.**

295. **Deputy Lucinda Creighton** asked the Minister for the Environment, Heritage and Local Government if, in view of the changes in the budget, there will be sufficient funding available to carry out the proposed precinct improvements for a complex (details supplied) in Dublin 2, in 2009; and if he will make a statement on the matter. [14199/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** As part of the Housing Management Initiative, local authorities have been given delegated sanction for the delivery of their annual Improvement Works Programmes subject to specific conditions and overall programme approval from my Department. Funding for these programmes is provided from the authority's own internal capital receipts from the sale of local authority dwellings and so the progression of component projects is a matter for the authority involved having regard to the funding available.

While the project concerned was included in a programme previously approved by my Department, I now understand from Dublin City Council that while still committed to its Improvement Works Programme, the decrease in the level of internal capital receipts available to the Council means that the project concerned is unlikely to proceed this year.

#### **Local Authority Staff.**

296. **Deputy Michael Ring** asked the Minister for the Environment, Heritage and Local Government the payments made to senior officials in each local authority under the performance related pay scheme for each of the years 2005, 2006, 2007 and 2008; if he has approved the payments under this scheme for 2008; if so, the date of this approval; the date of approval by him of the payments for 2007; and if he will make a statement on the matter. [14203/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Details of awards made in 2005, 2006 and 2007 under the Performance Awards Scheme for the Local Government Sector are contained in the annual reports of the Committee which are

available in the Oireachtas Library. Awards are defined in terms of their distribution as a percentage of pay, the range of monetary values, and the number of recipients. Awards for 2007 were approved for payment on 14 March 2008.

No decision has been made regarding payment of performance awards for 2008.

### Departmental Staff.

297. **Deputy Michael Ring** asked the Minister for the Environment, Heritage and Local Government the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14219/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Civil service posts at the levels of Assistant Secretary and Deputy Secretary are covered by a scheme of performance related awards. It does not apply to Secretaries General.

Details of the procedures, the numbers covered by the scheme, the range of awards and the total amounts paid in Departments are outlined in the annual reports of the Committee for Performance Awards (available on the website [www.finance.gov.ie](http://www.finance.gov.ie)). The Committee does not identify the amount paid to individuals as this is regarded as personal information.

Details regarding the number of staff who received performance related awards and the total amount paid in the period 2005- 2007 is set out in the following table:

Year	Number of staff who received performance related awards	Total Payment
		€
2005	9	105,000
2006	8	96,000
2007	7	101,800

No specific funding has been set aside in 2009 in respect of performance in 2008.

### Public Service Contracts.

298. **Deputy Joan Burton** asked the Minister for the Environment, Heritage and Local Government the number of limited companies, established as sole trader ventures, with agreements for the provision of services on a full-time basis and a part-time basis to him, his Department or to a public body under the aegis of his Department, indicating the nature of the services; and if he will make a statement on the matter. [14277/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** My Department does not, as a matter of course, hold information in relation to the number of limited companies established as sole trader ventures with agreements for the provision of services to the Department or to the public bodies under its aegis, either on a full-time or a part-time basis.

### Fire Stations.

299. **Deputy Martin Ferris** asked the Minister for the Environment, Heritage and Local Government the position in relation to the fire stations in Bundoran and Ballyshannon, County

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Donegal; if it is his intention to retain both of these stations; and if he will make a statement on the matter. [14283/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael P. Kitt):** The provision of a fire service in its functional area, including the establishment and maintenance of a fire brigade, the assessment of fire cover needs and the provision of premises, is a statutory function of individual fire authorities under section 10 of the Fire Services Act 1981. The Department's role is one of supporting and assisting local authorities in delivering fire services through setting of general policy and through the provision of funding under the fire service capital programme.

Further investment by the Department in the fire service in Donegal will be considered under future capital programmes and will have regard to the fire authority's priorities, the spread of existing facilities and the totality of demands from other fire authorities for available funding.

### **Social and Affordable Housing.**

300. **Deputy Charlie O'Connor** asked the Minister for the Environment, Heritage and Local Government his plans to provide for tenant purchase of voluntary housing scheme houses; and if he will make a statement on the matter. [14284/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** The provision of accommodation by approved voluntary and co-operative housing bodies is an integral part of my Department's overall response to delivering on social housing need. Local authorities and approved housing bodies are working in close co-operation to deliver an expanded range of social housing options and a wide range of accommodation types to meet the needs of low-income families and persons with special housing needs.

There is no provision at present in the voluntary housing schemes sector for the purchase of individual houses by tenants. However, the Government's housing policy statement, *Delivering Homes, Sustaining Communities*, indicated that consideration would be given, in consultation with the sector, to piloting a tenant purchase scheme for some new voluntary homes based on the incremental purchase model. The Housing (Miscellaneous Provisions) Bill, currently before the Oireachtas, includes provision for the introduction of an incremental purchase scheme, and the issues arising in this regard for the voluntary housing sector are being considered in consultation with the Irish Council for Social Housing.

### **National Monuments.**

301. **Deputy Joe Costello** asked the Minister for the Environment, Heritage and Local Government if his attention has been drawn to the fact that the planning permission granted to a company (details supplied) grants permission for major alterations to the exterior and interiors of protected buildings within the area of a national monument contrary to terms and provisions of the Local Government Planning and Development Acts 1963 to 2000; and if he will make a statement on the matter. [14294/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I understand the question refers to the proposed development of the former Carlton Cinema Site on Upper O'Connell Street, Dublin.

The proposed development was granted planning permission by Dublin City Council on 15 December 2008 and an appeal against this decision was subsequently made to An Bord Pleanála, where it is currently under consideration.

Under section 30 of the Planning and Development Act 2000, I am precluded from exercising any power or control in relation to any particular case with which a planning authority or the Bord is or may be concerned.

However, any works affecting a national monument, including any excavation or ground disturbance within, around or in proximity to it, require the prior written consent of the Minister for the Environment, Heritage and Local Government under the National Monuments Acts. In this regard, I refer to the reply to Question No. 198 of 2 April 2009.

### **Planning Issues.**

302. **Deputy Joe Carey** asked the Minister for the Environment, Heritage and Local Government if he plans to amend the planning regulations with regard to the height exemption afforded to a wind turbine; and if he will make a statement on the matter. [14315/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Planning and Development Regulations 2007 and 2008 provide exemptions from planning permission requirements in respect of the use of certain classes of micro-renewable technologies, including wind turbines, in homes and in the industrial, business and agricultural sectors, subject to appropriate conditions.

The main conditions applicable in respect of a wind turbine located within the curtilage of a domestic property are that the turbine cannot be mounted on to the residence or any other structure, its height should not exceed 13 metres and its rotor diameter should not exceed 6 meters. With regard to a wind turbine located within the curtilage of a commercial, industrial or agricultural property, the turbine height should not exceed 20 metres and its rotor diameter should not exceed 8 meters. In all cases, ground clearance should not be less than 3 metres. A summary of the conditions relating to these exemptions is provided below.

The exemptions were based on the results of extensive public consultation and are intended to strike a balance between encouraging uptake of renewable technologies, minimising safety risks and avoiding unfavourable impacts on local amenity.

Currently, I have no proposals to amend the relevant Regulations with regard to planning exemptions for wind turbines.

#### **EXEMPTIONS FOR RENEWABLE TECHNOLOGY**

Wind turbines within the curtilage of a domestic property

- No exemption for building-mounted turbines
- Max height up to 13 m
- Rotor diameter up to 6 m
- Ground clearance of at least 3 m
- Must be turbine height (including the blade of the turbine at the highest point of its arc) plus 1 m from nearest party boundary
- Consent of IAA required if within 5 kms of an airfield, etc

[Deputy John Gormley.]

- Noise levels must be less than 43 db(A) during normal operation
- Only 1 per site
- No constructed, erected or place forward if the front wall of a house
- No logos, and non-reflective finish

Wind turbines within the curtilage of a commercial, industrial or agricultural property

- No exemption for building-mounted turbines
- Max height up to 20 m
- Rotor diameter up to 8 m
- Ground clearance of at least 3 m
- Must be turbine height plus 5 m from nearest party boundary and non-electrical overhead cables
- Must be turbine height plus 20 m from 38 kV lines or own height plus 30 m from lines of 110 kV or more
- Consent of IAA required if within 5 kms of an airfield, etc
- Noise levels must be less than 43 db(A) at site boundary
- Only 1 per site, and not within an ACA
- No logos, and non-reflective finish

**Departmental Expenditure.**

303. **Deputy Michael Ring** asked the Minister for the Environment, Heritage and Local Government the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14531/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The information requested in the question is set out in the table from 15 June 2007, the date on which I took office. The information refers to two devices, a mobile phone and a Blackberry.

	2007	2008	2009
	€	€	€
Handset Purchases	Nil	361.79	Nil
Rental & Call Costs	1,061.49	2,905.67	734.83
Other Costs	Nil	Nil	Nil
Personal Use Refund	Nil	Nil	Nil

**Departmental Staff.**

304. **Deputy David Stanton** asked the Minister for the Environment, Heritage and Local Government the number of staff with fewer than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14583/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** No staff in my Department gave notice to terminate their employment before 1 April, 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

**Housing Aid for the Elderly.**

305. **Deputy John O'Mahony** asked the Minister for the Environment, Heritage and Local Government further to Parliamentary Question No. 241 of 11 February 2009 when funds will be allocated to local authorities for the housing aid in respect of old people, the housing adaption grant and the mobility aids grant; and if he will make a statement on the matter. [14619/09]

306. **Deputy John O'Mahony** asked the Minister for the Environment, Heritage and Local Government the number of applications in County Mayo waiting for funding under the housing aid for older people, the housing adaption grant and the mobility aids grant; and if he will make a statement on the matter. [14620/09]

307. **Deputy John O'Mahony** asked the Minister for the Environment, Heritage and Local Government the amount of funding allocated to each local authority in 2006, 2007 and 2008 to fund the housing aid for older people, the housing adaption grant and the mobility aids grant in tabular form; and if he will make a statement on the matter. [14621/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** I propose to take Questions Nos. 305 to 307, inclusive, together.

Allocations to individual local authorities under the Housing Adaptation Grant Schemes for Older People and People with a Disability will be announced following the publication of the Revised Estimates of Public Expenditure 2009.

My Department's involvement with these schemes relates primarily to the recoupment of a proportion of local authority expenditure on the payment of individual grants. The Housing Adaptation Grant Schemes for Older People and People with a Disability, introduced in November 2007, are funded by 80% recoupment available from my Department together with a 20% contribution from the resources of the local authority. In the case of the old Disabled Persons' and Essential Repairs Grant Schemes, these are funded by 67% recoupment available from my Department together with a 33% contribution from the resources of the local authority. The detailed administration of the schemes, including the assessment and approval of applications, is the responsibility of the relevant local authority.

The number of applications on hand in Mayo County Council at end December 2008, representing the most recent data notified to my Department, is set out in the following table.

Mayo County Council	Applications on hands at 31 December 2008
Housing Adaptation Grant for People with a Disability	119
Mobility Aids Grant	249
Housing Aid for Older People	570



[Deputy Michael Finneran.]

Information on local authority activity under the Disabled Persons' and Essential Repairs Grant Schemes in 2006 and 2007 is published in my Department's Annual Housing Statistics Bulletins, copies of which are available in the Oireachtas Library and on my Department's website, [www.environ.ie](http://www.environ.ie). Details of total expenditure by each local authority in 2008 under these schemes and the new Housing Adaptation Grant Schemes for Older People and People with a Disability are set out in the following table.

Local Authority	Total Expenditure
	€
Carlow Co. Co.	2,210,243
Cavan Co. Co.	2,263,429
Clare Co. Co.	2,994,391
Cork Co. Co.	8,190,167
Donegal Co. Co.	4,498,646
Dun Laoghaire/Rathdown Co. Co.	2,363,216
Fingal Co. Co.	1,810,511
Galway Co. Co.	2,507,826
Kerry Co. Co.	3,438,930
Kildare Co. Co.	2,717,064
Kilkenny Co. Co.	842,574
Laois Co. Co.	2,644,159
Leitrim Co. Co.	1,899,501
Limerick Co. Co.	1,694,938
Longford Co. Co.	1,370,815
Louth Co. Co.	3,003,308
Mayo Co. Co.	2,873,236
Meath Co. Co.	4,925,214
Monaghan Co. Co.	2,091,780
North Tipperary Co. Co.	2,098,483
Offaly Co. Co.	1,490,016
Roscommon Co. Co.	2,352,706
Sligo Co. Co.	683,521
South Dublin Co. Co.	4,366,756
South Tipperary Co. Co.	1,899,916
Waterford Co. Co.	2,198,353
Westmeath Co. Co.	1,928,541
Wexford Co. Co.	2,325,647
Wicklow Co. Co.	2,045,305
Cork City Co.	2,159,250
Dublin City Co.	13,500,685
Galway City Co.	1,319,395
Limerick City Co.	1,099,910
Waterford City Co.	662,286
Sligo Borough Co.	414,376

### Water and Sewerage Schemes.

308. **Deputy Joe Carey** asked the Minister for the Environment, Heritage and Local Govern-

ment if funding has been provided to complete the Ennis-Clarecastle main drainage scheme in County Clare; and if he will make a statement on the matter. [14699/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Ennis /Clarecastle Sewerage Scheme is included for funding in my Department's Water Services Investment Programme 2007 — 2009. My Department has approved, subject to certain amendments, Clare County Council's brief for the appointment of consultants to prepare tender documents for the scheme, and it is now a matter for the Council to arrange to have these documents drawn up.

#### **Departmental Staff.**

309. **Deputy Phil Hogan** asked the Minister for the Environment, Heritage and Local Government the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15043/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** My Department currently employs six people on fixed term contracts. Since end 2008, such contracts have not been renewed, and accordingly, the Department's procedures are already in line with the policy announced by the Minister for Finance.

#### **Fishing Industry Development.**

310. **Deputy Michael D. Higgins** asked the Minister for Communications, Energy and Natural Resources his views on the proposed formation of a new fishery authority from 1 August 2009, to be called Inland Fisheries Ireland; the discussions there have been with anglers with regard to this body; if he shares the view which has been expressed that, rather than a new authority, the proper financing of the present system would be more useful; and if he will make a statement on the matter. [14570/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Following on from the 2009 Budget Day announcement on 14th October 2008 of the rationalisation of State agencies, the Government has now formally approved proposals for the restructuring of the inland fisheries sector, which includes the creation of a single strengthened national inland fisheries authority to be known as Inland Fisheries Ireland. This authority will replace the existing Central and seven Regional Fisheries Boards. A restructuring implementation group which includes representatives of the Central and Regional Fisheries Boards has been established and is developing the key features and structures of the model. Primary legislation is required for this implementation and in this regard a draft Heads of Bill has recently been approved by Government.

I wish to advise the Deputy that I have met with angling representatives on a number of occasions since the announcement last October regarding the proposed restructuring of the sector.

As regards financing I consider that the establishment of a single authority creates the potential for administrative cost savings over time. In addition to financial savings, the new model will consolidate and thus ensure the better use of existing resources and deliver improved value

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for money management of the State's resource without impacting on the core conservation and management functions currently exercised by the Fisheries Boards.

### Telecommunications Services.

311. **Deputy Noel J. Coonan** asked the Minister for Communications, Energy and Natural Resources the reason broadband is not available to a person (details supplied) in County Clare; when it will be made available; and if he will make a statement on the matter. [14066/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Broadband service providers operate in a fully liberalised market, regulated, where appropriate, by the independent Commission for Communications Regulation, ComReg.

Broadband services are available from competing service providers over multiple platforms, including DSL (telephone lines), cable, fixed wireless, and mobile. I understand that the Ogonnelloe general area is served by the service providers listed in the table below.

Service Providers in Ogonnelloe, Co. Clare.

Platform	Service Provider	Website	Phone
Mobile	3 Ireland	<a href="http://www.three.ie/broadband/index.htm">http://www.three.ie/broadband/index.htm</a>	1800 330 333
Wireless	Fast Wireless Internet Limited	<a href="http://www.fwi.ie">http://www.fwi.ie</a>	061 240604
	Irish Broadband	<a href="http://www.irishbroadband.ie">http://www.irishbroadband.ie</a>	1890 564 456
Satellite	Applied Solutions	<a href="http://www.ADSLnow.ie">http://www.ADSLnow.ie</a>	1890 924 854
	Avonline	<a href="Http://www.avonlinebroadband.co.uk">Http://www.avonlinebroadband.co.uk</a>	0044 800 073 110
	Broadband Wherever	<a href="http://www.broadbandwherever.net">http://www.broadbandwherever.net</a>	0044 800 068 335
	Cross Country Broadband Limited	<a href="http://www.crosscountrybroadband.com">http://www.crosscountrybroadband.com</a>	053 92 55428
	Digiweb Satellite	<a href="http://www.broadband.digiweb.ie">http://www.broadband.digiweb.ie</a>	042 939 3300
	e3 Broadband	<a href="http://www.e3broadband.ie">http://www.e3broadband.ie</a>	1850 303333
	Ehotspot	<a href="http://www.ehotspot.ie">http://www.ehotspot.ie</a>	0044 4262 409109
	Eircom Satellite	<a href="http://eircom.ie">http://eircom.ie</a>	1901
Platform	Service Provider	Website	Phone
	Fastnet Broadband Satellite	<a href="http://www.fastnetbroadband.com">http://www.fastnetbroadband.com</a>	01 2303746
	Media Satellite Ireland Limited	<a href="http://www.mediasat.ie">http://www.mediasat.ie</a>	1850 202144
	National Broadband Limited	<a href="http://www.nbb.ie">http://www.nbb.ie</a>	045 982130
	Orbitlink	<a href="http://www.orbitlink.ie">http://www.orbitlink.ie</a>	01 8601995
	Pure Telecom Satellite	<a href="http://www.puretelecom.ie">http://www.puretelecom.ie</a>	01 2895555
	Satellite Broadband Ireland	<a href="http://www.satellitebroadbandireland.ie">http://www.satellitebroadbandireland.ie</a>	044 9372514

### Departmental Staff.

312. **Deputy Michael Ring** asked the Minister for Communications, Energy and Natural Resources the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14214/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** My Department, which was established in June 2007, paid a total of €41,100 to 3 Assistant Secretaries in early 2008 in respect of the performance for 2007 under the Civil Service Performance

Awards Scheme. Details of the operation of the scheme are available in the annual reports of the Committee for Performance Awards, which can be accessed on the website of the Department of Finance at the following link: <http://www.finance.gov.ie>. No payments under this scheme have been made in respect of 2008.

### Telecommunications Services.

313. **Deputy Liz McManus** asked the Minister for Communications, Energy and Natural Resources when he envisages that broadband will be available in Kilmacanogue, County Wicklow; and if he will make a statement on the matter. [14228/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Broadband service providers operate in a fully liberalised market, regulated, where appropriate, by the independent Commission for Communications Regulation, ComReg. Broadband services are available from competing service providers over multiple platforms, including DSL (telephone lines), cable, fixed wireless, and mobile. I understand that the Kilmacanogue general area is served by the service providers listed in the table.

Service Providers in Ogonnelloe, Co. Clare.

Platform	Service Provider	Website	Phone
DSL	BT	<a href="http://www.btireland.ie">http://www.btireland.ie</a>	1800 923 923
	Digiweb DSL	<a href="http://dsl.digiweb.ie">http://dsl.digiweb.ie</a>	1800 28 58 28
	Eircom DSL	<a href="http://www.eircom.ie">http://www.eircom.ie</a>	1800 242 633
	Imagine Broadband	<a href="http://www.imagine.ie">http://www.imagine.ie</a>	1890 92 92 92
	Irish Broadband	<a href="http://www.irishbroadband.ie">http://www.irishbroadband.ie</a>	1890 56 44 56
	Perlico	<a href="http://www.perlico.com">http://www.perlico.com</a>	1890 25 21 48
Mobile	3 Ireland	<a href="http://www.three.ie/broadband/index.htm">http://www.three.ie/broadband/index.htm</a>	1800 330 333
	O2 Ireland	<a href="http://www.o2.ie/broadband">http://www.o2.ie/broadband</a>	1800 886 086
Wireless	Regional Broadband Ireland	<a href="http://www.regionalbroadband.ie">http://www.regionalbroadband.ie</a>	18944044050
	Digiweb	<a href="http://Digiweb.ie">http://Digiweb.ie</a>	042 9393300
	Irish Broadband	<a href="http://Irishbroadband.ie">http://Irishbroadband.ie</a>	1890564456
Satellite	Applied Solutions	<a href="http://www.ADSLnow.ie">http://www.ADSLnow.ie</a>	1890 924 854
	Avonline	<a href="http://www.avonlinebroadband.co.uk">http://www.avonlinebroadband.co.uk</a>	0044 800 073 1102
	Broadband Wherever	<a href="http://www.broadbandwherever.net">http://www.broadbandwherever.net</a>	0044 800 068 3358
	Cross Country Broadband Ltd	<a href="http://www.crosscountrybroadband.com">http://www.crosscountrybroadband.com</a>	053 925 5428
	Digiweb Satellite	<a href="http://broadband.digiweb.ie">http://broadband.digiweb.ie</a>	042 939 3300
	e3 Broadband	<a href="http://www.e3broadband.ie">http://www.e3broadband.ie</a>	1850 303 333
	ehotspot	<a href="http://www.ehotspot.ie">http://www.ehotspot.ie</a>	0044 1262 409 109
	Eircom	<a href="http://www.eircom.ie">http://www.eircom.ie</a>	1800 242 633
	Fastnet Broadband Satellite	<a href="http://www.fastnetbroadband.com">http://www.fastnetbroadband.com</a>	01 2303 746
	Media Satellite Ireland Ltd	<a href="http://www.mediasat.ie">http://www.mediasat.ie</a>	1850 202 144
	National Broadband Ltd	<a href="http://nbb.ie">http://nbb.ie</a>	045 982 130
	Orblink	<a href="http://www.orblink.ie">http://www.orblink.ie</a>	01 860 1995
	Pure Telecom Satellite	<a href="http://www.puretelecom.ie">http://www.puretelecom.ie</a>	01 289 5555
Satellite Broadband Ireland Ltd	<a href="http://www.satellitebroadbandireland">http://www.satellitebroadbandireland</a>	044 937 2514	

### Offshore Exploration.

314. **Deputy James Reilly** asked the Minister for Communications, Energy and Natural

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Resources if he will provide funding in the form of an EOSG grant to a student (details supplied) in County Dublin; and if he will make a statement on the matter. [14285/09]

**Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Seán Power):** The Expanded Offshore Support Group (EOSG) is an industry supported research fund which is managed by my Department and is focused on hydrocarbon exploration and production research. Part of the EOSG remit involves the occasional provision of financial assistance to individual students towards the cost of postgraduate studies which are relevant to this field of research.

Applications for EOSG funding must be made in advance of the commencement of courses. The case referred to was refused funding on the grounds that it was in respect of a course of study that had already been substantially completed.

#### Departmental Expenditure.

315. **Deputy Michael Ring** asked the Minister for Communications, Energy and Natural Resources the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14526/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Since I took office in June 2007 the following are the costs associated with my use of mobile telephony:

	2007 June – December	2008	2009 to date
	€	€	€
Device Purchase	80	80	Nil
Rental	217.80	422.39	154.31
Call costs	275.93	515.56	132.46
Total	493.73	937.95	286.77
Reimbursement	Nil	Nil	Nil

#### Departmental Staff.

316. **Deputy David Stanton** asked the Minister for Communications, Energy and Natural Resources the number of staff with less than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009; and if he will make a statement on the matter. [14578/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** No member of staff in my Department with less than two years service on 1 March 2009 has given notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009.

#### Electricity Generation.

317. **Deputy Willie Penrose** asked the Minister for Communications, Energy and Natural Resources if, further to his press release of 24 January 2009, he will confirm the expansion of

the REFIT scheme to include a 12% per kWh feed and tariff for the use of CHP biomass systems; his position on the introduction of a REFIT tariff for co-firing of biomass and peat burning power stations; the way he will support the introduction of co-firing while ensuring that the generation companies do not retard the biomass matter by engaging in uncompetitive raw material pricing while having a dominant position in the market; and if he will make a statement on the matter. [14758/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** The REFIT category of Biomass Combined Heat and Power and Anerobic Digestion with a tariff of €0.12 per kilowatt-hour is comparable with similar supports schemes operating within the EU. My Department has sought proposals, from individuals who have expressed an interest in developing projects in this category, on appropriate qualifying conditions and an appropriate timeline for commissioning projects in this category which may extend beyond the 2010 deadline under the current REFIT rules.

My Department has no evidence to suggest that any electricity producer is engaging in an uncompetitive pricing for biomass products to generate electricity. Bord na Mona is currently engaged in a pilot co-firing project which is examining the suitability of different types of biomass in co-firing with peat.

The existing ESB and Bord na Mona plants generating electricity from peat will not qualify as CHP plants nor are there proposals to extend the REFIT scheme to those peat-powered for co-firing biomass with peat in electricity production.

318. **Deputy Willie Penrose** asked the Minister for Communications, Energy and Natural Resources the way he will ensure that companies which wish to connect to the national grid, and which intend to generate power using biomass as a fuel can get an agreed connection offer in a timely manner which does not lead to a significant time delay, similar to that being experienced in the wind market; and if he will make a statement on the matter. [14759/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Last December the Commission for Energy Regulation published a decision to require the network providers to offer connections for a further 3900 megawatts of renewable energy powered electricity generating plant. This capacity is additional to the 1500 megawatts with connection offers in the REFIT support programme and the approximately 1400 megawatts of such plant already connected to the electricity grid.

In addition, the CER has recently published a consultation paper on an alternative connection process for small scale and low carbon projects up to 1 megawatt (CER/09/044) which is likely to be of benefit to suitably sized local biomass proposals.

The Bio-energy Group which is a subgroup of the Renewable Energy Development Group, and includes both industry and representative association members is currently reviewing all issues inherent in the development of the national bio-energy resource including access to the grid.

#### **Departmental Staff.**

319. **Deputy Phil Hogan** asked the Minister for Communications, Energy and Natural Resources the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to

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the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15038/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** There are currently 4 staff working in my Department under temporary fixed term contracts. In line with the terms of the moratorium announced by the Government on the 27th March, my Department will consider each position at the time of the expiry of each individual contract and will engage with the Department of Finance where it is considered necessary to make a case for the renewal or extension of that contract. Employment contract issues in the state bodies/agencies under my Department's remit are a day to day matter for the organisations in question.

#### **Grant Payments.**

320. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be approved and awarded REP scheme four. [14064/09]

**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.

#### **Animal Diseases.**

321. **Deputy Niall Collins** asked the Minister for Agriculture, Fisheries and Food the outcome of the analysis by his Department of on-farm deaths in cattle in County Limerick with specific reference to the Askeaton-Ballysteen-Cappagh areas for the period 2003 to 2008; and if he will make a statement on the matter. [14072/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** An analysis of notified on-farm cattle deaths in County Limerick in the period 2003 to 2008 indicate that on-farm deaths in the Askeaton/Ballysteen/Cappagh area are approximately 25% less than the average for County Limerick as a whole, and are only 50% of those of the average of the ten DEDs with the highest mortality rates over the period. Submissions to the Limerick Regional Veterinary Laboratory have also been examined and there is no evidence to indicate that a higher than normal proportion of these have come from the Askeaton/Ballysteen/Cappagh area.

#### **Grant Payments.**

322. **Deputy Phil Hogan** asked the Minister for Agriculture, Fisheries and Food the outcome of an appeal in respect of a person (details supplied) in County Carlow for single farm payment; and if he will make a statement on the matter. [14073/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** A review of this case was carried out by my Department. The original decision was upheld and this was notified to the appellant on the 12th of March 2009. The Appellant was advised that if he was dissatisfied

with this decision, he could appeal to the Agriculture Appeals Office within three months. To-date, the Agriculture Appeals Office has not received an appeal from the appellant.

#### **Installation Aid Scheme.**

323. **Deputy Brendan Kenneally** asked the Minister for Agriculture, Fisheries and Food if, when the young farmers installation aid scheme is reintroduced at some stage in the future, those young farmers who will have gone past 35 years during the intervening period will be allowed to qualify at that time; and if he will make a statement on the matter. [14092/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The Young Farmers' Installation Scheme was closed to new applicants on 14 October 2008. If and when the Scheme is reopened changes to the terms of the Scheme can be considered at that stage. I have no immediate plans to reopen entry to this scheme at this time.

#### **Bovine Disease Controls.**

324. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food if he has made an application to the EU Commission to remove brucellosis restrictions in view of the disease free status here later in April 2009; and if he will make a statement on the matter. [14096/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The last confirmed case of Brucellosis was disclosed in April 2006. In view of the decline in the incidence of Brucellosis, my Department submitted an application for Official Brucellosis Status (OBF) for Ireland to the European Commission's Health and Consumers Directorate General on 31 March 2009. Achievement of OBF status would allow us to significantly reduce the level of testing for Brucellosis but, given the nature of the disease and having regard to the fact that Brucellosis continues to exist in Northern Ireland, I intend to adopt a cautious approach to any reduction in the controls. The controls will be reduced on a phased basis over a number of years and will be based on an assessment of the risks involved.

My Department has held discussions with the farming organisations on the most appropriate approach to take to a relaxation of the control measures over the coming years in the context of the achievement of Officially Brucellosis Free status. I will take the views of the farm body representatives into account when taking definitive decisions on the issue.

#### **Live Exports.**

325. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the discussions he has had with his UK counterpart regarding the killing of Irish live exported cattle in British meat plants; and if he will make a statement on the matter. [14097/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Trade in meat and live cattle, and commercial decisions on the slaughtering of cattle are a matter for the industry.

Live cattle exports to the UK, in the first three months of 2009, totalled some 14,000 head, over 156% up on the same period last year. The main reasons for this increase were reduced cattle availability and higher returns on the market.

#### **Grant Payments.**

326. **Deputy Beverley Flynn** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Mayo has not received his or her suckler cow premium. [14101/09]



**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person named had 6 animals for consideration under the 2008 Suckler Welfare Scheme. It is a condition of the scheme that calves must be at least 10 weeks of age before they can be sold. As each of the 6 calves was sold at less than 10 weeks of age, they will not qualify under the scheme.

327. **Deputy Tom Sheahan** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Kerry will receive his or her REP scheme four payment in view of the fact that his or her REP scheme three finished in 2007 and he or she has received no payment since; and if he will make a statement on the matter. [14104/09]

**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.

#### **Rural Environment Protection Scheme.**

328. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the number of farmers on a county basis who have applied for REP scheme four; the number who have been issued payment in full on a county basis; the number in each county who have received the 75% payment; and if he will make a statement on the matter. [14112/09]

**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. Where a valid application was submitted, advance payments of 75% under the EU regulations governing REPS 4 issued when all administrative checks on all 2008 applications for REPS 4 and the Single Payment Scheme were completed. 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. The balancing 25% payment will be made as soon as possible.

The following table shows a breakdown by county of applications currently being processed by my Department, and payments issued up to 3rd April, payments continue to issue weekly.

County	Plans being processed	No of payments (75%)
Carlow	105	54
Cavan	408	218
Clare	576	483
Cork	1,191	687
Donegal	903	835
Dublin	15	10
Galway	1,293	746
Kerry	824	259
Kildare	126	78
Kilkenny	255	166
Laois	235	218

County	Plans being processed	No of payments (75%)
Leitrim	334	93
Limerick	475	348
Longford	353	232
Louth	85	65
Mayo	1,299	397
Meath	205	130
Monaghan	365	283
Offaly	289	144
Roscommon	678	420
Sligo	446	352
Tipperary (NR)	299	219
Tipperary (SR)	376	234
Waterford	306	113
Westmeath	244	167
Wexford	296	161
Wicklow	148	28
Total	12,129	7,140

### Grant Payments.

329. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Galway has not received his or her REP scheme four payment; if his or her file has been sent for payment; and if he will make a statement on the matter. [14172/09]

**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.

### Departmental Staff.

330. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food the payments made to senior officials in his Department under the performance-related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14212/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Performance-related awards apply to Assistant Secretaries and equivalent grades in my Department. Details of awards for the years 2005 to 2007 are set out in the annual reports of the Committee for Performance Awards which are available from the Department of Finance website ([www.finance.gov.ie](http://www.finance.gov.ie)).

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Payment of the 2007 performance related awards was approved by the Department of Finance on 16th April 2008. The Minister for Finance announced in the Dáil on 5 February 2009 the discontinuation of the performance awards scheme for Assistant Secretaries, Deputy Secretary and related grades subject to consultation with the relevant staff associations. Pending consideration of the outcome of these consultations, the current position is that no assessments or payments have been made for effective performances carried out in 2008.

#### **Grant Payments.**

331. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be awarded REP scheme four. [14226/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment issued to the person named on 3 April.

332. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when persons (details supplied) in County Mayo will be awarded REP scheme four. [14227/09]

**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.

333. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be granted REP scheme four. [14235/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment issued to the person named on 13 March.

334. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be granted REP scheme four. [14236/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment will issue to the person named in the next ten days.

335. **Deputy Pat Breen** asked the Minister for Agriculture, Fisheries and Food when payment will issue to a person (details supplied) in County Clare; and if he will make a statement on the matter. [14290/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person named applied for 9 animals under the Suckler Welfare Scheme. A number of errors were identified with the application. My Department wrote to the applicant in January regarding these errors. No response has been received to date. A further letter has now been issued with a view to resolving the matter.

#### **Milk Prices.**

336. **Deputy Brian O'Shea** asked the Minister for Agriculture, Fisheries and Food his pro-

posals to pursue at EU level a guaranteed floor price per litre for dairy farmers; and if he will make a statement on the matter. [14313/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Dairy farmers incomes are comprised of the market price paid for milk and direct income support from the EU. Market forces have a major influence on the price paid for milk. World market prices determine the returns received by dairy processors and these in turn are reflected in the price paid to farmers. In essence, farm gate prices normally reflect the returns from international markets of dairy product sales.

Dairy product prices reached record high levels in 2007 and early 2008 and producer prices also peaked in that time. Since then international dairy product prices have fallen back considerably. I have made clear to Commissioner Fischer Boel that a range of supports would help to restore confidence and put a floor under market prices. My efforts so far have resulted in the restoration of export refunds for butter, skimmed milk powder, whole milk powder and cheese, the early opening of APS for butter, and the operation of butter intervention purchasing at close to the intervention price. I believe that the key elements that will lead a recovery are competitive export refunds that allow the sale of dairy products onto world markets and the continuation of intervention under the tendering mechanism provided that these arrangements remain relatively attractive.

At the recent meeting of the Agriculture Council in March the Commission was reminded forcefully by me and other Ministers of the importance of fully using all available supports to manage the market in the coming period. I will continue to monitor developments in the dairy sector closely and intervene again with the Commissioner as the market situation evolves.

#### **Grant Payments.**

337. **Deputy John O'Mahony** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will receive payment under REP scheme four; and if he will make a statement on the matter. [14469/09]

**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.

#### **Bovine Disease Controls.**

338. **Deputy John Cregan** asked the Minister for Agriculture, Fisheries and Food when an application to his Department by a person (details supplied) in County Limerick for a herd number will be processed; and if he will make a statement on the matter. [14488/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The applicant applied for a herd number to Limerick DVO on 30th June, 2006. To date the applicant has not complied with all requirements associated with the granting of a new herd number and has been advised by an officer of this Department of the requirements in this regard on a number of occasions.

The application will be processed further on receipt of the required information.

### Grant Payments.

339. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food if he will investigate the level of grant aid payable under a farm waste management application for a person (details supplied); if in view of the death of the original applicant and the fact that their successor is under 35 years and a young qualified farmer, they will be entitled to the higher rate of grant payment; and if he will make a statement on the matter. [14501/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The terms of the original approval issued by my Department in this case will be applicable in the circumstances referred to by the Deputy, subject to the completed works being in compliance with the terms and conditions of the Farm Waste Management Scheme.

### Food Labelling.

340. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food his views on changing EC Regulation 1198/2006 regarding the definition of farmed fish; if he is satisfied that under the terms of the regulation, no farmed fish are being labelled as wild and that consumer interests are adequately protected by this regulation; and if he will make a statement on the matter. [14502/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** I believe the present labelling legislation does indeed provide the necessary strength to protect consumers with regard to the labelling of fishery products.

The regulation referred to by the deputy deals with the establishment of the European Fisheries Fund (EFF) and defines the framework for Community support for the sustainable development of the fisheries sector, fisheries areas and inland fishing. The issue of labelling of fisheries products is, however, governed by S.I. No. 320 of 2003 which gives effect to Article 4 of Council Regulation (EC) No. 104/2000 and to Commission Regulation (EC) No. 2065/2001 laying down the conditions for informing consumers about fishery and aquaculture products.

The Regulations set out the specific information required 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 Food Safety Authority of Ireland (FSAI) have a primary role in the enforcement of these regulations and have published a guidance note on the labelling of Fishery and Aquaculture Products which is available on their website. The guide specifically details the labelling and packaging requirements for fishery and aquaculture products and may be consulted for a more detailed guide to the legislation.

In brief the labelling requirements of the Regulations apply only to raw fish and aquaculture products to which no other ingredients have been added (except salt). This includes live fish, fresh fish, chilled and frozen fish, fish fillets and other fish meat (whether minced or not), dried fish, salted or brined fish, smoked fish (whether hot or cold smoked fish), crustaceans (except those which are both cooked and peeled), molluscs (except when cooked). Each label is required to indicate where the “wild fish” was caught at sea and in the case of aquaculture products where they were “farmed” or “cultivated”.

Recently a case brought against a company for breach of the regulations was dismissed, not for salmon labelling issues but because the judge felt that the evidence put before her did not adequately prove that the salmon was farmed as set out in European Council Regulation

1198/2006. I understand that FSAI and Sea Fisheries Protection Authority (SFPA) are reviewing the case in its totality and the implications arising, I await their findings.

In another case brought against the same company, they 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.

I take these instances as evidence that the FSAI are active in their role of protecting consumers from misleading labelling. I also believe that the legislation is robust enough to support this. Potential damage to Ireland by companies trying to manipulate legislation to gain some sort of competitive advantage must be prevented and any such activities will not be condoned.

In the overall context, I would 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 be pursuing these issues at EU level.

### **Grant Payments.**

341. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Cork will be granted their REP scheme three; and if he will make a statement on the matter. [14503/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment will issue to the person named within the next 10 days.

342. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will be granted REP scheme four. [14515/09]

**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.

### **Departmental Expenditure.**

343. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14524/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The cost to this Department of providing mobile telephony and PDA services to me during my tenure as Minister (and Junior Minister) in each of the years since 2002 is set out in the Table:

[Deputy Brendan Smith.]

Year	Rental & Call Costs	Handset Purchase Costs	Other Costs	Monies Refunded for Telephony Services	Totals
	€	€	€	€	€
2002	N/A				N/A
2003	N/A				N/A
2004	257.06	371.47			628.53
2005	2,420.37		216.59		2,636.96
2006	3,490.73	349.69	215.37		4,055.79
2007	1,882.09	95.59		313	1,977.68
2008	2,347.02				2,347.02
2009	1,202.11				1,202.11
Overall	11,599.38	816.75	431.96	313	12,535.09

### EU Directives.

344. **Deputy Willie Penrose** asked the Minister for Agriculture, Fisheries and Food the changes being proposed by his Department and the Department of the Environment, Heritage and Local Government in respect of the nitrates regulations; if it is proposed that additional inspection powers will be given to other bodies, rather than having all such inspections and examinations carried out by his Department in order to ensure on-farm compliance checks; if, in this context such proposals would amount to duplication of inspections which his Department conducts; and if he will make a statement on the matter. [14556/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The new Nitrates Regulations, which revise and replace the Regulations made in 2006 and 2007, were made by the Minister for the Environment, Heritage and Local Government on 26 March 2009. The Regulations were developed by the Department of the Environment, Heritage and Local Government in conjunction with my Department following a comprehensive public consultation process and are intended to address two main issues.

Arising from a judgement by the European Court of Justice in relation to the Dangerous Substances Directive, changes to the Regulations were necessary to provide for strengthened enforcement provisions and more specific requirements in relation to farmyard management. The new Regulations also provide the legal basis for the operation by my Department of the derogation under the Nitrates Directive and make a number of other amendments.

In relation to enforcement provisions, the new Regulations strengthen the enforcement powers of local authorities. The local authorities were designated as the competent authorities under the 2005 and 2006 Regulations and they remain the designated competent authorities for the purposes of the new Regulations.

The Regulations also provide for enhanced cross-reporting arrangements between the local authorities and my Department. However, my Department's role in implementation of the Regulations is confined to cross-compliance inspections under the Single Payment Scheme and the operation of the derogation arrangements.

### Grant Payments.

345. **Deputy Jimmy Deenihan** asked the Minister for Agriculture, Fisheries and Food when

payment will issue for the early farm retirement scheme to a person (details supplied) in County Kerry; and if he will make a statement on the matter. [14559/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The application in question is being examined with a view to being finalized shortly. The person named will be informed of the outcome once this examination is complete.

346. **Deputy Jimmy Deenihan** asked the Minister for Agriculture, Fisheries and Food when a REP scheme four payment will be made to a person (details supplied) in County Kerry; and if he will make a statement on the matter. [14560/09]

**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.

#### **Rural Environment Protection Scheme.**

347. **Deputy Dan Neville** asked the Minister for Agriculture, Fisheries and Food when payment for the REP scheme will be awarded to a person (details supplied) in County Limerick. [14563/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment will issue to the person named within the next 10 days.

#### **Departmental Staff.**

348. **Deputy David Stanton** asked the Minister for Agriculture, Fisheries and Food the number of staff with fewer than two years service on 1 March 2009 who gave notice to terminate their employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009; and if he will make a statement on the matter. [14576/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** No Staff with less than two years service in my Department gave notice to terminate their employment before 1 April 2009 under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

#### **Grant Payments.**

349. **Deputy Dan Neville** asked the Minister for Agriculture, Fisheries and Food if he will make a statement regarding a person (details supplied) in County Limerick. [14593/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Officials in my Department's local office have been in contact with the person named and his file is currently being reviewed.

350. **Deputy John Cregan** asked the Minister for Agriculture, Fisheries and Food when a payment of a suckler cow grant will be made to a person (details supplied) in County Limerick; and if he will make a statement on the matter. [14597/09]



**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The person named applied for 10 animals under the Suckler Welfare Scheme. A number of errors were identified with the application and my Department wrote to the applicant. No response has been received to date. An official from my Department will contact him again.

351. **Deputy Ruairí Quinn** asked the Minister for Agriculture, Fisheries and Food if he will outline and describe grants for aquaculture activities, including fish farming which have been allocated by his Department or any agency acting on behalf of his Department, in accordance with EU programmes or national programmes to companies (details supplied) in the past fifteen years; if he will in respect of each company state the address of the company, the area of operation for which the grant was made, the year or years the grant was made, the money approved and the money granted; and if he will make a statement on the matter. [14650/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The information requested by the Deputy will be forwarded to him as soon as possible.

#### **Farm Waste Management.**

352. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food further to Parliamentary Question No. 150 of 1 April 2009 when a person (details supplied) in County Mayo will be granted the first 40% of the farm waste management grant. [14652/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment of the first instalment of 40 per cent will issue in this case following approval by my Department of the payment claim concerned.

353. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food further to Parliamentary Question No. 244 of 19 February 2009, if he will release funds to the person concerned in view of the fact that they were inspected in January 2009; and if he will make a statement on the matter. [14670/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment will issue shortly from my Department in relation to the application by the person concerned for grant-aid under the Farm Waste Management Scheme.

#### **Rural Environment Protection Scheme.**

354. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the reason for the delay in issuing payment under REP scheme three to a person (details supplied) in County Roscommon; when payment will issue; and if he will make a statement on the matter. [14671/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Payment will issue to the person named within the next ten days.

#### **Departmental Staff.**

355. **Deputy Phil Hogan** asked the Minister for Agriculture, Fisheries and Food the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the moratorium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a

consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15036/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** There are currently 18 members of staff with fixed-term contracts in my Department. As a result of the moratorium and the ongoing business requirements of my Department 17 of these contracts will not be renewed in 2009 and 1 in 2011. The saving to the exchequer in terms of salary will be approximately €450,000.

#### **Schools Building Projects.**

356. **Deputy Billy Timmins** asked the Minister for Education and Science when he will allocate funding for the redevelopment of a school (details supplied) in County Wicklow; and if he will make a statement on the matter. [14071/09]

**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 on site 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. The prequalification advertisement has recently been published inviting expressions of interest. My Department has been in contact with the school authority in this regard.

357. **Deputy Finian McGrath** asked the Minister for Education and Science if he will support a school (details supplied) in Dublin 9. [14081/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The school referred to by the Deputy got a new system built accommodation in 2008 which is suitable for its current needs. My Department acquired the site for the school and has provided funding of approximately €1.2 million including building costs, design team fees and furniture and equipment.

#### **Vocational Training Opportunities Scheme.**

358. **Deputy Finian McGrath** asked the Minister for Education and Science if he will support a matter (details supplied). [14082/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** The Vocational Training Opportunities Scheme (VTOS) provides full-time second-chance education and training opportunities for unemployed adults who are over the age of 21 and in receipt of specified social welfare payments for at least six months. VTOS is funded by my Department and operated through the 33 Vocational Education Committees (VECs). Its primary target groups are the longer-term unemployed, the low-skilled and disadvantaged.

In relation to the issue raised in the letter referred to by the Deputy, there are currently 5,000 approved places on VTOS nationwide. VTOS places are allocated to VECs on an annual basis and it is a matter for VECs to allocate those places to their colleges and institutions. Due to the difficult budgetary position it was not possible to allocate further funding to increase the number of places this year. Any possible future expansion of VTOS would have to take account of the present and prospective economic and budgetary context and related financial constraints.

#### **Departmental Correspondence.**

359. **Deputy Martin Ferris** asked the Minister for Education and Science if he will meet persons (details supplied) in County Wicklow. [14091/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I wish to advise the Deputy that, as the persons in question have appealed the decision previously made by the High Court in relation to a case taken by them against the Minister for Education & Science to the Supreme Court, it would be inappropriate for me to comment on the case or to meet with them at the present time.

#### **School Transport.**

360. **Deputy Jack Wall** asked the Minister for Education and Science the position of an application by persons (details supplied) in County Kildare; and if he will make a statement on the matter. [14093/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** The case referred to by the Deputy in the details supplied relates to catchment boundary transport. Under the terms of my Department’s Post Primary School Transport Scheme, pupils who are eligible for transport to the education centre in the catchment area in which they reside may avail of ‘catchment boundary’ transport to a post-primary centre in another catchment area provided spare seats are available on the school bus. The Transport Liaison Officer for Co. Kildare has advised that he has not yet received an application for catchment boundary transport for a second child in the family referred to by the Deputy.

In general, such tickets are allocated on a “first come first served” basis. The family should liaise with the Transport Liaison Officer in Co. Kildare VEC in relation to the availability of catchment boundary tickets. Such an application, if received, will be processed in the normal manner.

#### **Higher Education Grants.**

361. **Deputy Brian O’Shea** asked the Minister for Education and Science when a decision will be reached on the appeal of a person (details supplied) in County Waterford in the matter of the decision by Waterford County Council to discontinue their third level grant; and if he will make a statement on the matter. [14103/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** My Department has received an appeal from the candidate referred to by the Deputy which is currently under review and it is anticipated a reply will issue to the student shortly.

#### **Site Acquisitions.**

362. **Deputy Leo Varadkar** asked the Minister for Education and Science when he will acquire lands for permanent buildings in respect of a school (details supplied) in County Dublin; and if he will make a statement on the matter. [14123/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** My Department has requested Fingal County Council to acquire a permanent site for the school in question under the Fingal Memorandum Agreement. The acquisition of the site will be dependant on the successful outcome of negotiations held by the local authority and will also need to be considered in the context of the capital budget available to my Department for school buildings generally.

#### **Schools Building Projects.**

363. **Deputy Leo Varadkar** asked the Minister for Education and Science the progress made in providing a new sports hall and extension for a school (details supplied) in Dublin 15. [14124/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The building project for the school referred to by the Deputy is at an early stage of architectural planning. The progression of all large scale building projects from initial design stage through to tender and construction, including this project, will be considered in the context of my Department’s Multi-Annual School Building and Modernisation Programme. In light of current competing demands on my Department’s capital budget, it is not possible to give an indicative timeframe for the completion of the project at this time.

364. **Deputy Leo Varadkar** asked the Minister for Education and Science the progress made in providing a news sports halls and extension for a school (details supplied) in Dublin 15. [14125/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** A major capital project for the School to which the Deputy refers is currently an early stage of architectural planning. The progression of all large scale building projects from initial design stage through to tender and construction, including this project, will be considered in the context of my Department’s Multi-Annual School Building and Modernisation Programme. In light of current competing demands on my Department’s capital budget, it is not possible to give an indicative timeframe for the completion of the project at this time.

365. **Deputy Leo Varadkar** asked the Minister for Education and Science the progress made in providing an extension for a school (details supplied) in Dublin 15. [14126/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** A project for the school to which the Deputy refers has been approved for the appointment of a Design Team. This process is under way and is expected to be completed shortly.

366. **Deputy Leo Varadkar** asked the Minister for Education and Science the progress made in providing an extension and car park for a school (details supplied) in Dublin 15. [14127/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** A major capital project for the School to which the Deputy refers is currently an early stage of architectural planning. The progression of all large scale building projects from initial design stage through to tender and construction, including this project, will be considered in the context of my Department’s Multi-Annual School Building and Modernisation Programme. In light of current competing demands on my Department’s capital budget, it is not possible to give an indicative timeframe for the completion of the project at this time.

#### **Site Acquisitions.**

367. **Deputy Leo Varadkar** asked the Minister for Education and Science further to Parliamentary Question No’s 1472 and 1473 of 27 January 2009, the progress in purchasing this site; and if he will make a statement on the matter. [14128/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I am advised that my Department is in ongoing discussions with the CSSO in order to progress the acquisition of this site. The Deputy will appreciate that due to the commercial sensitivity attaching to the site acquisition process, I am not in a position to elaborate further at this point in time. The further progression of the acquisition of the site in question will also need to be considered in the context of the capital budget available to my Department for school buildings generally.

### Schools Building Projects.

368. **Deputy Leo Varadkar** asked the Minister for Education and Science if a contract has been signed for a school (details supplied) in Dublin 15; and if he will make a statement on the matter. [14129/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The project to which the Deputy refers is a new 24 classroom primary school plus ancillary accommodation. Following an initial pre-qualification process, tenders were invited and six valid tenders were returned. The valid tenders are currently being examined and, while this process is ongoing, it is not appropriate to provide any further detail concerning the tenders. Subject to the necessary technical and financial approvals, it is expected that I will be in a position to place a contract in the near future.

### School Staffing.

369. **Deputy Brian O’Shea** asked the Minister for Education and Science if he will allow a primary school (details supplied) in County Waterford to retain its third language support teacher; and if he will make a statement on the matter. [14136/09]

374. **Deputy Terence Flanagan** asked the Minister for Education and Science the number of language support teaching posts that have been withdrawn in areas (details supplied) in County Dublin; the schools this is affecting; and if he will make a statement on the matter. [14176/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 369 and 374 together.

In light of the Budget 2009 decision my Department has now published a circular for schools which sets out how the new arrangements will operate for the allocation of language support teachers from September 2009. The circular sets out a structured and transparent approach for the operation of the alleviation measures that were announced in the budget for schools that have a significant concentration of newcomer pupils. The alleviation measures mean that these schools can qualify for up to 4 language support posts with the possibility of additional post(s) also being approved through the independent staffing appeals mechanism.

Schools can now apply to my Department in the normal way for language support posts. These posts are approved on a provisional basis initially and will be confirmed in September 2009 following receipt from the schools of actual enrolments of pupils requiring language support. It is estimated that notwithstanding the budget measures there will be over 1,400 language support teaching posts in our primary and post-primary schools in September 2009 and up to about 500 other teachers in part-time posts. By any standards this is a very significant resource and the challenge will be to ensure that it is used to maximum effect.

### Departmental Staff.

370. **Deputy Ruairí Quinn** asked the Minister for Education and Science further to Parliamentary Question No. 41 of 26 February 2009, when he will forward on the requested information; and if he will make a statement on the matter. [14140/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Parliamentary Question to which the Deputy refers relates to the number of retired officials and inspectors from my Department who have been appointed to various boards in which my Department can make such appointments, and the number of appointments made in each year over the past five

years. A reply to the Parliamentary Question issued to Deputy Shortall on the 26th March 2009. The information supplied to Deputy Shortall is as follows.

Year	Board/Description of role	Number retired officials
2004	Middletown Centre for Autism (holding) Company	1
	Selection Boards for Designated Community Colleges and Community Schools	32
	Early Retirement Consultative Council/Early Retirement Advisory Committee	1
	Total retired Officials & Inspectors appointed in 2004	34
2005	Middletown Centre for Autism (holding) Company	1
	Selection Boards for Designated Community Colleges and Community Schools	32
	Early Retirement Consultative Council/Early Retirement Advisory Committee	1
	Total retired Officials & Inspectors appointed in 2005	34
2006	Middletown Centre for Autism (holding) Company	1
	Selection Boards for Designated Community Colleges and Community Schools	34
	Early Retirement Consultative Council/Early Retirement Advisory Committee	1
	Total retired Officials & Inspectors appointed in 2006	36
2007	Middletown Centre for Autism (holding) Company	1
	Middletown Centre for Autism Ltd	1
	Selection Boards for Designated Community Colleges and Community Schools	34
	Early Retirement Consultative Council/Early Retirement Advisory Committee	1
	Total retired Officials & Inspectors appointed in 2007	37
2008	Middletown Centre for Autism (holding) Company	1
	Middletown Centre for Autism Ltd	1
	School Transport Appeals Board (Re-appointed for 3 year term)	1
	Selection Boards for Designated Community Colleges and Community Schools	34
	Early Retirement Consultative Council/Early Retirement Advisory Committee	1
	Total retired Officials & Inspectors appointed in 2008	38

### University Status.

371. **Deputy Andrew Doyle** asked the Minister for Education and Science the criteria used to upgrade an institute of education to university status; and the cost involved in this process. [14142/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The establishment of additional universities is governed by Section 9 of the Universities Act, 1997, which states that the Government may, at any time, appoint a body, the membership of which shall be recommended by An tÚdarás (the Higher Education Authority) and shall include international experts and national experts, including employees of universities to which this Act applies, to advise An tÚdarás on whether, having regard to the objects and functions of a university under sections 12 and 13 of the Universities Act, an educational institution should be established as a university. While it

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is not possible to accurately predict the cost of the process, it could be expected that costs would arise in relation to expenses for members of the review body and possible related costs.

### **Disadvantaged Status.**

372. **Deputy Seán Ardagh** asked the Minister for Education and Science if he will include a school (details supplied) in Dublin 8 in DEIS band 1, as requested by the principal and chairperson of the board of management in view of the disadvantages in the area; and if he will make a statement on the matter. [14169/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** DEIS (Delivering Equality of Opportunity in Schools) the action plan for educational inclusion, provides for a standardised system for identifying levels of disadvantage and a new integrated School Support Programme (SSP). DEIS brings together and builds upon a number of existing interventions in schools with concentrated levels of disadvantage. The process of identifying schools for participation in DEIS was managed by the Educational Research Centre (ERC) on behalf of my Department and was supported by quality assurance work co-ordinated through the Department’s regional offices and the Inspectorate.

The school referred to by the Deputy has DEIS Urban Band 2 status and therefore qualifies for a range of supports including the following:

- additional non-pay/capitation allocation based on level of disadvantage;
- additional financial allocation for school books;
- access to numeracy/literacy supports and programmes;
- access to Home School Community Liaison services;
- access to School Completion Programme;
- access to a range of professional development and planning supports;
- access to the school meals programme.

A review mechanism was put in place in 2006 to address the concerns of schools that were dissatisfied with their DEIS classification. The review process operated under the direction of an independent person, charged with ensuring that all relevant identification processes and procedures were properly followed in the case of schools applying for a review. The review was concluded and the results were notified to schools who applied for the review in August, 2006. There was an application for review received from the school to which the Deputy refers. Regrettably, the school was unsuccessful in that process. The next identification process is scheduled to be held at the end of the current DEIS programme which runs from 2006-2010. There will not be an opportunity before this for the school to be considered for reclassification from DEIS Band 2 to DEIS Band 1.

### **School Staffing.**

373. **Deputy Terence Flanagan** asked the Minister for Education and Science the number of teaching posts that have been withdrawn in schools in areas (details supplied) in County Dublin; and if he will make a statement on the matter. [14175/09]

390. **Deputy Joe McHugh** asked the Minister for Education and Science if he will intervene to personally ensure that the third teacher at a school (details supplied) in County Donegal is not placed on a redeployment panel in 2009; if his attention has been drawn to the fact that the school will have 49 students on its roll in September 2009; his views on whether placing the third teacher on a redeployment panel would be most injudicious, in view of the fact that the third teacher will be required in September 2009; and if he will make a statement on the matter. [14568/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 373 and 390 together.

The budget measures will impact on individual schools in different ways depending on whether enrolment is rising or declining and the degree to which any one school has more teachers than it is entitled to under the allocation processes. In terms of the position at individual school level the key factor for determining the level of resources provided by my Department is the pupil enrolment at 30 September 2008. The annual process of seeking this enrolment data from schools took place in the autumn and the data has since been received and processed in my Department enabling the commencement of the processes by which teaching resources are allocated to schools for the school year that begins next September.

My Department has written to the primary schools that are projected to have a net loss or gain in classroom teaching posts in September, 2009. As part of my efforts to ensure that relevant information is openly available to the public detailed information on the opening position for primary schools is now published on my Department’s website. This provisional list sets out the details on individual schools that, taken collectively, are projected to gain 128 posts and to lose 382 posts — a net reduction of 254 posts. It is my intention to have this information updated and ultimately to set out the final position when the allocation processes are completed.

The above allocations are provisional at this stage and reflect the initial allocation position. The final position for any one school will depend on a number of other factors such as additional posts for schools that are developing rapidly and posts allocated as a result of the appeals processes. The operation of redeployment arrangements also impacts on the final position as a teacher can remain in his or her existing school where a suitable redeployment position does not exist. The final staffing position for all schools will therefore not be known until the autumn. At that stage the allocation process will be fully completed for mainstream classroom teachers and appeals to the Staffing Appeals Board will have been considered.

Details of the criteria and application dates for appeal are contained in the staffing schedule, Circular 0002/2009, available on my Department’s website. The application form for appeal is also available on my Department’s website. The Appeal Board operates independently of the Department and its decision is final.

*Question No. 374 answered with Question No. 369.*

375. **Deputy Jimmy Deenihan** asked the Minister for Education and Science the amount of money spent on substitution in respect of teachers carrying out State examination work during term time, that is, for oral and practical exams and conferences associated with the exams; and if he will make a statement on the matter. [14191/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The cost of substitution for teachers undertaking work associated with the state examinations during term time claimed for the 2007/2008 school year was 1.23 million euros. This information relates to the costs incurred



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for secondary and community/ comprehensive schools only and the data is obtained from claims submitted to my Department by the managerial authorities of those schools. The information for the substitution costs incurred for Vocational Education Committees is not readily available. The substitution costs of teachers employed by them undertaking work associated with the state examinations are paid by each individual VEC.

### **Schools Recognition.**

376. **Deputy Enda Kenny** asked the Minister for Education and Science the position regarding the development of a school (details supplied) in County Kildare; if his attention has been drawn to the growth of this all-Irish secondary school and the cost involved to the promoters of the school in having to pay teachers from their own resources; the assistance he expects to provide to this school during 2009; and if he will make a statement on the matter. [14206/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The school to which the Deputy refers is operating with provisional recognition from my Department. It is entitled to grant aid for rental for its accommodation, for school transport and for the payment of teacher salaries. Teacher allocations to all second-level schools are approved annually by my Department in accordance with established rules based on recognised pupil enrolment. In accordance with these rules, each school is required to organise its subject options within the limit of its approved teacher allocation. The deployment of teaching staff, the range of subjects offered and ultimately the quality of teaching and learning are, in the first instance, a matter for each school.

In accordance with existing arrangements, where a school management authority is unable to meet its curricular commitments within its approved allocation, my Department considers applications for additional short term support i.e. curricular concessions. This concession is available as a short term support to enable essential curricular provision to continue.

The allocation processes also include appellate mechanisms under which schools can appeal against the allocation due to them under the staffing schedules. The Principal of a school can submit an appeal under certain criteria to an independent Appeal Board which was established specifically to adjudicate on appeals on staffing allocations in post-primary schools. This Board operates independently of my Department. Discrete allocations are also made to second-level schools to cater for example for pupils with Special Educational Needs and those with language difficulties.

### **Departmental Staff.**

377. **Deputy Michael Ring** asked the Minister for Education and Science the payments made to senior officials in his Department under the performance related pay scheme for each of the years 2005 to 2008, if he has approved the payments for 2008; if so, the date of this approval; the date of the approval of payments relating to 2007; and if he will make a statement on the matter. [14217/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The scheme of performance related awards in the Civil Service applies to the grades of Deputy and Assistant Secretaries and equivalent grades. Decisions on awards for officials that come within the remit of the scheme are made by the Committee for Performance Awards. Its membership comprises of the Secretary General to the Government, The Secretary General, Public Service Management & Development at the Department of Finance and members from the private sector.

In 2005 awards amounting to €90,000 were paid to 8 officials, in 2006 awards totalling €95,000 were made to 8 officials, in 2007 awards totalling €93,000 were made to 8 officials and in 2008 awards amounting €134,000 were paid to 9 officials at my Department based on recommendations made by the Committee. No payments to date have been made in 2009 in respect of the 2008 calendar year.

Awards made to individual officers under the scheme are not disclosed as they are confidential and personal to the officers concerned. Full details of the operation of the scheme since its inception are available on the Department of Finance's website at: [www.finance.gov.ie](http://www.finance.gov.ie).

### **Special Educational Needs.**

378. **Deputy Paul Gogarty** asked the Minister for Education and Science if he will review the situation at a school (details supplied) in Dublin 22 which is to lose its special class as of 31 August 2009, in view of the fact that it is a local centre of excellence for assisting students with special educational needs, and that all of the children with mild learning disability were placed in the special class on the recommendations of educational psychologists and clinicians; the way these children will be catered for in terms of getting the specific supports they need, estimated as up to 4.5 hours per day; when they will have access to 30 minutes of learning support a day in a group setting; and if he will make a statement on the matter. [14298/09]

**Minister for Education and Science (Deputy Batt O'Keeffe):** I wish to advise the Deputy 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 met in the school referred to by the Deputy. Therefore, the school no longer qualifies to retain the class.

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. All of the other primary schools in the country who do not have classes for children with MGLD cater for these pupils from within the General Allocation Model.

I understand that the school in question has written to my Department making a case for retention of the class 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

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General Allocation Model. I wish to reiterate to the Deputy that pupils with a mild general learning disability have, and will continue to have, access to additional teaching resources to support their education.

379. **Deputy Paul Gogarty** asked the Minister for Education and Science if research has been carried out here and internationally into the attainment levels achieved by students with mild learning disabilities who receive intensive one on one support for two hours daily versus those cohorts who receive limited group support for 30 minutes; if those who receive less support will require State support into second level for a longer period; if those who do not receive such support are more likely to earn less and thus either cost the State more money in terms of social welfare payments, or cost the State in terms of lower income tax receipts; and if he will make a statement on the matter. [14299/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I have asked my Department to contact the Deputy directly to discuss the information sought. Since the introduction of the General Allocation Model in primary schools there has been significant experience of beneficial mainstreaming of children with mild general learning disability in primary schools. My Department has asked the National Council for Special Education to advise on the role of special schools and special classes and this advice is awaited.

#### **Teachers’ Remuneration.**

380. **Deputy John Perry** asked the Minister for Education and Science if the 1% levy and the public service pension levy will be deducted from retrospective payments due to teachers under the Part Time Workers Act 2001, and other moneys due for payment, all of which were earned prior to the introduction of the levies; and if he will make a statement on the matter. [14310/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Any retrospective arrears payable to part-time teachers are subject to the income levy in accordance with the personal taxation regulations applicable at the time of payment.

The pension related deduction is applied to all income earned by part-time teachers after the 1st March 2009 who are members of a public service pension scheme.

Therefore, any retrospective arrears payable prior to 1st March 2009 are not subject to the pension related deduction.

#### **Departmental Expenditure.**

381. **Deputy David Stanton** asked the Minister for Education and Science his Department’s expenditure on rent for the current building and prefabs for a school (details supplied) in County Cork each year since its establishment; and if he will make a statement on the matter. [14485/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Deputy will be aware that demand for additional accommodation in schools has risen significantly over the last number of years, with the appointment of 6,000 extra teachers in the primary sector alone since 2002. The overall policy goal is to ensure the highest standard of permanent accommodation for all schools. However, in the context of a rapidly increasing school population, the necessity to put additional accommodation in place in a short time frame, and competing pressure on the capital budget available to my Department, it is necessary to make use of temporary accommodation in order to meet accommodation needs in some circumstances.

Details for the school referred to by the Deputy are given in the tabular statement.

	Prefab	Building/Land	Total for year
	€	€	€
1999	N/A	4,230.77	4,230.77
2000	N/A	13,343.42	13,343.42
2001	N/A	16,079.96	16,079.96
2002	N/A	20,160.00	20,160.00
2003	N/A	40,000.00	40,000.00
2004	N/A	63,333.32	63,333.32
2005	N/A	72,666.64	72,666.64
2006	4,298.51	78,000.00	82,298.51
2007	18,572.50	85,333.33	103,905.83
2008	41,890.20	89,000.00	130,890.20
2009	34,920.60	46,500.00	81,420.60

### School Curriculum.

382. **Deputy Seán Barrett** asked the Minister for Education and Science if, in view of opportunities in Irish universities to undertake third level education in dance studies leading to MA qualifications, he will introduce dance as a subject at second level as with many of our EU counterparts; if he will engage in dialogue with bodies within the dance sector to consider this step; and if he will make a statement on the matter. [14490/09]

393. **Deputy Olivia Mitchell** asked the Minister for Education and Science if he will meet with the recognised bodies involved in dance to discuss the role in secondary education of this art form; if he will respond positively at least to the request to meet with those interests; and if he will make a statement on the matter. [14592/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 382 and 393 together.

I have received correspondence on this issue in recent days, and I am prepared to meet a deputation of relevant interests to discuss the matter. However diary commitments do not allow for a meeting in the coming weeks, and officials of my Department will be in touch with the correspondents to arrange a meeting as soon as possible, probably in late May.

Dance is included in the strands in the Physical Education curriculum in primary and post primary schools. In addition, students may choose Dance as one of the courses available within the Arts component of the Leaving Certificate Applied programme (LCA). The LCA is taken by some 7% of the student cohort and a maximum of 4 credits from a total of 200 credits in the assessment of the LCA is available for the Dance component. The LCA does not provide for direct entry into higher education, but students may progress to Post Leaving Certificate courses and from there to higher education.

My Department is faced with an extensive range of competing needs for investment in education, ranging from addressing educational disadvantage, inclusion of pupils with special needs and newcomer students, meeting the demands of a growing population, strengthening the mathematical, science, and technology aspects of provision, enhancing the professional development of teachers, investing in research and development and promoting second chance learning.

[Deputy Batt O’Keeffe.]

Within that context, investment in mainstreaming of dance education as a subject for points for the purpose of third level entry is not a priority at the current time.

### **Schools Building Projects.**

383. **Deputy Frank Feighan** asked the Minister for Education and Science if the moneys allocated for a school building (details supplied) are ringfenced; and if will assure that funds remain available for this project. [14506/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The post primary school project referred to by the Deputy is 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.

### **Schools Refurbishment.**

384. **Deputy Enda Kenny** asked the Minister for Education and Science the position in respect of a school (details supplied) in County Mayo following a report carried out by consultants; if his Department has made contact with the school in respect of their application for funding under the summer works scheme to have these works carried out as per a previous parliamentary question; if his Department has examined the works involved in view of the health and safety concerns as per the consultant’s report; the proposals they have to have these necessary works carried out as a matter of urgency; the timescale involved; and if he will make a statement on the matter. [14510/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Applications submitted for the Summer Works Scheme 2008, including one from the school in question, are currently being assessed for summer 2009 and the school authority will be notified of the outcome of this assessment in due course.

### **Teachers’ Remuneration.**

385. **Deputy Michael Ring** asked the Minister for Education and Science the rate applicable for travel and subsistence allowance in respect of teachers who are carrying out oral examinations for junior certificate and leaving certificate; and if he will compare payments for travel and subsistence allowance for these examinations for each of the past five years in tabular form. [14516/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The State Examinations Commission has statutory responsibility for operational matters relating to the certificate examin-

ations including organising the holding of examinations, making arrangements for the marking of work presented for examination and the remuneration of examiners and superintendents.

In view of this I have forwarded your query to the State Examinations Commission for direct reply to you.

386. **Deputy Michael Ring** asked the Minister for Education and Science the rate applicable for teachers who are carrying out oral examinations for junior certificate and leaving certificate; and if he will compare payments for these examinations for each of the past five years in tabular form. [14517/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The State Examinations Commission 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 the remuneration of examiners and superintendents.

In view of this I have forwarded your query to the State Examinations Commission for direct reply to you.

#### Departmental Expenditure.

387. **Deputy Michael Ring** asked the Minister for Education and Science the cost of providing mobile telephony and PDA services for him in each of the years since 2002, broken down by handset purchase costs, rental and call costs, and other costs; the amount of money which was refunded by him in connection with personal use of these phones, PDAs and Blackberries in each year since 2002 in tabular form; and if he will make a statement on the matter. [14529/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I was appointed Minister for Education and Science on 7 May 2008 and will answer the Deputy’s question from that date. The cost of my mobile telephony services from 7 May 2008 to 28 February 2009 (the latest date for which figures are available) and the amount expended on PDA Services for the same period are set out in tabular form. I have an arrangement in place to pay for my personal calls every six months. The amount paid up to December 2008 was €128.58.

#### Phone Charges

Rental	Handsets	Call Costs	Other Costs	Total
154.18	51.75	3,797.36	22.08	4,025.37

#### PDA Charges

Rental	Call Costs	Total
497.22	406.94	904.16

#### Special Educational Needs.

388. **Deputy Finian McGrath** asked the Minister for Education and Science the criteria used in allocating special needs hours in view of his reply to Parliamentary Question No. 257 of 19 February 2009. [14545/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Applications for Special Needs Assistant (SNA) support are recruited specifically to assist in the care of pupils with a disability. Applications are considered by the National Council for Special Education (NCSE) where a pupil has a significant medical need for such assistance, a significant impairment of physical or sensory function or where their behaviour is such that they are a danger to themselves or others.

The NCSE operates within my Department’s criteria in allocating such support and conveys decisions on applications directly to schools without recourse to my Department. The qualifying criteria for the allocation of SNA support is outlined in Department Circular 07/02 and is available on my Department’s website at [www.education.ie](http://www.education.ie).

### **Schools Funding.**

389. **Deputy Finian McGrath** asked the Minister for Education and Science the position with regard to funding for a school (details supplied) in County Sligo. [14547/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The school referred to by the Deputy is a recognised primary school and attracts funding in the same way as all recognised primary schools.

The Deputy will be aware that schools’ running costs are met by my Department’s scheme of capitation grants. These grants have been increased substantially in recent years.

The Education Budget for 2009 has provided for improvements to the overall level of day to day funding for primary schools which will see funding increase from €167 million in 2008 to almost €190 million in 2009.

The primary school capitation grant has increased from €81.26 per pupil in 2000 to its current rate of €200, which was an increase of €21 on last year. This represents an increase of 146% in the standard rate of capitation grant since 2000. The ancillary grant has increased from €151.50 per pupil to €155 per pupil.

Taken together, these increases mean that primary schools eligible for the full ancillary services grant will get €355 per pupil — or almost €25 extra — in this school year to cover their day to day running costs, with a primary school of 200 pupils, similar in size to the school referred to by the Deputy, getting €5,000 more. In 2000, a primary school with 200 pupils was in receipt of less than €27,000 to meet its day to day running costs. That same school under these new rates will receive €71,000. This excludes the salary of teachers and Special Needs Assistants which are paid by my Department.

Furthermore enhanced rates of capitation funding are paid in respect of children with special educational needs who attend special schools or special classes attached to mainstream schools. The current rates range from €512 to €986 per pupil — an increase of 59% from the rate in 2006.

By any standards there have been very significant improvements within a relatively short period of time and the Government is committed to further increasing funding for schools as resources permit. While increasing resources is important, we must also focus on measures to enhance the quality of education in our schools to ensure that increased resources lead to the best possible outcomes for our children.

We are committed to investing in education but we have to invest at a level that is consistent with what we can afford and what is sustainable at the moment given economic circumstances. I am confident that as the global economy improves it will be possible to build again on the

significant achievements of recent years and do so in a manner consistent with overall prudent management of the Irish economy.

*Question No. 390 answered with Question No. 373.*

### **School Staffing.**

391. **Deputy David Stanton** asked the Minister for Education and Science the number of primary and secondary school teachers who applied for early retirement every month for the past 12 months; the number of applications for early retirement which are currently being processed; the number expected to apply for early retirement in the next 12 months; and if he will make a statement on the matter. [14574/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** There are a number of different arrangements under which teachers may retire early on pension.

Teachers who are not new entrants as defined in the Public Service Superannuation (Miscellaneous Provisions) Act 2004 may retire voluntarily from age 55 years onwards. Where the teacher is aged 55 but under 60 he or she must satisfy the following conditions: have completed at least 35 years pensionable service, or have completed at least 34 years pensionable service and have 3 years pre-service training, or have completed at least 33 years pensionable service and have 4 years pre-service training

While this pre-service training can be taken into account for the purpose of qualifying for retirement at 55 years of age, it cannot be used to credit service on which benefits will be based. There is no actuarial reduction in benefits.

Teachers aged 50 (or aged 55 if a new entrant), who have completed at least 2 years pensionable service, may also retire early and avail of cost neutral early retirement. Superannuation benefits, actuarially reduced, come into payment immediate on retirement.

A voluntary Early Retirement Scheme had operated from 1996 in the case of primary teachers and 1997 in the case of post-primary teachers until its suspension with immediate effect in October 2008 on foot of Budget 2009. The Scheme consisted of three strands. Strand 1 related to teachers who were consistently experiencing professional difficulties in their teaching duties. Strand 2 related to teachers whose retirement would provide their school with an opportunity to enhance the education service being provided through facilitating change. Strand 3 related to teachers who were in posts which are surplus to requirements.

Over the past 12 months, 998 primary, secondary, community and comprehensive school teachers chose to retire early; ie under the 55/35 year rule, cost-neutral early retirement and voluntary early retirement (now suspended). The tabular statement attached sets out the number of teacher awarded pension each month, on early retirement, from April 2008 to March 2009.

Currently 263 applications from teacher are being processed in my Department for early retirement between now and the end of the current school year. It is estimated that in the 2009/2010 school-year in the region of 900 will opt for early retirement.

### **Departmental Staff.**

392. **Deputy David Stanton** asked the Minister for Education and Science the number of staff with fewer than two years service on 1 March 2009 who gave notice to terminate their



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employment before 1 April 2009 under section 5 of the Financial Emergency Measures in the Public Interest Act 2009; and if he will make a statement on the matter. [14581/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I can confirm that no staff in my Department with less than two years service on 1 March, 2009, gave notice to terminate their employment before 1 April, 2009, under Section 5 of the Financial Emergency Measures in the Public Interest Act, 2009.

*Question No. 393 answered with Question No. 382.*

### **Schools Building Projects.**

394. **Deputy Seán Fleming** asked the Minister for Education and Science when invitations for tender are expected to be issued in respect of a school (details supplied) in County Laois; if it is his Department or the board of management which will be inviting the tenders; and the way a suitable qualified contractor can apply to be considered to build this school. [14605/09]

**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 on site 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. The project will be pre-qualified in the coming weeks on *www.e-tenders.gov.ie* for expressions of interest, to which interested parties can respond. The Tendering Authority will be the Board of Management and it will be a public tender process in the normal way.

My Department has been in contact with the school authority in this regard and will be providing ongoing advice and assistance.

395. **Deputy Michael McGrath** asked the Minister for Education and Science the outcome of a meeting between school representatives and his Department officials regarding a school building project (details supplied) in County Cork; and if he will make a statement on the matter. [14659/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Representatives from the board of management and the design team of the school to which the Deputy refers attended a briefing in my Department’s offices in Tullamore on 26 March at which they were appraised of the next steps necessary to progress the project for the construction of a new 16 classroom school to tender and construction.

### **School Curriculum.**

396. **Deputy Richard Bruton** asked the Minister for Education and Science if he has satisfied himself that the one day of in-service training proposed for the new second level maths curriculum is sufficient; his views on a phased introduction of the programme starting with the junior cycle instead of all in one go; his further views on whether sufficient preparatory texts and documentation has been provided to commence the programme; and if he will make a statement on the matter. [14696/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** A revised second-level mathematics curriculum is being introduced on a phased basis. This developmental initiative, Project

Maths, is being directed by the National Council for Curriculum and Assessment, in collaboration with the Department of Education and Science and the State Examinations Commission. Five revised syllabus ‘strands’ will be introduced over a three-year period, and this began in a small number of schools in September 2008, where Strand 1 (statistics and probability) and Strand 2 (geometry and trigonometry) have been introduced. To inform the curriculum development process, the 24 schools initially involved in introducing the revised strands will provide feedback on their experiences so that any refinements identified as necessary can be incorporated before the changed syllabus strands are introduced in all other schools.

The phased changes in Project Maths are being introduced simultaneously at first year and fifth year in post-primary schools. The changed teaching and learning approaches under Project Maths give greater emphasis to student understanding of the underlying concepts and processes involved in mathematics and the application of knowledge and skills to solving problems in meaningful contexts.

A planned programme of professional development for teachers of mathematics is currently underway in the 24 initial schools. This will continue as the remaining strands are introduced in these schools for successive cohorts of students. Additional support is being provided through a dedicated website ([www.projectmaths.ie](http://www.projectmaths.ie)), where further and updated information is publicly available.

As part of the developmental initiative, teachers in the 24 schools are using, adapting, refining and developing a range of teaching and learning plans which will then be available as a resource for mathematics teachers in all other schools when they commence the revised syllabus strands. International research has shown that change is more effective and long-lasting where teachers work collaboratively in adopting and adapting new methods in their classrooms. As each phase of the project rolls out, additional teaching resources and support materials will be available which have been used in the initial group of schools and refined by teachers in their classrooms. Educational publishers are kept informed of the developments and they will publish revised textbooks in due course.

There is a two-year gap between the introduction of the changes in the 24 schools and their roll-out to all other schools, which begins in September 2010. To support the roll-out, all teachers of mathematics will have professional development in the form of seminars and workshops over a four-year period, beginning in 2009/2010 — the year before the introduction of the first two changed syllabus strands in all schools. This will involve professional development workshops/seminars for each teacher of mathematics in each of the Strands. It is intended that additional forms of support for teachers, including school-based in-service, will also be available.

### **State Examinations.**

397. **Deputy Frank Feighan** asked the Minister for Education and Science his views on an assessment of the leaving certificate involving a large cohort of examinees. [14705/09]

398. **Deputy Frank Feighan** asked the Minister for Education and Science his views in view of the practice whereby students who attend certain private fee paying schools are not facilitated in sitting their leaving certificate examinations in the same schools and are actively encouraged to sit as external students in local schools with a view to improving their grades by virtue of disguising pre-prepared and model answers handed on a plate to them; and his views on whether this practice perpetuates the existence of a two-tiered education system. [14706/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 397 and 398 together.

The State Examinations Commission is charged with operating the certificate examinations to the highest standards of openness, fairness and accountability. In doing so, the Commission provides for the establishment of examination centres in both publicly funded schools and in the private sector. In addition, individual candidates are accommodated as external candidates and generally sit the examination in a recognised examination centre near them.

The Commission maintains consistency, quality and reliability through the processes it has in place for the preparation of examination papers and other test items, and through the quality assurance procedures it implements at the examining and appeal stages of the state examinations. The Chief Examiner for each examination takes all necessary steps to ensure that the agreed marking scheme is applied by each examiner and that the established standard is applied to the work of all candidates who sit the examination. The Chief Examiner oversees the examining process established by the Commission aimed at ensuring this.

The same marking scheme is applied strictly and in exactly the same way to the work of all candidates in the cohort taking the particular examination. Each candidate is anonymous and examining proceeds without reference to school location or centre.

Ongoing and systematic monitoring is a critical element of the marking process. The monitoring is designed to enable each examiner to apply the agreed marking scheme consistently and accurately to all scripts.

Appealed scripts are re-marked in accordance with the same standard as applied in the initial marking, and the same marking scheme as utilised in the initial marking.

The Deputy may be inferring that candidates in certain fee paying schools are being advised by those schools to register as examination candidates in another centre, to reduce the prospect of an unusually high proportion of high grades being awarded in a single centre, and perhaps being subject to review. There would be no point in schools doing this. Firstly, examiners are assigned scripts without knowing the identity of schools or candidates. Secondly, the quality assurance measures mentioned above do not apply at the level of a school or an examiner. The work of all candidates is marked in accordance with the published marking scheme, regardless of the level of performance of any other candidate in that examination centre or school. Finally the State Examinations Commission operates a very transparent appeals process, where candidates may view their scripts, match them against the published marking scheme and make a decision whether to appeal their result.

I am satisfied that we have an appropriately structured examination system where results are based on the demonstrated knowledge skills and competences of candidates, and the type of school attended has no bearing on the matter.

#### **School Staffing.**

399. **Deputy Willie Penrose** asked the Minister for Education and Science if he will confirm that his Department has received correspondence from a school (details supplied) in County Westmeath; if, in this context, steps will be taken by his Department to review the decision to suppress the eight mainstream class posts in the school on the grounds clearly set out in the appeal, in view of the fact if the decision stands, it will have a serious impact upon the school particularly in view of the increase in population in the catchment area thereof; and if he will make a statement on the matter. [14757/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I am aware of the correspondence received in my Department from the school referred to by the Deputy. The budget measures will impact on individual schools in different ways depending on whether enrolment is rising or declining and the degree to which any one school has more teachers than it is entitled to under the allocation processes.

My Department has written to the primary schools that are projected to have a net loss or gain in classroom teaching posts in September, 2009. As part of my efforts to ensure that relevant information is openly available to the public detailed information on the opening position for primary schools is now published on my Department’s website. This provisional list sets out the details on individual schools that, taken collectively, are projected to gain 128 posts and to lose 382 posts — a net reduction of 254 posts. It is my intention to have this information updated and ultimately to set out the final position when the allocation processes are completed.

The above allocations are provisional at this stage and reflect the initial allocation position. The final position for any one school will depend on a number of other factors such as additional posts for schools that are developing rapidly and posts allocated as a result of the appeals processes.

The operation of redeployment arrangements also impacts on the final position as a teacher can remain in his or her existing school where a suitable redeployment position does not exist. The final staffing position for all schools will therefore not be known until the autumn. At that stage the allocation process will be fully completed for mainstream classroom teachers and appeals to the Staffing Appeals Board will have been considered.

Details of the criteria and application dates for appeal are contained in the staffing schedule, Circular 0002/2009, available on my Department’s website. The application form for appeal is also available on my Department’s website. The Appeal Board operates independently of the Department and its decision is final.

### **Third Level Fees.**

400. **Deputy Róisín Shortall** asked the Minister for Education and Science if free third level fees apply in all cases to claimants of back to education allowance; and the position in relation to people who have already availed of free fees and wish to pursue another degree under the allowance or those who wish to pursue a postgraduate course. [14761/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Under the Free Fees Initiative the Exchequer meets the tuition fees of eligible full-time undergraduate students including such persons, as referred to by the Deputy, once they meet the criteria of the Initiative. The main conditions are that students must be first-time undergraduates and hold EU nationality and have been ordinarily resident in an EU Member State for at least three of the five years preceding their entry to an approved third level course. Whilst persons pursuing a second undergraduate degree cannot, in general, avail of free fees, persons who have not completed an undergraduate course at level 8 may qualify for free fee concessions under the Initiative in certain circumstances. The Free Fees Initiative does not extend to postgraduate study.

### **Departmental Staff.**

401. **Deputy Phil Hogan** asked the Minister for Education and Science the number of people working in the public service under temporary employment contracts on a fixed term basis who will lose their jobs as a consequence of the non-renewal of those contracts due to the mora-

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torium decision announced by the Minister for Finance on 27 March 2009; the organisations in which such terminations will occur; the number of individuals who will lose their jobs as a consequence of this decision; the annual saving that will accrue to the Exchequer as a consequence of the non-renewal of these contracts; and if he will make a statement on the matter. [15041/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The information sought is not readily available. I have requested officials of my Department to compile the information available and this will be forwarded to you as soon as possible.