



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

*Thursday, 5 November 2009.*

Requests to move Adjournment of Dáil under Standing Order 32 ... ..	817
Order of Business ... ..	817
Planning and Development (Taking in Charge of Estates) (Time Limit) Bill 2009: First Stage ... ..	831
Estimates for Public Services 2009 ... ..	831
Vote 7: Superannuation and Retired Allowances (Supplementary) ... ..	831
Vote 12: Secret Service (Supplementary) ... ..	831
National Asset Management Agency Bill 2009: Report Stage ( <i>resumed</i> ) and Final Stage ... ..	831
Ceisteanna — Questions	
Minister for Transport	
Priority Questions ... ..	927
Other Questions ... ..	937
Adjournment Debate Matters ... ..	947
Adjournment Debate	
ICT in Schools ... ..	948
Health Service Staff ... ..	950
Schools Building Projects ... ..	952
Hospital Services ... ..	954
Questions: Written Answers ... ..	957

# DÁIL ÉIREANN

---

*Déardaoin, 5 Samhain 2009.*  
*Thursday, 5 November 2009.*

---

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

---

*Paidir.*  
*Prayer.*

---

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

**An Ceann Comhairle:** Before coming to the Order of Business, I propose to deal with a number of notices under Standing Order 32. I will call on the Deputies in the order in which they submitted their notices to my office.

**Deputy Martin Ferris:** I seek the adjournment of the Dáil under Standing Order 32 to debate the need for the Minister for Social and Family Affairs to respond to the case made by the Family Resource Centre National Forum on the need to ensure that the proposed cuts to the programme are withdrawn in order to allow the many family resource centres around the country to continue to provide a much-needed and valuable service for the many families who are experiencing difficulties of various kinds, many of them related to unemployment and low income.

**Deputy Caoimhghín Ó Caoláin:** I seek the adjournment of the Dáil under Standing Order 32 to address the closure by the Health Service Executive of the special care unit at Ballydowd, the implications and consequences for the children who are housed in that facility and for wider child care services in the State.

**An Ceann Comhairle:** Having considered the matters raised, they are not in order under Standing Order 32.

**Deputy Bernard J. Durkan:** A Cheann Comhairle, have a heart.

## **Order of Business.**

**The Tánaiste:** It is proposed to take No. 11, Supplementary Estimates for Public Services, [Votes 7 and 12], back from committee; and No. 24, the National Asset Management Agency Bill 2009, Report Stage (Resumed) and Final Stage. It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 4.45 p.m. today and business shall be interrupted on the conclusion of Question Time tonight, which shall be taken on the conclusion of No. 24 for 75 minutes, and in the event of a private notice question being allowed, it shall be taken after 45 minutes, and the order shall not resume thereafter; the sitting shall be suspended from 1.30 p.m. to 2.30 p.m. today; No. 11 [Votes 7 and 12] which shall be decided without debate, shall be moved together and decided by one question which shall be put from the Chair and any division demanded thereon shall be taken forthwith; and the resumed Report Stage and Final Stage of No. 24 shall be taken today and the proceedings thereon shall, if not

[The Tánaiste.]

previously concluded, be brought to a conclusion at 8 p.m. tonight by one question, which shall be put from the Chair and which shall, in regard to amendments, include only those set down or accepted by the Minister for Finance.

**An Ceann Comhairle:** There are three proposals to be put to the House today. Is the proposal that the Dáil shall sit later than 4.45 p.m. today agreed to?

**Deputy Alan Shatter:** That is agreed, Sir, but before we travel beyond that point, the Order of Business allows the Dáil to sit beyond 4.45 p.m. but we are to conclude the debate on the National Asset Management Agency Bill at 8 p.m. Essentially, the Government wishes to guillotine this legislation in circumstances in which, in the context of Report Stage, we have concluded debate and discussion on four out of 135 proposed amendments.

**Deputy Timmy Dooley:** Whose fault is that?

**Deputy Alan Shatter:** Many of the amendments are of substantial importance. The one thing we have discovered with this legislation as we have gone through from Second Stage to Committee Stage to Report Stage is that the Government has recognised the need for substantial amendments.

**An Ceann Comhairle:** I draw Deputy Shatter's attention to the fact that we have three proposals to deal with and when we reach that stage, we can allow debate on it.

**Deputy Alan Shatter:** The point I make, Sir, is that in principle this party has no objection to us sitting late, but I oppose and Fine Gael opposes, the Order of Business in full because the debate on Report Stage of the National Asset Management Agency Bill should be open ended. It should not be guillotined. This is one of the most important financial measures——

**An Ceann Comhairle:** I ask Deputy Shatter to leave his contribution until we reach No. 3.

**Deputy Alan Shatter:** ——to come before the Oireachtas since the foundation of the State.

**Deputies:** Hear, hear.

**Deputy Alan Shatter:** It creates major problems for the future financial stability of the State and the banking sector.

**Deputy Timmy Dooley:** And for Deputy George Lee as well.

**Deputy Dara Calleary:** What about Deputy George Lee as well?

**Deputy Joan Burton:** A Cheann Comhairle, if you are——

**Deputy Alan Shatter:** In those circumstances, we oppose the Order of Business.

**Deputy Joan Burton:** A Cheann Comhairle, are you taking No. 3 along with No. 1?

**An Ceann Comhairle:** I am not taking No. 3. I have a number of other matters to deal with before we get to No. 3.

**Deputy Joan Burton:** As you have allowed a Fine Gael Deputy to speak, the notion of having a guillotine at 8 p.m. is unacceptable to the Labour Party.

**An Ceann Comhairle:** I ask the Deputy to leave her contribution until we reach No. 3. I will allow her to contribute at that stage.

**Deputy Joan Burton:** Okay.

**An Ceann Comhairle:** Is the proposal on the late sitting agreed? Agreed. Is the proposal for dealing with No. 11, Supplementary Estimates for the Public Services, [Votes 7 and 12], without debate, agreed to? Agreed.

Is the proposal for dealing with No. 24, the National Asset Management Agency Bill 2009, Report Stage (resumed) and Final Stage agreed to?

**Deputy Joan Burton:** A Cheann Comhairle, can I speak on that now?

**Deputy Alan Shatter:** For the reason I gave——

**Deputy Joan Burton:** I have not had an opportunity to speak on it yet and you said you would allow me, a Cheann Comhairle.

**Deputy Timmy Dooley:** Deputy Burton has not spoken about anything else for the last fortnight.

**An Ceann Comhairle:** Very briefly. I will allow Deputy Shatter to speak and then I will come back to Deputy Burton.

**Deputy Alan Shatter:** I will not unduly delay the House. For the reasons I gave previously, Sir, that this is a measure of fundamental importance to the future financial stability of the State, this House should have the opportunity to fully consider and debate it. It is a measure that, as we have gone through from Second Stage to Report Stage, has resulted in substantial amendments being brought forward, even by the Government, as it realised the defects and omissions contained in the Bill.

I ask the Tánaiste not to divide the House on this issue. It is absolutely scandalous that it could be suggested that having spent yesterday dealing with four amendments, the remaining 131 could be adequately debated and considered between now and 8 p.m. I ask the Government and the Tánaiste to agree to an open-ended discussion until such time as we complete Report Stage.

**Deputy Timmy Dooley:** We will be here until the next election if we do that.

**Deputy Alan Shatter:** If need be, Members on this side of the House are quite prepared to sit into the small hours of the morning. We did so this day last week and, as a consequence of that discussion, the Minister, who was denying the need to make amendments on a number of issues, including with regard to special purpose vehicles, has now agreed that there is a need to address some of the issues raised on that occasion. We have not yet got into any detailed debate on those vehicles and the controls necessary to ensure probity.

**An Ceann Comhairle:** I ask the Deputy to reserve his comments until the debate resumes.

**Deputy Joan Burton:** As a woman Deputy, perhaps I take a slightly different line from Deputy Shatter. I understand that many Deputies wish to go home to their families and children at some time between 8 p.m. and 10 p.m. tonight. That is perfectly valid. There is, therefore, nothing wrong with this House doing a day's work tomorrow, starting at 9 a.m., as most people who are lucky enough to have a job will do.

**Deputy John Cregan:** Not all of us live in Dublin.

**Deputy Joan Burton:** I have no problem with staying here through the night. We did it last week and it is not difficult. However, it is not necessarily the most family friendly way of doing business. Many of the amendments that are critically important——

**An Ceann Comhairle:** I ask the Deputy to reserve her remarks until the debate on the Bill is resumed.

**Deputy Joan Burton:** You allowed Deputy Shatter to make two long interventions. I am concerned——

**Deputy Paul Kehoe:** Do not be jealous, Joan.

**Deputy Kathleen Lynch:** Do not be childish, Paul.

**Deputy Joan Burton:** ——about the amendments that relate to the gagging clauses——

**An Ceann Comhairle:** I ask the Deputy to reserve her comments until the debate resumes.

**Deputy Joan Burton:** ——for the gagging of the chairman and chief executive of the NTMA.

**Deputy Michael D. Higgins:** It is about the timing.

**Deputy Joan Burton:** This is about the timing.

**An Ceann Comhairle:** It was initially.

**Deputy Joan Burton:** I am concerned about our amendment that will forbid court cases arising from NAMA to be heard *in camera*. There is no precedent in Irish civil law for holding court hearings——

**An Ceann Comhairle:** Deputy Burton must reserve those remarks until the debate is resumed.

**Deputy Joan Burton:** ——to do with Fianna Fáil's friends in the property business *in camera*. We object to a guillotine at 8 p.m. We can sit through the night or there is a more civilised way of doing this, which is to return here at 9 a.m. tomorrow and on Saturday and Sunday mornings, if necessary.

*(Interruptions).*

**Deputy Joan Burton:** What is the problem? People are paid well enough to come into the House for a few extra days.

**Deputy Caoimhghín Ó Caoláin:** There is an infinitely better solution. Simply put, it is that the Deputies on the Government benches who privately share the concerns expressed by Opposition voices about NAMA, and privately share that opinion, take the courage to oppose the passage of the legislation when it is put to the House today or any other day.

**Deputy Timmy Dooley:** That works both ways.

**Deputy Caoimhghín Ó Caoláin:** NAMA should be opposed because it is a fundamentally flawed formula to address the difficulties that currently bedevil this economy. It was galling yesterday to witness the Minister for Finance sitting beside an OECD representative and calling

for the slashing of child benefit, the minimum wage and social welfare payments across the board.

**An Ceann Comhairle:** The Deputy should reserve his remarks until the debate resumes.

**Deputy Caoimhghín Ó Caoláin:** The issue is the slashing of social welfare benefits across the board——

**An Ceann Comhairle:** The Deputy will have ample time to make those points.

**Deputy Caoimhghín Ó Caoláin:** ——and then for the Minister to come to this House and expect Deputies to give approval to his proposition to bail out banks and developers with tens of billions of Irish taxpayers' money.

*(Interruptions).*

**Deputy Caoimhghín Ó Caoláin:** It is absolutely outrageous and it is high time somebody told the Minister, Deputy Brian Lenihan——

**An Ceann Comhairle:** Deputy Ó Caoláin, we will resume the debate shortly.

**Deputy Caoimhghín Ó Caoláin:** ——he should get stuffed.

**The Tánaiste:** I agree with Deputy Shatter that this is important legislation. All Members of this House have participated fully in the deliberations on it. There were 29.5 hours of discussion on Second Stage, 42 hours of discussion on Committee Stage and on Report Stage, including today, there will be 14.25 hours. That is almost 86 hours of deliberation on this legislation. It must then go to the Seanad and be returned to this House next week.

**Deputy Joan Burton:** That is about €1 billion of debt an hour.

**Deputy Alan Shatter:** A Cheann Comhairle——

**An Ceann Comhairle:** Deputy Shatter has already had three opportunities to contribute.

**Deputy Alan Shatter:** This House is not a rubber stamp for the Government. We are elected to this House to take responsibility by the electorate. The Government is guillotining a measure that is seriously defective. It has had to be amended on every Stage of its passage.

**An Ceann Comhairle:** I ask Deputy Shatter to resume his seat. I will now put the question.

Question put: “That the proposal for dealing with No. 24 be agreed to.”

The Dáil divided: Tá, 78; Níl, 56.

Tá

Ahern, Dermot.  
Ahern, Michael.  
Ahern, Noel.  
Andrews, Barry.  
Andrews, Chris.  
Ardagh, Seán.  
Aylward, Bobby.  
Blaney, Niall.  
Brady, Áine.  
Brady, Cyprian.  
Brady, Johnny.

Browne, John.  
Byrne, Thomas.  
Calleary, Dara.  
Carey, Pat.  
Collins, Niall.  
Conlon, Margaret.  
Connick, Seán.  
Coughlan, Mary.  
Cowen, Brian.  
Cregan, John.  
Cuffe, Ciarán.

Tá—*continued*

Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Harney, Mary.  
 Haughey, Seán.  
 Healy-Rae, Jackie.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McEllistram, Thomas.  
 McGrath, Mattie.

McGuinness, John.  
 Mansergh, Martin.  
 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

Barrett, Seán.  
 Behan, Joe.  
 Breen, Pat.  
 Burke, Ulick.  
 Burton, Joan.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.  
 Crawford, Seymour.  
 Creed, Michael.  
 D'Arcy, Michael.  
 Durkan, Bernard J.  
 English, Damien.  
 Feighan, Frank.  
 Ferris, Martin.  
 Flanagan, Charles.  
 Flanagan, Terence.  
 Hayes, Brian.  
 Hayes, Tom.  
 Higgins, Michael D.  
 Hogan, Phil.  
 Howlin, Brendan.  
 Kehoe, Paul.  
 Lynch, Ciarán.  
 Lynch, Kathleen.  
 McCormack, Pádraic.

McEntee, Shane.  
 McGinley, Dinny.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Morgan, Arthur.  
 Ó Caoláin, Caoimhghín.  
 Ó Snodaigh, Aengus.  
 O'Dowd, Fergus.  
 O'Keefe, Jim.  
 O'Mahony, John.  
 O'Sullivan, Jan.  
 O'Sullivan, Maureen.  
 Penrose, Willie.  
 Perry, John.  
 Quinn, Ruairí.  
 Rabbitte, Pat.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sherlock, Seán.  
 Shortall, Róisín.  
 Stagg, Emmet.  
 Stanton, David.  
 Timmins, Billy.  
 Tuffy, Joanna.  
 Upton, Mary.  
 Wall, Jack.

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

Question declared carried.

**Deputy Alan Shatter:** On promised legislation and in particular the forthcoming budget and promised finance and social welfare Bills that will follow, does the Tánaiste agree that the Minister for Finance, Deputy Brian Lenihan, had an unusual hang-dog expression on his face on the televised portion of the press conference of the Secretary General of the OECD, who launched its report on Ireland yesterday? Does she acknowledge that the report, which the Minister for Finance, Deputy Lenihan, praised as “an excellent analysis of our disastrous economic plight” is nothing other than a devastating indictment of the total incompetence of this and previous Fianna Fáil-led Governments?

11 o'clock

Does the Tánaiste accept the report which the Minister for Finance, Deputy Lenihan, describes as “a good, realistic, sober document” depicts the abject failure of the Taoiseach and Minister for Finance and of this Government to take the necessary remedial action in each of the budgets since May 2007 to tackle the economic plight of this country? Will the Tánaiste acknowledge—

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

**Deputy Alan Shatter:** I am coming to it. Will the Tánaiste acknowledge that her Government is not only surrendering the independence of this Republic to outside agencies like the OECD, but has abdicated leadership to them so that when, and if, hard measures are introduced in the forthcoming budget, instead of accepting responsibility for what it is doing, it will blame agencies and bodies outside this State? Will the Tánaiste tell us, how soon after 9 December, when the budget will be announced, the finance and social welfare Bills will be published? Does she know on what date the Government will—

**An Ceann Comhairle:** The Deputy should table parliamentary questions on these matters.

**Deputy Alan Shatter:** My questions relate to forthcoming legislation. We are entitled to know when the legislation will be published. Will it be published in January or February and when can we expect that the predicted harsh measures that the OECD have told the Government this State requires will be implemented? I will conclude by asking the Tánaiste—

**Deputy Seán Power:** Please do.

**Deputy Alan Shatter:** —if she will explain to the House why the job creation task force has met only once in nine months in circumstances in which we have 420,000 unemployed people in this State? Will that task force submit a report to this House for debate?

**The Tánaiste:** The remarks of the Secretary General of the OECD are a matter for the OECD. The Secretary General took the opportunity to meet a number of Government representatives in the context of a number of documents launched by him, including one on activation measures about which I had some serious discussions with him. All Members of the House would be of the view that the OECD provides robust analysis not only of our economy, but of many other economies in the world. The views expressed are those of the OECD and not the Government.

**Deputy Alan Shatter:** The Government ignored its warnings in 2005 and 2006.

**The Tánaiste:** Regarding the finance Bill, a statutory period applies in respect of its publication following the announcement of the budget. Regarding the social welfare Bill, its publication will be depend on whether matters are required to be provided for in a legislative



[The Tánaiste.]

framework prior to 1 January 2010. A decision in this regard has not yet been made by the Government.

The high level group on labour market issues is made up of representatives of the social partners and it has held a number of meetings. These are part of——

**Deputy Alan Shatter:** Why is it reported that the task force met only once?

**An Ceann Comhairle:** The Tánaiste, without interruption please.

**The Tánaiste:** ——ongoing, almost weekly discussions, that the Cabinet sub-committee has——

**Deputy Damien English:** The task force met only once.

**The Tánaiste:** ——with the high level group and at ministerial level in the context of the Cabinet committee on the economy. While much of the work is done by the group, the main work is done by the Cabinet sub-committee.

**Deputy Damien English:** Will the Minister clarify if the task force met only once?

**The Tánaiste:** My officials and I meet on a constant basis, in the context of activation measures, with the social partners and have done so only recently.

**Deputy Alan Shatter:** Those involved see each other every day.

**Deputy Joan Burton:** I wish to raise two issues with the Tánaiste. In September 2008, the Chairman of the Joint Committee on the Constitutional Amendment on Children issued, on behalf of that committee, an agreed statement on the need for the introduction of legislation to deal with the issue of soft information in regard to allegations of child sexual abuse. The chairperson, Deputy Mary O'Rourke, stated that such legislation could be easily and readily implemented and did not require a constitutional amendment. This matter has slipped back on the Government's legislative programme to some time in 2010 or later. What is the Government's intention in regard to this important legislation? There are times when this House has no business. As this matter has been agreed by the all-party committee, why can this legislation, which is important in terms of protecting children, not be brought forward as a matter of urgency?

An announcement was made yesterday by Government about a pre-budget outlook statement and, possibly, a debate in this regard in the House. Pre-budget outlook statements were first introduced in 2007——

**An Ceann Comhairle:** Is the Deputy asking about promised legislation in this area?

**Deputy Joan Burton:** I remind the Tánaiste that the first pre-budget outlook statement was introduced on 18 October 2007. When will we receive this statement which we will need time to debate in this House? Given this year's budget decisions are of life and death importance to people throughout the country, it is poor, in terms of this House, that the Government appears to be long-fingering this important debate and the production of Estimates.

**The Tánaiste:** On the first question, the heads of that Bill are being worked on. The Minister of State, Deputy Barry Andrews, is anxious to have the legislation brought before Cabinet as quickly as possible. On the pre-budget outlook statement, it will be published on 12 November 2009.

**Deputy Caoimhghín Ó Caoláin:** It has been reported this week that at least one person has been imprisoned by the courts for failure to pay debts——

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

**Deputy Caoimhghín Ó Caoláin:** There is. Perhaps the Ceann Comhairle will allow me to finish the sentence. It has been reported this week that at least one person has been imprisoned by the courts for failure to pay debts in respect of either a credit card or financial institution loan. This is happening to at least one person every day since the introduction by Government of the bailout for the banking institutions.

The renewed programme for Government, with which the Ceann Comhairle will be familiar, was agreed by Fianna Fáil and the Green Party and gives a commitment to ensuring that the imprisonment of debtors and fine defaulters is used only as a penalty of last resort and will, in general, attempt to ensure that prison is the option of last resort for non-serious crime. What further legislative action will the Government take in respect of this commitment in the renewed programme for Government? Has the Government noted that the Law Reform Commission has urged it to introduce legislation to end imprisonment for the non-payment of debt? What steps are being taken to address this serious and scandalous situation?

**The Tánaiste:** The Minister for Justice, Equality and Law Reform has advised me that as of Tuesday, no one is in prison in this country for debt. As the Deputy knows, the court enforcement legislation was brought forward in the House and the Law Reform Commission has undertaken consultation in the context of providing more legislative measures to ensure incarceration of people for debt will only be a last resort. Work is ongoing with the Minister in this regard.

**Deputy Caoimhghín Ó Caoláin:** When does the Tánaiste expect that legislation will be brought forward?

**The Tánaiste:** As soon as the Law Reform Commission has finished its consultation process, we will be able to move.

**Deputy Seymour Crawford:** In light of the fact that young people cannot get cardiac surgery, that older people cannot avail of their right to fair home——

**An Ceann Comhairle:** Will the Deputy advise us what legislation is involved in this matter?

**Deputy Seymour Crawford:** This is an extremely important issue.

**An Ceann Comhairle:** Yes, but there are alternative ways of raising it, for example by parliamentary question or on the Adjournment.

**Deputy Seymour Crawford:** People are waiting in hospital beds and cannot get their forms dealt with. This issue is covered under the area of eligibility for health and personal services. The issue must be clarified and the rights of people must be acknowledged.

It is important that we consider the issue of the export of live cattle, particularly export across the Border to factories in Northern Ireland. This affects prices here.

**An Ceann Comhairle:** There is no legislation promised in this area.

**Deputy Seymour Crawford:** Of course there is. I am sorry, but I have a right to speak on this matter as it is an issue for us.

**An Ceann Comhairle:** There are other ways of getting information.

**Deputy Seymour Crawford:** I beg to differ, but there is relevant legislation. The Veterinary Practice Bill 2004 could allow us deal with some of the issues vets deal with.

**The Tánaiste:** The veterinary practices (amendment) Bill is part of a consultation process currently. There is no date for the other piece of legislation.

**Deputy Terence Flanagan:** No. 58 on the legislative programme, reform of financial regulatory structures Bill, will deal with replacing the existing structures of the Central Bank and the Financial Services Authority of Ireland with a new Central Bank commission. It is stated on the Order Paper that it is not possible to indicate a date for this. I would have thought this was urgent legislation that should be prioritised and introduced immediately. It was because we had light touch regulation and the Financial Regulator was asleep that our banks are almost bankrupt and the country is in such a bad state. I hope the Tánaiste can provide a date for the introduction of this critical legislation.

**The Tánaiste:** I am aware the Department is working on this legislation, but the Minister is not in a position to advise when he will be able to bring it to Government.

**Deputy Terence Flanagan:** Will it be before Christmas?

**The Tánaiste:** I doubt it.

**Deputy Terence Flanagan:** That is a disgrace.

**The Tánaiste:** We have a budget and NAMA to get through first.

**Deputy David Stanton:** The last factory in the once thriving town of Youghal, Tytex, is to close with a loss of 80 jobs.

**An Ceann Comhairle:** The Deputy is aware we should be raising issues to do with legislation. He can avail of the Adjournment to raise this issue.

**Deputy David Stanton:** The only hope the town has is the greyhound industry, which is dependent on the greyhound track in Youghal — which is falling down — getting some sort of a grant. I would like to see the greyhound industry (amendment) Bill brought forward so that we can discuss the matter. It is the only hope the town has now. Once the town had 2,000 jobs, but now it has virtually none.

**The Tánaiste:** Some legal issues have arisen with regard to the greyhound legislation, so I will ask the Minister to advise the Deputy on the situation.

**Deputy Ciarán Lynch:** The Land and Conveyancing Law Reform Bill which was passed by the House in July contained a specific measure to do with upward-only rent reviews. This amendment was unusual in that it was grafted onto the Bill. When will the Bill be commenced and will all sections, including the section dealing with upward-only rent reviews, be part of the commencement?

**The Tánaiste:** I have had discussions with the Minister in this regard. He is considering the situation and hopes to be in a position to make a final determination before the end of the year.

**Deputy Ciarán Lynch:** To clarify, I understand that the Minister's position is that the Bill will be commenced on 1 December. However, there is some ambiguity with regard to the

specific section dealing with upward-only rent reviews. Can the Tánaiste clarify the situation with regard to that section? Will it be commenced along with the other sections of the Bill?

**The Tánaiste:** I am aware a parliamentary reply was given on this legislation. I have had discussions with the Minister on the issue. He has a number of matters to consider and, as indicated, he will not be in a position to sign it for a short period. There has been no final determination, but I will ask the Minister to speak directly to the Deputy.

**Deputy Phil Hogan:** I have a number of questions with regard to when legislation relating to the Department of the Environment, Heritage and Local Government will be published. Legislation allowing for elections for the promised directly elected mayor of Dublin to be held in 2010 was expected this session. When will that legislation be published? Also, when will we have the noise pollution Bill and the control of dogs Bill?

**The Tánaiste:** The control of dogs Bill and the noise pollution Bill will be published this session. The legislation to provide for a directly elected mayor will be published early next year.

**Deputy Phil Hogan:** Therefore, we will not have the elections.

**The Tánaiste:** The Bill will be published early next year.

**Deputy Michael Creed:** The Tánaiste protests her commitment to job creation, notwithstanding the fact the Cabinet sub-committee only met once in 2009. On the other hand, in order to appease Fianna Fáil's partners in Government, the Tánaiste proposes to eliminate some 80 jobs in the fur farming industry, some of which are in her own constituency in Donegal.

**An Ceann Comhairle:** The Deputy must find another way of dealing with this issue.

**Deputy Michael Creed:** When will the Government bring forward legislation to put those 80 people employed in the fur farming industry out of business? Given that the industry is compliant with all licence and regulation provisions, both national and EU regulations, has the Government taken advice from the Attorney General on the proposal? I draw the Tánaiste's attention to her comments on this matter on a debate in the House in 2005.

**The Tánaiste:** I am glad the Deputy was listening to me. This is a matter for the Minister for Agriculture, Fisheries and Food. It is up to him to consider whether legislation is necessary.

**Deputy Michael Creed:** It is a disgrace to put 80 people on the dole when jobs are scarce. It will cost the taxpayer a fortune.

**Deputy Bernard J. Durkan:** Would it be possible to generate some enthusiasm with regard to introducing legislation to provide for the protection and exchange of information related to the endangerment, sexual exploitation or abuse or risk to children? Publication of legislation is expected in 2010. However, this is a matter of urgency and would it be possible to introduce it sooner?

The Taoiseach indicated previously that work was in hand on the company law consolidation and reform Bill. What progress has been made on this and can the Tánaiste indicate when it may come to the House? The information we have so far is that publication is expected but that it is not possible to indicate when we can expect it.

**The Tánaiste:** As I have indicated on a number of occasions, this is significant legislation. It will be next year before I will be in a position to bring it to the House.

**Deputy Bernard J. Durkan:** What progress has been made on it? Is anything happening currently?

**The Tánaiste:** Considerable progress has been made and we have had to introduce a number of amendments following submissions made by interested parties, including Members of the Oireachtas. With regard to the legislation relating to risk to children, the heads of the Bill are being worked on with a view to getting the legislation to the House as quickly as possible.

**Deputy Seán Barrett:** Is the Tánaiste aware there are three Bills in the course of preparation which, if we are serious about dealing with the current financial crisis, should be given priority? These are the financial services regulation Bill, the reform of financial regulatory structures Bill and the financial services Bill. The white sheet that circulated states that it is not possible to indicate when publication of those Bill is expected. Are we serious about getting our house in order? We are dealing with legislation for NAMA at present, a result of financial institutions not carrying out their business in a proper fashion but here we have Bills that are not priorities. I understood reform of the regulatory system was a priority yet there is no sign of it here. It is not possible to indicate at this stage when these Bills will even be published. Are we serious about reform of the regulatory system? Does the Tánaiste have any intention of putting the skids under the Minister for Finance to get him to publish these Bills as soon as possible?

**The Tánaiste:** I will relay that message to the Minister for Finance.

**Deputy Seán Barrett:** I thank the Tánaiste. I ask her to do something about it.

**Deputy Jan O'Sullivan:** I understand it is the intention to bring the Adoption Bill to this House on 18 November. The interpretation in the Bill as agreed in the Seanad is more restrictive than the Hague Convention. It does not provide for transitional arrangements for people who are advanced in the adoption process with countries that have not ratified the Hague Convention and it does not provide for bilateral agreements with a country such as Ethiopia, which may not be able to ratify the convention because it cannot afford it.

**An Ceann Comhairle:** That legislation is before the Seanad.

**Deputy Jan O'Sullivan:** It has finished in the Seanad, it is coming to us and I would like to clarify when it will come before the House and if the Government intends to broaden the legislation. It would be useful if we could have a briefing to know if the Minister intends to address those issues that are of huge concern to many people who are contacting Members on all sides.

**The Tánaiste:** I will ask the Minister to facilitate that.

**Deputy Jan O'Sullivan:** Will the Bill come before the House on 18 November?

**The Tánaiste:** It will come in that week, I will get back to the Deputy with the exact date.

**Deputy Joe Costello:** Has the Government responded to the complaint made by the Equality and Rights Alliance to the European Commission on the 43% budget cut for the Equality Authority on the basis of a breach of the European race equality directive? Any issue raised with the Commission must get a response from the Government. It appears that it is now impossible for the Equality Authority to conduct its business and, therefore, it is no longer a functioning agency under the terms of the race directive.

**The Tánaiste:** I will revert to the Deputy, I am not aware of any response.

**Deputy Tom Sheahan:** I will ask the Tánaiste an easy one, or one she should have the answer to anyway. The terms of the European fishery fund are from 2007 to 2013. What obstacles are preventing the implementation of the operational programme for fisheries? Co-funding is there to be drawn down. It is November 2009 but we still have not implemented the operational programme for fisheries.

**Deputy Michael Creed:** It is an ideological argument between the Green Party and Fianna Fáil.

**The Tánaiste:** No, work is ongoing between the Minister for Agriculture, Fisheries and Food, the Minister for the Environment, Heritage and Local Government and the European Commission. The Commission has expressed serious concerns about the operational programme. It is working through those on the basis of having mapping completed of Natura 2000 sites and it is hoped that on that basis, the Commission will allow the operational programme to be sanctioned. I empathise with the absolute necessity to expedite this, which the Minister is hoping to do.

**Deputy Tom Sheahan:** Is the Tánaiste referring to Natura 2000?

**The Tánaiste:** Yes.

**Deputy Tom Sheahan:** We are making headway with that in 2009. That is good going.

**The Tánaiste:** I remember the nitrates directive taking ten years.

**Deputy Michael Creed:** That was on the Tánaiste's watch as Minister for Agriculture and Food. In the meantime the farmers were in debt up to their oxters.

**Deputy Alan Shatter:** On promised legislation, there was one thing the Tánaiste said in reply to me that should be clarified. In the context of the promised social welfare Bill that will emerge from the budget, that Bill is usually not published until the following February. Is the Tánaiste indicating to the House that there is a possibility the Bill will be published immediately after the budget and guillotined in the House before Christmas?

If that is the case, having guillotined the NAMA Bill today, could the Tánaiste indicate to us if the second programme for Government between Fianna Fáil and the Green Party has been abandoned in the context of any promised Dáil reform? Guillotining the NAMA Bill today flies in the face of any commitment to such reform.

The Minister of State with responsibility for children has promised to publish a Bill to give statutory effect to the Children First child protection guidelines that have been in place since 1999 but which have no statutory footing. The HSE published a report yesterday to show that even in 2008, with all we have learned about children at risk and child abuse, there has been an abject failure by the HSE to ensure their employees comply with the Children First guidelines. A total of 24,668 children were reported in 2008 to be at risk but only 15,364 had their circumstances assessed, leaving more than 9,000 reported to be at risk ignored by the HSE. It is urgent that the child protection guidelines are given statutory effect. Could the Tánaiste ask the Minister of State to prioritise this and not leave it until the end of 2010 or 2011, and that this Bill be published as soon as possible?

**The Tánaiste:** The Minister of State is anxious to bring in a child care amendment Bill that will put a new scheme in place on a statutory basis.

**Deputy Alan Shatter:** That is different.

**The Tánaiste:** He is working through a considerable number of commitments he has given in the context of new child care policy and the appointment of additional social workers to the service. I am not sure of a date but I will revert to the Deputy.

**Deputy Alan Shatter:** What about the social welfare Bill? Also, it is scandalous that the HSE, the primary body involved in child protection in the country, is continuing to fail to comply with the Government's child protection guidelines. It would not be tolerated in any other country in the European Union.

**The Tánaiste:** Until such time as the Government has decided on the budget, I am not in a position to say when the social welfare Bill will be before the House.

**Deputy Alan Shatter:** Could it be published before Christmas?

**The Tánaiste:** Of course. If we must introduce measures that have an impact from 1 January, a social welfare Bill must be introduced prior to Christmas. It all depends on the decisions the Government will make and we must wait until the day of the budget to find them out.

**Deputy Alan Shatter:** So the projected social welfare cuts may be implemented by 1 January and we may have a social welfare Bill guillotined in this House some time between 9 and 18 December.

**An Ceann Comhairle:** The Deputy is anticipating the legislation and it is not possible to be specific at this stage.

**Deputy Alan Shatter:** This is an important issue. It has never happened before that a social welfare Bill has been published within a week of a budget. Is this the Government agenda? Will the social welfare Bill be put through the House before Christmas so cutbacks the Government intends to implement come into operation on 1 January?

**The Tánaiste:** The Deputy is making an assumption on the basis of something that has not been decided and, therefore, I am not in a position to advise the House.

**Deputy Alan Shatter:** It has not been excluded.

**Deputy Seán Sherlock:** I support Deputy Stanton in his attempt to raise the issue of job losses in Youghal. It is a fright to God—

**An Ceann Comhairle:** There are so many other ways the Deputy could bring this issue to the floor of the House.

**Deputy Seán Sherlock:** —that we have to use the greyhound legislation to raise an issue related to our local constituencies, when the only other two avenues open to us to raise it are an Adjournment debate or under Standing Order 32.

**An Ceann Comhairle:** The Deputy could table a special notice question or a parliamentary question.

**Deputy Seán Sherlock:** It is time to reform this House and to introduce new rules and regulations to allow us to raise such issues on the Order of Business.

This is the tenth time I have asked if the Government has any intention of publishing the animal welfare Bill. If it has no intention of publishing it, it should just say so.

**The Tánaiste:** There is no date for that Bill, as the Deputy is aware. I can ask the Minister to provide an updated briefing on what this Bill entails with the relevant people in the Depart-

ment. As a former Minister for Agriculture and Food, I know this will have a significant impact on the way we deal with veterinary medicine and animal husbandry. Consultation is taking place on that basis, working through best practice. It might be prudent for the Minister to facilitate a briefing on the progress of this Bill.

**Planning and Development (Taking in Charge of Estates) (Time Limit) Bill 2009: First Stage.**

**Deputy Seán Sherlock:** I move:

That leave be granted to introduce a Bill entitled an Act to amend the Planning and Development Acts.

**An Ceann Comhairle:** Is the Bill opposed?

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

Question put and agreed to.

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

**Deputy Seán Sherlock:** I move: "That the Bill be taken in Private Members' time."

Question put and agreed to.

**Estimates for Public Services 2009.**

**The Tánaiste:** I move the following Supplementary Estimates:

**Vote 7: Superannuation and Retired Allowances (Supplementary).**

That a supplementary sum not exceeding €65,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2009, for pensions, superannuation, occupational injuries, and additional and other allowances and gratuities under the Superannuation Acts 1834 to 2004 and sundry other statutes; extra-statutory pensions, allowances and gratuities awarded by the Minister for Finance, fees to medical referees and occasional fees to doctors; compensation and other payments in respect of personal injuries; fees to Pensions Board; payments in respect of Pension Benefit System, miscellaneous payments, etc.

**Vote 12: Secret Service (Supplementary).**

That a supplementary sum not exceeding €200,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2009, for Secret Service.

Votes put and agreed to.

**National Asset Management Agency Bill 2009: Report Stage (Resumed) and Final Stage.**

Debate resumed on amendment No. 5:

In page 16, between lines 36 and 37, to insert the following:

"(a) to contribute to the sustainable social and economic development of the State,"  
—(Deputy Joan Burton.)



**Deputy Alan Shatter:** Yesterday evening I raised an issue with the Minister of State at the Department of Foreign Affairs, Deputy Peter Power, who was taking the Bill in the absence of the Minister for Finance. I wish to raise that important issue again to give the Minister for Finance, who is in the House now, an opportunity to respond to it.

One of the major difficulties of the operation of NAMA will result from the existence of many unfinished housing estates and apartment blocks, some unoccupied, some semi-occupied, which do not fully comply with planning conditions. Essential facilities have not been provided for those who have taken up residence. NAMA will find that many already occupy properties in these developments where there are several unsold units and have serious difficulties because the estates have not been completed and essential facilities required by the planning authorities have not been provided. This will give rise to problems in two areas, first, where a loan is transferred to NAMA for which a development is security but the developer remains the main individual and may not have the finance to complete the development. What will happen in those circumstances?

**Minister for Finance (Deputy Brian Lenihan):** That does not arise from this amendment.

**Deputy Alan Shatter:** It does. It arises in the context of the social and economic development of the estate. The social dimension requires that, where appropriate, estates are finished and that where people occupy residences they are not left at a substantial disadvantage, locked into what may be partly ghost estates for many years.

**Acting Chairman (Deputy Jan O'Sullivan):** I remind Deputy Shatter that he is making his second intervention on this amendment and has only two minutes to speak.

**Deputy Alan Shatter:** I raise this because the Minister of State, Deputy Peter Power, was only starting to reply yesterday evening and I am conscious that the Minister for Finance was not here. I would not have raised it again were it not for that circumstance. The Minister is about to respond.

How will NAMA deal with an incomplete estate or apartment block and will those residing in those developments be left in Limbo for many years? Second, how is it proposed to deal with a situation in which a vesting order is made and NAMA takes over the property as security but will be bound by the planning conditions which attach to the development not the developer? Many young people, married and single, who have purchased properties in these developments will be left in impossible circumstances for many years. That is the issue I raised yesterday evening.

**Deputy Michael D. Higgins:** I welcome the fact that the Minister has accepted the principle of including social and economic development. Last evening we discussed the relevance of the word "sustainable". I will not delay too much on that except to say that as we finished our deliberations the definition of sustainable was not the usual one. The Minister was inclined to present it as something permanent. I do not define sustainability in those terms but according to the usage in common parlance of environmental and social development. The acceptance of the word "social", however, changes matters. We attempted to broaden the board to take these issues into account which the Minister also accepts.

There is a reason to include the word "cultural" too because there is a cultural deficit in the infrastructure of so many places where there are elaborate plans that will not proceed. For example, the Minister of State at the Department of Foreign Affairs, Deputy Peter Power, is aware of the vast project lying abandoned in Limerick city.

We are listening to two logics that could collide. There is the beneficial owner who enjoys planning permission and there may be pressure on the special purpose vehicle to sweat the site to yield the maximum commercial result. This is not necessarily compatible with the broader

issue that in the present circumstances we should reconfigure our thinking to deliver a social and economic dividend where the word social includes cultural development. That has the immense advantage that it maximises public acceptability. The public is taking the grief of the guarantee but it has been told that there would be a social dividend. Being able to say that the dividend will be delivered is very important. Examples are useful to demonstrate this. An example arises in the ownership of the commercial arm of CIE where a site can be looked at in one way as having to yield a certain figure. This, however, may be totally incompatible with integrated planning for transport or sustainable development for social and economic urban planning. How does the Minister propose to give security to the concept he has accepted? Does he see it as being privileged where it is necessary even though it may be at the cost of a yield from an asset's value?

**Deputy Kieran O'Donnell:** I want to raise a point of order. The Government will guillotine this debate tonight. I am making a plea to the Minister not to do so.

**Acting Chairman:** I am sorry Deputy O'Donnell but that was debated at length on the Order of Business this morning.

**Deputy Kieran O'Donnell:** The key amendments concerning the windfall tax, the surcharge, the bank levy and the guidelines will not be reached.

**Deputy Michael D. Higgins:** I think the latter is amendment No. 72 so we will certainly not reach that.

**Deputy Kieran O'Donnell:** We will never get to them. That is not what this House is about.

**Acting Chairman:** That was raised on the Order of Business. I ask Deputy O'Donnell to confine himself to the amendments that are being discussed.

**Deputy Kieran O'Donnell:** Will the Minister go to the Chief Whip to get more time to allow us to debate this legislation at length?

**Acting Chairman:** Deputy O'Donnell's colleague, Deputy Shatter, raised this matter on the Order of Business this morning, as did other Members, and it has been dealt with.

**Deputy Kieran O'Donnell:** Why is the Minister guillotining the Bill? This is against democracy. The key amendments have been put to the very end of the list so they will not be debated.

**Acting Chairman:** Will Deputy O'Donnell address the amendments being discussed?

**Deputy Alan Shatter:** On a point of order, having been in this House many years I have been party to the type of vote we have seen on the Order of Business in the past. I have also seen Ministers subsequently on Committee or Report Stage——

**Acting Chairman:** Deputy Shatter must confine himself to the amendments being discussed.

**Deputy Alan Shatter:** ——agreeing across the House to having time extended.

**Acting Chairman:** Deputy Shatter, this is not a point of order.

**Deputy Alan Shatter:** If the Acting Chairman would let me conclude, I am simply asking the Minister, in the public interest and in the interest of the credibility of this House, to give some serious consideration to extending this debate by agreement beyond 8 p.m. this evening.

**Deputy Kieran O'Donnell:** In the interests of democracy.

**Deputy Terence Flanagan:** In the taxpayers' interests.

**Acting Chairman:** Deputy Shatter, I will move on to the next speaker. If Deputy O'Donnell does not wish to address this amendment, I am moving on. The Minister can respond if he wishes.

**Deputy Alan Shatter:** We are doing a disservice to the general public in guillotining this legislation. The Minister knows this is not the way that this House should be run.

**Deputy Kieran O'Donnell:** The Minister knows that. There should be a proper debate.

**Acting Chairman:** Deputy Shatter knows well this was raised on the Order of Business this morning.

**Deputy Alan Shatter:** Yes and I am coming back to it. This legislation is too important to be guillotined.

**Acting Chairman:** I am ruling that I move to the next speaker. If Deputy O'Donnell wishes to address the amendments, he is free to do so.

**Deputy Kieran O'Donnell:** It is too important. Why is the Minister guillotining this debate?

**Deputy Alan Shatter:** It is too important.

**Acting Chairman:** The Deputies are wasting time. We must deal with the amendments in question. The matter of the guillotine has already been debated on the Order of Business. If Deputy O'Donnell does not wish to address these amendments, I will move to the next speaker, Deputy Rabbitte.

**Deputy Kieran O'Donnell:** It would be very much in the social and economic interests of the State that we had a proper debate on this legislation. Regarding the amendment, when one defines the economic and social development of the State, we must debate issues such as the windfall tax, the bank levy — which the Minister is calling a surcharge — and the guidelines on lending put forward by the Minister. This legislation will go through without having been properly debated in the House. It was my understanding that the Minister gave a commitment that there would be a proper debate. Instead, he is shirking his responsibility. He could extend the time allocated to have a proper debate on NAMA.

**Acting Chairman:** I am moving to Deputy Rabbitte if the Deputy will not address the amendments under discussion.

**Deputy Kieran O'Donnell:** I have addressed the amendment in terms of the social aspect.

**Deputy Terence Flanagan:** What about the other amendments?

**Deputy Pat Rabbitte:** The purpose of this section is to fix the banks. That is the overriding reason for the legislation. It would be a large gap in the legislation if there were no commitment, as is proposed in this amendment, to contribute to the sustainable social and economic development of the State. It is important that the NAMA board has the statutory imposition to look to the sustainable, social and economic development of the State.

Along with Deputy Higgins, I welcome the fact that the Minister has committed to this. I hope, however, I took it up correctly because I caused panic among the parliamentary reporters yesterday when I welcomed the Minister's excision of the particular paragraph (b) in sections 56 and 57, the muzzling provisions for the chief executive appearing before Oireachtas committees. I then found I was working off the Bill as initiated rather than amended. When I checked

the Bill as amended, I found the Minister had not excised them at all yet he had committed to it in my definite hearing.

**Deputy Brian Lenihan:** Clause (b) has been excised.

**Deputy Pat Rabbitte:** Yes, but it has reappeared in the Bill.

**Deputy Brian Lenihan:** No, there is an amendment on Report Stage excising it.

**Deputy Pat Rabbitte:** Good.

**Deputy Michael D. Higgins:** The Minister will appreciate that we saw it.

**Deputy Brian Lenihan:** It is in the Bill subject to Report Stage.

**Deputy Pat Rabbitte:** My point is that if the Minister agreed, as he did last week, to excise it, it ought not to be reprinted in the Bill before us on Report Stage.

**Deputy Brian Lenihan:** We did not formally excise it.

**Deputy Pat Rabbitte:** I take it then that the Minister's word is equally reliable here and he will take social and economic development on board.

**Deputy Brian Lenihan:** There is a later amendment to deal with that.

**Deputy Pat Rabbitte:** Coming back to the point made by Deputy Higgins, we were having this debate last night, during the Minister's enforced absence, with the Minister of State, Deputy Power, about why to excise the word "sustainable". My colleague Deputy Burton explained at some length that, apart from any other consideration, we were doing it to foster unity between the Government partners as the minor partner would want "sustainable" included in the amendment. The Minister seemed to be in favour of this last week. Why has it fallen out?

The Minister of State, Deputy Power, advanced a somewhat Jesuitical explanation that the Government would require flexibility in certain circumstances and that the term "sustainable" was equivalent to permanence and some other arguments that were above my head. I thought the word "sustainable" has an understandable meaning. At the time Deputy Gogarty was in the Chamber and he noticeably perked up when he heard the word. He saw it as a reason for continuing to support the Bill.

**Deputy Arthur Morgan:** I share the bafflement as to why the Government will not accept the word "sustainable" as it indicated on Committee Stage that it would. Given the short time we have, will the Minister be helpful and advise us if there are other Opposition amendments that he will accept? If he were to indicate what he will accept, it might expedite proceedings because less time would be needed to debate them.

**Deputy Brian Lenihan:** My amendment seeks to include the phrase "to contribute to the social and economic development of the State" in this section. That formula is identical to the other amendments, apart from the issue of sustainable which I will return to in a moment.

On the merit of the amendment, I agree with Deputy Rabbitte that it is essential that this should be in the purpose of the section. It is worth recalling that it is not just a purpose but defined in terms of addressing compelling need. Social and economic development, therefore, is a compelling need for the purposes of this section. In addition, the section relating to the directions and guidelines the Minister may give, specifically permit the Minister to refer to this compelling need. It is not just an abstract aspirational statement. The power is in the legislation to translate that compelling need into a practical directive in terms of the authority. It is an

[Deputy Brian Lenihan.]

important issue and I very much welcome the amendment. I am glad to have been able to address it.

Deputy Shatter raised the question of uncompleted estates. Clearly, NAMA will have a commercial mandate. Within that mandate NAMA will have a borrowing capacity, will be able enter arrangements with an alternative developer to finish a particular development or will be able to enter an arrangement with a local authority if it is in sufficient funds or has the capacity to complete the development. Various options are available to NAMA in regard to the completion of a half-completed estate. As Deputy Shatter postulated on the issue, I assume he is referring to a half-completed estate rather than a——

**Deputy Alan Shatter:** Or even an estate that is security for a loan where the developer has gone bust and various works such as landscaping and roads have not been completed, but much of the accommodation is occupied. To whom will the residents look to solve their problems in those circumstances?

**Deputy Brian Lenihan:** Generally a local authority should take such an estate in charge.

**Deputy Alan Shatter:** The local authority will not do that unless an estate has been properly completed.

**Deputy Brian Lenihan:** We had spectacular examples of this in the 1970s and 1980s but nowadays there is a bonding system in operation——

**Deputy Terence Flanagan:** It is insufficient.

**Deputy Brian Lenihan:** ——where there is an insurance bond, which the developer normally must have entered with the local authorities, as an aspect of good local authority practice. If it is a dereliction on the part of the local authorities, that is a serious matter. From my experience, local authorities have these bonds, which are issued by insurance companies and which assure the completion of these developments.

**Deputy Kieran O'Donnell:** In many cases in the past they were not in place.

**Deputy Alan Shatter:** In some cases they have expired because of the time that has passed since they were taken out. In other cases local authorities are unwilling to enter a bond.

**Deputy Brian Lenihan:** Local authorities have legal, statutory obligations. If there is dereliction on the part of local authorities, the local members will have to hold the officials in those authorities to account for their dereliction of duty. NAMA cannot be used in terms of its commercial mandate to act as a substitute for derelict behaviour on the part of local government.

**Deputy Alan Shatter:** Guidelines will be needed, otherwise residents will be left in huge difficulty.

**Deputy Brian Lenihan:** There will be a need for them. I accept that. The Deputy has instanced one difficult area in a conventional type of development, but if a management company will be in place——

**Deputy Pat Rabbitte:** It will be a nightmare.

**Deputy Brian Lenihan:** ——and NAMA will take the position of a management company, the position will be even more difficult.

**Deputy Terence Flanagan:** This area is not regulated.

**Deputy Pat Rabbitte:** We have some examples.

**Deputy Brian Lenihan:** Yes, we have. Legislation is being introduced but it needs to be expedited.

Deputy Higgins referred to sections 13 and 14. The compelling need that is now inserted in the legislation is supported by the powers of direction and guidelines in sections 13 and 14. The Deputy postulated this conflict between the economic and the social. NAMA clearly has to operate within a commercial mandate, but within that commercial mandate I maintain an amount of social good and gain can be secured. The most obvious example, which I have mentioned previously, is the question of giving public authorities first option on sites and not being held up to ransom demands by developers and owners of land in regard to the use of land for public purposes such as the location of health centres, schools, playgrounds and the like. That is one example of how within the commercial mandate, NAMA can secure a considerable amount of social advantage.

Deputy O'Donnell intervened to raise the question of the time allocation for the debate, but that has been debated already in the House this morning. There is urgency attaching to this legislation. The OECD said it yesterday and Commissioner Almunia said it a few weeks ago. I am anxious to get on with this. I want to be careful in pointing out that I am not blaming the Opposition for delaying the legislation to date in any respect. That is not the suggestion I am making, but there is an urgency about it.

Deputy Rabbitte raised the question of sustainable development, which was also raised by Deputy Morgan. I am examining an amendment in regard to the issue, which can be submitted before Seanad Éireann for its consideration and would then come back to this House. Social and economic development in that sequence is a correct compelling need for the authority. The introduction of the word "sustainable" to qualify that raises a whole host of other questions about the planning system, which has its own distinct statutory mandate. Deputy Higgins raised questions about sustainable planning as well. The planning authorities have their own integrity under their own legislation. Social and economic development is a valid, objective, legitimate, stand-alone and compelling need. Sustainability, and its precise formulation, has to be in the context of the planning code as well. I am working on a suitable amendment for insertion into the legislation, but I do not want to link sustainability with the other two ideas in the context of a compelling need. Sustainability, ultimately, is secured by the planning authorities. It is not a compelling need of NAMA, it is a statutory obligation in the whole system.

Deputy Rabbitte mentioned the issue of the part I deleted in what he chooses to call the "gagging sections". It is covered in amendments Nos. 71 and 73. We did not move in the House that the words stand deleted. There is an amendment tabled and that provision in this respect is secured in amendments Nos. 71 and 73, lest we do not reach them.

**Deputy Pat Rabbitte:** We are happy to move on.

**Acting Chairman:** When replying, I ask Deputy Higgins to indicate whether the amendment is being pressed.

**Deputy Michael D. Higgins:** No.

**Acting Chairman:** It is not being pressed. I understand the Deputy is speaking on behalf of Deputy Burton.

**Deputy Michael D. Higgins:** If the Minister is suggesting that sustainability can be achieved in another way in the legislation, I look forward to that.

**Deputy Brian Lenihan:** Yes.

**Deputy Michael D. Higgins:** I look forward to that. It is on that understanding I will not press the amendment. I want to just make one point because I did not speak previously on this matter.

**Acting Chairman:** The Deputy can make the point in his reply on behalf of Deputy Burton to this amendment.

**Deputy Michael D. Higgins:** It seems that social and economic is being qualified within the context of the commercial. I am not splitting hairs in this respect. The argument is——

**Deputy Brian Lenihan:** My amendment provides that it is “the social and economic development of the State”.

**Deputy Michael D. Higgins:** Yes. I want to make a small core point. If one says that the achievement of sustainability is an issue for the local authority and that responsibility for new large derelict sites — perhaps due to the collapse of commercial proposals — is a function of the local authority, this raises a resource issue for the local authority. This may appropriately be a matter for another discussion on the environment and planning. I accept that, but I cannot accept the suggestion that it can be achieved as some kind of residual outcome. Many commercial projects have taken advantage of the strategic infrastructure legislation — some have gone past the local authority planning process and gone directly to An Bord Pleanála. Many of them have a very strong commercial component, which may or may not be present. There may be dereliction on a very large site, one that could be used for transport, cultural or development purposes and so forth. The local authority would not have the capacity to develop it. In such a case, the local authority would have originally heard a flawed proposal that was commercially driven, but it now has neither the capacity nor the scope to develop it and may face many legal obstacles in regard to ownership of the site to enable it to do anything. What we are getting is another commercial version to succeed the previous failed one. I have reservations in this respect. I am not pressing the amendment on the basis that sustainable development will be addressed in another part of the legislation, but I have to confess my unhappiness about the reference in the amendment to only the social and economic development of State. It is a kind of a cop-out because it suggests that this is a bigger issue beyond the scope of all of us and it will always be beyond the scope of the local authority. That thinking has created havoc in terms of good planning that can be perceived locally, regionally and elsewhere. In many cases if there is social and economic development, one begins with the shortfall in infrastructure, schools, hospitals, cultural and other issues, particularly public transport. I am glad Deputy Fahey is present because he will be as well aware as I am of the distinction between the use of a large site in the ownership of a semi-State body given the statutory responsibility for transport, and the sweating of the site for its commercial yield, with approximately 12% of it being used for public transport. That is a practical example.

We should use the position we are in, and the new structures, to achieve a dividend for the public. My point to the Minister is that he must show, not only on paper, that he would like to see a social dividend and how it can be achieved and not be defeated by the application of a narrow and arcane definition. We have had this before. People would suggest, for example, that one could state because of global insecurity due to climate change, we cannot do anything locally or nationally. That argument does not run.

Amendment, by leave, withdrawn.

**Deputy Brian Lenihan:** I move amendment No. 6:

In page 17, line 14, to delete “and”.

Amendment agreed to.

**Deputy Brian Lenihan:** I move amendment No. 7:

In page 17, line 17, to delete “sector.” and substitute the following:

“sector, and

(viii) to contribute to the social and economic development of the State.”.

Amendment agreed to.

Amendment No. 8 not moved.

**Deputy Kieran O’Donnell:** I move amendment No. 9:

In page 17, between lines 17 and 18, to insert the following:

“(viii) to ensure that the measures taken in this Act restore confidence in the banking sector are reciprocated by lending by the participating institutions to members of the public generally in their private capacity and to small and medium enterprise in particular,

(ix) to ensure an orderly property management strategy over a ten year period following the enactment of this Act,

(x) to recover the maximum funds for taxpayers by ensuring that the principal and exclusive purpose of NAMA is to recover the maximum funds possible for the assets acquired by NAMA under this Act, and

(xi) to take all necessary steps to prevent a recurrence of the conditions that brought about the financial crisis.”.

This is an important amendment that goes to the heart of what NAMA is all about, which is, effectively, to restore the credit supply to the economy by the banking institutions. We have also tabled three other amendments in this regard, amendments Nos. 29, 32, and 78, which are critical in terms of putting down guidelines. The Minister has tabled amendment No. 127 in that regard which I expect will not be discussed due to the guillotine.

The Minister made reference to delaying on the enactment of this legislation. I suspect that the gain derived from extra time to discuss the Bill would far outweigh the loss. I am very disappointed the likelihood is that of the 133 amendments tabled, the key amendments the Minister stated he would bring forward at Report Stage, namely, the windfall tax, the bank levy and the guidelines on lending, will not be discussed.

**Deputy Terence Flanagan:** We will not get to them.

**Deputy Kieran O’Donnell:** I have a major issue with that.

On the key issues the Minister is to bring forward guidelines on getting credit flowing but I must express my severe disappointment that he saw fit not to allow extra time to ensure we improve the quality of this legislation.



**Deputy Brian Lenihan:** The Dáil saw fit.

**Deputy Kieran O'Donnell:** No.

**Deputy Brian Lenihan:** The Government saw fit.

**Deputy Kieran O'Donnell:** If the Minister wished, he could voice the view that he felt extra time should be given to the Bill and no doubt the Government would acquiesce to that request from him.

The other issue concerns the term, “to ensure an orderly property management strategy over a ten year period”. Once again, within the draft business plan we have no idea what exactly the Minister has in mind in terms of the assets because we do not know the length of the loans. We are told that €15 billion of the €77 billion will be the only assets that will be disposed of.

A critical issue we need to debate concerns situations where a person's performing loans have gone into NAMA and where all corresponding security has also been transferred. We need to look at the issue of finding ways, if such loans are performing and there is a viable business project, by which it would be possible to get secondary security on the securities held by NAMA with other financial institutions willing to extend funds. We need to be progressive in that way.

These are key issues. We have an amendment tabled in that regard. The problem is that the devil is always in the detail. There is no doubt we will not have time to debate many of the issues that will arise when NAMA is up and running, namely the issue of getting value for the projects, ensuring orderly property management and getting full value for the taxpayer. The only way the Minister can get value for the taxpayer is to ensure that he does not create a situation where assets are transferred to NAMA with performing loans, for example, a green-field site, with all of the security going into NAMA but where the site cannot be developed.

I would be interest to hear from the Minister how he intends to prioritise the €5 billion that NAMA has at its disposal in terms of development. What projects will he be dealing with? Will it be exclusively concerned with finishing existing estates? What commercial criteria will the board use? Will the Minister be issuing directions in that regard?

It is for these reasons it is so disappointing that at 8 o'clock this evening we will not have discussed the windfall tax. I also expect we will not have discussed the question of the bank levy. The Minister is bringing in a surcharge on corporation tax which applies only if banks pay corporation tax. Banks may still make profits and pay no corporation tax. I would have thought a more valid measure would be to do it on the basis of operating profit before adjustment for losses forward. If banks are making profits they should pay the levy. If they are not, I can see a case that they should not pay the levy. The problem here is that the Minister has created a situation whereby the banks may still make profits and not pay the levy. That is unacceptable to the public.

We have tabled an amendment on the issue of the subordinated debt, amendment No. 54, which, the purpose of which is, once again, to recover the maximum funds for taxpayers by ensuring to recover the optimum funding for the assets acquired by NAMA. The Minister is giving only €2.7 billion of the €7 billion overpayment by way of subordinated debt. Instead, that subordinated debt should be based on the difference between the price the Minister is paying for the assets and their market value. That is not the case.

**Deputy Brian Lenihan:** That would definitely make a loss, as I pointed out to the Deputy previously.

**Deputy Kieran O'Donnell:** The Minister did not.

**Deputy Brian Lenihan:** We have already rehearsed this debate. Deputy O'Donnell cannot be a one-trick pony now. We must discuss the amendments.

**An Leas-Cheann Comhairle:** Allow Deputy O'Donnell make his contribution.

**Deputy Kieran O'Donnell:** We are discussing the amendment. If the Minister reads the amendment,—

**Deputy Terence Flanagan:** The purpose of the Act.

**Deputy Kieran O'Donnell:** —he will see that the purpose of the Act is restoring credit, orderly property management strategy,—

**Deputy Terence Flanagan:** They are basic.

**Deputy Kieran O'Donnell:** —to recover the maximum funds, to take all necessary steps to prevent a recurrence of the conditions that brought about the financial crisis. The Minister can be glib and state we should not discuss them, but these are key amendments. Some of them are new amendments. The windfall tax is a new amendment, a new section.

**An Leas-Cheann Comhairle:** Will Deputy O'Donnell focus on amendment No. 9?

**Deputy Kieran O'Donnell:** The surcharge is a new amendment, creating a new section. It was not tabled on Committee Stage and we will never get the opportunity to discuss it.

**An Leas-Cheann Comhairle:** If the Deputy focuses on amendment No. 9, we would make progress.

**Deputy Kieran O'Donnell:** It is critical that we get time to debate the issue of the credit flow. The Minister has tabled amendment No. 78 and the worry is we may not get the opportunity to discuss it. It is critical in terms of the orderly management of property. That is why there would be a need for proper verification of the NAMA business plan. In this regard and on the question of the subordinated debt and the maximum funds for the taxpayer, the Minister must remember that if NAMA makes a loss it is the taxpayer, not the banks, who will pick up the bill, with the exception of the figure of €2.7 billion.

There is promised legislation to reform the regulation system but no date has been given as to when it will come before the House. I would have thought it would be a priority for the Minister. We cannot have a situation where we are enacting the NAMA legislation but have no date for when legislation to reform the regulatory system, in terms of the Central Bank and the Financial Regulator, will come before the House.

**Deputy Michael D. Higgins:** I will confine myself to amendment No. 9 because amendment No. 10, which is in the name of Deputy Morgan of Sinn Féin, is being taken with amendments Nos. 79 and 80, which are in the name of my colleague, Deputy Burton, and deal with related matters of liquidity to SMEs.

I want to raise a point with regard to amendment No. 9, which suggests the addition of four additional paragraphs, with three of which I have no difficulty. With regard to paragraph (viii), the Minister suggested in what I hope was not just a fit of enthusiasm that he had moved from relying on moral suasion to legal prescription. He suggested that either of three options are available, namely, a change in culture which would happen in the banking sector, in which none of us believes; moral suasion, which is very slight in terms of any result; or legal prescription. We need to see that and I hope we will see it before we finish the Bill.

[Deputy Michael D. Higgins.]

With regard to paragraph (ix) and having an orderly property management strategy over a ten-year period, this is valuable in terms of the period of time. However, I have a problem with the new paragraph (x), which seeks “to recover the maximum funds for taxpayers by ensuring that the principal and exclusive purpose of NAMA is to recover the maximum funds possible for the assets acquired by NAMA under this Act”. I am unhappy to some extent with the use of the term “principal and exclusive” in that paragraph as it takes from what we have agreed in regard to economic and social development. For example, if that paragraph read “to recover the maximum value”, it would accommodate not just a cash yield but it would be able to carry the burden of the social and economic development to which the Minister has assented.

Overall, while I have a problem with Deputy Bruton’s paragraph (x), I would agree with the general thrust of what is sought to be achieved from the amendment, with that reservation.

**Deputy Pat Rabbitte:** I agree with my colleague, Deputy Higgins, with regard to paragraph (x), which seeks to install this purpose as the exclusive purpose of NAMA. It is an important purpose but it is not the exclusive one and there others, some of which we have just been discussing. I do not want to go back over the matter.

It causes to arise in my mind the assurance frequently given by the Minister to the House that we are, of course, going to go after the borrowers, we will take them for every penny they owe, we are going to ensure that these moneys are retrieved and so on and so forth. The fact of life is that the Minister, NAMA and the SPV can go after some of the borrowers all they like but they are not going to get very much back in some cases. That is what leads to the different mathematics done by people like Peter Matthews I referred to yesterday in terms of the non-performing loans and what proportion it is reasonable to say can be retrieved in the economic circumstances in which we find ourselves.

The other purpose of this amendment is to give us an opportunity to briefly debate the central purpose of the Bill which, unfortunately, in the time circumstances in which we find ourselves, is unlikely to be reached. It must be underlined again that the entire purpose of this very complex and intricate legislation, and this extraordinary gamble that we are taking on behalf of the taxpayer, and the intricate architecture that is woven here by the Minister, all comes to naught unless it causes money to flow in the economy again. In that sense, the amendment gives us the opportunity to again highlight the importance of restoring confidence in the banking system.

It is not like making widgets or producing concrete blocks. Trust and confidence is at the heart of the banking and financial industry and, where that has been eroded, it is very difficult to address with confidence the other problems in the economy unless we can get that confidence back in the banking system. For the public that means, for example, whether I am more likely as a result of the legislation to have my overdraft extended, to have the normal facilities that are available to my small company or to keep my people in employment. That is critical and central. It is the core purpose of this legislation — it is why we are here. From that point of view, anything that can legislatively impose such an imperative on the management of the implementation of this Act is correct because if that does not happen, it has failed. I accept, of course, that this may mean the covered institutions come back to us for more capitalisation and all that this would mean in terms of our financial and economic situation.

The amendment provides the Minister with another opportunity to say to a sceptical public that credit lines will be unfrozen for prudential lending after this legislation goes through. I do not know. There are conflicting stories. There is no Member of this House who has not had representations from people who are owner-managers or managers of small or medium enterprises who say they are in difficulty because of the tightening credit situation.

**Deputy Michael D. Higgins:** And the new conditions.

**Deputy Pat Rabbitte:** Meanwhile, some of the covered institutions are taking advertisements in the newspapers stating it is business as usual. We have heard examples in this House suggesting there is not very much behind those advertisements. People have explained their personal experience during the course of this debate and how that is being manipulated to give the image of business as usual, but that is not what is going on behind the scenes. In that sense, this amendment provides the Minister with the opportunity to again tell us what are the reasons for people being confident that as a result of this elaborate mechanism being put in place — this huge risk to the taxpayer — credit is more likely to be available to small and medium enterprises, to people who want to buy houses and to those who want to engage in the normal activity that makes up such a large part of our economic affairs in this country.

**Deputy Arthur Morgan:** I want to record my support for the amendment. The thrust of it is completely in accord with the amendment in my name which will be dealt with next.

**Deputy Terence Flanagan:** I support the amendment and ask the Minister to accept that the changes within it are necessary to reflect the purpose of the Bill, for example, that confidence be restored by proper lending taking place in financial institutions. We have had that debate over various days. It is the central purpose of this legislation and it is critical that it is reflected in the Bill. We want to see property drip-fed onto the property market, which is in bad enough shape at present without all of this property coming immediately on to the market. This is why we want paragraph (ix) of the amendment included in the Bill.

With regard to paragraph (x), we are all here to protect the taxpayer, as is our duty—

**An Leas-Cheann Comhairle:** We are dealing with amendment No. 9.

**Deputy Terence Flanagan:** I am referring to paragraph (x) of amendment No. 9, not amendment No. 10.

**An Leas-Cheann Comhairle:** I beg the Deputy's pardon.

**Deputy Terence Flanagan:** The reason we are here is to protect taxpayers and that should be reflected in the functions of the Bill. Subsection (xi) will ensure that the situation does not occur again, and we all want to ensure that this does not happen.

It is a disappointment that the Bill is being guillotined. Perhaps the Minister might extend the debate. If time is limited, there certainly should be an opportunity for parties to prioritise the most important amendments.

**Deputy Brian Lenihan:** I agree with Deputy Flanagan and Deputy Rabbitte. We are in your hands, a Leas-Cheann Comhairle, but it struck me that the amendments grouped with amendment No. 29 could be taken at this stage because they deal with the power to issue credit guidelines. I do not want to cut Deputy O'Donnell short. He may wish to go through the material relating to the objectives. I do not know if it is procedurally possible to take amendment No. 29 and group it with this.

**An Leas-Cheann Comhairle:** The only flexibility the Chair has is with the actual groupings. The Standing Orders of the House require the Bill to be dealt with *seriatim*. If the two groups of amendments are germane to each other, it is possible to group them together, as long as the House agrees.

**Deputy Brian Lenihan:** We should merge the two groups. I suggest we take amendments Nos. 29, 32, 78 and 127 together, as they deal with credit supply powers.

**Deputy Michael D. Higgins:** Amendments Nos. 10, 79 and 80 are grouped together as they all deal with credit flow, so I presume we will be able to deal with the other amendments that deal with credit flow.

**An Leas-Cheann Comhairle:** Procedurally, the orders of the House state that we deal with the Bill *seriatim*. My problem is that a Deputy might feel that we have taken something out of sequence to which he or she wished to contribute but was deprived by order of the House. The normal procedure is that the Whips would bring an amending order forward. Members will have to indicate to their Whips that this is being proposed. I am willing to take a proposal from the Minister to do the groupings.

We must dispose of amendment No. 9 now, then move on to amendment No. 10 and its grouping, as well as amendment No. 29 and its grouping. I now call on the Minister to give his formal response to amendment No. 9.

**Deputy Brian Lenihan:** Amendment No. 9 proposes a new set of objectives in the Bill. Subsection (viii) is already covered as the purposes are fulfilled in the amendment I have brought forward to set out guidelines relating to lending. The “orderly property management strategy” under subsection (ix) is not the purpose of the Bill. It is something that NAMA may adopt to achieve its functions. Section 11(2) addresses the property markets and states: “In the exercise of its functions NAMA shall have regard to the need to avoid undue concentrations or distortions in the market for development land.”

The proposed new subsection (x) is already covered by section 4, which is then translated into NAMA’s purposes in section 10(2). That is the objective of achieving the best possible financial return for the State. I agree with Deputy Higgins that subsection (x), as drafted, puts it too far.

The proposed new subsection (xi) is clearly outside the scope of the legislation. That is part of the regulation legislation to which Deputy O’Donnell referred. We have taken a first step by fusing the two boards. The necessary legislation will be before the House in the spring. We have made the necessary appointments and we are progressing with the issue.

Amendment put and declared lost.

**An Leas-Cheann Comhairle:** Amendment No. 10 is in the formal grouping with amendments Nos. 79 and 80. I understand that the Minister intends to propose a procedural change.

**Deputy Brian Lenihan:** I propose that we take amendment Nos. 10, 29, 32, 78 to 80, inclusive, and 127 together.

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

**Deputy Arthur Morgan:** I move amendment No. 10:

In page 17, between lines 17 and 18, to insert the following:

“(c) all participating institutions shall be obliged to increase lending to SMEs and first time buyers and shall be obliged to report on lending activity in these areas bi-monthly to the Houses of the Oireachtas,

(d) all participating institutions shall be obliged to cease mortgage repossession for the period of two years, in cases of genuine hardship, following commencement of this Act.”.

I thank the Leas-Cheann Comhairle for his co-operation as we gingerly sought to find a way to get through these amendments more quickly. The first thing I would like to say as part of this discussion is that I do not trust the banks to lend. They lent too much during the boom and they are lending too little during the recession. That has been an international fact of life for some considerable time. It will take more than moral suasion to ensure the banks lend more money — legal prescription will be needed.

In recent times, there has not been a comfortable relationship between bankers and morality. Therefore, it is important that we put legislation in place. I appreciate that a number of the Minister’s amendments propose the introduction of regulations. I will be interested to hear what he has to say in that regard. The scale of what we are dealing with is very substantial. Earlier on Report Stage, somebody asked how the billions of euro we are talking about can be quantified. When I asked a friend of mine, Mr. Séamus Hazlett, who is not an election candidate, to try to work out a quantifiable system of measuring this, he came to me a few days later to say that it takes almost 12 days for a million seconds to pass and almost 32 years for a billion seconds to pass. That is a demonstration of the substantial scale of what we are dealing with. I look forward to hearing what the Minister will say in a few moments.

**Deputy Kieran O’Donnell:** I thank the Minister for facilitating this discussion on a key element of the NAMA project, which may help to get credit to flow to small businesses. Fine Gael has tabled amendments Nos. 29, 32 and 78. The Minister’s amendment No. 127, which is very general in import, states:

(1) The Minister may issue guidelines—

(a) regarding lending practices and procedures to facilitate the availability of credit to classes of borrowers or potential borrowers including small and medium sized enterprises, and

(b) relating to the review of decisions of participating institutions to refuse credit facilities.

(2) A participating institution shall comply with any guidelines issued under *subsection (1)*.

Fine Gael’s three amendments, by contrast, more clearly prescribe what the banks should do. One of the weaknesses in the Mazars report was that it did not distinguish between new and existing businesses. Its headline figures suggested that €32 billion was extended to the small business sector at a particular time. A few months later, the same figure was increased. The report did not distinguish between new and existing facilities or take account of the withdrawal of overdraft facilities from existing customers. It did not consider factors like rolled-up interest and interest write-offs. It did not indicate the number of people who present themselves at the banks, as distinct from the number of applications that are processed. The banks normally use substantial screening processes so that by the time applications are registered, the people in question have already been more or less approved. We need the exact detail of what the banks will do.

Amendment No. 29, like the related amendment No. 32, states that the guidelines drawn up under section 13 should have regard to “credit for start-up enterprises”. The small business sector has been badly served by the banking establishment. There are almost 250,000 small and medium-sized enterprises in Ireland. Some 800,000 people are employed in the SME sector. Many of them have come to our constituency clinics to tell us about the pressure they are

[Deputy Kieran O'Donnell.]

under. I have spoken to people who may have an overdraft facility of €10,000. In some cases, the banks are reducing or withdrawing such overdrafts. As a result, many businesses are unable to continue to function. They are having to let staff go and are struggling to pay their creditors. It is a vicious circle. If a shopkeeper owes money, that can have a domino effect that puts a local garage out of business. We must ensure that credit is flowing. Bank credit is the lubricant of the economy in the sense that it can free up the credit bottlenecks that develop from time to time. If sufficient credit is available, business people will be able to pay each other. That is not happening at present because overdraft facilities have been restricted or removed.

We have made reference in amendment No. 29 to the “frequency of declined cases and the criteria that has been used to decline cases” because it is critical that the guidelines for any reporting structure that is imposed on the banks should deal with the issue of footfall. We need information on the number of people who come to the banks. It is acceptable for the banks to refuse credit to people for legitimate reasons, as no one wants imprudent lending. The Mazars report was economical in the sense that it did not give us any idea of the number of people who are presenting to the banks. It gave us details of applications that were approved, while mentioning a few nominal cases in which applications were not approved. I reiterate that proper reporting is critical.

It is extremely important that the guidelines should deal with “the renegotiation of existing credit lines and the terms that have been applied”. Deputy Fahey has pointed out on a number of occasions that when businesses go to the banks to renegotiate their facilities, the banks often increase the punitive rates of interest they charge. If somebody with an overdraft facility of €10,000 or €15,000 also has a term loan facility, when the latter facility comes up for review the banks often change the conditions of the overdraft facility or the rate of interest. We need to get fair play from the banks when the cash injection of €51.3 billion tumbles in from NAMA. The banks cannot be allowed to cherry-pick premium clients. Everybody knows there is a level of risk in business — no business proposition is risk-free. The banks cannot be allowed to act in an absolutely risk-adverse manner. Given that the banks will be able to close the gates when the €51.3 billion injection has been handed over, the guidelines we are discussing will have to be approved in advance of the negotiations on the loans or the handing over of funds from NAMA to the banks.

I feel strongly that the guidelines should set “limitations on the use of the new liquidity for purposes other than extending credit”, as proposed in amendment No. 29. The Minister will be aware that in EUROSTAT’s communication to the banks on how they should deal with impaired assets, it suggested that the extension of funds to the banks through NAMA should be accompanied by behavioural constraints which would mean that the banks cannot use those funds in certain ways. I understand that the business plans being prepared by the banks have not yet gone to the European Commission for review. I do not doubt that restructuring will take place as part of those plans. Some €54 billion is to be given to the two main banks, which will be in a position to accept funds and lend them as credit. Anglo Irish Bank is a black hole, in effect, in terms of the approximately €20 billion that is being provided. The two main banks cannot be allowed to use those funds to buy other assets and thereby create more of a monopoly situation. They cannot be allowed to pay off their debts at much higher rates on the interbank markets. They cannot be allowed to use this money to play on the interbank markets overnight because that is where they will get the best rate of return. They cannot be allowed to pay off bond holders.

We must ensure the €51.3 billion is put to productive use in the economy. It affords the opportunity for a fiscal stimulus by the back door. I have no doubt that the European Commission had this in mind. I suspect it will not be happy if the banks hoard the money for their

own devices. It is critical that they do not. Has the Minister received any communication from the Commission requiring the banks, as part of their business planning, to indicate to the Commission and the Government how exactly they propose to use the money?

There is a strong argument for putting protocols in place across various sectors. They should not be too prescriptive but should certainly apply to the areas of green energy and value-added products such that the money will be put to good use, particularly in the creation of jobs. Thus, a balance will be struck.

Subsection (4), as proposed in amendment No. 29, states: "Any guidelines made under this section shall be immediately laid before the Houses of the Oireachtas." This is critical. When does the Minister propose, on foot of amendment No. 127, to issue and obtain agreement on the guidelines? Will he be laying them before the Houses before any formal transfer of assets from the banks to NAMA? Once the assets are transferred and once the money has gone into the banks, the horse will have bolted. The Minister is in a strong negotiating position. He should not only accept his own amendment but our amendments also. Ours provide greater detail and clarify the Minister's, which is very general.

Amendment No. 29 deals with the guidelines and amendment No. 32 deals with directions and the types of conditions that would be laid down. Amendment No. 78 deals with the obligations of participating institutions. It seeks to insert:

(g) report of its success in meeting guidelines which shall be set from time to time by the Minister, in relation to making credit available [ . . . ],

(h) the guidelines referred to [ . . . ] shall include but are not limited to:

(i) credit for start-up enterprises,

(ii) the frequency of declined cases [ . . . ],

(iii) the renegotiation of existing credit lines [ . . . ], and

(iv) limitations on the use of the new liquidity for purposes other than extending credit,

The cut-off point will clearly be when the assets are transferred to NAMA. If the guidelines are not approved and laid before the House before that date, it will be too late.

We must also consider the reporting structures. We must not get back a report such as the Mazars report. I am not in any way judging Mazars. It had terms of reference determined by the type of information the banks provided to it and it effectively based its report on this information. I do not believe the banking system is unable to distinguish between new and existing loan facilities, as the banks told Mazars when it was completing its report.

It is critical that the Minister obtain details on all applications for loans and on all existing facilities that have been withdrawn. He should obtain details on all existing facilities where the rate of interest has been increased, how often the banks are carrying out reviews, the number of new cases to which credit has been extended and the types of credit facilities in these cases. Furthermore, he should compare the requests for credit facilities by businesspeople with the extent of the facilities afforded to them. The banks must not provide inadequate facilities such that businesses will not have sufficient working capital. NAMA is facilitating the banking system, giving it time to breathe and come back to life and removing from it its toxic debt. The banks should afford credit facilities to viable businesses.

Enterprises are going out of business at present not because they are not viable but because they are being starved of credit. This is a very real problem. The banks will say they are giving credit but they are not. They are giving credit to businesses that are effectively gold standard.



[Deputy Kieran O'Donnell.]

I will not go so far as to refer to Government stock in this regard. Credit is only being given to businesses which in the current environment would be regarded as risk free.

If we are to emerge from recession, the banks must play their part and give loans where there is calculated risk. They must ensure funds flow. I commend our amendments to the House and hope the Minister will take them on board. They are very much consistent with amendment No. 127, which he had committed to tabling on Report Stage and on which I commend him. However, amendment No. 127 requires further clarification. We must not have woolly guidelines that will allow the banks to come back with woolly replies.

**Deputy Joan Burton:** The purpose of amendments Nos. 79 and 80 is very simple. They are not prescriptive in detail. They simply seek to require the Minister to establish a framework with the participating institutions in receipt of the €54 billion that will provide for a two-year moratorium on house repossessions by those institutions. I am well aware that Bank of Ireland and Allied Irish Banks have stated continuously that they are not eager to rush to repossess houses. This is correct but we do not know what will happen once the NAMA legislation is implemented. The banks may find it necessary to change their policy.

We do not know the breakdown in respect of house mortgages held by Anglo Irish Bank and Irish Nationwide. It may be that these mortgages largely pertain to houses bought to let or to more expensive homes. All we are saying is that there should be a framework. The Minister and his officials will probably claim the €54 billion is an Irish form of quantitative easing to put more money into the economy but the fact is that we are putting more money into a distressed economy that is deflating probably at a rate not seen since the 1930s. Our level of deflation is worse than that of almost any other economy I know of. Both the extent and speed of deflation genuinely frighten me.

If the €54 billion being invested as a means of quantitative easing does not have a positive impact on people's psychology, the exercise will not succeed. Deputy Michael D. Higgins referred not only to macro-economics and econometrics but also to political economy. Political economy concerns the psychology of consumer spending and consumer and business confidence. If €54 billion is to be invested as a means of quantitative easing, the Minister has included no corresponding mechanisms in the Bill to ensure this will work. This is a very difficult task. I do not underestimate the extent to which it would tax the officials of the Department of Finance. It is a challenge they have not faced before. It would need a considerable amount of ingenuity to think through how one does that. I say that as someone who worked in banks. It is extremely difficult to be prescriptive about that. That is why the Labour Party amendment is not prescriptive. It is focused rather on sending a psychological signal, backed up by a reference in the Bill to there being, first, in regard to the quantitative easing, a framework of two years on the home loans. People can scoff at this for technical reasons but they would be very foolish to scoff at it for business and psychological, economic reasons. I appreciate this would challenge the officials in the Department of Finance, the staff in the Financial Regulator, and it would particularly challenge staff in the Central Bank to be imaginative about how this would be overseen. Probably the single greatest challenge facing the National Asset Management Agency if it goes ahead, is how one makes the €54 billion effective?

I draw the Minister's attention to the fact that of the €77 billion, as he is aware, €28 billion is for Anglo Irish Bank, and a staggering €8.3 billion is for Irish Nationwide.

**Deputy Brian Lenihan:** In terms of the book debts.

**Deputy Joan Burton:** Yes, but the money the Minister is putting in is related to those debts. Can we be honest about it and say there is not a bob for businesses and home owners in the money going into either Anglo Irish Bank or Irish Nationwide? The focus is all on our two main banks, Allied Irish Banks and Bank of Ireland. The Minister is talking about quantitative easing of €54 billion, of which only approximately half is going into the ordinary countrywide mainstream systemic banks into which people put their deposits and that lend to businesses and homeowners. That is the crux of the problem on the NAMA proposal. The NAMA proposal will fail or work to the degree that those two issues are addressed. For homeowners, the psychological signal is that one has a framework agreement for a two-year period. Many will say that two years is not enough and that we should make it three. All I say is that it is a psychological framework. If we can get the balance in our economy right in two years, we can start a recovery. If we are starting recovery in two years, that problem will not exist in exactly the same way.

The second Labour Party amendment, No. 80, is to provide that there will be a framework for increasing lending to SMEs and to first-time buyers. Big multinational companies do not rely on either Allied Irish Banks or Bank of Ireland primarily or exclusively for their borrowing. They are fine. They are getting their credit requirements either internationally in their home country or partially in Ireland so they do not have the kind of problem that small and medium indigenous industry has. Again, this is about psychology and sending out a signal to the person who, for example, has a workshop or other enterprise employing ten or 15 people. In the past year they might have let go seven or eight people and they are back to where they were six or seven years ago. As they face Christmas they are going to have to make a decision on whether they can realistically stay in business. In many cases, unless people can find a way to structure their relationship with their bank to ensure a flow of credit then many of them, if they are over 50 and have some capacity to retire, will just let it go. One needs to give a psychological indication to such people that we have something to offer them.

Perhaps we could put some civil servants into the banks in Galway, Cork, Waterford and two or three big bank branches in the Dublin region so that they can follow what happens with the credit committee and provide monthly reports about credit flow or whether it is a phony credit flow. That is when existing mortgages are just turned over or existing arrangements about term loans and overdrafts are turned over. It is not new lending, it is the renewal of existing lending.

On the other hand, could the Minister not get some people into the Department, the Financial Regulator's office and the Central Bank who themselves have practical experience of banking and who know how and when to help to get credit going again? All of this is taking place against a background where both Bank of Ireland and Allied Irish Banks have indicated that given the great difficulty of their financial positions, they are going to have to deleverage or shrink their balance sheet.

The Minister was educated by the Jesuits. The Jesuits used to run a college of industrial relations for workers, particularly in the greater Dublin region. Their theory of distribution was about baking a bigger cake, and if we could only bake a bigger cake we could all get a bigger slice of the pie.

**Deputy Brian Lenihan:** Agreed.

**Deputy Joan Burton:** The Jesuits are very wise.

**Deputy Brian Lenihan:** The Marist Brothers taught me maths.

**Deputy Michael D. Higgins:** Give us the child and we will give you the man.

**Deputy Brian Lenihan:** The child was with the Marist Brothers.

**Deputy Joan Burton:** We are now facing a cake that is not growing, we are facing a national cake that is shrinking. How does one ensure, therefore, that first-time buyers and small and medium enterprises continue to get their share of the national cake if we do not put protective mechanisms into the Bill? The fact is that their slice will disappear to a significant extent because they are the easiest point. They lack clout. Someone who is employing 15 people in a workshop might not be experienced in the business of banking. Why should her or she be? Perhaps he or she is making furniture or supplying services. Such people are not able to afford an expensive accountancy advice service any more, so they are back to presenting themselves at the bank manager's door and saying "Please Sir, can I have some credit?" That is an "Oliver" moment for many small and medium enterprises. "Please Sir, can I have some credit?"

The Minister must be able to say to the people in the bank branches that he accepts they have to examine the creditworthiness of clients, which is a high barrier at the moment, but he and his civil servants in the Department of Finance must engage in that exercise with the banks because half of the €54 billion of quantitative easing, the money going to Anglo Irish Bank and Irish Nationwide is dead money and will not do anything in the real economy, it is simply to fill a hole. That is black hole stuff; it will not do much for us. That is the reality. However, the money going into Bank of Ireland and Allied Irish Banks is different because they are high street operators in every town and county in Ireland.

Related to that is another issue which the people in NAMA will have to consider. The fee package of €240 million a year is largely going to go, inevitably, into the Dublin region. If the Minister is talking about spending that kind of money, it must be spread around the country because, again, if that is stimulating activity it is wrong that it is all sucked into the Dublin area. There are ways and means of doing that without interfering with contracts. It can be a factor that is looked at and examined. There are, for example, very good legal, accountancy and liquidation services operating outside the Dublin region. NAMA and financial services in Ireland are concentrated in the Dublin region and the framework of this proposal and of the banks lacks a regional element. This is really important. The Minister could try to pass it out to the bigger cities.

The other quantitative easing in the NAMA legislation is the €5 billion, and possibly €10 billion if necessary, the NAMA board will have to spend on completing projects and so forth. Again, a fair amount of economic planning is required. The Minister has already agreed to the clause about contributing to the economic and social development of the country, and I thank him for that. The real challenge for people is not just to act as macro economists telling us that we must cut, cut, cut but also to tell us how this €54 billion can be contributed. If the Minister puts no obligations on the banks on these two issues, and that is absent from the Bill, the banks will shock him with their ingratitude.

I accept this is a challenge, but the country is in a position it has never been in previously. It is in a deflationary spiral. Like an aeroplane in the Second World War films we watched years ago, we are going down in a widening gyre until we crash. Unless we produce some serious thinking to address this, we will not get out of it. I urge the Minister to accept the Labour Party amendments or I will accept the Minister proposing his version of those amendments if he has advice from the Attorney General to that effect. They are not prescriptive, they are just a requirement.

**Deputy Jim O'Keeffe:** I find myself in the most unusual position of being in total agreement with Deputy Morgan as to how we should deal with the banks.

**Deputy Frank Fahey:** That is unusual.

**Deputy Jim O’Keeffe:** I refer, of course, to the moral aspect he raised.

**Deputy Arthur Morgan:** Welcome back.

**Deputy Jim O’Keeffe:** The issue of morality and banks has been discussed for centuries. By coincidence, the book I am reading at present is *The Merchant of Prato*, which deals with the formation of banks in Venice, Genoa and other places and the moral issues involved such as usury. St. Thomas Aquinas held with the just demand approach.

However, that is history. Today, we are dealing with the practicality of the banks. The first question is whether we need banks. Unfortunately, as many would say, we do. That leads us to the question of what they should do. We certainly do not need banks that operate like snowploughs in the Sahara; we need banks that have a useful purpose. If they were private institutions operating alone, they would be entitled to carry on in their own merry old way, but they are not. They are operating on the basis of receiving taxpayer-backed funds to the tune of €50 billion. On that basis, we are clearly entitled to prescribe the issues that are important to us on behalf of the people of this country. This money is not there to allow them to carry on in the same merry old way. This is not fat cat money to allow them to pay bigger bonuses for playing the markets and speculating, as happened in the past.

I referred to banks operating like snowploughs in the Sahara. It is clear that is what they were doing. They went through a phase in which they speculated and lashed out money when they should have been sensible and prudential. Now, they are going through a phase of refusing money to small businesses and others or effectively doing that by renegotiating loans and applying more onerous terms. We cannot and need not tolerate that. What should we do? We are entitled to prescribe clear specific guidelines. For that reason I strongly support these amendments. We are entitled to say, as representatives of the people of this country, that what we are interested in is a restoration of economic growth, the protection of jobs and new jobs and enterprise being encouraged. We are entitled to prescribe for that.

I have seen advertisements in the newspapers recently about the new business loans that are available. I query those advertisements. My experience is that people with small businesses have been called into their banks and had their credit lines cut off or they have been offered new, more onerous terms. There is less credit and more onerous terms for it. Is that a new business loan? In my opinion, it does not qualify. It is a withdrawal of existing facilities. This highlights the point we discussed yesterday, the need for oversight and scrutiny of what the banks are doing. I do not accept any of their claims any more. For too long we accepted what they were doing. We accepted the assurances from them, like others, that the fundamentals were sound. They were not. The banks are not now in a position to get away with that.

With regard to the amendments, while the Minister has gone some way in amendment No. 127, that amendment must be strengthened. It is too loose and not sufficiently prescriptive. I strongly urge the Minister to take on board the points being made in this debate and to consider strengthening his formula relating to guidelines. As Deputy Burton expressed so eloquently, let the message go from this House that there will be a change in the way the banks operate and a change in attitude and culture. There is no damned way we will put up with the same old game they have played for years, which has landed us in this mess and exposed the taxpayer to such an enormous sum of money. The Minister should take on board the principle of the points being raised and be prepared to revise and strengthen his amendment in this regard.

**Deputy Seán Barrett:** I do not wish to go over the ground already covered by my colleagues other than to point out that the Minister’s amendment should be more prescriptive, in line with what Fine Gael is trying to achieve in this regard. It is unlikely that our amendments will be accepted given the numbers in the House but some slight amendments to the Minister’s amend-

[Deputy Seán Barrett.]

ment could be more effective. Amendment No. 127 states that “The Minister may issue guidelines ...”. This should be changed to “The Minister will issue guidelines”. There is no reason for using the word “may”. It would also be worthwhile to insert the words “from time to time” so the Minister need not necessarily issue just one set of guidelines. Circumstances will change over——

**Deputy Brian Lenihan:** That is the intention, although it would do no harm to clarify it.

**Deputy Seán Barrett:** I also ask the Minister to insert “will” instead of “may” because it is more definite. The Minister should also provide that such guidelines will be published and laid before both Houses of the Oireachtas. That is important from the point of view of giving the Oireachtas an opportunity to discuss such guidelines from time to time. As colleagues have pointed out, in the very near future the State will own more than 50% of the main institutions as a result of the necessity for further capitalisation. Things will be different.

In a free society institutions should be forced to behave in a responsible fashion. That is why I raised this morning — the Minister was not here — the urgent need for reforming legislation regarding the regulatory role we play in how financial institutions operate. That in conjunction with what we are doing in this legislation will mean things will be different in the future. If the Minister cannot accept our amendments, perhaps he might include in his amendment a stipulation that any guidelines made should be laid before both Houses of the Oireachtas.

**Deputy Ciarán Lynch:** In the context of amendment No. 79, the Labour Party understands that the National Asset Management Agency Bill is emergency legislation. The mantra the Minister has continually repeated is that this is an issue of systemic importance. Another issue of systemic importance is that of people being in a position to keep a roof over their heads. At present, residential mortgage debt in this country is approximately €300 billion. It is believed that stressed mortgage debt stands at €3.5 billion. Even in the context of the exaggerated figures relating to the legislation before us, €3.5 billion is a significant sum and it is one that is of systemic importance.

Amendment No. 79 proposes that:

It shall be an obligation of a participating institution not to commence or pursue proceedings for repossession of a principal private residence unless the arrears of any mortgage are in excess of 24 months, provided the mortgagor provides reasonable co-operation within his or her means and ability with the participating institution.

In essence, the amendment relates to the owner-occupiers of homes. It does not refer to those who made or tried to make massive incomes in recent years by investing in an overheated property market or to those who bought second homes in the west or in the western part of Cork, the county in which I live. The amendment is concerned with those who go to work each day in order to earn the money that will allow them to keep a roof over their heads. The amendment sets out a framework whereby the Minister may, either through primary or secondary legislation, provide an apparatus or structure that will allow people to negotiate the next 24 months with some degree of hope that there is light at the end of the tunnel.

It would not be unusual for most Members of the House — I include myself in this — to have been obliged to claim social welfare in the 1980s. I signed on so often during that decade that I know my PPS number off by heart. If one asks a member of my generation their PPS number, he or she would be able to recite it quicker than his or her telephone number. The fundamental and significant difference between the 1980s and now is that while people might not have had any money during that decade, they did not accrue the same level of personal

debt with which their current counterparts are saddled. In the 1980s, people may have delved into the black economy in order to get money to pay for shoes for their children or to buy something for Christmas. However, they did not carry massive mortgage debt.

During the period to which I refer, the price of one's house would probably only have been three or four times that of one's car. If one's car was worth £9,000, then one's house was probably worth between £27,000 to £36,000. In recent years, if one owned quite a good car valued at €40,000 or €50,000, the value of one's house would have been several times these amounts. That is just one way to highlight how out of kilter the property market became during the past ten years. The latter occurred as a result of a number of factors.

In the first instance, developers had established a relationship with the banks that was a win-win scenario for both. The former were purchasing land at overinflated prices but they were also selling houses at overinflated prices. This meant that the banks were able to take advantage of extremely attractive arrangements when it came to offering loans. In addition, a range of incentives was put in place by the Government and, in particular, by the Minister's predecessor, Charlie McCreevy. In the early part of this decade, Mr. McCreevy facilitated a situation whereby it became extraordinarily attractive for people to invest in property as a source of obtaining income. This led to the price of houses rising significantly over period of a few months. In April 2006, the former Leader of Fianna Fáil famously stated that certain individuals should commit suicide. At the core of what he was stating was that if people did not buy their houses at that stage, it would cost them more to do so in the future. The Government of the day introduced a plethora of measures which drove house prices upwards.

The key point in respect of this matter is that with any lending practice comes a duty of care. Lending institutions have a duty of care, as does the Government in the context of how it facilitates certain practices. Amendment No. 79 provides for such a duty of care and under its provisions, the State would be obliged to step in and ensure that lending institutions adhere to particular standards in respect of their practices.

The Government has a number of reservations with regard to anyone assuming responsibility for a duty of care in this area. Those reservations were outlined during the debate on mortgage arrears which took place during Private Members' time this week. The Government appears to be of the view that some 20 repossession orders were pursued during the first nine months of this year. The fact is that orders are the final stage of the process and cannot be used as an indicator of what is really happening in the mortgage market. Repossession orders in respect of which a determination is made by the High Court represent only the tip of the iceberg. There is a major crisis on the horizon in this regard and a Government response to it is required.

There are some 16,000 loans in arrears or in distress on the books of the institutions to which amendment No. 79 relates. It is predicted that this number will increase as a result of what will happen in respect of the 14,000 people who are currently in receipt of mortgage interest supplement. Community welfare officers are obliged, after a period of 12 months, to inform those in receipt of the supplement that it will no longer be paid and that they must make alternative arrangements. In such circumstances, the only option usually open to those who have been in receipt of it for 12 months is to engage with their banks in respect of losing their homes.

The Minister will state that the programme for Government envisages a series of measures that will be put in place in the future. The time for envisaging is long gone. Amendment No. 79 does not envision, it suggests how direct action might be taken in respect of this issue. I look forward to the Minister's reply. However, it is critical that he take on board the fact that he has a duty of care in this area.

The ESRI compiled a report on negative equity, as did my colleague, Deputy Wall. The ESRI report indicates that by the end of the year almost 200,000 homes will be in negative

[Deputy Ciarán Lynch.]

equity. This shows that over a period of 12 to 18 months there has been a complete reversal in people's fortunes.

**Deputy Brian Lenihan:** I am sure there are many people around the Houses whose homes are in negative equity.

**An Leas-Cheann Comhairle:** This is an important group of amendments and as the list of speakers is lengthy, we must progress more quickly, if possible.

**Deputy Ciarán Lynch:** Mortgage interest supplement has doubled since 2007. It has increased by 200%. The Minister for Finance told us on the night he introduced the bank guarantee scheme that the fundamentals were sound, a mantra that has been stated again and again. The same mantra is being applied to the issue of mortgage debt in this country. The fundamentals are far from sound. It may be that one million mortgages have been drawn down, but thousands of people in this country are in fear of having their homes repossessed. I call on the Minister to accept the Labour Party amendment.

**Deputy Joe Costello:** As the Leas-Cheann Comhairle stated, the cluster of amendments before us is important. They are reflected in the statement about the function of the NAMA legislation, namely, to stabilise the banking system and to ensure a flow of credit to the institutions of the State, small and medium-size enterprises and citizens, who are the life blood of the economy.

There is not much sense in us propping up the banks, providing a bailout for the lending institutions, unless they do what they are required to do, which is to lend money. The problem is that they have not been lending thus far despite the fact that various moneys and guarantees have been put their way. I refer again to the European Investment Bank that has made money available specifically for this purpose but which has not been drawn down by the banks or financial institutions who have redefined the manner in which they do business with small and medium-size enterprises.

If we do not ensure the banks and financial institutions resume lending to small and medium-size enterprises or ordinary citizens with mortgages, we will not have conducted our business satisfactorily. The problem I have with amendment No. 127 in the Minister's name is that it is extremely tentative. It merely states that the Minister may draw up guidelines in regard to particular matters. We cannot leave this House with only that tentative arrangement in place. The Minister will have to be far more specific. I acknowledge the Minister has indicated that he intends to draw up guidelines but this is not provided for in the legislation. It should be included in the legislation that the Minister will draw up guidelines and he should specify what they will be.

Are guidelines enough? How can the Minister ensure that the banks will adhere to guidelines? This can only be done if provision in this regard is enshrined in the legislation. The Minister may put in place guidelines and the banks might totally disregard them. Did the banks improve credit flow when the Minister introduced the €500 billion bank guarantee scheme or provided €7 million to Anglo Irish Bank, Bank of Ireland and Allied Irish Bank? They did not. Small and medium-size enterprises continue to be unable to access credit. The danger is that we will commit €54 billion of taxpayers' money without obtaining anything in return. The Minister is the one carrying the ball and must ensure that he does not drop it.

What is required is what comes from the Oireachtas rather than what the banks want. The banks want guidelines and targets; that is all they want. I have no doubt that is what they told the Minister, but what do we in this House want? We represent mortgage holders and the

business community. We are elected to ensure that everything works and functions effectively for the Irish people and business community. If we do not do so, we do not represent the people properly. I am concerned, in terms of the tentative nature in which the Minister expresses his commitment to deal with small and medium-size enterprises and mortgage holders, that he will draw up guidelines for the banks and that will be it.

Regarding mortgage holders, Deputy Ciarán Lynch referred to the appalling scenario of 200,000 people in negative equity. This serious negative equity is not of the type being experienced by the Minister or me in terms of the mortgages we may have taken out some time ago. It is negative equity that came about in 2006 and 2007 at the height of the property bubble, when we were building 90,000 houses per annum, almost as many as were being built in England. People are in serious negative equity. There has been an approximate doubling in the number of households in receipt of mortgage interest supplement in the past 12 months. The financial institutions are making no contribution to this. The Department of Social and Family Affairs is paying out this supplement with the remainder of the mortgage being met by the householder.

What are the banks doing? What is the nature of their arrears extension? I would like to see the breakdown in this regard. It would be interesting to learn how many of them have arranged for interest only payments. We need that information. The key difficulty is that we could leave this Chamber with legislation which incorporates the provision proposed in amendment No. 127 without knowing the content of the regulations which the Minister will draw up or knowing whether he will do so. The Minister has stated that he will draw up guidelines. However, if only guidelines are set down, we will have done a poor day's work in this House. The Minister, following his return from the Seanad debate on this legislation, should commit to amendment No. 127 being jettisoned and to introducing a stronger provision that reflects the views of this House and not those of the financial institutions.

**Deputy Seymour Crawford:** I welcome the opportunity to speak on this group of amendments which are critical to our situation. Banks have, in recent years, got an extremely bad name. A lack of control and effort on the part of those in charge has left us in this mess.

The availability of credit, as provided for in the amendments, is critical to the future of our country. As stated, we will not tax ourselves out of this mess; we will have to work ourselves out of it. If we do not create and retain jobs, we will get nowhere. I appreciate that one of the amendments we are discussing has been tabled by the Minister. However, like others, I do not believe it is strong enough. Given the amount of capital we are putting into the banks on behalf of the taxpayers of this country, we must be stronger if we are to ensure that those justified in obtaining credit get it, thus ensuring the creation and retention of jobs.

It is not only new borrowers who are encountering problems with the financial institutions. Some of the credit institutions in my area are, unfortunately, outside the NAMA structure, including Ulster Bank, National Irish Bank and ACCBank. Some of the requests being made of people in respect of the restructuring of loans is making the process impossible. The institutions are not refusing loans but are putting in caveats which make it impossible for people to continue with the process or draw down loans. This must stop. That the banks were completely and utterly careless and totally irresponsible in respect of money lending in the past does not mean they should be allowed to operate this type of structure now.

**An Leas-Cheann Comhairle:** I am loath to interrupt Deputy Crawford but, by order of the House, the Dáil must suspend now for one hour.

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



**Deputy Seymour Crawford:** The issue of the availability of finance has been discussed by my colleague, Deputy Richard Bruton, the Minister and many others. This is the nub of the Bill. If we do not ensure finance is made available to small businesses and others, there is no chance of us getting out of the current difficulty. I urge the Minister to strengthen his amendment to the Bill. There is no use in using the word “may” because that means nothing. This must be changed to “will” if it is to mean anything.

I have come across small businesses that are being asked to do the impossible by banks. One business I was in contact with recently wanted to have its loan restructured and had already paid off approximately a quarter of what was owed. The loan related to investment land that the business was walked into purchasing and had missed the opportunity to get out of. The owner of the business told me the banks wanted the money repaid within six months, wherever the money came from. There was no such thing as renegotiation or an extension of time. The banks did not care whether repaying the loan involved the sale of the family home or whatever. When I talked to the senior banker dealing with the issue, I was told that was normal. I do not see anything normal about such situations. This should not be allowed.

I received a telephone call the other day from a person involved in the milling business who supplies meal to pig farmers. He explained the seriousness of the situation that industry is in to me, simply because business people cannot get their loans extended or revised. He told me pigs would be dying by Christmas if something is not done. This demonstrates how serious the issue of finance is currently. The issue must be addressed.

I participated in the British-Irish Parliamentary Assembly in Swansea the week before last. The junior Minister from the Welsh Assembly with responsibility for skills emphasised the fact that Wales also had a banking problem, but the Welsh Assembly was providing funds to businesses that could show they had a reasonable chance of success so as to ensure that they would not go under. NAMA may be the answer here for the long term, but we must consider some other answer for the short term, particularly for mortgage holders, small businesses and farmers. These are important sectors and should not be ignored. ACC and NIB have been mentioned as being the most difficult to deal with where businesses are concerned. They are not part of NAMA, but they cannot be ignored when it comes to finance and lending. ACC is winding down and getting out of business here, but we must ensure that it does not take other people out with it.

As a Deputy representing a Border county, I appreciate the fact the Minister has taken account of those non-NAMA banks in other parts of the Bill. This is necessary because in many cases non-NAMA banks are part owners of property in which NAMA banks are involved. We must deal with these in a sympathetic way.

During the last crisis in farming, many farmers got out of their difficulties by selling sites. I wish to warn the Minister that he should be very careful that the 80% tax does not affect such situations. If a farmer or business person needed to sell off a site in order to retain liquidity, it would be senseless and pointless to make them pay 80% tax on the sale. The tax is penal and while I understand there may be reasons for it, the issue must be handled carefully. I urge the Minister to make it clear that such people will not be affected by the tax.

**Deputy Frank Fahey:** I reiterate the important points that have been made by previous speakers with regard to the guidelines. I welcome their introduction and fully understand the constraints on the Minister with regard to telling the banks what to do or how to run their businesses. The Minister cannot do that. We saw an example of this when Permanent TSB raised its interest rates. While this was a cause of great annoyance to many, the Minister could not interfere. I accept this situation and believe the guidelines for which the Minister is now legislating and which will be put in place are of critical importance.

The regulator already has significant regulatory powers over the banks. Will the Minister outline those powers for us. As Minister, he has some discretion with regard to the banks and perhaps he will comment on that. It is critical that the €54 billion to be given to the banks is utilised in the best way and lent to the economy at sustainable interest rates. Sustainable interest rates are equally as important as the lending of the money. As I have said previously, I have information to the effect that AIB has informed its managers that it wants them to lend money for new projects at 4% above the cost of funds. That is unacceptable when AIB is receiving an investment of money from NAMA. If AIB and Bank of Ireland borrow at 1.5% from the ECB, on the basis of the bonds being issued, there should be a range of interest rates in which that money will be lent. None of us wants to dictate what that range should be, but we must ensure the range is at a sustainable level for Irish businesses.

It is important that a provision is included in the guidelines to monitor lending patterns of the main institutions, particularly Bank of Ireland and AIB, on an ongoing or monthly basis. Is it possible for this to be done? It should be broken down to show the regions in which they are lending in Ireland and elsewhere and the interest rates they are charging.

It is equally important that credit policy for existing customers is monitored carefully. There is ample evidence that banks are calling in their best customers and increasing their interest rates from 1.5% to 3%, particularly customers with cash flow difficulties, something that is unacceptable. It is critically important that banks continue to use the interest-only mechanism. They gave out interest-only loans and mortgages during the good times and it is now vital they do so during these bad times.

There is clearly a policy in Bank of Ireland and AIB to get the money in. I appreciate why but no regard is being shown to customers in that policy. I have evidence of customers who are paying their interest and principal until they are dried up and the bank then telling them to go to hell. That is not acceptable in regard to the regime that existed in the good times. From the beginning of 2003 they increased their lending by €220 billion in the four-year period up to the start of 2007. During the debate last week, I had a call from a manager in one of the two main institutions in Dublin. He told me that he was being pushed to give out money during those four years and was being paid a bonus for doing so. Now he is being pushed to ignore the situation of those customers and simply get it back, irrespective of whether it brings the business to its knees or not. That is not acceptable and the banks must be responsible in the way they treat good customers. It seems they are going after good customers to get their money back as soon as possible.

For that reason the Minister must ensure that when the NAMA money comes into the banks, they lend it responsibly. We are not asking them to increase their risk, we are asking them to go back to the prudent and cautious lending they were famous for before they increased their outstanding credit by €220 billion.

This debate has been very good, with good points made by the Opposition. There has been some criticism, however, of the €240 million that will be paid out in fees per year over the ten years of NAMA. That is the most important €240 million that will be spent in this State in each of those years. My worry about NAMA is that we will not have the best people who are at arm's length from the industry and who are capable of managing this property portfolio to a successful and profitable conclusion. It is therefore vital that we employ the best people who are at arm's length and if that means paying the top people good money to ensure that this portfolio is managed to a profitable conclusion, it is money well spent. I would far prefer to see €240 million spent that way than €120 million being spent and our missing out on the best expertise available for the work NAMA must do.

Deputy Burton's mentioned the €28 million that is being put into Anglo Irish Bank——

**Deputy Joan Burton:** It is €28 billion.

**Deputy Frank Fahey:** —and €8 billion into Irish Nationwide.

**Deputy Kieran O'Donnell:** If only it was €28 million.

**Deputy Frank Fahey:** In one sense Anglo Irish Bank is a zombie bank, it is an institution we are all disappointed in for what it did, but from now on, Anglo Irish Bank could become critical to the successful recovery of the property sector. NAMA will be the bad bank for it which, when it loses its toxic debt, can become a good bank. I predict that many of the Anglo Irish Bank assets will be among the best that will come into the ownership of NAMA, particularly in the US and Britain. The NAMA assets that will be taken over there will be the first assets that will yield profit for NAMA.

**Deputy Kieran O'Donnell:** What about the Irish assets?

**Deputy Frank Fahey:** The Irish assets have the same chance of being successful as assets of Bank of Ireland or AIB.

**Deputy Kieran O'Donnell:** Why was Anglo Irish Bank nationalised then?

**Deputy Frank Fahey:** For the simple reason that the bank would have gone under otherwise. I am not trying to score points here, I am making the point that the assets of Anglo Irish Bank could be worked through with NAMA to become profitable again, particularly the assets outside the State.

We have dealt with the master SPV but I would like the Minister to indicate what the other SPVs will do. We have heard a great deal about the Zoe group. Is it possible that the Zoe group would become an SPV so its assets can be worked through to a profitable conclusion? I would assume in that scenario that the owners of those companies would be liquidated immediately.

**Deputy Terence Flanagan:** I fully support these amendments, particularly amendments Nos. 29, 32 and 78, the Fine Gael amendments that aim to get credit flowing again to businesses and to get the economy moving again. There is, however, an information deficit on this side of the House, particularly on the Minister's thinking on lending for businesses and the guidelines for the banks. We need to know what the reporting structures for the banks will be like and how often they will report to the Oireachtas so we can see clearly that normal lending is taking place again.

The Fine Gael amendments are much more specific than the Government amendments, although they are not fully prescriptive. They set out what the guidelines should cover, such as start-up businesses and credit lines to existing businesses. We should also know why cases are being declined by the banks and the criteria they are using to assess applications. It is critical that provisions are set in place to ensure the banks use this money to get businesses functioning properly. The last thing we want is for the money to be used for other purposes.

Amendment No. 79, tabled by the Labour Party, seeks a two-year moratorium on repossessions. The Minister's head is in the sand. The Master of the High Court stated that there would be an avalanche of repossessions in the coming years. It does not help that the sub-prime industry is not regulated. A total of 18 applications for repossessions were granted earlier this week. Repossessions are mainly in the sub-prime sector. The Minister is not doing enough to put proper regulations in place to deal with such firms. We are told that 35,000 will be in mortgage arrears next year and some homeowners are working their way through the lump

sums they may have received in redundancy packages. That money is not infinite. Over time these people will fall into great difficulty.

The Bill offers significant help to banks, developers and others but there is nothing in it for homeowners. Deputy Bruton tabled an amendment which I am sorry to see was shot down. The Minister must do something to help those in difficulty. Where is the NAMA for those people? Where do they get help and support? I urge the Minister to look sympathetically on Fine Gael's scheme which targets homeowners in difficulty.

**Deputy Ulick Burke:** I am not sure whether, because of his involvement with this Bill, the Minister is fully aware of what is happening at ground level in the banks which consistently refuse funds to legitimate enterprises. I was saddened approximately five weeks ago by two instances of the many that we all come across. In the first an important, active, reliable, fully-resourced and long-established food industry that had a good credit record won a valuable import contract from an overseas company for the whole of Ireland. It is a small industry that won national recognition. To extend the business and fulfil this contract it required a loan of €25,000 but every institution, local and national, including the one with which it had a long and favourable association, declined the loan. The company lost that opportunity.

Lack of cash is causing the loss of jobs from small enterprises left, right and centre. The AIB and Bank of Ireland declined this loan. Does the Minister intend to intervene at any level and if so how? He has put a great deal of money from national resources into the banks but they are hoarding it. Few are making resources available but those who are do so at rates that are out of kilter with reality.

I have another example that will give the Minister an insight into what the banks are doing. During the recent fine weather a grain farmer in my locality went out to harvest but after four or five hours his combine harvester seized up. He wanted an instant response from the bank to get a new or second-hand machine. He approached his bank where he had no previous difficulty, and went to every leasing agency and other lending institution but none would provide the money. He asked the bank manager would he allow the cereals to rot in the fields rather than give him the money. It was in his interest to complete the harvest so that he could pay off his loan but the manager said, "Yes. It can rot in the fields". The Minister must intervene in some way to direct those people. Does he or do his officials liaise in any way with the banks to ensure that this will not continue? They are two simple examples of everyday life that is being stifled.

How can the banks justify their current policy of stifling every opportunity presented to them if we hope to generate new jobs when there are 412,000 people unemployed? Many inventive people who want to start up or expand businesses, even in this terrible climate, are being stifled. Whatever the guidelines or directions, if the Minister does not act to get this off the ground he will have to accept that it is a failure. The banks are running riot behind his back. Their local autonomy is gone. Everything, even a statement, has to be presented with an application for funding and assessed in Dublin where faceless individuals say "No" in practically every instance. The Minister has to intervene to some degree to ensure that resources are made available in this kind of situation.

**Deputy Michael D. Higgins:** I will be brief because there are other groups of amendments that we have yet to discuss. It makes some sense to group related amendments and to be flexible about that to use the time to hit the most serious issues upon which there may be disagreement. This group deals with a few core elements connected with the Minister's strategy for re-funding the banks and the real economy. The banking sector is not meeting the needs of the real economy. The Minister's statement that we need to get NAMA in place to ensure

[Deputy Michael D. Higgins.]

liquidity in the real economy becomes rhetorical unless there are mechanisms in place to ensure that there is a sufficient departure from the recent banking culture as to re-engage or engage for the first time with the real economy.

The Minister's response to the spirit of these amendments is his amendment No. 127 which recognises the importance of the connection but states that the Minister "may" which makes the sponsors of the other amendments perceive it as weak. A further problem arises where the amendment states:

The Minister may issue guidelines—

(a) regarding lending practices and procedures to facilitate the availability of credit to classes of borrowers or potential borrowers including small and medium sized enterprises,

The banks, feeling bound by that, will come to the Minister with the usual plethora of advertisements for new business and issue statements in different parts of the media to the effect that they are open for business.

The Minister's amendment continues:

(b) relating to the review of decisions of participating institutions to refuse credit facilities.

(2) A participating institution shall comply with any guidelines issued under *subsection (1)*."

The group of Fine Gael amendments, of which there are four in number, has considerable merit because they require publication of what happens with the guidelines. That kind of transparency is absolutely essential. Not only is general transparency required, there must also be measures that can call people to account. There are no sanctions and no procedures to ensure compliance. How will compliance be managed?

There is the keep-the-racket-on-the-road argument. If the Minister's wording were any stronger in his amendment, he would encourage the banks to take on a whole series of bad ventures which would in turn lead to a renewal of the problem. I do not accept that for a second. The Minister has gone some way. However, his rhetorical acceptance of the argument has to be translated into what he seemed to have accepted on Committee Stage — that is the importance of illegal prescription. The argument about amendment No. 127 is about its sufficiency to achieve what appeared to be consensus.

The Labour Party's amendments Nos. 10, 79 and 80 deal with the important issue of repossession. Some significant social benefit of the NAMA model must be shown as a reassurance to those who are finding themselves in mortgage difficulties. Such a move would be a significant benchmark to establishing some kind of principle that people could accept the NAMA measures. Regarding the behaviour being investigated by the Financial Regulator and even the Garda Síochána, there is no point in saying that we all are in this. We all were not in that. There is a definite group of people who destroyed the reputation of the country and brought the credibility of the banking system into disrepute. None of them is representative of general Irish society.

The legislation will benefit from reassurance that there will be breaks in repossessions that will allow people to enjoy the certainty of their homes. The home is not a simple asset, collateral or a gambling debt, like many of these debts in Anglo Irish Bank or other niche banks. All of this means — a significant concession — a straightening of the principle accepted in amendment No. 127.

Amendment No. 80 concerns itself with the supply of credit to small businesses. There is a huge gap between what is printed and what is said publicly on this matter. Deputies on all sides of the House have had the experience of outrageous examples being offered every day of people borrowing from family members to keep a small business payroll going. I repeat again for the record the cases of transferring illegally from other accounts to maintain term loans. Outrageous surcharges meanwhile are being introduced by the banks and many business people, believing they had a contractual relationship for their short-term needs, suddenly discovering it has all changed.

If the Minister wants public acceptance of this legislation, he must be able to say to the public that it will not be more of the same. He must say we will ensure those who were lured into having mortgages that they cannot sustain, those desperately trying to keep people in employment while facing credit flow problems and those being driven out of employment will have something to gain from it.

That was the importance behind the earlier group of amendments dealing with the concept of economic and social development and value. The Minister has an opportunity in accepting these amendments to put down benchmarks that will be of assistance to him even beyond the remit of this legislation. While the general public will take the burden of this and other matters, it must be able to perceive the clear dividends in an identifiable way.

How can we ensure the guidelines, which everyone accepts as necessary, will be complied with? With the State guarantee in place and when the bonds are issued, there is not a single jot of empirical evidence to suggest the banks will do anything else but use it to make their international trading environment better. Some may say they got such a fright, they will not try it again. However, there is no evidence that they will not do that. We need assurance on this issue.

Why are we making these points in the Parliament? Why do we not read more about it from IBEC and Chambers of Commerce meetings? The answer is that it is because of the disproportionate representation of bankers on IBEC and the Chambers of Commerce. They come up to you late at night and say we will probably be driven back to the old days. It is as if we were going back to a time when the bank manager would buy the pink pages of the *Financial Times* to show he was an intellectual who understood the stock market. No one is suggesting this; people just want them to be responsible. IBEC and the Chambers of Commerce are staying quiet as mice while all around them small businesses, employing three to 20 employees, are being bled dry by bankers who in turn will say they have no control over this. That is why Government action is necessary with the social guarantee across these dimensions that these amendments represent.

**Deputy Frank Fahey:** Hear, hear.

**Deputy Richard Bruton:** I welcome the Minister's amendment and the tenor of all the amendments being discussed. Initially the Minister resisted them but did come around to the view that the legislation would be enhanced if it had solid guidelines.

It is important as to how the Minister will handle the reporting arrangements in respect of these commitments. After recapitalisation occurred there was a great deal of spin rather than actual hard evidence from the financial institutions as to the extent to which they made commitments to the SME sector. One would expect the Central Bank to provide good evidence of what is happening in SME lending but it does not provide reliable statistics that we can judge independently. The Mazars report was superficial in its dealing with the real situation on the ground.

[Deputy Richard Bruton.]

An important element is not just the guidelines but the reporting arrangements introduced in respect of them. Fine Gael's proposed Oireachtas scrutiny committee, if accepted, would have received the reports from the financial institutions as to their commitments. The Minister is taking a greater step beyond where he was with recapitalisation. He now has a legitimate expectation that the banks will show cause. The Minister needs to not only publish his guidelines for us to have sight of them — ideally before this Bill is completed — but to spell out the reporting arrangements. We should not only be exposed to PR spin. Deputies have told the Minister endless stories of cases that appear to be genuine. There can be instances where people, who may be unbankable, as it were, will put forward a strong case for funding for a proposal that does not have a strong case. If we are not to have endless disputes and people caught in the middle and exposed, we need something authoritative.

We discussed the homeowner's code, which was introduced after the first guarantee was given, but we have gone an awful long way further since then. The only change was an extension from six to 12 months in respect of the recapitalised institutions. That is not sufficient when we are dealing with a crisis, which the ESRI indicates could involve 35,000 repossessions. The Minister has the authority of the Dáil to demand of the institutions, and to insert in his guidelines, something that is more credible and more fully addresses the problem in respect of homes under threat of repossession and the conduct of institutions in that regard. Admittedly, people must make genuine efforts, but if they do that, we expect, as Deputy Morgan's amendment suggests, that the financial institutions must give something in return. The Minister needs to firm up on that.

The cost of funding the banks will decrease considerably as a result of the flow of €54 billion to them. They will have funds of €54 billion at an interest rate of 1.5%. Their average cost of funds now is 3% or 3.5%. There should be scope and an expectation that there would be reduced mark-ups, that the cost of funds would be reduced and that there would be fewer instances of the terrible renegotiation fees applying to people with mortgages. If the Minister is facilitating the banks with a lower cost of funds, there is an expectation that such reductions would be passed on to the customers as well.

I will not go through our amendment in detail as it speaks for itself. One area the Minister needs to examine is the purposes for which these funds will be used other than for extending credit. The potential exists for funds to be used to acquire other businesses, to do things that are all about strengthening the shareholder position and not about providing greater credit in the economy. Banks are already involved in overseas initiatives which they are currently funding. While no one is saying that banks cannot consider profitable enterprises elsewhere, we must ensure that this is not done to the disadvantage of home credit availability.

I welcome the Minister's move in this respect, but I would like to see it amplified. I would like to see detail of it and the reporting arrangements set out.

**Deputy Brian Lenihan:** The time has come for me speak to my amendment and then I will respond to the various comments made in what was a very useful debate.

I indicated during the Committee Stage debate last week that I would amend the Bill to provide the Minister with a power to issue guidelines to the participating institutions on lending practices and procedures to improve the flow of credit to small and medium-sized enterprises and, if necessary, to other sectors. The power is a wide-ranging one. It will allow for a response adapted to the particular circumstances of different industries, sectors and institutions. The approach recognises that this is a complex situation and allows for a flexible response to changing credit needs. That is one of the reason the word "may" was used rather "shall" because the word "may" gives the Minister more permissive powers to intervene than the word "shall",

which imposes a solitary obligation. This is an ongoing responsibility which will be vested in the Minister. The imperative character of the section can be seen in subsection (2) which provides that “a participating institution shall comply with any guidelines issued” under the subsection. That is the important imperative mood in the amendment.

I consider that the banks are generally in the best position to make the commercial decision on whether to make credit available for a particular business proposition. They are familiar with their existing customer base. They have considerable expertise in analysing these propositions, including the terms and conditions under which they are prepared to lend. That all assumes a well-funded banking sector. However, there is a danger that the banks have become too risk averse and are refusing credit when the business would be in a position to repay the loan. There is also a danger that, starved of cash, the banks, in any event, are not in position to afford adequate credit.

It is clearly in the interests of the banks to lend to small and medium-sized enterprises who will be able to repay the loans. That is the business of the banks and they derive their income by charging interest on the credit provided. We need to be clear that it is not in the interests of the banks or the economy for the banks to lend to businesses that cannot repay the loans. This is the cause of some of the difficulties in which we currently find ourselves.

However, when the banks become too risk averse and refuse to lend to viable businesses, a self-fulfilling prophecy can develop whereby businesses become less viable because they cannot get finance for much needed working capital and cash flow. If one listened, as I have with great care, to many debates, one will note that the essence of the problem is the availability of much needed working capital and cash flow for businesses that are already operating in the State.

The demand survey conducted by Mazars found that the most common reasons for requests for new credit were for working capital and cash flow reasons, to address declines in business revenues and to support a slowdown in debtor collection. These are areas which I will have to consider in the guidelines to participating institutions.

I have always made it clear that the agency will make it possible for banks to lend to the real economy on a greater scale than would otherwise be the case. The purpose of this amendment is to provide the power to make sure that the NAMA benefits can be translated into a freer flow of credit to viable businesses and, if necessary, to other sectors.

As well as guidelines on the lending practices and procedures — this is an important issue arising out of the reservations Deputy Higgins expressed about the form of the amendment — the amendment permits the issuing of guidelines relating to the review of decisions of participating institutions to refuse credit facilities. It would be possible, for example, under this section to designate a pool of lending which would be available to an appeal body to directly provide credit in the event of a refusal by a participating institution. Deputy Higgins was rightly exercised about the question of how one would enforce the guidelines in the absence of compliance. That is why I have provided a separate paragraph (b) in subsection (1) relating to the review of decisions of participating institutions to refuse credit facilities. I agree that the mere issuing of guidelines and the submission of a report of compliance with guidelines will not meet the type of case, which all of us have encountered and many Members have mentioned in the course of this debate.

We are all familiar with the complaints of those who cannot get credit. The banks will rightly say that some businesses are not capable of supporting the level of credit sought, and that it would not be appropriate to make certain loans. However, we know that banks are imperfect institutions, capable of mistakes, and business men and women are entitled to be sure that their applications have had a proper hearing. It is clear, therefore, that there is a need for an appeal mechanism to review decisions of the banks in this area. This is a complex area and it



[Deputy Brian Lenihan.]

needs to be teased out with the banks. I reject utterly the suggestion Deputy Costello mentioned that the form of this section in some sense originated with the banking sector. The banks have not been consulted about the formulation of this section. My officials have worked on this section and prepared it for me, having listened to the debate in this House. This is a complex area and it needs to be teased out now with the relevant institutions. If the House adopts the amendment I propose, I believe it will strengthen my hand in my discussions with banking institutions. My objective is to ensure there are mechanisms in place, with a strong input from outside the institutions, to allow potential borrowers a right of review where credit is refused. Discussions are ongoing on how this can best be achieved.

I would like to go through the contributions that were made to the debate, which were very useful but require fairly detailed examination. Deputy Morgan rightly made the point that we have moved from a position where there was too much credit to one where we now have too little credit. There is a balance here. It is clear from changing the regulatory system that banks will be far more risk averse in the next decade than they were in the past decade. That was a crucial element in arriving at a final figure for the valuation of assets which NAMA is acquiring.

Deputy O'Donnell also raised the question of credit. I should have said to the House that another Mazars report will be forthcoming at the end of the month. The Deputies were dissatisfied with the original Mazars report. In fairness to Mazars, that was its first bite.

**Deputy Kieran O'Donnell:** I have no criticism of Mazars.

**Deputy Brian Lenihan:** Good.

**Deputy Kieran O'Donnell:** It was curtailed by the information available from the banks.

**Deputy Brian Lenihan:** Exactly. That is why we must dig deeper and there is another report due at the end of the month covering the quarterly period to the end of September. That type of exercise is important.

One of the big difficulties in accessing the information in the course of an exercise like Mazars — I went through the report in great detail and was briefed on it — is that it does not track informal refusal. The bank has a formal record of applications and refusals, but if the bank manager says to Deputy Higgins, as a customer, not to bother filling out that form because he will not get a loan anyway, that will not emerge in a Mazars-type exercise.

**Deputy Michael D. Higgins:** It is quite usual.

**Acting Chairman (Deputy Seán Ardagh):** Does it happen often to Deputy Higgins?

**Deputy Brian Lenihan:** That is one of the difficulties with that type of analysis.

**Deputy Michael D. Higgins:** I have such a strong credit rating.

**Deputy Kieran O'Donnell:** On the target report, unless the banks give a breakdown between new and existing business, the report will fail again. Effectively, apart from the fact that it did not give any proper indication of refusals, it gave no breakdown between new and existing business, no breakdown of overdraft facilities withdrawn and no breakdown of new overdraft facilities given.

**Deputy Terence Flanagan:** And of full draw down.

**Deputy Brian Lenihan:** That is a crucial question, but I am in possession and I want to complete the point. However, I agree with Deputy O'Donnell on that.

Deputy Burton then made an interesting speech which touched on the economy generally. Of course she is correct to state psychology is crucial here, but to generate the consumer confidence to spend she seeks is not simply a matter of Government intervention or Government stimulus. It is interesting that the hoarding of money by customers who can save began before any retrenchment measures in the autumn of 2008. The period where it started was in the summer of 2008, when depositors started increasing the size of their deposits quite dramatically and curtailing their expenditure.

**Deputy Joan Burton:** They knew when the Regulator, the Central Bank and the Department did not.

**Deputy Brian Lenihan:** Yes. In other words, bank customers can smell the breeze as well. Indeed, several weeks before the guarantee was agreed upon by the Government, the chief executives of the two main banks advised me that there was clear evidence of a decline in consumer spending and of excess saving by customers. That pattern had emerged that summer and we saw it in our indirect tax receipts.

Deputy Burton is inclined to speak much of deflation — she raised this during Question Time earlier in the week. It is important to remember that the components of deflation in Ireland are somewhat different from other countries. There are, in fact, three distinct components in it. One is the general deflation that we are seeing worldwide caused by the international recession. One can see, with countries such as the Federal Republic of Germany and the United Kingdom now envisaging declines in the order of -5% or -6%, how close they are coming to the Irish experience.

What brings our deflation figure somewhat higher? There is a budgetary contribution. We did not have any option in beginning the process of bringing the public finances under control and stabilising them. That was not an optional matter for the State. We tried to balance that with the danger of economic decline. Figures were given in the emergency or supplementary budget in April covering that figure and it did not exceed 2% — it was 1.5% or 2%, to the best of my recollection.

There is a third component in Irish deflation which is almost unique to Ireland. It is caused by the depreciation of sterling and the fact that Ireland's trade balance with the United Kingdom is favourable so that as sterling goods are priced down, the price of purchase — the cost of living in Ireland — falls accordingly. That has been very evident. A neat illustration of it is the fact that, for example, the price of clothing in Ireland declined by 14% up to September last whereas the price of food declined but by 6%. Clearly, a substantial amount of the clothing originated in Ireland is traded into the sterling zone before it is sold in Ireland.

I agree with Deputy Burton that NAMA in a sense can have two functions, one of which is that of the fiscal quantitative mechanism or a wall of cash coming into the economy through the banking system lending money on. However, it also operates, in effect, as a funding mechanism to set up a bad bank for the institutions, which I will not mention but which she mentions frequently here in this House irrespective of what section of the Bill is under consideration.

On the question of the shrinking national cake, Deputy Burton is correct. It has shrunk. We must stabilise it.

**Deputy Joan Burton:** Not to mention the Jesuits.

**Deputy Brian Lenihan:** Not to mention which?

**Deputy Joan Burton:** Not to mention the Jesuits, the bakers of the cake.

**Deputy Brian Lenihan:** Deputy Burton did not hear me earlier. I made the point it was the Marist Brothers who taught me to add well. I had a good master in arithmetic at primary school.

**Deputy Michael D. Higgins:** The Jesuit effect was in the rhetoric.

**Deputy Brian Lenihan:** Correct. There was a considerable native household dimension in that as well, as I am sure Deputy Higgins would agree.

In general, Deputy Burton then turned to the question of household security and home security. She has tabled an amendment on lending to small business. Much of what is provided here, the obligation to increase lending, can be secured through the type of mechanism I outline in my amendment.

Her other amendment relates to the question of repossession, which is a serious issue. I agree with Deputy Rabbitte when he stated that if we are to secure social peace in this era, some tangible reassurance about the roof over a person's head must be a vital aspect of that. However, the mechanism that Deputy Burton advanced on behalf of the Labour Party, and which was mentioned also by several of the Fine Gael Deputies in the course of their contributions here this afternoon, is that there be a 24 month moratorium. We imposed a 12 month moratorium on Allied Irish Banks and Bank of Ireland as a condition of the recapitalisation. Even that length of moratorium sent alarm bells ringing in rating agencies throughout the world, and we were questioned at length about it. Why should those alarm bells ring?

**Deputy Joan Burton:** It is because the banks did not like the condition and they pulled the bell. That is the real world of banking, to be honest.

**Deputy Brian Lenihan:** I do not accept that.

**Deputy Joan Burton:** I have worked in it. I think I know how these operate.

**Deputy Brian Lenihan:** They agreed the condition and signed up for it. It was in the capitalisation agreement and, therefore, it was put into the public domain before any rating agency saw it.

The reality of it is that given the range of default in the United Kingdom and the United States where many of these rating agencies originate, and given that the traditional borrower in these countries has been far less reliable than the Irish borrower, there is a cultural read-through being made by the rating agencies on this issue which is unjustified. That is my personal assessment of the position.

The power of the rating agencies is another issue. It is not for today's debate.

**Deputy Michael D. Higgins:** An unaccountable power.

**Deputy Brian Lenihan:** It is an unaccountable power, and a serious power in the condign way in which it can be exercised to affect the choices of sovereign governments who are democratically accountable.

**Deputy Pat Rabbitte:** The other factor is that we do not have anything like the same degree of sub-prime mortgages as there would be in the United States or elsewhere, and applying the same rating criteria——

**Deputy Brian Lenihan:** I can introduce Deputy Rabbitte to officials from rating agencies and he can be blue in the face explaining this. It has been explained by my officials, I can assure him.

**Deputy Joan Burton:** Yet the agemcoes got everything wrong in the run-up to the crash.

**Deputy Brian Lenihan:** Yes.

**Deputy Joan Burton:** They gave triple “A” ratings to stuff that was from Mars.

**Deputy Brian Lenihan:** I am not in disagreement on that. We are now on AA-minus — on stable, mind you. The patient has finally stabilised in intensive care, but that is where we are in terms of the rating agencies.

I want to return to the topic because it is an important one. The programme for Government contains clear commitments on it. The Labour Party had a motion yesterday evening debated and decided on in that regard. It is an issue on which we will engage with the banks to see how one can have part-equity arrangements, how one can have interest-only payments and how different mechanisms can be devised to ensure that such basic security remains.

I cannot accept the form of Deputy Burton’s amendment. She presented it as enabling me to give a framework. The guideline section, which has been drafted by my officials and which I am submitting here this afternoon, is wide enough to cover this issue as well. The position is that we cannot suggest there will be a two-year moratorium.

I have dealt with most of Deputy Burton’s points. Deputy Barrett wanted the word “may” replaced by “shall”. The word “may” empowers a Minister to do far more than “shall”, which simply imposes an obligation on a Minister. When an obligation is imposed, the terms of the power can often be invoked far more easily in a judicial review proceeding against a Minister. From time to time, I was attracted by it, but I have consulted with the Attorney General over lunch and he assures me and is very insistent that that phrase could raise an issue in regard to other powers in the Bill which are not predicated on an assumption that the Minister will exercise them from time to time. The reality is that once the word “may” is used, the Minister can exercise the power at any time.

Deputy Barrett also suggested these guidelines should be submitted to the Oireachtas. In so far as they are guidelines, I agree that there should be disclosure of them to the Oireachtas and we will make an appropriate provision for that by way of Seanad amendment.

Deputy Ciarán Lynch dealt with the issue of the roof over people’s heads and residential mortgage debt. I want to repeat to Deputy Costello that the financial institutions were not consulted about this section. These are guidelines but they are backed up by an appeal mechanism. Deputy Crawford also expressed concern about the credit squeeze.

Deputy Fahey was concerned about the powers of the regulator, which are very extensive under the legislation. Of course, the power of the regulator is to regulate. This power is being conferred upon the Minister because it is a power connected with the whole economic and social development of the State and it is a power directed with the arrangement that is being entered into by the agency, but it is a power that must rest with the Minister. With regard to lending patterns, monitoring regions and external as against home customers, which were issues raised by Deputy Fahey, I will ask my officials to take them up with Mazars for its next report.

Deputy Terence Flanagan also raised questions concerning homeowners and referred to the code of practice on mortgage arrears. This does apply to the sub-prime lenders as I extended it to such lenders earlier this year, so it binds all lenders. The regulator’s code of practice is a good one and it applies to these lenders.

Deputy Ulick Burke referred to the question of facilities. It is important for Deputy Burke to note that the appeal mechanism provided for in my amendment will allow such an issue to

[Deputy Brian Lenihan.]

be considered outside that formal banking structure. It is an important issue and I agree with the Deputy that we need to be in a position to do that.

Deputy Michael D. Higgins again returned to the question of “may”, which I have dealt with already. The Deputy also made a number of points, with which I agree, although I am not quite sure I can add much at this stage to the points he raised because I have summarised my own proposal.

Deputy Richard Bruton was anxious about the whole issue of homeowners, as was Deputy Higgins. In a sense, this is a separate issue. Many Deputies have argued that homeowners should be brought within the scope of NAMA. It is entirely understandable that citizens will say to one on the street: “Why can’t I have a NAMA?” In fact, in canvassing on the Lisbon referendum in Deputy Terence Flanagan’s constituency, a citizen working in one of the shopping centres approached me and asked: “Can I have a NAMA as well, Minister?” He meant it in all sincerity and good faith, and we had a very amiable conversation about it. His point was that somehow the builders were being bailed out and that homeowners should be bailed out as well.

NAMA is not, as I must repeat, a bailout for builders. Were one to transfer a mortgage into NAMA, and were NAMA to buy the mortgage books of the banks, to be commercial NAMA would have to enforce the loans and repossess the properties, and the borrower would be fully liable for whatever sum was owed. That is what would happen if the NAMA model was applied in this context. It is because we are dealing with commercial loans that the full rigour of a NAMA loan can be applied. We all know our approach to, say, developers, and we know the parlous position of some homeowners, though not as many as is being suggested. However, many of those in negative equity are paying their loans, although clearly there has been an increase and there will be a further increase in the degree of default. That will require a structured approach and I do not rule out any measures. However, any measures have to be consistent with maintaining the solvency of the banking system itself.

**Deputy Arthur Morgan:** I confess to being very worried at this point. The Minister has more or less clapped everybody on the back on this side of the House. Deputy Fahey even thinks it a good debate at this stage. With all those references to religious orders, if I regarded myself as a Catholic, I would be examining my conscience at this stage. I am sure it would come out as positive.

The Minister in his final few words really brought this whole NAMA business back to basics. I am sure the person in Deputy Terence Flanagan’s constituency was deadly sincere when he asked for a NAMA for ordinary people. That is what is missing in this Bill, and it is why some of the amendments seek to pull it over the line. While we would still be absolutely opposed to the Bill, we would then at least see something in it for ordinary people and some level of accountability. We could all agree on changing procedures slightly to be able to deal with this debate constructively.

The Minister said the guidelines would be made available to the House. Does he mean at some future point or before this Bill is disposed of? When will his guidelines be made available? His contribution was positive in regard to these matters but not emphatic enough. Perhaps he could give us some indication now as to what he is minded to do with regard to these guidelines. While it would not be worth the paper it is written on, it would at least be on the record. The Minister’s amendment will give him a significant opportunity to bring forward what I would regard as fairly enabling guidelines, but I would like to hear more about them.

**Deputy Richard Bruton:** I welcome the Minister's indication that his guidelines will cover declined cases. We would like to know a little more about the guidelines. He spoke at considerable length about many interesting topics but few of them dealt with the credit guidelines. We need to see some firm indication of the character of the guidelines he is proposing. Specifically, I would like information on the reporting arrangements. Will Mazars be reporting to a format that the Minister specifies and that the banks comply with to provide the information in accordance with the specification that he lays out in order to get accurate information?

The Minister repeatedly says that homeowners are a different matter. However, here he takes a position that he believes that those who go to receive credit from the banks should be subject to the guidelines he sets out. I do not for the life of me see why he should not also state that homeowners who are in certain difficulties with the banks should have a certain manner of support and that this should develop from the one——

**Deputy Brian Lenihan:** It could be done. That is correct.

**Deputy Richard Bruton:** The Minister gave the impression in his response that the matter of homeowners was entirely different, and if homeowners came anywhere near this, they would be swallowed up. That is not fair. The Minister has the scope to do something more constructive for homeowners. Other jurisdictions are doing the sort of things that have been suggested, over a longer period and perhaps with some separate support. While I do not know whether that would be involved, the banks should certainly be contributing significantly towards this.

I welcome the Minister's position but I would like to see the terms of the guidelines pinned down a little. Does the Minister intend that they be made available in the House at an early date? Does he intend to make the reporting available in advance so that experienced people, like the accountants we have here, could examine the type of reporting arrangement the Minister is hoping to impose and consult with small business and other interests so we could have something robust?

**Deputy Joan Burton:** I thank the Minister for his comments. I still believe the Minister is foolish not to be tougher with the banks. He has a once-off chance, although there is likely to be another opportunity when he is to put large capital injections into both banks. He is foolish not to show that he has legitimate demands on the banks to improve their act in favour of ordinary customers, small and medium enterprises, first-time buyers and pressed home owners.

Senator Ross's book has a chapter about the people who are the "spoofer" of the boom. These are the people who puffed up the boom. A significant number of these people were employed as banking economists. I remember Dr. Dan. Dr. Dan was the man who used to appear on "Morning Ireland" and we would not be able to contain the graph inside the globe, such was the ever upward trajectory.

**Deputy Paul Gogarty:** We have not heard much from him these days.

**Deputy Joan Burton:** I do not know what Dr. Dan the man does now.

**Deputy Michael D. Higgins:** He was the super optimist.

**Deputy Joan Burton:** He was. He was such an optimist that I often wondered what did he take for his breakfast, because it could not just have been porridge. It must have had something extra special in it. The Minister needs to look at the totality and the composition of the banks' behaviour. They boosted the markets, but that is in the past and they have crashed. Equally, they are not necessarily being entirely forthcoming at the moment about what is happening. They are not telling us about rolled-over debt, overdrafts, term loans and so on. The con-

[Deputy Joan Burton.]

ditionality and the charges for these loans change, and that gets qualified as something new, rather than as a roll-over. The Minister needs to be very tough with them, and unless he finds some ingenious and inventive ways of following this up, we will all be fooled by them. I think the Minister is foolish not to be much tougher with them in a situation where his capacity to influence them is relatively limited.

He needs a big leap of the imagination to get these guys moving on these issues, because they have no intention of moving. They can produce all the fancy documents they like on instructions to lend a certain amount to the SME sector. These are nothing but fancy documents. In private conversation, they will cheerfully acknowledge that fact, saying that credit risks are bad and so on. There needs to be fresh thinking from the Financial Regulator, the Central Bank and the Department.

I used to have a part-time job when I was a student doing phone collections for one of the big companies in Ireland in those days. So much banking and business is inter-personal. One does not send somebody a guideline and have no follow up. It is a bit like getting the vote. If only leaflets were sent, there would not be many of us here. The Minister needs to go out and talk to people. The people from the Financial Regulator, the Central Bank and the Department need to get real on all of this. This is business. How many people just throw leaflets in the bin? Such leaflets would hit approximately 20% of the target audience. I doubt that people in the banks are desperately anxious to read leaflets from the Department of Finance which contain guidelines to lend more. It will stretch the ingenuity of the Minister and his senior officials, but it must be done if we are going to move on this.

Cash savings are going down at the moment. People seem to be paying off things like credit card debt, and are possibly putting money back in the mattress like they did before the guarantee. We do not know for sure why these savings are going down, but the fact is that they are going down, as we know from Central Bank reports. Just being a nice guy to the banks is not good enough. Fifty four billion is a hell of a lot of niceness. It will be difficult for the banks, but it is desperate for the rest of us if we do not force them to do this.

**Deputy Paul Gogarty:** Deputy Burton would know much more than I would about being tough, but to be tough we must have the legislation and the regulations in place. Part of the problem we had over the years was that even though we had a lax regulator, we also had very lax regulations. The only way to enforce this is either to nationalise the institutions in question, or to become the *de facto* owner. The Minister will time the announcement in accordance with market sensitivities, but even the taxi drivers know the story and they would say that the State is going to have a majority shareholding by the State. In that case, there will exist what Deputy Burton called “the second chance”, because we will be the *de facto* master of these banks and will have much more input.

I agree with Deputy Burton in one respect. The perception is out there that we are not being tough enough with the banks. I have no doubt that behind closed doors, the Minister has scared the living daylights out of some of the individuals in question, and there will be completely different management at the top over the next two years.

I welcome the fact that the Minister has had some discussion on guidelines for supporting homeowners. I am glad in this instance that he has not decided to enshrine any measures for homeowners in the Bill, because it is totally inappropriate. It is not about that. The terms of reference for the Bill do not specifically mention that. They mention the availability of credit in the economy, protecting taxpayers, and resolving the problems created by the financial crisis. One could argue that the banks are liable to get a little bit tougher with homeowners than

before and the small people will be hammered. However, the facts on the ground on repossessions do not indicate that so far, but there is always a risk.

The other remit deals with restoring confidence in the banking sector and contributing to the social and economic development of the State. One thing will lead to the other. If the banks are recapitalised and are able to operate more efficiently without having debt hanging over them in the future, it is in their interests to lend as much as possible as interest rates rise again, and to ensure that people are making whatever repayments they can. The programme for Government has a few commitments in this respect. One of them is about banking reform, and states that the Government and the Financial Regulator will develop new rules on the governance of major financial institutions and a new code of conduct for the treatment of non-performing loans for small and medium businesses, and that a percentage of lending will be guaranteed to SMEs. There is also a firm commitment to introduce new measures to protect families having difficulties with their home mortgage payments. That is something the Green Party would have pushed for in negotiations, and I am glad it is in there. There is also a commitment to reform debt enforcement in light of the recommendations of the Law Reform Commission, and the related issue of debt collection agencies.

It is clear it is not in the interests of the banking sector to go heavy on the those people who are suffering due to the State's obligations to recapitalise the banks. However, I do not believe this can be let go too far. Given that the Minister responsible for NAMA is also the Minister responsible for the instruments that will ensure mortgage holders are protected, I would be grateful if he could indicate a timeframe on whether any legislation separate to the creation of NAMA will be introduced to protect mortgage holders. Will it be done before next February? We need to have related legislation alongside NAMA implemented as quickly as possible.

No matter what version of NAMA has been touted by Fine Gael or the Labour Party or anyone else, an asset management agency will always be risky. This legislation has inherent risks for the State. Those who are suffering because of negative equity, for example, do not have one iota of belief in what is going on in this House. They need to be reassured. A suggestion has been made that would assist home owners who are in negative equity and in serious danger of falling behind with their payments. It has been suggested that rather than being the sole possessor of that equity, the banks could become shareholders in that equity. People could be allowed to pay their mortgages at normal rates and repay the banks at the end of that process. I am sure such a proposal will be brought before the Oireachtas quickly. The Minister should reassure the House that the Department of Finance is working on such a plan, in parallel to the finalisation of the NAMA process.

**Deputy Kieran O'Donnell:** I would like to make one or two critical points and get some clarification. Is the Minister using amendment No. 127 as a means of threatening the banks? Rather than issuing guidelines, is he threatening to issue guidelines? Is the Minister committed to issuing guidelines, or is he merely threatening the banks that he may issue guidelines? It is a subtle point, but it is a very important one. Can the Minister clarify when the Mazars report will be completed? Who is paying for it? The point about the distinction between new and existing loans is critical, as is the need for proper disclosure from the banks. What happened with the last Mazars report cannot happen again. Deputy Fahey spoke about what the €240 million fund will be used for, but I would like the Minister to clarify what the €100 million in the SPV will be used for. The Minister has yet to explain what the €49 million of taxpayers' money will be used for. On the need to pay market value for the assets, would it not be better to put €7 billion of taxpayers' money into the banks by way of capital, thereby increasing their tier 1 ratios and taking pressure off the banks' capital ratio requirements? That might make it



[Deputy Kieran O'Donnell.]

easier for the banks to lend to small businesses and home owners. It would be a better use of taxpayers' money.

**Deputy Paul Gogarty:** It might lead to higher interest rates.

**Deputy Kieran O'Donnell:** It is likely that €47 billion will be paid by way of market value and the rest will be put into the banks. If we owned 51% or more of the banks, we would control their loan books and lending policies without interfering too much with their commercial activities. I am talking about the nationalisation of the banks and the use of taxpayers' money. The Minister's current NAMA mechanism will put much more pressure on the banks' core tier 1 capital than an alternative system would. I suggest that such a system — using market value and putting extra money in by way of ordinary shares in the banks — would have a better effect on NAMA itself, as a vehicle that would acquire assets at market value. It would improve the banks' core tier 1 capital ratios and thereby ensure they are not under as much pressure to lend.

**Deputy Brian Lenihan:** I fear that we have returned to Second Stage. I have examined Deputy Morgan's proposal. I do not mean to be critical when I say that the other amendments do not provide for an appeals mechanism. I know the amendments are motivated by the best reasons. The Labour Party amendment is restricted to small and medium sized enterprises and small businesses. There is quite a problem in providing car loans in the State at present. It is important that the Minister is given the flexibility to deal with credit problems as they arise, rather than merely with a particular defined problem that exists now. The nature and scale of the crisis in the institutions is such that it is essential for the Minister to be equipped to deal with any credit problems that affect that economy. That is the purpose of this section of the Bill, as drafted.

**Deputy Kieran O'Donnell:** I remind the Minister——

**Deputy Brian Lenihan:** I will deal with the Deputy's questions. Deputy Bruton was concerned to know when we will see the codes of practice and the appeals mechanisms. The codes of practice will be binding on the participating institutions. We will not have participating institutions until this legislation has been adopted and the various institutions have complied with their internal formalities with regard to their participation. The impression is sometimes given in this debate that I will roll €47 billion or €54 billion straight into the banking system next week. While it might be desirable to do that, from one point of view, that is not what will happen under this legislation. As Deputies are aware, it is not likely that there will be a substantial transfer until later this year or early in the new year. It is clear that a code of practice covering the present problems will have to be in place before that can happen. That will be an essential part of the appeals mechanism. The banks will not receive the money this week, or the week after the commencement of the legislation. Deputy Burton said that we should be tougher with the banks. We are tough. We are giving ourselves the power to regulate the banks' lending and to put in place an appeals mechanism. I find it difficult to see how much further than that we could go at this stage, in this Bill, while maintaining a flexible approach.

**Deputy Joan Burton:** If the banks owned the Minister, he would come up with many ideas about toughness.

**Deputy Brian Lenihan:** We know the banks can be very tough with debtors. I assure the Deputy that Ministers can be tough with banks as well. However, we cannot engage in pointless

rhetoric in the House. That is not a substitute for policy. Policy requires decisions. Decisions have been taken on this country's banking sector and will continue to be taken. The question of support for the economy is crucial. Deputy O'Donnell asked whether the power that has been conferred on the Minister is intended to be used as a threat, or whether it will actually happen. It is intended for both purposes. It will be used as a threat, but there will——

**Deputy Kieran O'Donnell:** The Minister is hedging his bets.

**Deputy Brian Lenihan:** No, I am not. There will also be codes of practice.

**Deputy Kieran O'Donnell:** When will we see them?

**Deputy Brian Lenihan:** It is fundamental to recognise that the credit problem we see today might not be the credit problem we will see early next year. It is important that all of the different credit problems are addressed.

**Deputy Kieran O'Donnell:** Nobody disagrees with that.

**Deputy Brian Lenihan:** In so far as the credit problems that exist here and now are concerned, my intention is to make an initial informal announcement, in advance of the codes, in approximately six weeks time. However, I do not want to be tied down on the code before we have participation by the institutions.

**Deputy Kieran O'Donnell:** The Minister expects to produce a code in the next six weeks.

**Deputy Brian Lenihan:** I expect to make an informal announcement about what is envisaged within six weeks. The actual code will have to await the decision of the institutions to participate in the scheme. The imposition of the code is linked to the participation of the institutions. There is a timescale for the implementation of the legislation.

**Deputy Kieran O'Donnell:** The Minister is not issuing guidelines.

**Deputy Brian Lenihan:** I am sorry. I am not a witness under cross-examination. I am in Parliament and I am entitled to speak at this stage.

**Deputy Kieran O'Donnell:** With respect, the questions I asked were valid.

**Deputy Terence Flanagan:** They were not answered.

**Deputy Kieran O'Donnell:** They were valid questions.

**Deputy Brian Lenihan:** I answered the Deputy's questions.

**Deputy Kieran O'Donnell:** We are entitled to a response.

**Deputy Terence Flanagan:** Absolutely.

**Deputy Kieran O'Donnell:** The Minister is not issuing guidelines.

**Deputy Arthur Morgan:** These amendments have been tabled to address the concerns of the Opposition — I do not speak for the Opposition as a whole — and the real and genuine concerns of the people. When I speak about home owners, I refer not only to those who hold mortgages, but to their family members. When I speak about small and medium sized enterprises, I refer not only to managers and owners, but also to employees. I am trying to address the genuine and real concerns of working teams that comprise a considerable number

[Deputy Arthur Morgan.]

of people. I acknowledge that the Minister's amendment, which allows him to intervene, is great. We do not know whether he will intervene, which is the real question. We do not know the extent to which he will or may intervene. We have not had sight of a draft of the Minister's guidelines or code, which makes it very difficult for us. To be truthful, I regard the passage of this Bill to date as having taken a rather crooked path. I refer particularly to the introduction of the SPV. The Minister will not be surprised to learn that I feel, to borrow a phrase used by Deputy Bruton earlier in this debate, that if we are to believe what he is saying, we need to put our fingers into the holes in his hands and our fists into the holes in his sides. Deputy Rabbitte said earlier that many examples of absolutely viable enterprises have been given. Deputy Rabbitte stated that many examples have been given. Every Member of the House will have had representations from affected businesspeople in recent months. They are desperate to hold on to extremely viable businesses but cannot do so because of the lack of funding. That is how serious circumstances are for them. They and their families face unemployment and all the associated hardship and torment.

The group of amendments attempts to deal with the issues that arise for homeowners. Unfortunately the Minister is telling us again he has concerns about these issues and that he acknowledges them. However, I do not see any practical step in the legislation to do anything about home repossession, which is unfair.

The Minister gave the example of a member of the public in Deputy Flanagan's constituency talking to him about what we have been calling "NAMA for ordinary people". There still is no NAMA for ordinary people in the legislation, nor is there any prospect of it. Therefore, I will press my amendment. It is the only dependable way to try to deal with these matters.

**An Ceann Comhairle:** The Deputy anticipated my question.

Amendment put.

The Dáil divided: Tá, 68; Níl, 79.

Tá

Allen, Bernard.  
Bannon, James.  
Barrett, Seán.  
Behan, Joe.  
Breen, Pat.  
Broughan, Thomas P.  
Bruton, Richard.  
Burke, Ulick.  
Burton, Joan.  
Byrne, Catherine.  
Clune, Deirdre.  
Connaughton, Paul.  
Coonan, Noel J.  
Costello, Joe.  
Coveney, Simon.  
Crawford, Seymour.  
Creed, Michael.  
Creighton, Lucinda.  
D'Arcy, Michael.  
Deasy, John.  
Durkan, Bernard J.  
English, Damien.  
Feighan, Frank.  
Ferris, Martin.  
Flanagan, Charles.  
Flanagan, Terence.  
Gilmore, Eamon.

Hayes, Brian.  
Hayes, Tom.  
Higgins, Michael D.  
Hogan, Phil.  
Howlin, Brendan.  
Kehoe, Paul.  
Lee, George.  
Lynch, Ciarán.  
Lynch, Kathleen.  
McCormack, Pádraic.  
McEntee, Shane.  
McGinley, Dinny.  
McManus, Liz.  
Morgan, Arthur.  
Naughten, Denis.  
Neville, Dan.  
Noonan, Michael.  
Ó Caoláin, Caoimhghín.  
Ó Snodaigh, Aengus.  
O'Donnell, Kieran.  
O'Dowd, Fergus.  
O'Keefe, Jim.  
O'Mahony, John.  
O'Sullivan, Jan.  
Penrose, Willie.  
Perry, John.  
Quinn, Ruairí.

## Tá—continued

Rabbitte, Pat.  
 Reilly, James.  
 Ring, Michael.  
 Shatter, Alan.  
 Sheahan, Tom.  
 Sherlock, Seán.  
 Shortall, Róisín.

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

## Níl

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

Kenneally, Brendan.  
 Kennedy, Michael.  
 Killeen, Tony.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McEllistrim, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 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.

Tellers: Tá, Deputies Aengus Ó Snodaigh and Emmet Stagg; Níl, Deputies Pat Carey and John Cregan.

Amendment declared lost.

Amendment No. 11 not moved.

**Deputy Joan Burton:** I move amendment No.12:

In page 17, between lines 17 and 18, to insert the following:

[Deputy Joan Burton.]

“3.—Every 30 days NAMA shall report to Dáil Éireann setting out details of its operation including the identities of the owners of, and particulars (including value) of, any assets acquired by it during the period in question valued at over €100,000.”.

As we know, NAMA is taking over loans, good and bad, but mainly distressed loans with a smaller proportion of some good loans that we do not quite know the context of just yet. In turn, those are loans that were mainly given to people in the property development business. The purpose of the amendment is to ensure that every 30 days NAMA would report to the Dáil setting out details of its operations. We have several other amendments seeking that as well, including the oversight reporting. We also want “the identities of the owners of, and particulars (including value) of, any assets acquired by NAMA during the period in question valued at over €100,000”. I seek this in the interest of transparency.

People in the streets and shops of every town and village in Ireland are asking how the banks came to this and who are the people involved. We know there are a top 100 developers and that the top ten to 15 are likely to be dealt with before Christmas. Given the vast amounts of money involved, it is not unreasonable that we should know the identities. If there are legal disputes, and there have been a number already, the court cases give the full details. It appears to be proving particularly difficult for the Government and the Irish public service to concede the notion that where the State is offering a bailout of €54 billion, with more being provided in the future in terms of cash injections into the banks, the fundamental rules of democratic transparency require that information should be available on who are the beneficiaries and the connected parties.

These are troubled loans which the banks gave to the developers. We are told there are up to 2,000 such loans. It is quite easy to categorise them and to provide summary details. One of the reasons people have so little trust in the Government is that they know it did everything it could to remain in denial for a long period about Anglo Irish Bank and Irish Nationwide being in trouble. That caused the ultimate crash to be far worse, mainly because the former Taoiseach operated in a particular way and Deputy Brian Cowen, as Minister for Finance, could not bring himself to believe that Anglo Irish Bank was going to crash. However, the dogs on the street knew that Anglo Irish Bank’s business model was bust. That bank was basically a developers’ bank as was clear from the draft report the Department sent to Brussels, which was released to me under the Freedom of Information Act after I spent approximately six months tiptoeing around the Department of Finance. This report showed that as late as 8 January, and the bank was nationalised a couple of days later, the Department of Finance was telling Brussels that this was a niche bank and that it was fundamentally sound.

If we are to get out of this situation, that is, reach the bottom and start upwards again, there must be a great deal of honesty and transparency. The Minister will say there is a sacred bond of confidentiality between a banker and clients, but this is not an ordinary situation. This is an economic emergency, caused by incredibly bad, rash, stupid and greedy behaviour on the part of the bankers and developers. The bankers ought to have exercised caution and said to some of the developers: “Look, €400 million for that site is mad.” However, they were getting the fees and the bonuses, so they continued as they were. The amendment aims to provide some level of understanding to citizens about what is involved in this. Again, if the Government envisages having some type of national contract for recovery in which it is asking people on very modest incomes to take very savage hits, it must show that the harsh medicine Fianna Fáil is anxious to dole out to the little people is somehow balanced by the fact that it will be fearless in disclosing what happened and who owed what, where the amounts are significant.

People regularly ask me why the situation is different in the United States. The case of Bernie Madoff is the most famous but there are others, such as Marc Dreier in New York who defrauded the hedge funds of \$5 billion or \$6 billion and was sentenced to 20 years in jail. It did not merit much coverage in Ireland. In the American system the crash was awful but there was a great deal of transparency about what caused it. It was a similar situation in Sweden. Transparency to the citizens is the beginning of the rebuilding of trust, because people then understand what happened and how awful it was. They can then start to build up again. The approach of the Minister and the Department of Finance arises from a culture where the banks could do no wrong and, therefore, little or nothing in terms of conditionality could be imposed on them. If we are to be rescued from our current position, that culture must change.

On Committee Stage, the Minister said he was not inclined to accept this amendment, although I asked him if he had a better way of framing it while adhering to its principle. Why should somebody get €54 billion, as will happen between that group of banks that are entering this scheme, when, as every Member knows, the local GAA, soccer or tiddlywinks club that receives €100,000 is subject to information disclosure and publication, and rightly so? We take it for granted that the disbursement of public moneys is subject to public information. There is nothing wrong with that. If we learn the names of the various developers, the banking crisis will not worsen. It will simply enable us to come to terms with the situation.

In some ways a grief has invaded the country. People are asking where our prosperity went. A total of €66 billion was made from land rezoning in this country in a very short period of time. It is legitimate to ask who was involved and where the money went, and to give citizens that information. Perhaps it will become a tale people will tell their grandchildren. On the other hand, there are people who will start a business, as people often do in the depths of a recession, and, although this might be a negative role model, if they are in the development business it might encourage them to say: "I will not do that. I will build up my business and put capital into it. I will not be seduced by every bank that keeps upping the ante." This is an essential part of the recovery process for this country.

The Minister might have an alternative way of addressing this. I urge him not to hide behind the veil of the banker-client relationship having the seal of the confessional. Of course that is true with regard to one's daily dealings with the bank and the Revenue Commissioners, and nobody wishes to be prurient about those. However, that is different from the principle of disclosing. In the United States one can go on-line and discover every detail relating to the troubled asset recovery programme, what has happened in the programme, if and when assets have been seized, the Resolution Trust Corporation and so forth. The consequences of some of the information are not always pleasant but at least it makes citizens feel their government has some sense of what took place.

I suspect that, at present, some Government Ministers do not even know to whom this €54 billion relates. We know it is going to the banks, but the banks gave these loans to people in the development business. The bankers and developers behaved in an unbelievably greedy, reckless and mad way. They did not necessarily bring ruin on themselves, although some have, but they have certainly brought a great deal of ruin to a great many ordinary people in this country.

Let us consider the position of small businesses which are currently encountering difficulties in the context of renewing their overdrafts. When the owners of these concerns are obliged to put "Closed" signs in the front window of their premises, everyone in the towns and villages where those businesses are located will discover what is the story in the local pub. If we then consider the case of the so-called maple ten who took on the shares in Anglo Irish Bank when the members of the Quinn family, having spent €1.5 billion, ran out of money — which is

[Deputy Joan Burton.]

understandable — and could not meet the calls being made on them, then it is obvious that information must be placed in the public domain.

Such information can already be placed in the public domain by journalists. What is wrong, however, with the Government publishing it? At present, at least five investigations are ongoing into the activities of Anglo Irish Bank. It is some 12 months after the difficulties with that institution emerged and we are as wise now as we were then with regard to its activities. When public concern was at its height approximately seven or eight months ago, the Garda raided the offices of Anglo Irish Bank. Since then, there has been nothing but silence. One would think that those making the inquiries had joined the Carmelites and taken a vow of silence. That is not the way to engender a sense of justice, fairness or balance or to allow people to come to terms with their rage and grief regarding the fact that the economy has been ruined and they must start again.

I commend the amendment to the House.

**Deputy Paul Gogarty:** I note the use of the word “symbolic” by Deputy Burton. In that context, I hope she will not press the amendment and that it is merely a symbolic gesture aimed at trying to——

**Deputy Joan Burton:** It is not a symbolic gesture.

**Deputy Paul Gogarty:** In such circumstances, the net effect of the amendment would be shambolic. If one tries to tease out the exact meaning of what the Deputy is suggesting, she is trying to make provision for the micromanagement of a system. That is not to say that people on this side of the House and elsewhere would not agree with her assertion that there is a need for transparency.

Deputy Burton’s amendment refers to any assets valued at over €100,000. That covers virtually everything that comes within NAMA’s remit and would result in a huge level of deliberation every 30 days in respect of a large amount of lands and assets. I would argue that it would not be possible to utilise the resources of the State in an effective manner in respect of such a level of micromanagement. Amendment No. 18, which was tabled by my party and on which Deputy Mary Alexandra White will be elaborating in due course should we reach it in time, suggests the introduction of quarterly as opposed to six-monthly reports. I am of the view that quarterly reports would be sufficient, but I am of the view that even this is not the correct route to take in the context of setting out the details of the identities of the owners of the assets to which amendment No. 12 refers.

Perhaps information might be issued on a once-off basis so that people might know the identify of these owners of these assets and the value thereof at a certain point in time. If there were a need to report every 30 days, this would interfere with one of the key provisions of the legislation, namely, that relating to restoring “confidence in the banking sector and to underpin the effect of Government support measures in relation to that sector”. NAMA is supposed to break even, and possibly even make a profit, over a provisional ten-year period. In that context, we should not be examining the value of the assets each month to discover whether they are rising in value, particularly as the attendant media speculation would have an impact on the economic well-being of the country. There would be value in considering the position on a year-by-year basis to discover how matters are proceeding. However, doing it every month would be overkill.

Amendment No. 12 also refers to the “identities of the owners of, and particulars (including value) of, any assets acquired by it during the period”. It would be good if, at some stage, an

exercise were carried out in this regard because it would make matters more transparent for those who are concerned with regard to NAMA and who are extremely angry about what has happened. However, I would like matters to go further and for legislation to be passed to ensure that all donations given by developers to politicians who, legitimately or otherwise, rezoned land throughout the country might be identified. People would then be in a position to see clearly the link between developers and politicians. It was not just developers who screwed up, it was also those involved in the body politic — not just Members of the Oireachtas but also members of local councils. I would like to see complete rather than partial transparency.

A 30-day reporting process such as that outlined in amendment No. 12 would be both unworkable and undesirable. If, however, Deputy Burton is trying to communicate a symbolic message to the Minister in the hope that he will make provision in this regard at some stage, I would then be in agreement with the general thrust of her amendment. I am of the view that information relating to the identities of the owners of the assets and the particulars relating thereto should be provided at some point. In addition, information should be provided on the relationships these individuals have with politicians. This must be done in the interests of encouraging both transparency and recovery. However, it would not be possible to provide such information every 30 days.

**Deputy Arthur Morgan:** For a number of reasons, I support the sentiment behind the amendment. The Minister referred to reporting on a quarterly basis. In the ordinary scheme of things, a quarterly report would be sufficient. However, we are not dealing with the ordinary scheme of things. We are dealing with senior bank executives who have continually demonstrated in recent years that they are not worthy of trust. The only way to hold these people to account is to ensure that, at least in the early days of NAMA, they report on a monthly basis. This would ensure beyond a doubt that their practices are reasonable and come within the realms of what might be termed “normal transactions”, in so far as anything relating to NAMA might be referred to in that way.

The Minister’s offer of a quarterly report represents a genuine effort on his part to meet our concerns. However, a quarterly report is insufficient and that is why I support the amendment.

**Deputy Richard Bruton:** I support the principle underpinning the amendment, which is slightly different from amendment No. 90 in my name. This is an exceptional situation where the normal rules of confidentiality cannot be applied with an iron fist. We are of the view that a register should be kept. In the first instance, the Comptroller and Auditor General, on behalf of an Oireachtas committee, should have sight of this register. However, where someone defaults, his or her records should be placed in the public domain. We disagree with the Minister’s assertion that this should only occur in the event of proceedings being taken by NAMA against an individual. Amendment No. 90 suggests that where a person fails to meet the terms relating to a credit facility paid for by the taxpayer, it would be in the public interest to publish and make available information in that regard.

It is extraordinary that taxpayers are being obliged to purchase these loans, which were entered into recklessly by those in the banking sector and which have brought the economy to its knees and people to the brink of misery as a result of being made unemployed or the threat that their homes may be repossessed. It is not acceptable, particularly when taxpayers have been obliged to purchase these loans, to adopt the view that these transactions should proceed under a veil of confidentiality or that relationships involved between bankers and clients are commercial in nature.



[Deputy Richard Bruton.]

The Minister is trying to take the principle of confidentiality far too far. The public interest must be defended and, in that context, a proper register must be put in place. This register must be overseen in the correct manner, there must be no sweetheart deals and the money involved must be pursued in a proper way.

We are aware, from information made available by the IMF, that bureaucratic asset recovery systems in other countries have not been successful in recovering moneys on behalf of taxpayers. We are going down the route of putting in place a bureaucratic structure and we must, therefore, try to introduce the transparent incentives that will promote the creation of an effective asset recovery mechanism.

The principle which underpins the public's right to know is important. Amendment No. 90 is slightly different from amendment No. 12 in that it identifies default as being the trigger, particularly as it appears that people who are in entirely good standing with their banks will have their assets transferred to NAMA. These individuals should have a legitimate hope that they might continue to have their projects banked, even though those projects might be transferred to NAMA under the broad terms set down by the Minister. Transparency and the public's right to know must be at the heart of this where a loan is not fully performing and all the obligations are being met by the borrower. That important principle is reflected in the amendment we are now discussing and in amendment No. 90 in my name and that of Deputy O'Donnell.

**Deputy Mary Alexandra White:** While I agree in principle that more transparency and regulation is what we need, I believe, coming from a business background, that having a forensic audit every 30 days would not be practical. It would put a huge onus on a vast volume of financial transactions taking place within any 30-day working period. I agree that there must be an end to light touch regulation. We now have a new regulator in place and directors on the boards of banks will change during the next couple of years.

I am happy to say that the Green Party sought strong amendment to the Bill, namely, that there be quarterly rather than biannual reporting and that such reports would be laid before the House, which is good. This matter is addressed further in amendment No. 18.

What got us into this appalling mess was a lack of tough regulation and scrutiny. Were I to run my small business in that manner I would be bankrupt. We must ensure there is in place good, tough regulation and the most stringent oversight of what is happening in our financial markets. While I support the thrust of Deputy Burton's amendment I believe that over-regulation and the burden of scrutinising the volume of work going through NAMA in any 30-day working period is simply untenable. I believe the requirement for quarterly reporting should be sufficient.

**An Leas-Cheann Comhairle:** I ask Members to ensure their mobile phones are switched off.

**Deputy Michael Ring:** While, in principle, I support the amendment I do not believe we have had over-regulation for the past number of years. We had regulators but no regulation. We paid them big salaries and gave them many staff with whom one wonders what they were doing. They were doing nothing. The Central Bank, Minister for Finance or officials of his Department did not cry "stop".

I tabled a parliamentary question yesterday in regard to the national debt. By 2010, this Government will have trebled the national debt. Whatever little money we have to run our services is going to be put into NAMA. I would like to know — Deputy Gogarty spoke about this issue — if any Member of this House, his or her family or friends have any involvement

in any company that will come within the remit of NAMA. If so, he or she should declare it. If the public find out after this legislation is passed that it was rushed through to save a Member of this House, his or her family or anyone associated with them or the builders who brought down this country to such a state that poor people are now having to pay for NAMA, they will not be happy.

I have not contributed much to this debate because I am concerned I will get so angry I will say something to upset people and I do not want to do that.

**Deputy Paul Gogarty:** The Deputy should speak freely.

**Deputy Michael Ring:** If I start I will not stop.

**An Leas-Cheann Comhairle:** I ask Members not to encourage Deputy Ring.

**Deputy Kieran O'Donnell:** Go on Deputy Ring.

**Deputy Michael Ring:** Deputy Gogarty was never in the tent in Galway and neither was I. I once went to Galway to see the tent and was kept away from it.

**Deputy Paul Gogarty:** On the way to Connemara I stayed in a tent but it was my own.

**Deputy Michael Ring:** I am not a racing man. I went to see the tent. Many of the builders who gave money to Fianna Fáil and other political parties will be looking for their money back given the state they are in. However, they may promise to return it to them at a later stage. I would not like to be trying to get that money from Fianna Fáil. Fianna Fáil is like the bees, one sees them but never the honey.

I hope that we are putting in place tough regulation and not “yes” men and women, the like of which we had before and that once and for all, when we give people a job to do they will do it. I hope that the board of NAMA will do the job it will be paid to do. I believe the Financial Regulator should have been sacked, that the Central Bank and other banks should have been closed and that we should have started at the beginning again. While many economists would not agree with me in this regard the people on the ground would. Any person running a company on a small budget would, if he or she overspent, be imprisoned. What did we do with the people regulating the banks and the country? We paid them off and gave them big pensions and are now giving them further jobs. At the end of the day there are only a few people in the country who can regulate NAMA. It will be more jam and more money for the boys and girls who support political parties in this country.

**Deputy Pat Rabbitte:** I will not repeat the argument advanced by my colleague, Deputy Burton. We are in exceptional times and this is an exceptional measure. These are more exceptional circumstances than any of us has ever lived through.

The amendment does not seek that an audit be undertaken. It relates to straightforward reporting. The 30-day period has been already agreed for the reasons outlined. The obstacles cited by the Green Party do not exist.

The Green Party said it agrees with the sentiment of the proposal but that it is too onerous, which it is not. There is a touch of St. Augustine about Deputy Gogarty, “Make me holy, but not yet”, “Give me regulation and transparency but not too much of it now.” Yesterday he embraced an Opposition motion and said it was just what the doctor ordered from the Green Party point of view and that he would be embracing it unless the Minister talked him out of it.

**Deputy Michael Ring:** He did not want the injection.

**Deputy Pat Rabbitte:** What is amazing is that he must have been talked out of it because the Minister never addressed the issue at all. He paid no attention to him. It is like clubbing a baby seal from Fianna Fáil's point of view, which is not fair. I do not doubt the integrity or bona fides of the Green Party on this issue. If, as Deputies White and Gogarty say, they approve of the sentiment, given all that has happened, as described by Deputy Ring, they should support the amendment.

**Deputy Paul Gogarty:** If Deputy Burton were to amend it to read "quarterly", I might.

**Minister of State at the Department of Foreign Affairs (Deputy Peter Power):** I am glad that Deputy Ring did not work himself up into a state of anger. God forbid what that might look like. I agree with many of the points Deputy Ring made regarding regulation, a separate issue in terms of this amendment.

We all share the multiple objectives of wanting to have appropriate oversight and scrutiny, which will be the objective of the committee to which these reports will be sent. We also want to ensure NAMA will be an effective operating mechanism and this is a key objective of the legislation. Again and again, we must make the distinction between this House as a Parliament setting down policy and NAMA as an instrument and creation of this House carrying out the aims, objectives and policies of this legislation. This House, nor a committee of this House, will be NAMA. That is another objective. Transparency is the third objective we seek.

The issue that arises in the context of the amendment before us is how we balance those three competing objectives and give appropriate weight to them? The issue is the effectiveness of NAMA versus the scrutiny of the House.

I thank Deputy Burton for her amendment, but the Government is clear in the view that the proposed Labour Party amendment whereby NAMA would report to the Dáil every 30 days of its existence for ten years, setting out details on all assets acquired over €100,000, would result in an enormous administration burden on NAMA that would have the potential to seriously impede its ability to operate and perform the functions provided for. That sort of obligation would make it impossible for NAMA to carry out its functions. A 30-day reporting period was debated at some length on Committee Stage. Such a limit for the duration of a ten-year period would impose a substantial burden, not only on the agency but on the relevant Dáil committee appointed to examine it every 30 days. Having taken account of the debate on Committee Stage, the Minister has agreed to introduce a Report Stage amendment increasing NAMA reports to quarterly rather than biannual reports. I accept the point made by Deputy Morgan, and this is a genuine attempt by the Minister to reflect the debate which took place on Committee Stage. I will speak on the amendment shortly.

The second aspect of the Labour Party amendment relates to the quality of information that would be supplied were the amendment to be accepted. NAMA's commercial mandate, which is enshrined in the legislation, would be undermined if it were required to report on the identity of owners or the value of individual assets. That would hinder efforts to receive a commercial return on behalf of the taxpayer. We must keep the taxpayer in mind. Our sole objective is to get a return for the taxpayer.

Deputy Burton rightly introduced the issue of confidentiality between banking institutions and customers. Deputies Burton, Rabbitte and Bruton are right to say this is an extraordinary measure. However, that is no excuse to trample on the rights of people who are engaged in contractual relationships, such as loan and mortgage agreements, with banks and institutions, where their rights are enshrined in those contractual relationships. Where there are performing loans, the agreements are explicit that if customers perform their side of the bargain and carry out their side without any cost to the taxpayer or State, they are entitled to confidentiality. I

would draw a parallel. In existing banking institutions where loans are not transferred over to NAMA, is there any difference between those loans and the performing loans transferred to NAMA?

**Deputy Joan Burton:** The taxpayer is not taking them on, that is the difference.

**Deputy Peter Power:** To quote words of the Minister, the taxpayer is already deeply embedded in the banking system through our shareholding, but does that mean that because we have an interest in those banks the taxpayer, through freedom of information arrangements, by some other amendment or under this particular arrangement and Members of the Oireachtas would have access to the individual accounts or performing loans of members of the public? That is a proposition a bit too far and does not create the balance we mentioned at the outset.

There are extensive provisions in the Bill for reports, including annual forecast statements, annual accounts and quarterly reports from NAMA to be presented to the Oireachtas. Furthermore, regular oversight by the Comptroller and Auditor General and Oireachtas oversight through the Committee of Public Accounts and the proposed Oireachtas committee to be set up at the invitation of the Minister will be provided for in the Bill. Deputy Rabbitte made an important point with regard to the distinction between auditing and scrutiny. It is important to have proper auditing post the event in the normal way by the Comptroller and Auditor General and for this to be subsequently scrutinised by the Committee of Public Accounts. However, this is not auditing. This is oversight and scrutiny, which would be done on a monthly basis if this amendment was accepted. I ask Deputy Rabbitte to accept that distinction.

**Deputy Pat Rabbitte:** I accept it. It was the Minister of State's colleagues who did not understand the point. They introduced the audit point. I accept it does not involve auditing.

**Deputy Peter Power:** There is a significant practical reason, if the amendment were to be accepted and enshrined in the legislation, that this would not serve the interest of the State or taxpayers. Clearly, if this sort of information on performing loans that were not causing any loss to the State were to be made available to Members of the Houses of the Oireachtas, and by extension to the public, this would create an immediate competitive disadvantage between that institution and institutions which are not part of the scheme of arrangement proposed by the Bill. People would prefer to deal with institutions that would not be obliged to disclose this information were this provision to be in the Act.

With regard to the point made by Deputy Gogarty, we obviously need transparency in the context of political accountability and funding for the political process from people who might be involved in this. I cannot disagree. However, this is not an issue that should be addressed in this legislation, but rather under other ethical legislation. The basic point is that under arrangements freely entered into by the financial institutions, citizens and corporate entities here, those entities that are performing and operating in a normal way and contributing and honouring their commitments under their loan agreements are entitled to confidentiality. Not only here but throughout the world, that confidentiality is at the core of the banking system where agreed arrangements are made between bankers and borrowers. If both sides of the arrangement are fulfilled, those involved are entitled to confidentiality.

**Deputy Joan Burton:** To set the record straight, the NAMA draft business plan is constructed around the notion of significant tranches of loans being transferred from the banks to NAMA in 30-day periods, so that by the end of July, it is anticipated that the €54 billion in loans or the bonds will be issued. Therefore, it is the structure of the Minister's proposals that gives rise to the response of a 30-day framework, because that is the way NAMA proposes to work. In the context of the framework, the draft plan and the other documents given to us about

[Deputy Joan Burton.]

NAMA, there is significant emphasis on the schedules making up the content of the loans. That is the fundamental way in which the NAMA work is to be done by those working in NAMA.

The professional approach they will take is that they will schedule the loans and then have indicative values across the schedule or spreadsheet. In that context, that is how one gets long-term economic value, because one has the book value of each asset, the market value and then the uplift that has been foolishly provided for the long-term economic value. If one reads the documentation and the Bill, those actions, which will be carried out on a 30-day basis, are intrinsic to the structure of how NAMA will operate.

The proposal I made involves almost no extra cost. It is a reporting proposal, not an auditing requirement, and is modelled on what is happening in the United States, where the critical requirement is to get the information out. I said to the Minister that if he accepted this principle of disclosure to citizens, I would be prepared to accept his advice and that of his officials on how to word the amendment better. I accept Deputy Bruton's point that people who are not in default are in a somewhat different category. We debated this in the middle of the night when the Green Party was not around and the Minister conceded in the course of the debate that some summary information will be given every three months, but only three months in arrears. Six months after the initial period, we will get the information. At the end of the first six months, according to the draft business plan, at least 70% of the loans will already be dealt with. That is why the 30 day period is significant.

There are other sections of the Bill, such as section 207, that concern court proceedings arising from NAMA, and these proceedings will all be commercial, civil proceedings. There is a provision, however, that the judge can decide to hold those hearing *in camera*. I am not a lawyer, although I know the Minister of State is another lawyer; the Government is stuffed with them.

**Deputy Peter Power:** A part-time lawyer.

**Deputy Richard Bruton:** A part-time politician.

**Deputy Peter Power:** I keep my hand in.

**Deputy Joan Burton:** There are not many accountants or business people but there are an awful lot of lawyers in the Government. I do not recall commercial hearings in this country being held *in camera*, except for family law cases so this is a massive restriction on information. If the Government does not want people to riot in the streets, something none of us wants, it must be willing to explain to people who are the beneficiaries of this process. I do not have to tell the Minister of State that people are caught between rage and despair over what has been done to the economy.

**Deputy Richard Bruton:** I thought the Minister of State was building up to accepting our amendment when he drew a firm distinction between those who are in default and those who are not.

**Deputy Peter Power:** I also failed to address the Deputy's point, although it was my intention to do so.

**Deputy Richard Bruton:** I can obviously look forward to amendment No. 90 being accepted later on.

This is the core point. I can accept a certain protection of confidentiality for those who have met all their obligations but I do not see how that applies for people who have not met their

obligations and where, in this extraordinary situation, the taxpayer has had to acquire those obligations and pay more than the market value for them. To be denied the identity of those who are defaulting in respect of an obligation the taxpayer owns is inconsistent with the idea of fair play. The public have a right to know.

**Deputy Paul Gogarty:** Deputy Rabbitte quoted St. Augustine, saying let me be chaste but not yet. The actual quotation relates to chastity and continence. My St. Augustine is not that good but I know that he said that where a person makes a genuine effort to do something, what matters most is the fact he genuinely made the effort, not whether he succeeded.

Deputy Rabbitte also made some remarks about the Green Party saying one thing about the Minister's position, the Minister not answering, then agreeing with the Minister anyway. I made a genuine comment yesterday where I supported the thrust of a Fine Gael idea. The Minister, to my satisfaction, responded that he would deal with the issue. It might not have been 100% satisfactory but it was satisfactory. We have explained why if a party is in government it must vote with the Government unless it chooses to leave.

Deputy Burton has made many valid points on the need for accountability but my fear is not that the committee would be overwhelmed by having to deal with the reports every 30 days, or that developers and their donations would not be included, but that the media will take out the sensational and report it. We have seen how reports in the Irish media were picked up by outlets elsewhere, which had an impact on the Irish marketplace and confidence in our economy. In terms of the evolution of economic value, 30 days is too close. It will be commented on *ad infinitum* and there will be no real progress from one month to the next. I take Deputy Burton's point about the arrears of the quarterly report but it is still reported every quarter and there will be an opportunity to look at things in detail. That strikes a balance, although I agree that where it is legally possible and appropriate, at some stage in the future, once and once only the names of the individuals should be put in the public domain for the damage caused to this economy.

**Deputy Peter Power:** We should examine the Minister's proposal and stress test it against the proposal before the House. Deputy Bruton's point is that there is a distinction to be drawn between default on a loan and proceedings being instituted. There are probably very few people in the House who, at some stage, perhaps in their youth, have not fulfilled all their obligations on all their loans at all times. I certainly cannot say that I have. Does that mean all of people's confidential details with a financial institution, if they have never had proceedings instituted against them, ought to have their details disclosed in public? It is a step too far that the public would not support.

I agree that if proceedings are initiated against a particular developer or other person subject to the Bill, his name might be included. In that respect I draw Members' attention to amendment No. 59 that will introduce a new section 53 on the quarterly report, a concession arising from Committee Stage. It states that the quarterly reports shall include the following information for the relevant quarter: the number of all loans outstanding, the condition of those loans categorised between performing and non-performing, with non-performing loans categorised to the degree of default, distinguishing between where the default occurred on capital payments or interest repayments, the number of loans foreclosed and the number of cases where liquidators and receivers are appointed.

The vital information does not relate necessarily to the individual names and details, and I refer to Deputy Burton's point on the prurient examination of these details, it relates to the quality of the information so this House and the committee will be able to make an informed judgment on whether NAMA is working effectively. The question of names being attached to

[Deputy Peter Power.]

the information does not alter the quality of the information or the ability of this House, or a committee of the House, to make an informed judgment on whether the information shows if NAMA is working effectively. That is the key issue — we must balance the obvious desire for appropriate transparency and scrutiny with the ability of NAMA to carry out its aims and functions, principles and policies in an effective way. Having listened to the Committee Stage debate the Minister brought forward a genuine attempt to introduce quarterly reports with substantial information which will allow a committee of this House to make quality decisions and policies in respect of NAMA's operation.

**Deputy Joan Burton:** Will the Minister of State comment briefly on the *in camera* court provisions in the Bill? What is the reason for that in the commercial court?

**An Leas-Cheann Comhairle:** The Minister of State has concluded his contribution.

**Deputy Joan Burton:** I asked that specific question.

**Deputy Peter Power:** With respect to the Deputy we are concerned here with Oireachtas oversight. We will deal with that amendment when we come to it. This amendment concerns the quality of the information that comes before the Oireachtas, not whether the court proceedings are held *in camera*.

**Deputy Joan Burton:** This is connected because we had a useful discussion about default as opposed to compliance. If, for instance, people in default are the subject of court proceedings, which they might well be, the Bill has several provisions such as section 207 making it possible for institutions that are not compliant to have their cases heard *in camera*, with the agreement of the judge. I am not a lawyer but where would we be if we did not have the information from the judges in the High and Supreme Courts about the Zoe hearings? I do not understand the thinking behind the *in camera* hearings. I told the Minister for Finance that his concession last Thursday night on Committee Stage to address the question of quarterly reports is a significant improvement on his previous position. If the Green Party was involved in persuading him of that it is to be congratulated.

If the hearing for a defaulter is held *in camera* we will never know about it. Family law proceedings are held *in camera* for good reason and we do not receive much generalised information on those proceedings. That is a difficult issue for many people.

**An Leas-Cheann Comhairle:** Procedurally speaking, the Minister of State is not allowed to reply but we will be flexible.

**Deputy Peter Power:** Of course we will be flexible but this point is not relevant to the amendment under discussion.

**An Leas-Cheann Comhairle:** I was about to make that point but we will reach it if we move expeditiously.

**Deputy Peter Power:** As Deputy Burton has spoken about the point in detail I wish to respond briefly. This relates to amendment No. 89, which we are far from reaching. The Deputy seeks there to delete the provision which gives the court discretion, where it sees fit, to provide for *in camera* hearings. The issue was raised on Committee Stage. Since then the Minister sought the advice of the Attorney General on this issue who indicated that this type of provision is standard and necessary as there needs to be express statutory provision for the exception to court public hearings. The provision is necessary to respect commercial confidence which inevit-

ably arises when dealing with information on bank assets, which are otherwise covered by customer confidentiality. That was an aspect of the Zoe case and we all know the outcome of that. The court made its decision based on the facts before it but certain information was withheld.

Providing for *in camera* hearings has been, and is, recognised as a permissible exception under Article 34.1 of the Constitution.

**Deputy Joan Burton:** While it is allowed under the Constitution it is not our tradition in civil court proceedings.

**An Leas-Cheann Comhairle:** We cannot spend any more time dealing with an amendment that we have not reached.

**Deputy Peter Power:** I do not want to dwell on this point again.

**An Leas-Cheann Comhairle:** We cannot dwell on it.

**Deputy Peter Power:** It has nothing to do with whether the Oireachtas is able to carry out its functions of scrutiny and oversight effectively on the basis of the reports that will come before it. The quality of the information set out in section 51(3) will provide that information.

Amendment put and declared lost.

**Deputy Joan Burton:** I move amendment No. 13:

In page 17, between lines 17 and 18, to insert the following:

“3.—Notwithstanding any provision of this Act, no person may participate in acquiring any benefit or advantage under this Act unless such person is tax resident within the State and has complied with his or her tax liabilities to the State.”.

This is another fundamental amendment and because it was also much discussed on Committee Stage I will summarise the point. I am willing to concede that technically it is not perfect and I offered the Minister the opportunity to bring forward amendments that reflect its principal purpose. It would be outrageous if people who benefit from the chain of actions arising from NAMA, taking over loans, pursuing guarantees, acquiring land development interests, could avail of Ireland’s generous tax exile laws and relocate out of the jurisdiction. The Minister answered that there are requirements for tax compliance certificates but these are limited documents, as Members who receive them before or after elections know.

Section 210, under which NAMA is not to make payments in certain circumstances, states in subsection (3):

(a) the relevant person delivers to NAMA, or to a person authorised by NAMA, a valid tax clearance certificate issued to the relevant person by the Collector-General, or

(b) the Collector-General has confirmed to NAMA, following a request from NAMA, that it has no objection to the making of a payment to the relevant person.

Former employees of the Revenue Commissioners and tax inspectors whom I know have expressed the gravest concern that this gives the Collector-General powers to authorise NAMA to make payments to persons who are not tax compliant. That is another extraordinary development because the payments in the context of NAMA will total €56 billion and the beneficiaries of those payments will include those in the chain in the bank relating to “namafied” assets and



[Deputy Joan Burton.]

loans. I am not aware it has been a principle in our legislation that the Collector-General is empowered to allow another agency to make payments from the State. That cuts across the requirement that where a person receives a payment under section 210 he or she must be in possession of a tax clearance certificate unless the Collector-General says that is not required. In this jurisdiction it is difficult not to be able to get a tax clearance certificate. One can be in all sorts of discussions with the Revenue about one's tax liabilities but a tax clearance certificate does not mean, as the name implies, that these have all been cleared. It simply means one is up-to-date with whatever interaction one is involved in with the Revenue.

The purpose of this amendment is to stress that those involved in the NAMA process be tax compliant. The Minister's objection to this amendment was based on the hope that many of the buyers of the NAMA assets held in other countries would come from overseas. That is easily addressed and the Minister can bring it forward.

Again, we have a situation where Irish tax exiles may be significant beneficiaries of the whole NAMA process. People can go offshore for five years for the purposes of avoiding capital gains tax — head for their homes in the south of France or on the Spanish Costa — until the storm blows over. There was a famous case in this country involving large amounts of money lost to the Revenue Commissioners who had legitimate expectations that tax would be paid on a particular transaction.

I want to hear from Fianna Fáil some level of determination that the ordinary worker will be protected. For example, civil servants working in Leinster House have had a 7% pension levy imposed on them in addition to other levies while paying the top rate of income tax. Some accept it while some do not. However, a certain set of people, because of tax breaks that Charlie McCreevy and Deputy Bertie Ahern stoked, have marginal tax rates which are laughable. The last report by the Revenue Commissioners on the top 400 taxpayers showed that 20 people with an annual income of over €2 million had a marginal rate of income tax of under 9%.

This amendment seeks an undertaking from Fianna Fáil — I presume the Green Party would be in agreement with it — that it will ensure all its friends in the building and development industry benefiting from the NAMA process- those who made so much money on the backs of ordinary workers — will be in the frame for paying moderate taxes.

**Deputy Arthur Morgan:** I support this amendment. It is reasonable that people who are in any way going to benefit from this NAMA legislation should be tax compliant. It is the simplest most straightforward request in the world. I cannot understand why the Government will not accept it.

As for the Greens broadly supporting it, they may be in favour of tough regulation but when it comes to dealing with the Government, they are extremely light-touch. This is an opportunity——

**Deputy Paul Gogarty:** Deputy Arthur Morgan does not realise how close we were to an election two weeks ago.

**Deputy Arthur Morgan:** I am ready for an election any time. Belt away because we are all waiting on it. Bring it on.

**Deputy Aengus Ó Snodaigh:** Plodding on more like.

**Deputy Paul Gogarty:** The reason we did not have an election is because a good programme for Government was drawn up.

**Deputy Arthur Morgan:** Yesterday Deputy Gogarty supported an Opposition amendment and then stood up 15 minutes later——

**An Leas-Cheann Comhairle:** May I remind Deputies to address their remarks through the Chair and to focus on amendment No. 13.

**Deputy Arthur Morgan:** This is on amendment No. 13. Yesterday, Deputy Gogarty told us he was supporting an Opposition amendment and 15 minutes later he voted against it.

**Deputy Paul Gogarty:** I did so because the Minister said he would introduce his own amendment on the matter.

**Deputy Arthur Morgan:** A Fianna Fáil Minister for Finance says he is going to introduce an amendment and Deputy Paul Gogarty believes him. Did the Deputy not hear the discussion half an hour earlier about an amendment Deputy Joan Burton had proposed on Committee Stage which the Minister said he would accept later on Report Stage but then changed his mind? Then again Deputy Gogarty will probably learn as he goes along.

I cannot understand why the Government will not accept this straightforward and reasonable amendment. What is the Government afraid of? The worst case scenario is that someone who is not tax compliant cannot avail of the benefits of NAMA. Big deal; hard luck.

**Deputy Peter Power:** I have listened carefully to Deputy Burton's points on tax policy and non-residents. It, however, misses the fundamental point of what is good for the taxpayer and the State and what makes NAMA more effective. If this amendment were accepted it would undermine that important objective.

Whether someone who benefits under NAMA is an Irish citizen or not ought not to be relevant. Take the scenario of several years time from now with NAMA seeking to dispose a significant asset under its control. Say a bid came from someone who was not an Irish citizen or tax resident in Ireland which was far higher than that from an Irish citizen. This amendment, if accepted, would ensure NAMA could not deal with the higher bidder no matter how advantageous that was to NAMA, the Irish taxpayer or the State.

I know the point Deputy Joan Burton makes about our general tax policy, one which she raises consistently to her credit, and the contribution Irish citizens as non-tax residents could make to the Exchequer, particularly in these difficult times. With respect, however, I suggest that is a separate issue to the one we are dealing with in this amendment.

Under Article 12 of the EC Treaty, which relates to the free movement of persons, services and capital, the inclusion of a tax residency requirement might well amount to an unlawful discrimination against persons or undertakings from other EU member states. The Minister has also stated the use of the word "benefit" or "advantage" in this amendment is imprecise with no real meaning in legislative form. It is not clear to what they would refer and it easily could be interpreted as somebody who acquires an asset who is not an Irish citizen or who is not a tax resident in Ireland. They may very well benefit by acquiring an asset from NAMA that might well be to the advantage and benefit of NAMA, the Irish taxpayer and the Irish State.

NAMA, as a commercial entity, will enter into arrangements which are of benefit to it. Whoever the contract is with ought to be immaterial. That is a matter for the tax authorities and a separate issue with which I will deal shortly.

I repeat that were assets to be acquired by non-resident Irish citizens or non-resident non-national citizens, the logical conclusion of Deputy Burton's point is that she would invite them to become either Irish citizens or perhaps to become domiciled in Ireland for tax purposes. That is a logical conclusion as to the intent of her amendment.

[Deputy Peter Power.]

In regard to the issue of tax compliance, I take Deputy Burton's point about the requirement for tax clearance certificates. The fact is that is a requirement. There may be some confusion between sections 210 and 201. Section 201 makes clear reference to that fact that "Where NAMA has reason to suspect . . . [tax non-compliance, that] NAMA shall report the information that leads it to form that suspicion to— (i) the Garda Síochána, (ii) the Revenue Commissioners, (iii) the Director of Corporate Enforcement, (iv) the Competition Authority, (v) the Regulatory Authority [or] (vi) any other body responsible for the detection or investigation of criminal offences . . ." That is a serious obligation on NAMA in regard to tax matters.

I draw Deputy Bruton's attention to the following section, section 202(2) which states, "Notwithstanding any provision of this Act or any other enactment— [in Irish legislation] (a) the Revenue Commissioners may, for the purposes of the performance of their functions under Part 42 of the Taxes Consolidation Act . . . and any regulations made under that Part, seek from NAMA information in the possession of NAMA, or which NAMA has knowledge of, in relation to a named relevant person, and (b ) where NAMA is in possession of, or has ... information referred to in *paragraph (a)*, NAMA shall provide it to the Revenue Commissioners". Therefore, there is substantial obligations on NAMA in regard to the tax compliance area but I repeat that is a completely separate issue from the central question, which is, how NAMA will achieve the best value for money for the Irish taxpayer arising out of its assets. The question of whether that person is or is not tax resident in Ireland is immaterial to that central point.

**Deputy Paul Gogarty:** Deputy Rabbitte missed my indirect quotation of St. Augustine. I have the direct quotation in front of me but I will not cite it. On matters religious, I would like to remind the House of the parable of the vineyard—

**Deputy Michael D. Higgins:** I never liked that one.

**Deputy Paul Gogarty:** —where the vineyard workers were paid the equivalent of ducat or drachma to start work at 9 a.m., toil all day in the vineyard and they were happy enough with that. Those who were offered the same amount of money at a later stage to come in the evening and work for a few hours—

**An Leas-Cheann Comhairle:** I am sure this is relevant to amendment No. 13.

**Deputy Paul Gogarty:** It is very relevant. They were quite happy as well.

**Deputy Pat Rabbitte:** Jack O'Connor was not around then.

**Deputy Paul Gogarty:** In regard to this amendment, if NAMA decides in the interests of the State to divest itself of an asset at a profit, I argue it would be quite happy to do that. If an overseas investor makes a killing on the asset at a later stage when it appreciates further, so be it. We cannot crib over what NAMA should have done. Should NAMA hold on to every asset until the end of a ten-year period and then indicate whether the value of each asset has increased or should it try to make a killing where it can in the interests of the taxpayer? That is point I am making.

**Deputy Michael D. Higgins:** That is not what the gospel says.

**Deputy Paul Gogarty:** The gospel probably says that materialism is less important than the spiritual element, with which I would agree, but, unfortunately, we are stuck here materially—

**Deputy Pat Rabbitte:** We sure are.

**Deputy Mary Alexandra White:** And physically.

**Deputy Paul Gogarty:** —and we have to try to materially benefit the taxpayer. In that context—

**Deputy Joan Burton:** We could be coming to incorporeal meetings pretty soon.

**Deputy Paul Gogarty:** Hopefully, we will all be blessed at the end of this process, but at present the electorate are cursing successive Governments for what has happened. In terms of the motion—

**Deputy Joan Burton:** Was the Minister, Deputy Gormley, not in bed but present incorporeally at the meeting at which the guarantee was decided?

**Deputy Paul Gogarty:** The Minister, Deputy Gormley, seems to possess trilocational capabilities in many instances such as the work he carries out, but I will not go into that.

**Deputy Pat Rabbitte:** The domestic habits of the Green Party leader should not be brought into the House.

**Deputy Paul Gogarty:** I was trying to parablise to make a point, but we can talk about metaphorical and spiritual issues outside the Chamber.

If a person from overseas — who is not and does not want to be an Irish citizen and is not going to be offered €1million to become an Irish citizen — wants to try to make a killing and NAMA is happy for him or her to do so, I do not see why there should be any restriction put on him or her doing that.

I agree with what the Minister of State, Deputy Power said, namely, that there are enough provisions within the NAMA legislation and existing legislation to make sure that if people who are not tax compliant profit from a deal, resources of the State are in place to pursue them. It is in NAMA's interests for it to try to make a profit, speaking metaphorically, within the realm of NAMA. NAMA has the right to try to make a profit for the taxpayer and we should leave it to the tax office and the collector general to pursue those people who are not tax compliant. Such provision should not be tied into the legislation to the extent Deputy Burton would wish.

**An Leas-Cheann Comhairle:** Is the amendment being pressed?

**Deputy Joan Burton:** Yes.

Amendment put and declared lost.

**An Leas-Cheann Comhairle:** Amendment Nos. 18, 40 and 59 are related to amendment No. 14, amendment No. 60 is an alternative to amendment No. 59. Therefore, amendments Nos. 14, 18 40, 59 and 60 will be discussed together.

**Deputy Peter Power:** I move amendment No. 14:

In page 18, to delete line 10.

We already had a discussion on this amendment. The Minister agreed on Committee Stage to provide that NAMA would report on a quarterly rather than a biannual basis. This amendment proposes to delete the previous definition of biannual report and to replace it with a reference

[Deputy Peter Power.]

to quarterly reports to provide for the making available of timely information for the Oireachtas.

The amendments are of a minor technical nature and for clarification purposes only. The substantive discussion on the nature and quality of the information which would be contained in those reports has already taken place.

**An Leas-Cheann Comhairle:** Is the amendment agreed?

**Deputy Joan Burton:** Yes, but I would like to respond briefly. I thanked the Minister already but I want to formally record my thanks to him for moving to the quarterly reporting basis in respect of NAMA. It is very helpful. It is wrong, however, to delay the publication of the quarterly information for another three months. That is regrettable. The public service has to get used to real time. Such delay is not acceptable. Essentially, this is a public service issue. Once a quarterly report is provided there should be no delay in its publication. This is done all the time in private business. This is not an audited but a summary report. It would have to be examined to check it is okay. I do not know why it is necessary to wait up to six weeks for the report to be published. I accept the amendment and thank the Minister for bringing it forward. It is an improvement.

**Deputy Mary Alexandra White:** I welcome the amendment. We had sought this earlier in the process of this legislation. I also welcome amendments Nos. 18 and 59, particularly in the light of what other speakers have said about the need for scrutiny and overseeing. One of the amendments provides that the quarterly report shall include information on the number of loans outstanding, the number of legal proceedings listed, the sums recovered from property sales, which is very relevant when we are talking about this in the relevant quarter, and other income from interest bearing loans owned by NAMA and each NAMA group entity.

Also significant in this quarterly reporting will be a complete schedule of income and expenditure of NAMA and each NAMA group entity in the relevant quarter, and I welcome this.

**Deputy Kieran O'Donnell:** I welcome the fact that there will be quarterly reports. I would suggest that three months is too long a period to wait for a set of accounts that do not appear to be audited. These are accounts which in the normal business world would be produced probably within two or three weeks of the end of the accounting period. One is looking at a three-month lag period from the end of the accounting period, and they are not audited. What is the delay in these accounts being produced?

The Government speaks of reporting every three months, that the first quarterly report shall be submitted to the Minister on or before 30 June, and subsequent reports within three months, and the Minister shall cause a copy to be laid before each House and shall send a copy to the committee. I would expect that in the normal course of events those accounts should be ready within two or three weeks of the quarter end and should be laid before the House within a four to six week period. What is the reason for the delay in these reports, first, being given to the Minister and, second, being laid before the House?

**Deputy Peter Power:** On a point of information, did Deputy O'Donnell refer to the quarterly reports as—

**Deputy Kieran O'Donnell:** We are discussing amendment No. 59 in the context of this group of amendments.

**Deputy Peter Power:** Did he mention audited accounts as distinct from quarterly reports?

**Deputy Kieran O'Donnell:** No, I mentioned quarterly reports.

**Deputy Peter Power:** We are discussing just the quarterly reports, fine.

**Deputy Kieran O'Donnell:** By way of clarification, that they are not audited accounts is all the more reason they should be able to be provided to the Minister within a far shorter period than three months. In fact, in the business world a company of comparable size to NAMA would have its audit completed within a month of the year end and would have the accounts published within two to three months of the accounting year end. Here we have accounts that are unaudited which, effectively, take the form of management accounts, which will be produced by NAMA itself, and we must wait a three-month period.

**Deputy Terence Flanagan:** It is historical information by that stage.

**Deputy Kieran O'Donnell:** It is historical by that stage.

**Deputy Peter Power:** On the last point where the Deputy spoke of them being historical at that stage, there is no obligation on any public body or statutory body to produce reports every 90 days. We all agree in this House that this is an exceptional situation.

I would agree with Deputy O'Donnell's distinction between audited accounts and, effectively, management accounts, and it is a fair distinction to draw, but perhaps it would be best to go through the various items which would be covered by the relevant amendment by the Minister.

The new section 23, should it be passed, would require NAMA to submit reports to the Minister on its activities in a form directed by the Minister. This amendment is being made following the Committee Stage in which the Minister undertook to look into the frequency of such reports. It is not the frequency of the reports that matter, but rather what is contained in those reports.

The Minister has now decided to amend the frequency from two reports a year to four reports a year to afford the appropriate oversight and scrutiny and to provide the Oireachtas and the Minister with more regular and detailed information. Each quarterly report will be laid before both Houses of the Oireachtas and a copy will be sent to the relevant Oireachtas committee or sub-committee tasked with examining NAMA matters.

The revised section has been also amended to ensure the information requirements placed on NAMA by this section apply equally to each NAMA group entity. That is an important reporting requirement as well, especially in light of the discussion on the SPVs and group entities which took place earlier today and yesterday.

Subsection (6) provides a comprehensive list of the information which is to be provided in the quarterly reports. The information, which is set out, is the most important aspect here. I made the point earlier that it is not a case of us wanting the monthly bank accounts of borrowers, irrespective of whether they are more than €100,000. What the Oireachtas requires is appropriate information to be able to question the relevant officers of NAMA and the chief executive under its powers as to the type of loans they have brought over, the number and condition of loans which are outstanding and to categorise them as between non-performing and performing. Non-performing loans should be categorised as to the degree——

**An Leas-Cheann Comhairle:** I am loath to interrupt the Minister of State. He will be aware this is a two-minute contribution but we may well be able to conclude it by agreement and allow the Minister of State to regard this as his final contribution.

**Deputy Joan Burton:** Agreed.

**Deputy Peter Power:** I was just making the point that what is needed by the Oireachtas is not the names of the individuals, although there is an understandable desire, I suppose, among everybody for that. The Oireachtas needs to establish on an ongoing basis whether NAMA is doing its job correctly and carrying out its aims and objectives in accordance with the principles and policies as set out in the earlier sections of the Act. In order to make that commentary by the Oireachtas, or a committee of the Oireachtas, it is the information that is required.

I will go through that information again. The information will set out the loans outstanding and the condition of these loans, their quality, the extent to which they are impaired, partially or fully, and to what extent they are performing at any given time, and distinguish between the degree of default and whether the degree of default would relate to capital payments or to outstanding interest repayments. Much of the discussion on Second Stage related to whether the Government was buying loans which had rolled-up interest on them or which dealt with the outstanding capital amount. That sort of information is important for the Oireachtas to see the work being carried out by NAMA.

The other information that would be relevant is the number of loans which have been foreclosed and the loans which are being enforced, in other words, the loans which are owned by NAMA and in respect of which it is invoking the relevant provisions of those loan agreements and those mortgages to apply the recovery mechanisms on those loans, such as foreclosure, the appointment of an examiner, the appointment of a receiver, the application to the court to appoint a liquidator, etc.

The crucial piece of information, which relates to the point Deputy Bruton made earlier which I neglected to address, is the list of all legal proceedings commenced by NAMA and each NAMA group entity on bank assets during the quarter, setting out, for each of those proceedings, the title of the proceedings, which would include the parties and the borrowers, as Deputy Bruton would know, the reliefs which were sought by NAMA and the group entity concerned and a schedule of any finance raised by NAMA or group entity in that relevant quarter, the sums recovered from property sales in the relevant quarter, income on interest-bearing loans, an abridged balance sheet of the assets and liabilities of NAMA and each NAMA group entity, a complete schedule of the income and expenditure of NAMA and each group entity and an updated schedule of all information referred to in subsections (2) and (3) of section 52, and any other information required by the Minister.

I am setting out in detail that it is the information that is the important aspect of this. It is the information, and the various categories of information, that allows the Oireachtas to make its decision and its commentary ultimately.

Amendment agreed to.

**Deputy Peter Power:** I move amendment No. 15:

In page 18, line 27, after “35” to insert “*or 38(3)*”.

Amendment agreed to.

**An Leas-Cheann Comhairle:** We move to amendment No. 16 in the name of Deputy Morgan.

**Deputy Joan Burton:** On a point of order, in the course of the discussion on Committee Stage we were asked by the Minister and the Bills Office to move our amendment, which was the same as the Sinn Féin amendment No. 85 in the valuation section. I suggest that amendments Nos. 82 to 87, inclusive, be taken now along with amendment No. 16 so that we deal with the valuation issues relating to market value and long-term economic value. All of the

amendments deal with these issues and they include amendments from all of the Opposition parties.

**An Leas-Cheann Comhairle:** That is a procedural amendment I can only make if there is agreement in the House. Again, it is not normal to regroup once the order of the House is made. If there was consensus in the House, I would be willing to accept that.

**Deputy Peter Power:** We would like to have consensus on these issues with a view to progressing.

**An Leas-Cheann Comhairle:** This is to take amendment No. 16 in the name of Deputy Morgan but which Deputy Burton has indicated was tabled on Committee Stage in exactly the same form. At the request—

**Deputy Joan Burton:** At the request of the Minister and the Bills Office—

**An Leas-Cheann Comhairle:** —it was replaced in a different section and is now amendment No. 82. Therefore, the group would be amendments Nos. 16 and 82 to 87, inclusive.

**Deputy Joan Burton:** It is to deal with market value and long-term economic value.

**An Leas-Cheann Comhairle:** I want to see whether we have consensus.

**Deputy Arthur Morgan:** To be helpful, we need to have sympathy with the Bills Office for letting this one slip through because it came from me. I was not aware of that request or, clearly, I would have agreed to it. In any event, my amendment No. 85 is part of that group.

**An Leas-Cheann Comhairle:** Yes, it is amendments Nos. 16 and 82 to 87, inclusive. What says the Minister of State on that?

**Deputy Peter Power:** I say that the Minister is very anxious to comment on this because it goes to the heart of matters.

**Deputies:** Where is he?

**Deputy Peter Power:** We would be agreeable to taking these matters with the later amendments but not with this amendment because this is a separate matter. It is not agreed.

**An Leas-Cheann Comhairle:** There is no agreement. We will proceed with amendment No. 16.

**Deputy Arthur Morgan:** This means we will have two substantive debates on this matter.

**Deputy Joan Burton:** Where is the Minister? There are only two hours left.

**An Leas-Cheann Comhairle:** The House has no control over which Minister is present. All Ministers share collective responsibility in presenting a Bill to the House.

**Deputy Joan Burton:** We are trying to speed up matters to get to the really important issues.

**An Leas-Cheann Comhairle:** I call Deputy Morgan.

**Deputy Arthur Morgan:** I regard this as one of the crunch amendments.

**Deputy Pat Rabbitte:** Will we be able to crunch some food?



**An Leas-Cheann Comhairle:** I am afraid not.

**Deputy Joan Burton:** He means we cannot have a sos.

**Deputy Michael D. Higgins:** We could take a sos at 6 p.m.

**An Leas-Cheann Comhairle:** I am afraid the order of the House is not to take one. There are only two hours left as we need to take the full question at 8 p.m.

**Deputy Arthur Morgan:** This amendment refers to——

**Deputy Michael D. Higgins:** On a point of order, we should thank Deputy Morgan for being willing to do what we have done already today, which was to use the time effectively in such a way that we will touch off the major issues that can be grouped. I suggest that, should the Minister appear in the next hour, before 7 p.m., we will return to this issue and repeat our proposal. I understood there was a consensus in the House earlier today that we should do as much as possible to try to utilise the time available to us.

**An Leas-Cheann Comhairle:** There is no consensus on this proposal, so I am obliged to proceed.

**Deputy Michael D. Higgins:** I appreciate that. I just wanted to make the point.

**An Leas-Cheann Comhairle:** I call Deputy Morgan.

**Deputy Arthur Morgan:** My concern is that if we do not avail of this opportunity now, we will not have an opportunity to vet this issue. Perhaps we need to filibuster until the Minister returns.

**An Leas-Cheann Comhairle:** I sincerely hope not.

**Deputy Joan Burton:** Can the Minister of State give an indicative time for the return of the principal Minister?

**An Leas-Cheann Comhairle:** That is not a reasonable question.

**Deputy Arthur Morgan:** In that case, I will move amendment No. 16. In doing so, if the Minister of State would like to give us some advice in regard to when his senior colleague may return, that would be very much appreciated. I will bow to the Minister of State for the couple of seconds it would take to give that information to us, if he has any idea when the Minister will return.

**Deputy Joan Burton:** The Minister of State should text him.

**Deputy Peter Power:** I make the point that irrespective of whether the Minister for Finance or any other Minister is present, each amendment will have to be taken in its own right, in the order in which it is listed on the Order Paper. The longer we have this debate, the likelihood that we will reach those amendments diminishes every minute.

**Deputy Joan Burton:** Please do not lecture us. We have attended faithfully and stayed here for many hours, so do not lecture us.

**An Leas-Cheann Comhairle:** To assist the Minister of State, it is possible to group amendments and have a general discussion on groups. All that happens is that they are voted on *seriatim* but not re-debated. That is the procedure of the House.

**Deputy Pat Rabbitte:** We did it already today.

**Deputy Peter Power:** Let us deal with this amendment now.

**An Leas-Cheann Comhairle:** In that case, we will deal only with amendment No. 16.

**Deputy Arthur Morgan:** I move amendment No. 16:

In page 20, between lines 21 and 22, to insert the following:

““Market Value“ relates to the current market value of an asset;”.

The amendment seeks to introduce a definition to suggest that the term “market value” represents just that. I had this amendment linked, sensibly I believe, with amendment No. 85, which is in the group alluded to earlier.

**An Leas-Cheann Comhairle:** The Deputy should deal with amendment No. 16.

**Deputy Arthur Morgan:** I am doing that. However, I must point this out to contextualise it. Otherwise, people will not understand what we are talking about, which would be unfortunate — not new, but unfortunate.

Amendment No. 16 is linked to amendment No. 85. What we need to do in this regard is deal with the issue of long-term economic value. I had to try to define this nonsense of long-term economic value because I was pestered about it last Friday afternoon when I tried to walk up the street in Dundalk. People stop me for all sorts of reasons but this instance was unusual because three people referred to this carry-on about long-term economic value. They did not call it long-term economic value because they are perhaps not sure of the term and cannot recall it all the time, but they certainly know what the concept is. A number of people made the point that it is as if somebody came to buy my car, which was priced at €3,000, but the person offered to give me €4,000. As one person said, “ I am still waiting for the Government to buy a car off me for the extra money.”

The ordinary people have a fair grasp of what is going on in terms of this long-term economic value. It is about the Government, through NAMA and the master SPV — the daddy SPV with all the babies in tow — giving these speculators who were caught out by their sheer greed a value for their investments way above what they are worth. This is why the issue of current market value is important — it refers to the market value of here and now. There is always a market value. It might be 5 cent but there is a market value, and that is what it should be. We are told we cannot do this, that or the other, and that we have to work with the market. Then all of this economic turmoil happens, and guess what? The market value is not really that important after all, and we can set it aside and introduce this new concept of long-term economic value. I looked for a definition of long-term economic value but I could not find it. Perhaps we can get some help with that later.

One of the ways of looking at the market value concept emerged in the High Court and Supreme Court when the banks moved against the Carroll-Zoe group. Documents submitted to the High Court and Supreme Court, and accepted by both, placed the value of the properties of that group of companies at approximately 20% to 25% of their bubble value. That gives us an indication of the current market value about which we are talking when dealing with these toxic NAMA loans. Yet, the Government has decided it will pay €47 billion for them.

Just in case that is not enough, let us give it a top-up of another €7 billion. I can understand why the public are exasperated at the concept of long-term economic value and the bail out for the bankers and the speculators. Make no mistake about it, that is what this is all about.

[Deputy Arthur Morgan.]

The Government keeps telling us that this is not a bail out for the bankers and the speculators, but of course it is. All that money is being shovelled into the banks, even though many of the senior executives in those banks demonstrated themselves to be significantly less than trustworthy. It also provides for the whole notion of working with developers to finish off their enterprises, even though they over-reached and got caught out. Is it any wonder that market value versus long-term economic value is of the utmost importance in this Bill? Along with four or five others, it is one of the sections in the Bill that exposes the absolute lunacy of this NAMA enterprise.

The whole thing was turned into farce when we heard about the SPV, which will make sure that NAMA will not be properly accountable to this House in the first place. It is important the Government provides an explanation as to why it is dealing with long-term economic value, instead of dealing properly with the concept of current market value. That is where we should be.

**Deputy Richard Bruton:** Although it is only definitional, this amendment really raises the fundamental issue on which the whole debate in this Bill has hinged. What ought the State be paying for the acquisition of these loans? We now have three definitions of value on the table.

6 o'clock Deputy Morgan's definition is some kind of competitive bidding situation. These loans are available now, so let us put them out to tender and see what we get.

The second definition is that given by the Minister which is about willing buyers and willing sellers in an arm's length transaction without compulsion acting knowledgeably and prudently. That is clearly not the sort of situation in which many of the banks find themselves at the moment, but it is clearly a definition of market value that is substantially higher than the competitive bid model Deputy Morgan is suggesting. The third market definition of value is this long-term economic value, which deals with reasonable expectations having regard to the historical long-term average. In other words, a big survey of prices over time will project that they will head into the stratosphere along the same curve on which they had been proceeding.

We are being asked in here to decide on these definitions. While there is much to commend in Deputy Morgan's definition, as it is a value, the case could be made that it would lead to extremely stressed sales. Then we would go back to the willing buyer and willing seller scenario. That seems to be something we can estimate reasonably accurately. It is a better deal for those who are forced to sell loans than simply putting it out there to see what vulture fund might bid for it. It is also the limit to which the taxpayer should be asked to go, but the Government is asking us to go a further step, which is to pay €7 billion over the market value as defined. Not only that, we were told there is to be risk sharing, but there is no risk sharing. The maximum of the subordinated debt is not the €7 billion, but only a tiny fraction of that.

We will be coming back to this later, but Deputy Morgan raised the fundamental question as to which definition we should favour in the Oireachtas. I believe firmly that we should not be paying anything other than a market value. We are going to give more than €7 billion too much and forego the right to have shares in the bank, even though we could have used that €7 billion to acquire the shares because the banks would be drained of some capital and could have more interest in the upside of the banks and be rewarded for their recovery. In return, we could have shared risk with the banks so that they could benefit if NAMA did exceptionally well, having paid only what was a market value. That was available to us and there was broad consensus that this would be accepted on the Opposition side. Many Deputies from the Government side recognised the merit of our proposals, but when it came to the vote, they were not to be found.

I have much sympathy with the fundamental issue that is being raised here. It is a pity to remove the concept of long-term economic value entirely from the Bill. Although I do not believe Deputy Morgan's idea is the best, because we should be simply paying a market value as determined by the definition in the Bill, he is still raising a debate that we all want to have before Report Stage ends. It is a pity that the Minister is not willing to allow a more free flowing discussion of the issue, instead of trying to constrain us to a debate about a definition, rather than the use of the definition itself.

**Deputy Joan Burton:** I regret that the Minister has constrained the debate. On Committee Stage, the debate by agreement was moved to section 70, where the concept of value is explained at some length to allow a comprehensive debate on the issue. It is unfortunate that the Minister made the decision he made when the rest of the House was willing to debate it. It is an attempt to move the debate on and to get to the core sections of this terribly important Bill, because we are not going to reach those sections by 8 p.m.

The format of this Bill is rooted in one proposition, which is a decision by the Government to overpay by at least €7 billion for the distressed assets and loans, as well as for the good loans of the banks. In all probability, it will overpay by €11 billion to 12 billion. Independent commentators such as Professors Whelan, Gurdgiev and Lucey, have all done detailed analyses of the problem with the long-term economic value and the overpayment of the assets. Mr. Peter Matthews, an accountant, has also done some detailed analysis which he has made available to every Member of the House. He has experience in compiling valuations and schedules of valuations, which is the system that NAMA proposes to use.

The decision to overpay for the assets is fundamentally flawed for a number of reasons. From a democratic point of view, it is really unacceptable to people, whether they are on Anne Street in Dundalk or Clonsilla Road in Dublin 15. When something goes completely against the grain of everybody's common sense, whether they have had the benefit of becoming a doctor or the benefit of doing their leaving certificate, the Government should pause and think.

I will remind the House of what judge after judge said about the valuations and the schedule of recoveries that were laid out in the appeals in the Zoe case. Mr. Justice Clarke, who has a background in mathematics, basically said at one stage that the expected work-out values were nonsensical. He said that as the assets did not have the necessary capacities, the business survival plan was not meaningful and did not meet the required tests. We are asking the State to do what the judges, in their wisdom, did in the Zoe case. We are asking it to operate from the perspective of judges who informed themselves of the specific elements of the cases before them and decided they made little sense.

This legislation proposes a move from "current market value", which is the value that is arrived at between a willing buyer and a willing seller, whose knowledge of the market is as perfect as possible. Any expert will say that "current market value" implies a recognition of the increase in value that is expected over the period of time in question. If one believes that the book value of a premises is €500,000, one might decide to pay €1 million for it if one expects it to yield far more than would otherwise be the case for a similar piece of land, property or building. According to the Minister, this crude device has been introduced into the Bill with the blessing of the European Central Bank and other agencies to allow for the overpayment and overvaluation of assets. At a time when the Government is looking for €4 billion in cuts from the poorest people in this country, the public is enraged that the Government is proposing to pay an extra €7 billion in value to the banks. The banks will not have to fully acknowledge and recognise, in equity terms, the amount of money the State is putting into the banking system. It is an artificial device.

[Deputy Joan Burton.]

Almost all international reporters and observers, including the European Central Bank, the IMF and various other organisations have said that if one departs very far from market value, one does so at one's peril. They have emphasised that it is wrong not to depart significantly from market value. The ECB is changing its approach now that the Lisbon treaty has been passed, the German elections are over and a number of European countries are poised, we hope, to enter a slow but sustained recovery period. I do not doubt that the European Central Bank will slowly but surely exert more influence as it seeks payback for the overpayment. Deputies are familiar with a decision made by the EU Commissioner for Competition, Dr. Neelie Kroes, to whom the Minister referred extensively on Committee Stage. She told the ING bank to take action to recognise the various arrangements, such as the state investment, that were put in place to rescue it and bring it back to an appropriate market level. She dealt with the issue of what was, in effect, the provision of state assistance to the bank.

We are in very dangerous territory. The Minister has spoken about the consequences of the overpayment and the issuing of the bonds. When the banks go to the ECB window, they use the bonds as collateral for their capital requirements and for other borrowings. The interest rate on the bonds is likely to be 1% for the first six months. When he spoke at a conference on international financial services in Ireland, which I attended this morning, the Minister was at pains to point out that the 1% interest rate will last six months only. Thereafter, it will be renewable on the same terms. The 1% interest rate is unlikely to remain in place for very long. We need to consider what will happen as the ECB toughens its stance. It is clear that sometime next year, the banks will be forced to sell the bonds for cash into the markets. As a consequence, the debt will be put out there at the same time as the Irish State, with its current deficit, tries to raise €20 billion in monthly or other instalments to try to bridge the gap between revenue and expenditure in its budget.

The consequences of the proposed overpayment have not been thought through by the Department of Finance or by the Minister. The Minister keeps saying that Mr. John Hurley and Mr. Patrick Honohan have given a sort of benediction to the process. I suggest that their form of wording will be found to have been pretty circumscribed, when it comes to be examined in an historical context. The Minister accepted it, as he is wont to do. He tends to think that if someone smiles at him, that person is agreeing with everything he has to say. He has suggested that the comments of the ECB and the IMF about Ireland have entirely endorsed the Government's line. He did not read the small print of all of these opinions, which contained a severe warning to Ireland that paying over the market price and departing significantly from market value is not the right thing to do. These statements are the subject of much discussion between the Department of Finance, the Central Bank and various other institutions. They came about partly through a process of negotiation. Many people do not understand the process, in which various opinions are put forward, examinations are made, drafts are given to the Government and a statement is finally agreed.

The decision to overpay is wrong. It will not necessarily rescue the banks, in the context of what is happening to bank shares. When bank shares went up after the decision was announced, it was seen as some kind of validation of the Government's position. The increase in bank shares resulted partly from the actions of groups of people who were betting €10,000 or €100,000. Hedge funds may have placed larger bets on increases in share values. There was nothing organic, relating to banking performance, in the increase in share prices. Three weeks later, when things did not look so good for bank shares any more, they came down. That was to be expected. We are fooling and coddling ourselves if we think overpayment and the use of long-term economic value will make the banks return to profitability and lending, etc., more

rapidly than would be the case if there was an honest use of market value and an honest recognition of the State's investment in the bank.

The Minister seems ideologically fixated on not taking the alternative path, which involves taking the banks into temporary public ownership and reprivatising them when they have been cleaned up. He would not do it in the case of the two most notorious banks, Anglo Irish Bank and Irish Nationwide, when it should have been done 15 or 18 months ago. He put the two institutions at the centre of the bank guarantee scheme, even though their business model was bust, instead of dealing separately with them. We are spending all our time catching up. At some future stage, the Minister will have to take a majority stake in one of the institutions, or nationalise it, in the worst possible circumstances. We nationalised Anglo Irish Bank in the worst way possible. In this case, it is a question of temporary public ownership——

**Acting Chairman (Deputy Joe Costello):** The Deputy is wandering somewhat from the amendment. This is Report Stage.

**Deputy Joan Burton:** The purpose of this amendment is to recognise the primacy of market value and the fact that the market value should be used. However, the Minister is relying on the long-term economic value, thus overpaying the banks for the assets by at least €7 billion and up to €14 billion. That is a fundamentally flawed decision on the part of the Minister and Fianna Fáil, and history will show this to be the case.

**Deputy Aengus Ó Snodaigh:** Ba mhaith liom labhairt ar an leasú ríthábhachtach seo. Measaim go bhfuil sé truamhéalach nach dtuigeann an Rialtas cad go díreach atá i gceist anseo. Bhí mé ag argóint inné gur cheart dúinn an ainm Gaeilge, GNuBS, a úsáid in ionad NAMA. Tá luachaíocht á thabhairt don chaimiléireacht a tharla sa Stáit seo le 20 nó 30 bliain. Seachas luach an margadh fad-téarmacha íoc, ba chóir go mbeadh an luach reatha á íoc. Níl aon cinnteacht ann. Má dhéanfaimid aon staidéar ar stair na hÉireann nó stair an domahin, is léir nach bhfuil aon chinnteacht ann. Níl a fhios againn cathain a thiocfaidh an margadh ar ais arís. Sa deireadh thiar, níl á dhéanamh ag an Rialtas ach dul isteach go dtí Paddy Power nó geallghlacadóir ar bith eile agus a rá “seo é an t-airgead — cuir é ar aon capall sa chéad rás eile agus feicifimid an mbuafaimid”. N’fheadar an 10/1, 16/1 nó 1/2 atá i gceist. Ní thuigim geallghlacadóireacht in aon chor. Is é sin go díreach an méid atá á dhéanamh anseo. Nuair atá a leithéid á dhéanamh ag gnáthdhaoine, tá mí-ádh nó hard luck ar éinne a chailleann. An rud a bhí i gceist ag na daoine a bhí ag ceannach na suíomhanna seo, ag tógáil na tithe seo agus ag cothú an uaslúach sa mhargadh ná dul isteach i siopa geallghlacadóireachta chun airgead a chur síos.

If one gambles, as speculators did for many years, and loses, it is hard luck in most cases. For the hundreds of thousands of people, including me, who gambled by purchasing Eircom shares and suffered the consequences, it was a case of hard luck. I did not cry out for the Government to bail me out at the current market value, which was worth fuck-all at the time.

**Deputy Arthur Morgan:** The long-term economic value.

**Deputy Aengus Ó Snodaigh:** However, the long term economic value——

**Deputy Paul Gogarty:** An “focal ar bith” a dúirt an Teachta?

**Deputy Aengus Ó Snodaigh:** Tá brón orm. D’úsáid mé téarma pharlaiminteach mícheart.

**Deputy Arthur Morgan:** The heat of battle.

**Deputy Terence Flanagan:** Aon focal.

**Deputy Aengus Ó Snodaigh:** Aon focal eile. Tá sé agam, alright. Táim ag lorg ón Rialtas go mbeadh long-term economic value i gceist. B'fhéidir go mbeinn in ann a rá, "Tá shares agam anois. Caithfidh tú an t-airgead a thabhairt dom i gceann fiche bliain."

The danger with the concept of long-term economic value is that it is not predictable. The Sinn Féin amendment is key in this regard given that we are not likely to have time to discuss some of the related amendments we were trying to have discussed at this key point. I have sat through much of the Report Stage debate and noted it was very valuable to have got to the crux of some of the problems. The problem at this juncture concerns the dichotomy between the current market value and the long-term economic value.

We often look to the courts to define our laws. The courts have recently defined the market value or worth of the properties in question. In the recent case involving Liam Carroll, controller of Zoe Developments, the court decided the market value is 25% of the loan value, yet the Government is saying the taxpayer will pay €54 billion for something worth, according to them, €87 billion. There is confusion as to why speculators would have paid over the odds in the first place. This means the taxpayer is paying €32 billion more than the current market value, as set out by the court. Deputy Mulcahy, as a former officer of the courts, might understand that.

The court went into detail when deciding on the Liam Carroll case. All the properties on which he and his group speculated were worth only 25% of the loan value. If one calculates 25% of €87 billion, one will arrive at a figure of just under €22 billion. This means the Government is paying over the odds. It is using taxpayers' money to bail out the speculators and give them something to which they are not entitled. They gambled and lost and this is how it should be. The Government is putting its hand in people's back pockets, taking out money and transferring it to the back pocket of the speculator. This is something like brown-envelope syndrome.

What could we do with the €32 billion by which the Government is willing to make the taxpayer indebted? There are many investments that could be made at the current market value and they would be much more beneficial to the economy than wasting money by bailing out speculators. The State could invest in schools, road and rail projects and other capital projects that would put the unemployed back to work. The State could bail out some of the small to medium enterprises, which have been starved of cash because the banks are screwing them. It could put together a proper job-creation programme over the next 20 years and invest in putting in place broadband of the highest possible standard for every home in the country. This would cost very little by comparison with the cost of bailing out the speculators and banks. The State could even invest in energy security for the next 50 to 100 years. This would involve adopting the quite radical proposal by Spirit of Ireland. It would cost but a fraction of the €32 billion with which the Government is gambling and which is to benefit speculators.

When the Minister is rejecting our amendment, as I believe he will, I urge him to consider the exact consequences of his doing so. If he rejects the amendment, he is signing over €32 billion, which sum he will be paying over the odds.

**Deputy Terence Flanagan:** I thank Deputy Morgan for tabling this very important amendment, which goes to the heart of the Bill. It is disappointing the Minister is not here. I hope he will join us in the House fairly soon.

**Deputy Edward O'Keeffe:** He is well represented.

**Deputy Terence Flanagan:** He is well represented, absolutely.

With regard to the issue of long-term economic value, there is clearly no justification for paying €7 billion over the odds considering the current economic crisis. Making provision in

this regard is the major flaw at the heart of this Bill, to which Fine Gael is completely opposed. Deputies referred to the fact that €4 billion is to be found in the budget in December. Clearly the money being invested through NAMA could be used much more wisely.

No provision has been made for a financial stimulus package to get the economy moving again. Clearly, some of the money could be used to achieve this. It is wrong to be overpaying by €7 billion. I support the amendment.

**Deputy Jim O’Keeffe:** Let me outline Fine Gael’s central concern about NAMA. I have not said “NAMA, no way” but believe NAMA, as presented by the Government, is exposing the taxpayer far too much. At all times my efforts have been to try to convince the Government on that central issue, namely the value. There are two aspects to the value, the question of what is current market value and the new airy fairy concept that has been introduced of the long-term economic value, the over the rainbow value. It is clear that there are problems in getting true market value on those assets.

I question the methodology employed in reaching the estimated figure of €47 billion that has been mooted. On previous occasions I have questioned values that have been presented by the Government. The Minister of State, Deputy Peter Power, will recall the views I expressed on Thornton Hall. At that time I was asked to accept a valuation of €200,000 an acre by the then Minister for Justice, Equality and Law Reform, a senior counsel and man of high standing, but one who did not have a clue about market values. My view at the time was that the market value was approximately €25,000 an acre. That view was independently confirmed at perhaps not quite as low as €25,000 an acre but almost as low.

I do not accept the methodology nor the approach that is being adopted on the figures that are being presented. Even on the basis of the methodology that is being presented the taxpayer is overexposed and essentially overpaying. Reference has been made to the prospective rental incomes as forming a basis for the methodology, but in a lot of properties there will be no rental income. I question that approach. Even on the basis of market value there are questions to be asked.

In a commentary on NAMA *The Economist* states it will still be paying approximately €7 billion more than the assets are worth, that is, even accepting the Government approach. On that basis, we are out by €7 billion already. Having questioned that, we then come to the airy fairy notion of the long-term economic value. I do not accept it. I have practised law for longer than the Minister of State, Deputy Peter Power, dealing with market values for farms, houses, pubs and properties over many years. The market value is what a willing buyer is prepared to give to a willing seller. What we have devised here is an artificial construct, added on with a superstructure of long-term economic value, which is pure hope value. It is the wrong approach, as it overexposes the taxpayer.

The Minister, directly or indirectly, accepts there is an overpayment but his position is that if we do not overpay, we will ultimately pay more because the money we will have put into the banks to capitalise them will cost us more. In other words, according to the Minister, the taxpayer will be paying 4% at current rates for money that will be used for capitalisation as opposed to 1.5% currently for the NAMA money. That is a wrong approach on the part of the Minister from two points of view. He is comparing short-term money, three-month money, which will undoubtedly go up, to three to five-year money, which costs 4%. He is comparing financial apples to financial oranges. It is not a proper comparison.

The Minister might well ask what is the alternative. Again, I have consistently held the view that there is one. I do not accept the approach of immediate nationalisation. That would be a disaster. However, there is an approach that could provide the answer, namely, to force the



[Deputy Jim O’Keeffe.]

banks to capitalise themselves at a low figure, let us say a 50 cent a share and let the State underwrite that. Two things will happen if the banks were forced to get in their rights issue at 50 cent a share. There would be a very big take-up but it would do nothing for the existing share price. Tough luck. I am sorry if people have been speculating on the price of the banks since they went up from 13 cent to 15 cent. That is their tough luck. The second thing that would happen is that if the State had to take up its underwriting obligation at 50 cent a share, the taxpayer would ultimately gain substantially when the banks’ share price went up. That is the answer. I am not presenting that off the top of my head. I have discussed it with many people involved in the banking and business sectors and they tell me it is a realistic approach. There is no guarantee the Minister will accept that option even though I have pressed it with him on a few occasions.

The current approach that is being adopted is the wrong one from the point of view of money, as it is overexposing the taxpayer. As a consequence, the taxpayer will have cause to rue the day that the Minister completed the approach to NAMA as currently presented. There is still time to pull back from the brink. That is the last appeal I will make on the issue, publicly at any rate, to follow something along the lines I have been suggesting, but not to continue with the crazy approach of overpayment, which is still central to the Government approach on the Bill.

**Deputy Michael D. Higgins:** I wish to make a few small points about this amendment. I deeply regret that we are not taking amendments Nos. 16 and 82 to 87, inclusive, together. Amendment No. 16, which has been proposed by Deputy Morgan, inserts a definition of market value into section 4. Amendments Nos. 82 to 87 relate to section 70. The difficulty with the Bill as drafted is that section 4 regularly refers onwards to sections that follow and, equally, section 70 refers back to section 4.

Deputy Morgan wishes to place his amendment in section 4 between lines 21 and 22 on page 20. In the course of that section several references are made to valuation. For example, on page 21, line 38 the terms “valuation methodology“ is defined as “the valuation methodology set out in *Part 5*.” There are definitions set in *Part 5*, section. Section 70(2)(a) states that in this *Part* “a reference to the market value for property is a reference to the estimated amount that would be paid by a willing buyer to a willing seller in an arm’s-length transaction after proper marketing (where appropriate) where both parties act knowledgeably, prudently and without compulsion”. The difficulty arises when this definition of market value is applied in section 70(2)(b) in regard to a bank asset in the same way as I have outlined for the market value for property.

All that might be fine in a way, but it is very difficult not to get the impression from this that the valuation methodology is an exercise in abstraction. I made a point on Committee Stage that the usual understanding of market value, for example, which is the term used in Deputy Morgan’s amendment, includes an estimation of future economic value. We have had a useful distinction between what Deputy Bruton has said and what Deputy Morgan said in moving his amendment. The former drew a distinction between what the market would yield at any particular time and an estimation of the market, putting different conditions in place. The difficulty about this is that one might ask why we have *Part 5*, section 70. It is difficult not to conclude that the reason we do not have clear, explicit definitions in section 4, an issue to which Deputy Morgan’s amendment is addressed, is because of the unusual usage of the term “long-term economic value”.

The Minister suggests it is coming into popular usage in the United States and is already in use generally in Europe. I respectfully repeat what I said on Committee Stage — this is not so. Market value has a connotation of an estimate of what is the fundamental value of the asset.

There are difficulties in section 4 that go beyond this and I wish the Minister was here to clarify these. There is even difficulty with the definition of an asset. We can discuss it when discussing the section, if we even get that far. My concern relates to what is securing a loan that is linked to an asset and whether that asset can be anything, for example, a piece of art, which would at least be tangible to a certain degree, or——

**Deputy Peter Power:** There are some of those there too.

**Deputy Michael D. Higgins:** ——it could be an unsecured instrument or derivative that is without real value. Why are we in this difficulty? Why is there an absence of definitional exactitude in section 4 and a type of metaphysical chapter in section 70? I believe it is to cover the fact that €7 billion over the achievable value, regardless of what way one dances around it, is being transferred for assets to the banks. There were alternatives to that. Given the position of the agency being in place and purchasing loans and so forth, why is it not doing so at market value? If we had given what is an estimated market value and decided that the banks, in order to come on board in the context of liquidity, needed something extra and given them €7 billion, we would have got equity for it. It would thereby have been possible to have some form of control over the decision-making culture of the bank. I could see the intention in that situation.

The €47 billion plus €7 billion gives a total of €54 billion. It is crucial that the Minister clarify another fundamental point about the bonds that are related to this before we conclude this debate at 8 p.m. Who exactly will issue these? This must be clarified. Will NAMA or the SPV issue these bonds? If it is the SPV, there are huge implications with regard to the 51:49 ratio of participation and the yield which might flow to the private investors, whoever they may be.

A number of Members have referred to how the public views this scheme. Those of us who have a particular political position are regularly lectured about our inability to accept the disciplines of the market. In this case, however, banks and particularly their bondholders and shareholders are not asked to accept the disciplines of the market. Instead, the taxpayers are confronted with a curious proposition, that we must socialise the losses. If all these assets had been performing, there would not have been a socialising of the profits. One gets the idea that this is the old game of socialising the loss and privatising the profit. When we have finally understood the relationship of the SPV to NAMA and the bondholders, we will know precisely what the attractive yield is to the private component. It is crucial for us to know that.

I wish we were discussing all of these matters. The valuation chapter, which is section 70, should have been taken along with this. It is not entirely innocent that there is an absence of definitions in section 4 and a later chapter. We will not reach that chapter now, which is the point. It is not the Members who have sat on these benches for all of this debate who are delaying this Stage. We wanted all of these issues grouped so, for example, the two fundamental big issues that remain could be discussed in the amount of time available. One is the valuation chapter and the second is transparency and the appearance of the chairman and the chief executive before whatever type of committee that will be established. The likelihood is that we will not reach those, and I regret that. I hope the Minister will take the opportunity of replying on amendment No. 16 to anticipate the questions we will not reach in chapter 70.

**Deputy Edward O’Keefe:** The Government is the winner in this deal. There is a substantial discount from the institutions. The taxpayer will be the beneficiary and it is not far down the road because the world economy is moving forward. That means Ireland’s very open economy will move in the same direction. Listening to the doom and gloom about what is happening and will happen is rather alarming.

It takes two people to make a sale. That will happen here. I hope my party and the party in office with us will reap the rewards of this great success. I have no doubt that it will be a

[Deputy Edward O’Keeffe.]

success. Many of the properties are outside this country; 6% are in Northern Ireland and approximately 24% in other countries. I am rather disappointed with Sinn Féin’s attitude to this scheme. It has done well out of the banks. The banks were always generous to Sinn Féin, but the party is knocking them heavily now.

**Deputy Peter Power:** It does not need a share price increase in the stock market rally.

**Deputy Arthur Morgan:** The Government is certainly engaging now, anyway. It is robbing the taxpayer to pay the banks.

**Deputy Edward O’Keeffe:** The example of Liam Carroll does nothing for me. There was a court decision and arguments took place about values and so forth. We are dealing with the real business in here.

**Deputy Aengus Ó Snodaigh:** Liam Carroll’s?

**Deputy Edward O’Keeffe:** I listened to Deputy Joan Burton, who is a very good friend of mine. I admire much of what she says. However, she quoted experts such as Professor Lucey. Where was Professor Lucey five or six years ago when all this started, and the 15 with him and the 40 that forgot about him? They were not around then. Then there is the famous man, Peter Mathews, who is a banking expert. The fact is that if one walked down the street and met 1,000 people, one would find 900 experts, each with a different view. Peter Mathews is no example for me.

Talk of bank nationalisation in this scenario is yesterday’s business. The world is moving out of recession and the option of bank nationalisation is behind us. Consider what happened in the UK with Royal Bank of Scotland, Lloyds and Halifax. They are trying to get out of difficulty and are getting support from the British Government. There is no bank nationalisation in Britain despite it having a Labour Party government, which always believed in nationalisation. It has no intention of nationalising those banks.

Deputy Jim O’Keeffe made a good point, although it would be very generous to the shareholders if it got approval. Our banks need an injection of capital but it would be better if that capital came from their existing shareholders and the institutions, rather than the State. We live in a free market economy and for that reason it is important that they secure their independence. I would like to see our two banks in a position to repay the capital the State has given them, return to full private ownership and have the freedom to do the business they wish.

It is was not, by and large, the people of this country who got the banks into difficulty. This House had a role in that, when we let the economy run wild for development. My colleagues in the Green Party made the point today, that it started with the local authorities and planners, but we did not correct it. We could have benefited enormously if we had watched that.

**Deputy Aengus Ó Snodaigh:** Enormously?

**Deputy Edward O’Keeffe:** Of course, we could have benefited. Deputy Ó Snodaigh’s party slept soundly too, like Rip Van Winkle.

**Deputy Aengus Ó Snodaigh:** No, we did not.

**Deputy Edward O’Keeffe:** We could have put a capital gains tax on property development in a scaled way.

**Deputy Aengus Ó Snodaigh:** The Government cut the capital gains tax.

**Deputy Edward O’Keeffe:** Why did Sinn Féin not suggest this?

**Deputy Aengus Ó Snodaigh:** We did. We called for a capital gains tax.

**Deputy Edward O’Keeffe:** The Deputy’s party suggested nothing. It did nothing but complain every week.

**Deputy Aengus Ó Snodaigh:** Any suggestions we put forward were shot down by the Deputy’s party.

**Deputy Edward O’Keeffe:** My party never did that.

**Deputy Aengus Ó Snodaigh:** Yes, it did.

**Deputy Edward O’Keeffe:** I congratulate the Minister of State, Deputy Peter Power, on the very able way in which he has dealt with the debate on several amendments. There are many experts on the Fianna Fáil benches who could, quite competently, handle the finance portfolio and the Minister of State is one such individual.

The legislation is being ridiculed by the Opposition. However, the Minister has achieved what is an excellent deal for the State. Evidence of the success of NAMA will not be apparent in the immediate future but it will emerge during the next couple of years. Not all of the properties involved are located in Ireland. In addition, Dublin and Cork will not be closed down as a result of what is going to happen. Small rural villages may experience difficulties, particularly in the context of land banks adjacent to them which may come within the remit of NAMA.

People should not dismiss NAMA. It will be a success. The attitude of the Opposition is frightening. All it seems to want to do is continually knock everything. We should adopt a more buoyant attitude and try to move ahead.

**Deputy Paul Gogarty:** I welcome the opportunity to comment on amendment No. 16, which encapsulates the entire debate on this matter. As indicated previously, I have an issue with regard to the question of market value. Deputy Burton believes that it might be better to temporarily nationalise the banks. That is a fair argument but I disagree with it because the cost to the State would be much higher and non-Irish investors would be driven out of the banking sector. I may be accused of sounding an apocalyptic note but temporarily nationalising the banks could——

**Deputy Joan Burton:** The Deputy is listening too much to Fianna Fáil.

**Deputy Paul Gogarty:** I am probably listening too much to David McWilliams.

**Deputy Michael Kennedy:** The Deputy is listening too much to the facts.

**Deputy Paul Gogarty:** In Russia in the 1990s, there were queues for food and public sector workers were not paid. That is the kind of appalling vista we must contemplate in respect of our own country. In that context and in light of the cost of recapitalising the banks for the full amount, the risks posed by nationalisation are not worth contemplating.

I have a great deal of respect for David McWilliams, who has been extensively quoted in the media and whose knowledge of ministerial eating habits is well known throughout the country at this stage. Mr. McWilliams is also known as the person who predicted the advent and eventual collapse of the property bubble. He made predictions in this regard in 1997, 2000 and 2004. Eventually, he was proven right. I was with him on the first occasion on which he predicted

[Deputy Paul Gogarty.]

what would happen. He could see that the policies that were being put in place would lead to the creation of a property bubble and that any stamp duty revenues that would accrue would be temporary in nature and would need to be managed carefully because they would not be available for ever.

I do, however, disagree with Mr. McWilliams in respect of the valuation of property. He is of the view that we should allow the banking system to collapse and that a new natural order will arise in the aftermath. He also believes — by his use of a US method to calculate a variable on annual incomes — that property values will be halved. If what Mr. McWilliams believes were to come true, we would soon be living in a different environment. Ireland is a member of the EMS and is obliged to operate within a number of constraints. Unless we pull out of the euro, we do not have the freedom to employ too many measures to assist us in dealing with the economic crisis. As a result of the constraints to which I refer, I believe that the effect on house prices will not be as apocalyptic as Mr. McWilliams fears.

House prices may fall. In light of his contribution, Deputy Ó Snodaigh is obviously a fan of placing bets on the gee gees.

**Deputy Aengus Ó Snodaigh:** I do not have a clue how it should be done.

**Deputy Paul Gogarty:** I was referring to people's practice of sticking a pin in a list of horses to decide which one to back. If one is trying to obtain a long-term economic value from this, in some ways what one is doing is similar to what will happen with NAMA.

**Deputy Aengus Ó Snodaigh:** That is what I said.

**Deputy Kieran O'Donnell:** It is exactly like NAMA.

**Deputy Paul Gogarty:** A potential for risk accompanies any asset management agency. However, at least such an agency can attempt to make some money back. It is one thing spinning the roulette wheel and hoping that the ball lands in the black and not in the red. It is another thing to overturn the roulette table completely, which is what Mr. McWilliams advocates and which is what is contemplated under the Labour Party's plan for nationalisation.

I wish to focus on the issue of long-term economic value. Regardless of whether we like those who are in charge of the banks or we think they got away with it and regardless of the fact that the citizenry is apoplectic with regard to this matter, if one acknowledges that the banks must be recapitalised in the economic interests of the country, the only question that arises is what is the least expensive means by which to achieve this goal. In that context, we do not know what will be the long-term economic value of the assets that will be transferred to NAMA. The Minister made a guesstimate in this regard, based on information available to him at the time. However, we do not know what will be the estimated actual value when the line in the sand is eventually drawn. In addition, we do not know what will be the amount above that market value. This is the gamble we are taking in respect of whether the value of the assets will rise over a ten-year period.

Unlike some Deputies, I am of the view that the question as to whether they will rise in value is completely irrelevant. I say this because if one accepts that the banks must be recapitalised, then one must also accept that, one way or another, the money must be paid. If there was no asset management agency and if we recapitalised the banks, it would still cost X amount of money. If, as with NAMA, the banks are recapitalised through an asset management system, it may be possible to recoup some money, break even or perhaps make a profit.

**Deputy Joan Burton:** They are two different things.

**Deputy Paul Gogarty:** Not really.

**Deputy Joan Burton:** They are different. Buying the assets at an overinflated price and selling them subsequently and making a profit is entirely different to overpaying for the assets. In circumstances where one would pay market value, that is all one would pay. If future moneys were invested in the bank, this would be on the basis of equity from which another return would be obtained. They are two connected but separate things.

**Deputy Richard Bruton:** There would be a bigger return.

**Deputy Paul Gogarty:** I am referring to the cost of recapitalising the banks. At present, the European Central Bank, ECB, rate is 1.5%. If we were to recapitalise the banks through external borrowings rather than through the ECB, it might not be possible to obtain the relevant moneys in the first instance. If one were successful in obtaining such moneys, one would be obliged to pay a higher interest rate. That is why making a reasonable estimate with regard to the profits one might make — which is acceptable within the relevant parameters — means that one can obtain the money at a lower rate than if one sought it on the financial markets. Within these parameters, it is a reasonable risk to take because, one way or another, the money must be invested in the banks.

Earlier, I referred to taxi drivers and Deputy Burton referred to the dogs in the street. Both taxi drivers and the dogs in the street would be of the opinion that the State is going to be a majority shareholder in one if not both of the main banks. In that context, we will be sharing some of the risk if the banks make a profit and the State does not. However, if the banks do not make a profit and the State does, we will still be obliged to put up the money to recapitalise the banks in order to ensure that they work properly.

I accept that others disagree with the argument I am putting forward. Some people propose temporary nationalisation, Fine Gael proposes the establishment of a good bank and David McWilliams proposes that we adopt a let-them-all-be-damned approach. These are all valid approaches but some are riskier than others.

On amendment No. 16, if one chooses a market value that relates to the current market value of an asset, one is ignoring the realistic prospect that said asset may actually increase in value. People are always warned in the small print that the value of their shares may fall as well as rise. That could happen in this instance. During the next three to four years, as property prices in Ireland fall — depending on global circumstances, the value of assets in the UK, Northern Ireland and other jurisdictions may also decrease — people may well be in a position to say “We told you so” and inform us that what is happening is terrible. However, in recent years, even if there have been sharp falls, the ultimate trend in respect of values has always been upwards. The Green Party has strongly emphasised the damage that peak oil could do to the global economic system. I do not know how the advent of peak oil will affect what we are attempting to do. I hope the Minister will take cognisance of this aspect in the context of valuations.

It may well be that the threat from peak oil to the global economic system will push up the value of properties as the cost of raw materials pushes up construction costs. This is not an exact science. We do know that it is as wrong to take current market value as the *ad infinitum* bottom line as it is to predict that the market value will increase or decrease. The Government will make its line in the sand at the appointed time, based on a realistic possibility that the value of the assets will rise to a certain degree. I believe this is a realistic risk. It is a 50-50 risk which is counter-balanced by the equity that has to be taken in the banking system in any event.

7 o'clock

[Deputy Paul Gogarty.]

There is too much emphasis on the minutiae of the exact economic value. The €7 billion over-payment based on the current guesstimate is not so much of an increase above the current market value estimate as to be preposterously off target. There is a strong possibility that the market value will, over ten years, reach or exceed that point and, therefore, this is a reasonable and balanced approach to take. The banking system must be recapitalised regardless. The risk in terms of that recapitalisation versus the €7 billion over-payment on current market value versus the long term economic value is not too much of a risk.

Deputy Ó Snodaigh mentioned other areas where money could be spent, including the Spirit of Ireland project. I understand that Spirit of Ireland is seeking private as well as State capital and may in the six months come up with some concrete proposals. This year, on any particular day, 40% of our energy came from renewable sources. Under the renewed programme for Government and, through the Minister for Communications, Energy and Natural Resources, Deputy Eamon Ryan, this target is increasing all the time. I agree there needs to be more State investment in this area. However, money must be put into the banking system. Sinn Féin may believe it is better to put money into energy projects rather than into the banks. However, I am a convert to the fact that, begrudgingly and with a sad and heavy heart, the money must be put into the banking system. We have no choice.

**Deputy Joan Burton:** At least that way we will not burn it and create extra CO<sub>2</sub> emissions.

**Deputy Paul Gogarty:** That is a good point. I am all for that and will take the Deputy's point on board.

Deputy Higgins spoke about abstraction, which is what we dealing in if we get into the minutiae. Section 82(5) provides a concrete counter-balance to the abstract in terms of whether economic value will increase. It states:

Where NAMA determines that the long-term economic value of the property comprised in the security for a credit facility that is an eligible bank asset is less than the market value of the property, NAMA shall not acquire the bank asset.

That is akin to Deputy Ó Snodaigh not backing a horse with a broken leg but a horse that has a chance even though he may not know whether it will win.

**An Ceann Comhairle:** I call Deputy Kieran O'Donnell.

**Deputy Michael D. Higgins:** On a point of order, as the Minister is now in the House, we had almost achieved consensus that amendments Nos. 82 to 87, which deal with valuation, would be taken with amendment No. 16. This would provide the Minister with an opportunity to reply on the strategy in respect of valuation. I make this proposal to be of assistance and to ensure that we have the maximum amount of information. If we do not do so, it is highly unlikely we will reach those amendments between now and 8 p.m. I believe the original proposal was good and had the support of the House.

**Deputy Arthur Morgan:** I support that proposal.

**Deputy Brian Lenihan:** We are back on the merry-go-round of long-term economic value, which was discussed by an Oireachtas committee in late August and on Second Stage in this House. I do not believe this requires further grouping of amendments. This issue has been discussed endlessly. I have heard no new arguments so far on Report Stage.

**Deputy Aengus Ó Snodaigh:** The Minister was not in the House to hear my argument.

**Deputy Brian Lenihan:** The Commission guidance note is clear on this subject, namely, it is an entirely legitimate procedure and there is nothing strange about it. There are many other provisions in the Bill that are more worthy of consideration. However, I am in the hands of the House. I will not object if the House agrees to group these amendments.

**An Ceann Comhairle:** Some eight or nine speakers have already spoken on amendment No. 16 and a number of other Deputies are waiting to speak on it.

**Deputy Michael D. Higgins:** I can assure the Ceann Comhairle that it is not my intention to delay the House. If it assists the Ceann Comhairle, I will withdraw my proposal. If the Minister is adopting that attitude towards the valuation chapter and believes he cannot waste time on it, he might want to spend a great deal of time on the transparency sections, in other words, the gagging section. Perhaps we can group the amendments to those sections. We have less than an hour to complete Report Stage.

I can assure the Minister that none of us are interested in repeating ourselves. However, some of us have spent a great deal of time in this House and did so with genuine commitment.

**Deputy Brian Lenihan:** I accept that.

**Deputy Michael D. Higgins:** We were not interested in stringing out the debate. We knew what we were doing. There remains one big group of amendments that deal with attempts to gag those appearing before any committee.

**An Ceann Comhairle:** It is now 7.05 p.m.

**Deputy Michael D. Higgins:** We can proceed.

**An Ceann Comhairle:** If Members decide to co-operate, we can work through the amendments.

**Deputy Michael D. Higgins:** If the Minister does not agree with my proposal we cannot deal with them.

**Deputy Brian Lenihan:** I will not object to the grouping of any amendments.

**Deputy Michael D. Higgins:** That is not the point.

**Deputy Paul Gogarty:** Let us not be petty.

**An Ceann Comhairle:** We are wasting time. It is now 7.06 p.m. and we are due to vote on the Bill at 8 p.m.

**Deputy Michael D. Higgins:** If that is the Minister's attitude to the proposal, that is fine.

**An Ceann Comhairle:** We will proceed. Perhaps Members will restrict the amount of time they spend on amendments.

**Deputy Michael D. Higgins:** The House has just listened to a very lengthy contribution, which did my head in.

**Deputy Kieran O'Donnell:** It is a case of *Animal Farm* in terms of the Green Party.

**Deputy Brian Lenihan:** I had better recover my sense of humour.

**Deputy Michael D. Higgins:** Yes.



**Deputy Kieran O'Donnell:** I will speak to amendment No. 16. Fine Gael's amendment No. 83 is related. The Minister said he has heard no new arguments in regard to long term economic value. Before he left the House approximately two hours ago the Minister said he was not open to cross-examination but he is answerable to this House.

**Deputy Brian Lenihan:** Yes.

**Deputy Kieran O'Donnell:** There are, therefore, questions the Minister needs to answer and has not answered. Deputy Gogarty misinterpreted the difference between NAMA buying the assets, which is not recapitalisation——

**Deputy Paul Gogarty:** I know that.

**Deputy Kieran O'Donnell:** It does nothing in terms of adding to the core tier 1 ratio. A businessman looking at this would purchase the assets at market value. In that context, NAMA would have some chance of making a return. It is paying €7 billion over value. The taxpayer is taking all the risk but €2.7 billion. If the Minister were to take the €7 billion by way of ordinary shares in the institutions, he would probably have more than a 51% shareholding and an element of control over NAMA in terms of proper disclosure in respect of the loan book.

**Deputy Paul Gogarty:** We would still have the loans.

**Deputy Kieran O'Donnell:** There would be an upside for the taxpayer if the banks' balance sheets were cleaned up. Ordinary shares would be valuable and the Minister would have some influence over lending. The Minister gave no commitment to issue guidelines.

**Deputy Brian Lenihan:** I did.

**Deputy Kieran O'Donnell:** The Minister said he "may" issue them.

**Deputy Brian Lenihan:** I said I "will" issue guidelines. I said it was a threat and an exercise.

**Deputy Kieran O'Donnell:** When will they be issued and laid before the House? We need to see the guidelines.

**Deputy Brian Lenihan:** I answered the question.

**An Ceann Comhairle:** The Minister will deal with these issues when he is replying.

**Deputy Kieran O'Donnell:** The problem with NAMA, in terms of market value, is that it is paying €7 billion over market value. The taxpayer is taking the majority of risk in terms of market value and the €7 billion. The banks are only taking a risk in respect of the €2.7 billion. Taking account of both factors, if the Minister goes with market value for NAMA and puts the €7 billion in by way of ordinary share capital, this would provide a better risk sharing mechanism in terms of the upturn and the banks. The banks' balance sheets would also be cleaned up. The problem with what the Minister is doing is that we effectively come in with an excessive hope value. This makes it less likely the taxpayer will earn a return.

I put two questions to the Minister previously, which he did not answer. I asked when the Mazars report would be issued and who would pay for it. I also asked about the €49 million taxpayers would put into the SPV and asked what exactly that money would be used for.

**Deputy Michael Mulcahy:** As we approach the end of what has been a fruitful debate, we must acknowledge that we all come to the issue from different perspectives. The different parties have different policies on whether we should create a good or bad bank or whether we

should nationalise the banks. However, it is important to realise that we all have the same primary interest. We understand there has been a severe economic crisis here and in other countries in the major western economies and that we need to get out of that in a relatively orderly fashion.

The Government has come up with this proposal, which despite the best efforts of some people stands up to serious scrutiny. People may have different points of view and argue for those, but the NAMA plan is a serious considered proposal. In my knowledge of parliamentary affairs, this Bill is unique as it and the draft business plan were put out for consultation. Therefore, people of a different point of view have had the opportunity to review and scrutinise the documents and prepare their arguments.

In approaching this debate people should be obliged to be clear, straightforward and completely honest. I found a remark made by the Sinn Féin representative, Deputy Morgan, not as accurate as the debate merits. He said NAMA amounted to a bailout for builders. When NAMA acquires these bank loans or assets, the liability of every builder and developer remains for every cent.

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

**Deputy Michael Mulcahy:** Not one cent will be written off by the State, NAMA or anyone else.

**Deputy Kieran O'Donnell:** Has Deputy Mulcahy read the business plan?

**Deputy Richard Bruton:** Has his contribution anything to do with the amendment under discussion?

**An Ceann Comhairle:** I have shown considerable latitude in this debate. I do not want to interfere at this stage or restrict individual Members on either side of the House.

**Deputy Michael Mulcahy:** I am getting to that.

**Deputy Richard Bruton:** On a point of order, when I contributed on this amendment, I stuck rigidly to what was involved with the amendment. It is unfair to those of us who try to play by the rules to find that others can then come in and effectively give a Second Stage speech.

**Deputy Michael Mulcahy:** In fairness, what was said in this context was said by Deputy Arthur Morgan when addressing amendment No. 16. I was not prepared for that comment to lie on the record of the House without challenge. In proposing his amendment, he made the erroneous statement that this was a bailout for builders. If he was going to make that proposition——

**Deputy Arthur Morgan:** I did not make an erroneous statement. I referred to developers, not builders.

**Deputy Michael Mulcahy:** If the Deputy was going to make that proposition, he should have substantiated it. I want the record to be absolutely clear that builders or developers are liable to the banks for every cent of their loans once those loans are transferred to NAMA. If that is not the case, perhaps the Minister or someone else will tell us. I have been proceeding in this debate on the basis that the full liability of people who borrowed money from banks and whose assets are transferred to NAMA remains. The public should know this and any attempt to deceive the public in this debate is beneath the Members of this Dáil.

[Deputy Michael Mulcahy.]

Market value relates to the current market value of an asset. I will not go fully into the area of economic value because the Minister will deal with that. However the question as to the gap between market value and the amount that will be paid for the loans is a fair question. On the business plan we received, that amount is €7 billion. It is a fair question to ask why that overpayment above market value is being made. As I and others asked previously, what would be the point of NAMA if it was just going to pay market value? Why would the banks need NAMA if all it was going to do was pay market value. There would be nothing to stop the banks ringing up an auctioneer and putting those assets on the market.

**Deputy Joan Burton:** Their assets are turkeys.

**Deputy Michael Mulcahy:** Precisely, that point is accepted.

**An Ceann Comhairle:** I ask the Deputy to refer his remarks through the Chair. We will have more tranquility in the House as a result.

**Deputy Michael Mulcahy:** I accept that. I accept that the gap between what NAMA will pay and the market value is a genuine matter of concern. However, as the Minister pointed out on Committee Stage, it must be borne in mind that the State owns Anglo Irish Bank, which holds the largest tranche of loans being transferred and has warrants of 25% in Bank of Ireland and AIB. Therefore, five sixths of that €7 billion is already in public ownership. The Minister has also included provisions to deal with the building societies.

All I ask is that we are balanced and accurate in our debate, and there has been genuine debate. I was very impressed with the point made by Deputy Higgins about the socialisation of losses and the non-socialisation of profits.

**Deputy Joan Burton:** It was about nationalising the losses and privatising the profits.

**An Ceann Comhairle:** I ask Deputy Burton to allow the Deputy continue. We should have one Deputy at a time.

**Deputy Michael Mulcahy:** However, he should also acknowledge that this system allows for a social dividend to be paid out of the process. Deputy Higgins should be generous enough to acknowledge that and not just say that this amounts to a socialisation of loss, because—

**Deputy Michael D. Higgins:** I spent all day trying to see where it is in the Minister's guarantee.

**Deputy Michael Mulcahy:** We had a very good discussion on that. I will not go into the issue of full economic value. However, we must accept that there would be no point in having NAMA if all it would do was pay market value. It makes sense, in the context of our ownership of Anglo Irish Bank and our warrants in other banks, to get money into the banks. Were it otherwise, we would be borrowing money not at 1.5%, but at 4.5% or 5.5%, which would be much more expensive. I appeal to Opposition Members on this. We voted on Second Stage to have NAMA. Let us now get together in a positive and constructive way to see how we can work together to improve and polish the Bill as best we can.

**Deputy Richard Bruton:** How many amendments have been accepted over the 86 hours? The answer gives us a measure of the Government's sincerity.

**Deputy Pat Rabbitte:** I took note of what various speakers have said so far and Deputy Gogarty seems to sum it up. He said things go up as well as go down and seemed to conclude

we do not know whether we are coming or going and that in those circumstances all we can do is make a guess at it. The guess he has made is that things will get better.

**Deputy Paul Gogarty:** It is an educated guess.

**Deputy Pat Rabbitte:** The Deputy is right. There is not much science behind his position, but it summarises his view. He says his view is apocalyptic when it comes to nationalisation.

I cannot agree with his outline of what nationalisation would mean. I would ask Deputy Gogarty this question. We know the least worst position is the Minister's guesstimate that it will cost the taxpayer €7 billion, although outside commentators say it will cost more. The Minister owns 25% preference shares in the two banks already. Would we not be better putting the €7 billion in for additional shares?

**Deputy Michael D. Higgins:** We could buy a whole bank.

**Deputy Pat Rabbitte:** If he is concerned about nationalisation, why not put the €7 billion in for shares? That is why the Minister is correct when he states that there is no point extending the debate on valuation, we have been round the houses and we are not going to agree. He has fixed his position and he is not for moving.

**Deputy Paul Gogarty:** It would cost him more to do that.

**Deputy Pat Rabbitte:** No, it would not.

**Deputy Brian Lenihan:** The Deputy is talking about a straight conversion of preference shares into ordinary shares.

**Deputy Pat Rabbitte:** I will turn the clock back a little and put some specific questions to the Minister. Has the Minister been assured and has he negotiated clearance that down the road there will not be a state aid repercussion as a result of this decision? This is state aid, there is no doubt about it. The Minister claims it is a state aid, saying if there was not an uplift there would be no merit in the exercise because the banks would have to come back for proportionately the same in recapitalisation.

My memory of the last night was that the Minister did not reply to Deputy Bruton's point where he dealt with the question of the total value of the loan book in respect of land, which was €28 billion. The mark down on that was more than the standard 47% and Deputy Bruton posited that it would be 50%, €14 billion. Therefore, €7 billion is 50% of €14 billion and I thought the Minister said there was a ceiling on what the uplift could be on land of approximately 25%. I would appreciate if the Minister would address that when replying because I did not get the response on that either.

Deputy Burton made the point that when the Minister produces in support of his position reputable international agencies such as the ECB, he never adverts to the fact that whether it is the ECB or any of the others, including EUROSTAT, they draw attention to the fact that this support comes with a heavy warning about paying more for the assets than market value. Each of them has underlined that and even EUROSTAT said it is not in a position to judge if the condition is plausible. It states that the current market value is 15% lower than the LTEV but the Irish authorities believe that under current conditions, the market value for properties is artificially low.

We are going to have to live with this for the rest of our political lives. The Minister is not for turning, and is prepared to pay a hope value to avoid the acquisition of more shares and a higher degree of public ownership or nationalisation. I would say to Deputy Gogarty, however,

[Deputy Pat Rabbitte.]

that the Minister for Finance has been far more cautious than he has in pouring cold water on nationalisation because the Minister knows that at the end of the day that may be where end up, albeit by the scenic route and at greater expense than if we had made a temporary decision, had done the clean up and prepared the banks for refloating as soon as possible.

We should not deal in apocalyptic terms because there are a number of approaches to the issue. The Minister has embarked on one, and my view is that his approach is conditioned by a number of factors but it stems from the fateful decision of the all-encompassing guarantee on the night of 29 September. No doubt it is fair for him to draw attention to the disposition of the Commission in the sense that there is a view that it would be preferable to avoid nationalisation. I accept that is the view but, as Deputy Burton pointed out, even in the document the Minister quoted, there are reasons to stop and take stock when looking at the European template for where we are now.

The long and the short of it is that Deputy Fahey's assertion that we are in this hole because people were paying market value rather than the long-term economic value, but whatever else is the cause of the hole we are in, that is not the cause of it. The Minister is placing a hell of a burden on the shoulders of the taxpayer because of the route he has taken so I would appreciate if he would answer those questions.

**Deputy Michael Kennedy:** The Government's proposal is reasonable. I would be cautiously optimistic that NAMA will make a profit over the ten years. I do not have any special knowledge, but the knowledge I have equals that of anyone in the House because no one here has expertise in banking.

I spent 30 years in the insurance business and every six months, insurance investment managers come into my office to show me graphs over a five year period where the stock market will go up, taper off, then go up again. The same is true for property funds. Those facts exist. The same people tell me now that they are optimistic that property values will rise again. I am not suggesting they might not go down in the next month or six months, but I would be optimistic that over a ten year period values will increase.

It amazes me that at the 11th hour we are still debating the bad bank, the good bank, the fantasy bank and bank nationalisation. While Deputy Bruton was out, his colleague Deputy Jim O'Keeffe came up with a new proposal whereby the banks would recapitalise at a new 50 cent share. I do not know if this is Fine Gael policy. Is he suggesting those investors in the banks that have lost substantially, the pension funds, building societies, credit unions and trustee funds, in addition to taking the 90% hit they have been stuck with, now take another 300% hit? That is what he is saying going by today's share values. He is kicking those people when they are down, the ordinary people, those who invest their money in credit unions or insurance investment products. Is that Fine Gael policy now?

It is bad enough listening to the good bank, bad bank idea, where we throw in €2 billion and reinflate business overnight. Suddenly €70 billion worth of property loans miraculously disappear off the balance sheets and do not need any capitalisation.

**Deputy Terence Flanagan:** No one is saying that.

**Deputy Kieran O'Donnell:** It is good to hear Deputy Kennedy. We have not heard him in this debate for a while.

**Deputy Michael Kennedy:** We still hear the Labour Party talk about nationalisation.

**Deputy Kieran O'Donnell:** Deputy Kennedy might explain the special purpose vehicle for us while he is here.

**Deputy Richard Bruton:** Is the Deputy speaking to the amendment?

**Deputy Michael Kennedy:** I wish Deputy Bruton's colleagues had spoken to the amendment. I wish to talk to the Labour Party about nationalisation. This week, for the second time, the Labour Party British Government has chosen not to nationalise. It has pumped more British pounds into its two bad banks.

**Deputy Pat Rabbitte:** It owns 80% of them.

**Deputy Michael Kennedy:** Perhaps, but it has not gone the route of nationalisation which one would expect a socialist party in Britain to do.

**Deputy Willie Penrose:** Who says they are socialists? They are Tories.

**Deputy Michael Kennedy:** That will go down well with the Deputy's colleagues at the next meeting of the British-Irish Inter-parliamentary Body, when he tells those on the Labour side that they are Tories.

**Deputy Willie Penrose:** I am proud of Ken Livingstone.

**Deputy Michael Kennedy:** Irrespective of whether it is New Labour, Tory Labour or the ordinary Labour British Government, it has not gone the route of nationalisation.

**Deputy Joan Burton:** What about Northern Rock?

**Deputy Michael Kennedy:** It is similar to Anglo Irish Bank on the day the government——

**Deputy Brian Lenihan:** Yes, and the Labour Party did not want me to nationalise that.

**Deputy Joan Burton:** The Deputy is not in a position to lecture us.

**Deputy Michael Kennedy:** I am not lecturing the Deputies. I am just giving them facts. They lecture us.

**Deputy Joan Burton:** The Deputy says there has been no nationalisation but what about Bradford and Bingley? The Deputy's facts are incorrect.

**Deputy Michael Kennedy:** We in this Chamber pontificate as experts, but why do the International Monetary Fund and the European Central Bank back NAMA?

**Deputy Kieran O'Donnell:** They do not.

**Deputy George Lee:** They do not.

**Deputy Michael Kennedy:** Why did the OECD yesterday fully endorse the Minister for Finance and the Government's proposals? Are they fools? They advised the Government to proceed and to do so quickly.

**Deputy Kieran O'Donnell:** The Deputy might speak to the amendment now.

**Deputy Michael Kennedy:** I am trying to speak to the amendment.

**Deputy Peter Power:** Deputy O'Donnell is like the pot calling the kettle black.

**Deputy Michael Kennedy:** Deputy Jim O’Keeffe spoke about land values and he mentioned Thornton Hall in North Dublin, Deputy Burton’s constituency.

**Deputy Pat Rabbitte:** There is long-term economic value if ever I heard of it.

**Deputy Michael Kennedy:** He talked about the value of the land being €25,000 an acre. If he knew anything about land there he would have known that builders could not even buy class 1 open space for less than €1 million at the time. It was an inflated price but the realism that existed then——

**Deputy Joan Burton:** Realism?

**Deputy Michael Kennedy:** The value of Thornton Hall was not €25,000 an acre as Deputy Jim O’Keeffe from Cork seems to think it was.

**Deputy Richard Bruton:** Is this based on sound economic fundamentals?

**Deputy Pat Rabbitte:** Not since the Yukon has there been——

**Deputy Michael Kennedy:** The Deputies on the other side of the House know where the loyalties of the sellers of the land lie.

**Deputy Joan Burton:** What does “the sellers of the land” mean?

**Deputy Michael Kennedy:** The point is being missed on the other side that the builders will own 100% of the debt, today, tomorrow and until NAMA is finished.

**Deputy Paul Connaughton:** Till debt do us part.

**Deputy Michael Kennedy:** That should not be forgotten.

**Deputy Richard Bruton:** What about the rolled-up interest?

**An Ceann Comhairle:** Deputies should allow Deputy Kennedy to speak without interruption.

**Deputy Michael Kennedy:** I thank the Ceann Comhairle.

**An Ceann Comhairle:** The Deputy should stop replying to them because it encourages them.

**Deputy Michael Kennedy:** I am doing my best but the Deputies on the other side of the House do not like to hear the truth or to deal with the facts.

**Deputies:** Deputy Kennedy can bring it on.

**Deputy Michael Kennedy:** I will remain optimistic on the basis of the international professional advice that NAMA will be a good deal for the taxpayer.

**Deputy Joe Costello:** The one point on which we can all agree is that the Minister will pay over the odds for the assets. The Minister has acknowledged that.

**Deputy Brian Lenihan:** No, he has not acknowledged that.

**Deputy Joe Costello:** No matter how the Minister adds up the figures they have to mean that he will pay over the odds. Otherwise he will be paying the current market value, but he is not doing that which would be a realistic price. He must pay the long-term economic value

whatever that may be. It may go up but Deputy Gogarty is not so sure whether it will go up or down. I am not sure about the Minister's confidence in that respect.

**Deputy Seán Sherlock:** They are a bunch of tulips.

**Deputy Joe Costello:** As Deputy Rabbitte says, the Minister is probably taking this approach to avoid nationalisation. The other reason, which is not unrelated, is that if the Minister does not pay over the odds for the assets or the loans on the properties, he will not have enough money to recapitalise the banks so he could fail in that respect and find that he is back to square one because the legal guarantees and the recapitalisation of AIB and Bank of Ireland did not work.

**Deputy Brian Lenihan:** I will not go back to square one.

**Deputy Joe Costello:** Not so long ago those banks said they had loads of capital. When they got €7 billion, they continued to say they were adequately recapitalised but we know they were not. They were and are telling lies. That is why we are reluctant to give them only targets and guidelines on credit facilities for small and medium-size enterprises because there is no guarantee they will provide that credit.

If it was the real market value where would the Minister be? One need only look at the market value of Liam Carroll's properties which stand at 25% of their value two years ago, or at the Irish Glass Bottle Company site which cost €412 million two years ago and is now worth barely €60 million. That is not a 25% mark down. That is almost a colossal 90% mark down. The Anglo Irish Bank flagship headquarters is a derelict site in my constituency. Nobody seems to know who owns it or what will happen to it. It is worthless. When I get a chance I will ask the local authority to put it on the derelict sites register and find out eventually who owns or will own it. I presume it will fall to NAMA in due course.

NAMA will value approximately 21,000 loans and 50,000 properties using the Minister's hybrid valuation, a so-called market value, a so-called long-term economic value, with various people and agencies intervening to give the benefit of their wisdom on the value. What will the benchmark be? Does the Minister have an idea as to what money is required for the adequate recapitalisation of the banks in Ireland so that they can continue to do meaningful business? Will that influence NAMA's guesstimate of the figure it will impose? Will it fall on the side of the long-term or the existing, market value? Does the Minister have a formula for NAMA's target?

Does the Minister have a formula for determining the actual target that these properties will realise? I know a ballpark figure has been stated but more than 70,000 units will have to be assessed. We will have to sieve through these using the complex methodology of valuation to ensure that there will be enough money for the Minister to put into bonds and for them to be cashed by the European Central Bank. It is very much up in the air, largely because there is no clear valuation mechanism. The provisions in Part 5 do not clarify the situation. It is a long way from the amendments put forward by Deputies Joan Burton and Arthur Morgan of where the market value relates to the current market value of an asset. We will have to wait months just to know how far away from it we are.

**Deputy Paul Connaughton:** This is crazy economics. In my mind's eye I can picture a development of 40 houses in the west, half of them built——

**Deputy Michael D. Higgins:** Townhouses.



**Deputy Paul Connaughton:** —with the other half not. I find it difficult to understand how any valuer could put a valuation on such a property over the next five years. The person who owned the land — before he or she got planning permission — could at least have got an agricultural value for it and sold it on. Now it cannot even be given away and will remain a blight on the environment. If that is the type of a property to make up the Minister's €5 billion profit from NAMA in 20 years time, I fail to see how it will happen.

As the Minister well knows, a building, business, a house or a farm is worth on the day what people are prepared to pay for it at market value.

**A Deputy:** Just like a bullock.

**Deputy Paul Connaughton:** No matter how much money a person may have or the banks would give them, they certainly would not want to get involved at that level.

Now that we are coming to the end of this marathon, I have several questions for the Minister on the windfall gains tax. Will anyone subject to a compulsory purchase order form part of the 80% windfall tax?

**Deputy Brian Lenihan:** No.

**Deputy Paul Connaughton:** Will single sites that have planning permission for rural houses be part of it? Will the inter-familial transfer of land be exempt no matter how large the holding is?

**Deputy Pat Rabbitte:** It is a bit like a visit to Knock. The third question is where will it apply.

**Deputy Brian Lenihan:** I suppose the Deputy wants me to rezone Knock too.

**Deputy George Lee:** The troubles of our banks, caused by poor regulation, came upon us quite suddenly because we were being reassured by the Financial Regulator that everything was all right. We were assured all sorts of stress tests were done on our banks and that they were the most capitalised banks in the world. When we discovered the wool had been pulled over our eyes and the banking system was on the verge of collapse, we realised some big and difficult decisions would have to be taken.

I have been impressed by the amount of effort, work and time the Minister for Finance has put into this legislation and tackling the banking problems. Since last September he has been working flat out. I acknowledge the herculean effort he has put into it and it should not be under estimated. The amount of pressure and stress in dealing with these banks, which did not give him the full picture, must be acknowledged. The Minister has already been left in difficult situations to answer difficult questions with very significant implications, particularly with the public so distrusting of these banks. They have left him to hang out to dry on more than one occasion.

However, a big mistake was made with the NAMA legislation. The Minister has taken upon himself a very significant amount of responsibility. A decision has been taken which has implications for everybody in the country for a long time. There is still the potential that a very substantial bill could be lumbered on us at the end of this. We really hope it works out but we very much doubt it.

I have many problems with pushing ahead with this legislation, the first of which goes back to the beginning. When it became clear that something big had to be done, the Minister got an economic consultant to research the operation of an asset management company to rescue the banks. It has been a common solution applied to many banking collapses across the world and was one option to be explored.

What was most disappointing, however, was that when it came to announcing to the public that the Minister would go down this route during his April budget, he produced a summary of the consultant's report. It was like a *fait accompli*, the way forward. The Minister had not consulted any Member on this side of the House, people who have been given a mandate to represent the people. In turn this meant the people were not consulted. It was not announced fairly because he pulled it like a rabbit out of a hat.

When it came to the publication of the document, the Minister gave a short summary of the consultant's work as to how this model would operate. Once he set himself up to do that, he would hear no other debate on the matter. There are many options about how one goes about rescuing the banks. There may be sequences in which various actions can be implemented. It is still not beyond the bounds of possibility that in the end a bank may have to be nationalised. It is a sequence of events and no one has a monopoly of wisdom in it.

What bothers me most is that the Minister took it on his shoulders to consult the Department of Finance and the Department of the Taoiseach, the Financial Regulator and the bankers on the NAMA model. Many people feel these are the agents responsible for very poor decisions through the years. The collapse happened on their watch and for that reason many people have difficulty in believing that their advice is key to leading us out of this without a proper debate and analysis from the rest of the House.

I understand we have had many hours of debate but the Minister has been closed to all of the amendments tabled. He has been determined to push ahead with this with more items pulled like rabbits out of a hat. We did not get a proper debate about the alternatives because of the manner in which this legislation was published and the Minister intended to go ahead with it from his April budget. In April, we did not hear anything about long-term economic value. Once announced we have been informed it is an ordinary concept and the Minister resorted to European documents on the matter. The argument is that if one wants to rescue banks, one has to pay above the odds, otherwise, as the Minister described it himself, one does not get that effect. However, it is a difficult concept for people to grapple with. It came like a rabbit out of a hat. So too did the SPV.

**Deputy Pat Rabbitte:** Could Deputy George Lee refrain from using my name all the time?

**Deputy George Lee:** SPV is for the spiv organisation. Obviously, the Minister was working on it in the background but there was not a debate with the other public representatives — who have a right and a mandate to protect the public interest — until he announced it. The Minister did not announce it until he got the clarification from EUROSTAT that it would do this trick. For the public and for the rest of us here, it is nothing but a trick. At the heart of our concerns about this is the belief that there is a great deal of trickery about it.

The issue of risk sharing was pulled like a rabbit out of a hat. Even prior to being elected to the Dáil, I observed how the Minister dismissed any suggestion from Fine Gael that subordinated bondholders should have to carry the can for some of the investments they had made and take some responsibility for the taking on those losses. The Minister presented the case that it would be catastrophic for the country if the subordinated bondholders had to face some kind of a loss in regard to their investment. At the centrepiece of the Minister's risk sharing element are subordinated bondholders who would not get their money back and there would be nothing wrong with that. The Minister has twisted and turned and has made it up as he went along. It was suggested that the risk sharing element would be a ratio of 50:50, but what we have got is a 5% provision.

It is a very difficult process to do what the Minister has done and he has to make very difficult decisions and has worked hard at them, but at each stage he did not consult other

[Deputy George Lee.]

people apart from the people who led us into this. Everybody on this side of the House has very significant difficulties——

**An Ceann Comhairle:** I intend to call the Minister of Minister of State before 8 p.m. because a number of points were raised to which one or other would wish to reply.

**Deputy George Lee:** I understand that.

**Deputy Emmet Stagg:** We are prepared to extend the time allocated for the debate if the Chair wishes.

**Deputy Terence Flanagan:** We will sit until midnight.

**An Ceann Comhairle:** I am following the order of the House and——

**Deputy Emmet Stagg:** We can change the order.

**An Ceann Comhairle:** ——I have to respect the wishes of majority of Members.

**Deputy George Lee:** It was never clear what were the Minister proposals for getting credit flowing or for matters such as that. Each time he came back with a response based on whatever he does behind the scenes with the people he engages with about matters which are of significant public interest and concern. Essentially, the Minister is asking the public to trust him. I have no reason that I would not trust him, but I do not trust the advice he has received in many cases. There is good reason to be sceptical about much of the advice and the people who gave it to him. We hope that he is right because if he is not, we will all be up the swanny.

The reality is that the economy has to deliver economic growth which would pay back the €54 billion that the banks and NAMA will owe. The economy also has to deliver €100 billion by the end of next year, which we will have to pay back in terms of the national debt. It has to deliver the economic growth which would pay off €149 billion of mortgages. If one puts those three factors together, never mind the public sector pension bill, we have to deliver €300 billion of economic growth — the benefits of which have already been consumed and allocated — and still live ourselves. For every person who is in the labour force, that is the equivalent of €150,000, which has already been consumed. For a person to pay €150,000, he or she has have to earn €300,000.

This is a very significant commitment that the Minister has entered into without proper analysis, open debate or an open mind in regard to what other people have to say.

**An Ceann Comhairle:** I remind the Deputy of the time.

**Deputy George Lee:** I will conclude on this point.

**Deputy Emmet Stagg:** On a point of order, there is no requirement for the Ceann Comhairle to make space for the Minister to reply. There will be no space for many other speakers, including the Minister, to speak on all the other amendments that will not be reached.

**An Ceann Comhairle:** I note the Deputy's point. However, he is delaying proceedings.

**Deputy Emmet Stagg:** The Chair does not have to call the Minister.

**An Ceann Comhairle:** I wish to advise the Deputy that quite a number of Members raised particular points and they would expect the Minister to respond to them.

**Deputy Emmet Stagg:** We can extend the time.

**Deputy Kieran O'Donnell:** Extend the time for the debate.

**An Ceann Comhairle:** Allow Deputy Lee to continue without interruption.

**Deputy George Lee:** Everybody will have a different view on the decisions the Minister has taken and I understand he took them in good faith. I have no reason to doubt his bona fides, but I have a big problem with the kind of advice he may have received.

**Deputy Joan Burton:** Particularly after the Minister chewed a lot of garlic.

**Deputy George Lee:** I am sure that advice was given with the best of intentions, but I do not trust the advice, having regard to the institutions from which it has come. They have been found to be wanting in the past. In regard to this rescue package, most of us on this side of the House would have thought that the Minister had the banks over a barrel in terms of the public interest——

**Deputy Terence Flanagan:** He did.

**Deputy George Lee:** ——but he behaved in one sense as if the banks has us over a barrel because it is so important in his view and in the mindset of many of the people who advised him to have the banks back working again because that is how we will achieve prosperity again. Therefore, there is a difference of opinion there. The banks were over a barrel to us and they had the Minister over a barrel. That is a major difference in regard to how we all perceive these matters. We have to fix them.

The final difficulty I wish to raise is that we must deliver economic growth in terms of the commitments that are now entered into. This legislation was a great opportunity to get something of significance from the banking system in terms of an injection into the economy. We do not have any guarantee or anything positive out of this which suggests that we are going to get the best injection out of the banking system. That is a great shame. We have a very significant responsibility and now the Minister has a similar responsibility on his shoulders. I am not saying that he deserves it. It is the responsibility that he took on his shoulders to go down this route without bringing everybody with him.

We must deliver on the economy. We must deliver economic growth. This legislation presented a great opportunity for us to get more out the banking system than I believe we will get. That is a great shame. In view of that it is a dreadful pity that we are at the point where we will guillotine the debate and not consider all the remaining amendments which could significantly add to the potency of this Bill.

**Deputy Brian Lenihan:** I am offering to speak on the amendment.

**Deputy Joan Burton:** Is it possible to propose that the time allocated for this debate be extended to 10 p.m. because there are many Members who wish to contribute?

**An Ceann Comhairle:** No, it is not. There is an order of the House and I am bound by it.

**Deputy Seán Barrett:** It is possible. Can the Whips not agree to do that?

**Deputy Michael D. Higgins:** We can amend the order.

*(Interruptions).*

**Deputy Emmet Stagg:** On a point of order, the House can at any time it wishes, by agreement, change the order to extend the time.

**Deputy Michael D. Higgins:** We have done it before.

**Deputy Kieran O'Donnell:** We can do it again.

**An Ceann Comhairle:** The order of the House was agreed this morning and I am bound by it.

**Deputy Emmet Stagg:** If the Minister gives extra time, we will take it.

**Deputy Brian Lenihan:** There are three minutes left. The debate on this amendment has ranged far and wide.

**Deputy Michael D. Higgins:** The Minister was not here for most of it.

**Deputy Brian Lenihan:** This debate began last April when the Government published the initial proposal——

**Deputy Terence Flanagan:** Three weeks ago.

**Deputy Brian Lenihan:** ——and has progressed ever since. The question of credit is something that all of us are concerned about. Apart from that, the one aspect, on which the Opposition parties have repeatedly focused since the publication of the draft Bill last August, is the issue of long-term economic value.

**A Deputy:** And openness

**Deputy Michael D. Higgins:** And transparency and accountability.

**An Ceann Comhairle:** Allow the Minister to continue without interruption.

**Deputy Brian Lenihan:** Clearly, in the guidance note by the Commission, and as acknowledged I am glad to say by Deputy George Lee at the conclusion of the debate, in asset relief schemes, one must give something to the banks in order to achieve their desired effect. While I am on this subject, I wish to say it is extraordinary that Opposition parties, who devote so much time to the exposure of the taxpayer and of the future generations in this context — a contingency that might or might not materialise in ten years' time — do not contemplate the fact that this year we are borrowing €22 billion to fund the voted expenditure of this State.

**Deputy Kieran O'Donnell:** We do.

**Deputy Joan Burton:** We are well aware of that.

*(Interruptions).*

**Deputy Brian Lenihan:** ——and that there are no proposals forthcoming to address that issue.

**An Ceann Comhairle:** Allow the Minister to continue without interruption.

**Deputy Michael D. Higgins:** Why does the Minister not answer the questions?

**An Ceann Comhairle:** Will the Deputy allow him to do so? He cannot be heard.

**Deputy Brian Lenihan:** That is a far greater burden on my shoulders and it is a burden I will also discharge.

**Deputy Michael D. Higgins:** The Minister said he would answer all the questions in three minutes — that was his calculation, not mine.

**Deputy Brian Lenihan:** How can one answer all the questions in three minutes? Deputy Rabbite raised a very interesting question about capitalisation. He made the point that it surely would have been possible to take the banks into temporary nationalisation, but once one would nationalise the banks one would be responsible for providing the banks with capital.

*(Interruptions).*

**An Ceann Comhairle:** Allow the Minister to continue without interruption.

**Deputy Brian Lenihan:** It is not just a matter of shunting a few shareholders out of the way and paying them compensation. The entire funding of that bank is then assimilated to the sovereign State of Ireland and added to the national debt with all of the consequences that entails.

**Deputy Michael D. Higgins:** We have heard that before.

**Deputy Joan Burton:** Yes, and the Minister did it so badly for Anglo Ireland Bank that we are stuck with a vast amount of waste in regard to it. That is the way he did it.

**Deputy Brian Lenihan:** With regard to this debate, history will record the fact that despite two and half months of debate, the Opposition parties still cannot distinguish between €50 billion at 1.5% and €50 billion at 4%.

**Deputy Joan Burton:** We have a toxic dump, toxic banks.

**Deputy Brian Lenihan:** That is a simple arithmetical matter to which the Opposition parties——

*(Interruptions).*

**Deputy Brian Lenihan:** ——are incapable of addressing themselves.

**An Ceann Comhairle:** We have reached 8 o'clock. Before I put the question I wish to ascertain the status of ministerial amendment No. 42. Is the Minister withdrawing amendment No. 42?

**Deputy Brian Lenihan:** I am withdrawing amendment No. 42.

Amendment, by leave, withdrawn.

**Deputy Emmet Stagg:** It is time to put the question.

**Deputy Pat Rabbitte:** We should hear the Minister. The Ceann Comhairle should allow us hear the Minister.

**An Ceann Comhairle:** As it is now 8 o'clock, I am required to put the following question in accordance with an order of the Dáil of this day: "That the amendments set down by the Minister for Finance and not disposed of, with the exception of amendment No. 42, including those in respect of which recommittal would in the normal course be required, are hereby made to the Bill, Fourth Stage is hereby completed, and the Bill is hereby passed."

Question put.

The Dáil divided by electronic means.

**Deputy Paul Kehoe:** A Cheann Comhairle, now that the Government has firmly put the country in jeopardy, I would like to call a vote other than by electronic means to ask the members of the Government to question their conscience as they walk up the steps.

**An Ceann Comhairle:** Let the vote proceed.

Question: “That the amendments set down by the Minister for Finance and not disposed of, with the exception of amendment No. 42, including those in respect of which recommittal would in the normal course be required, are hereby made to the Bill, Fourth Stage is hereby completed, and the Bill is hereby passed”, again put.

The Dáil divided: Tá, 77; Níl, 73.

Tá

Ahern, Dermot.  
 Ahern, Michael.  
 Ahern, Noel.  
 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.  
 Curran, John.  
 Dempsey, Noel.  
 Devins, Jimmy.  
 Dooley, Timmy.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Michael.  
 Fleming, Seán.  
 Flynn, Beverley.  
 Gogarty, Paul.  
 Gormley, John.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Haughey, Seán.  
 Hoctor, Máire.  
 Kelleher, Billy.  
 Kelly, Peter.  
 Kenneally, Brendan.

Kennedy, Michael.  
 Killeen, Tony.  
 Kitt, Michael P.  
 Kitt, Tom.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 Lowry, Michael.  
 McEllistram, Thomas.  
 McGrath, Mattie.  
 McGrath, Michael.  
 McGuinness, John.  
 Mansergh, Martin.  
 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.  
 Behan, Joe.  
 Breen, Pat.  
 Broughan, Thomas P.  
 Burke, Ulick.

Burton, Joan.  
 Byrne, Catherine.  
 Carey, Joe.  
 Clune, Deirdre.  
 Connaughton, Paul.  
 Coonan, Noel J.  
 Costello, Joe.

Níl—*continued*

Coveney, Simon.	Morgan, Arthur.
Crawford, Seymour.	Naughten, Denis.
Creed, Michael.	Neville, Dan.
Creighton, Lucinda.	Noonan, Michael.
D'Arcy, Michael.	Ó Caoláin, Caoimhghín.
Deasy, John.	Ó Snodaigh, Aengus.
Doyle, Andrew.	O'Donnell, Kieran.
Durkan, Bernard J.	O'Dowd, Fergus.
English, Damien.	O'Keefe, Jim.
Feighan, Frank.	O'Mahony, John.
Ferris, Martin.	O'Sullivan, Jan.
Flanagan, Charles.	O'Sullivan, Maureen.
Flanagan, Terence.	Penrose, Willie.
Gilmore, Eamon.	Perry, John.
Hayes, Brian.	Quinn, Ruairí.
Hayes, Tom.	Rabbitte, Pat.
Higgins, Michael D.	Reilly, James.
Hogan, Phil.	Ring, Michael.
Howlin, Brendan.	Shatter, Alan.
Kehoe, Paul.	Sheahan, Tom.
Kenny, Enda.	Sherlock, Seán.
Lee, George.	Shortall, Róisín.
Lynch, Ciarán.	Stagg, Emmet.
Lynch, Kathleen.	Stanton, David.
McCormack, Pádraic.	Timmins, Billy.
McEntee, Shane.	Tuffy, Joanna.
McGinley, Dinny.	Upton, Mary.
McHugh, Joe.	Varadkar, Leo.
McManus, Liz.	Wall, Jack.
Mitchell, Olivia.	

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

Question declared carried.

### Ceisteanna — Questions.

#### Priority Questions.

---

#### Railway Procurement Processes.

1. **Deputy Fergus O'Dowd** asked the Minister for Transport his views on the Baker Tilly report on procurement processes and fraudulent activity at Iarnród Éireann; and if he will make a statement on the matter. [39930/09]

**Minister for Transport (Deputy Noel Dempsey):** The report referred to by the Deputy, which was commissioned by Irish Rail, raises serious concerns about procurement practices in Irish Rail. My initial reaction to the report is that the weaknesses in Irish Rail's procurement policies and practices that are identified in the report represent a cause for grave concern.

*8 o'clock* The systemic deficiencies and weaknesses that have been identified, including a lack of management supervision and direction, poor training, inadequate monitoring and controls and lack of adherence to procedures, created the opportunity for employees and suppliers to misappropriate funds and materials. The report pointed to a high incidence of non-compliance with procedures and referred to many recorded instances of inadequate audit trails. In such cases, there was either a lack of documentation, or documentation was present



[Deputy Noel Dempsey.]

but was improperly completed. These cases suggest that there is a serious problem in the company in terms of adhering to established procedures.

When I discussed the matter with the chairman of CIE on 22 October last, I expressed my concern about the weaknesses that had been identified and the failure to inform me or my Department. The chairman briefed me on the background to the report, indicated that the actual loss was limited to €2.6 million and confirmed that almost all of the recommendations in the report have been implemented. He informed me that certain staff members have been sacked and some cases have been referred to the Garda. Nevertheless, I have sought a full report from the board of CIE on the circumstances giving rise to the report, the extent to which progress has been made in implementing the report's recommendations and the measures being taken to ensure adequate controls in expenditure areas not covered by the report. In light of the report from the board, I will consider any necessary action on my part.

**Deputy Fergus O'Dowd:** It is a shame that this report, which was published by Iarnród Éireann on 10 June last at a cost of almost €500,000, never saw the Minister's desk. He did not ask for it because, like many of his colleagues, he does not hold the State companies under his remit, such as CIE, Iarnród Éireann and the National Roads Authority, to account. The hidden agenda of CIE was to use a veil of secrecy to hide this report from the Minister and the Oireachtas. If it were not for the work of Senator Ross and his *Sunday Independent* colleagues, we would not even know about this report.

The key question the Minister needs to answer relates to his plans to hold his State companies accountable. Over the past five or six years, more than €1.1 billion in taxpayers' money has been invested in CIE companies. The audit under discussion looks at certain aspects of the company only. Will the Minister ensure that any further audits in the possession of Iarnród Éireann or CIE, relating to any or all of their activities, are given to him and to the Members of the Oireachtas? When one considers that the word "fraud" is mentioned 17 times in this report, it is clear that public money needs to be spent in a more transparent and accountable manner. The Minister does not know about these matters because CIE is hiding the details from him. It is the taxpayer who ultimately loses in all circumstances.

**Deputy James Bannon:** Hear, hear.

**Deputy Noel Dempsey:** All that rhetoric is very nice, but any objective analysis will confirm that it is difficult for a Minister to seek a report from a company if he does not know it has been commissioned and is with the company.

**Deputy Fergus O'Dowd:** Ask and you shall receive.

**Deputy Noel Dempsey:** As I said to the Deputy in my initial reply, I have asked for a full report on the circumstances that gave rise to the report, which was commissioned by Iarnród Éireann. I am also keen to learn more about the progress being made in implementing the report's recommendations and the measures being taken to ensure that the expenditure controls in areas not covered by the report are adequate. I am confident that I will get a full report from the company on all of those matters. When I get such a report, I will decide on the most effective thing to do.

**Deputy Fergus O'Dowd:** The key point is that €1.1 billion of taxpayers' money has been given to CIE companies in the recent past. Will the Minister ask for any other audits that may exist in those companies to be brought to his attention and that of the Oireachtas? Will he ask for an exercise to be undertaken setting out the top ten procurement contracts that have been

awarded for rolling stock and buses, etc., in each of those companies over the past two years? We need to look at the totality of procurement policy in all the CIE companies. The Minister did not know about this report because he did not ask. He is not holding State companies like CIE and the NRA to account. It is all very well for the Minister to cut ribbons and avail of photo opportunities with the chairman of CIE. The Minister should be aware that the wool is being pulled over his eyes and the eyes of this Government.

**Deputy James Bannon:** He is blinkered when it matters.

**Deputy Noel Dempsey:** I am not sure that Deputy O'Dowd asked a question.

**Deputy Fergus O'Dowd:** I asked about the top ten contracts.

**Deputy Noel Dempsey:** I have told the Deputy twice that I have asked for a report on the measures being taken to ensure adequate controls in areas of expenditure that were not covered by the Baker Tilly report. The report will cover the work of audit committees, etc. When I get that information, I will decide what I need to do.

**Deputy Fergus O'Dowd:** The Minister should ask for a list of the top ten procurement contracts to be compiled.

### **Rural Transport Services.**

2. **Deputy Thomas P. Broughan** asked the Minister for Transport if he will confirm that he will maintain the level of funding as set out in budget 2009 for the rural transport programme in view of the level of anxiety among passengers on the rural transport network regarding the proposal to abolish the programme in the report of the special group on public service numbers and expenditure programmes; his views on the proposal of the special group on public service numbers and expenditure programmes to abolish the rural transport programme; his further views on a role for the rural transport programme in providing essential transport facilities for rural communities particularly in view of his reported plans to reduce the general blood alcohol limit to 50 mg and to implement other elements of the road safety strategy, including mandatory testing at collisions and the roll-out of the national speed camera programme; and if he will make a statement on the matter. [39739/09]

**Deputy Noel Dempsey:** There are commitments to the rural transport programme in the national development plan, Towards 2016, and in the Department of Transport's sectoral plan under the Disability Act 2005. The renewed Government programme contains a commitment to explore the provision of a full-scale transport system in rural areas, using the network expertise of Bus Éireann and the resources of the school and health transport systems. The development of rural transport is a key objective of the Government's sustainable travel and transport plan, Smarter Travel — A Sustainable Transport Future. The primary objective of my Department's rural transport programme is to address social exclusion in rural areas arising from unmet public transport needs. The funding for the programme has increased substantially, from €3 million in 2004 to €11 million this year. The programme operates in all counties and is expected to carry 1.5 million passengers this year. It is an important element of Government policy.

The Government is considering all the recommendations in the special group's report. Decisions will be made by the Government in the context of the budget for 2010 and later years. To assist with that task, the Government has referred the report to the Oireachtas Joint Committee on Finance and the Public Service for its views prior to the budget. It is important

[Deputy Noel Dempsey.]

that existing resources in the rural transport sector are utilised as cost effectively as possible. A number of initiatives are under way in that context.

The potential for improved synergies between existing transport providers — such as the Health Service Executive for health transport, the Department of Education and Science for school transport, Bus Éireann for rural transport, Pobal for rural transport programme services and other transport providers, such as the Irish Wheelchair Association — is being explored. These initiatives involve pilot transport projects in the north east and the north west, an exercise to map all transport services in County Louth and a cross-Border pilot rural community transport project under the auspices of the British-Irish Council. The outcome of these initiatives will feed into the process of developing future rural transport policy.

**Deputy Thomas P. Broughan:** The Minister appreciates that the rural transport programme provides a wonderful service. It represents the beginning of what could be a real programme of rural transport in this country. As I said the other night, the Government seems to have forgotten that rural dwellers have as much right to public transport services as urban dwellers. The Minister mentioned that 1.5 million journeys will be made under the rural transport programme this year. One of the 36 rural transport programme companies is based in my local area of north Fingal. As almost 750 drivers are employed under the programme, it is an important source of local employment. It should not be forgotten that these companies meet approximately 50% of their costs through their fare boxes.

The rural transport programme is developing its links with Bus Éireann and other local private operators in the interests of providing a more comprehensive system. Would it not be a tragedy if the programme were to be discontinued? When Mr. Colm McCarthy and his group produced their famous report, the Minister said he found many of its recommendations regarding transport “baffling”. Did he find Mr. McCarthy’s comments on the rural transport programme “baffling”? Can he state definitively that he will not allow it to be destroyed? All parties have debated the Road Traffic Bill 2009. I think the Minister will acknowledge that when I saw his proposals, I rowed in behind them on behalf of the Labour Party, and with the support of my Labour Party colleagues, on the grounds of road safety. Is it not the case that the rural transport network, through the use of “booze buses” and other necessary facilities, has a tremendous role in combatting social exclusion in rural areas? Would it not be appropriate, for a host of reasons, for the Minister to make it clear this evening that he will oppose, by whatever means necessary, any cutbacks in the rural transport programme’s budget? I understand that the budget is €8.5 million, rather than over €10 million as suggested by the Minister in his reply.

When the service operators come to see me and the Joint Committee on Transport, as they have done on a number of occasions, they tell us they receive a net allocation of €8.5 million to run the wonderful service throughout the country. I plead with the Minister to leave the rural transport network alone.

Deputy Mattie McGrath and the Minister’s other colleagues, who seem to go to war to support the drinks industry, do not seem to tackle the issue of rural transport with the same seriousness and determination. The initiative deserves support.

**Deputy Noel Dempsey:** Deputy Broughan is being very unfair because he was not present at our meeting in Athlone, at which this was one of the two major issues raised by the backbenchers of the Fianna Fáil Party——

**Deputy Thomas P. Broughan:** We did not read anything about it in the papers.

**Deputy Noel Dempsey:** —to let me know exactly how important this was.

Nobody in the House needs to lecture a Fianna Fáil Minister on how important the rural transport network is because a Fianna Fáil Government initiated the scheme in 2002. It has increased the money made available to it since then. The initial figure was €3 million and this was increased incrementally to €4.5 million, €5.1 million and €9 million. I increased it further to €11 million. While some groups may talk about net amounts I am sure they do not expect we would ask them to run the service without giving them some money to administer it. If this is what they are suggesting, I will be delighted. I made an extra €1 million available this year and insisted that it be used for services only, not for administration. The gross amount available, taking into account the amounts made available from the Department of Social and Family Affairs and the fare box, as the Deputy mentioned, is close to €16 million.

The service is and has been important. The decisions that must be made in the budget will be made in the budget. The Government has given a clear signal as to the importance of the initiative. This was before we proposed to reduce the blood alcohol limit from 80 mg per 100 ml to 50 mg per 100 ml. I freely acknowledge the Deputy's support in this regard.

**Deputy Thomas P. Broughan:** The Minister refers to the support the Labour Party has given to rural projects. My party, particularly the Leas-Cheann Comhairle when he was in Government, gave a considerable impetus to local community groups that were self-funded. I know this because I took on a role in this regard outside this House. That is why I am so sympathetic to the bodies in question.

With regard to the safety agenda, which is very much linked to the rural transport programme, what is the position on speed cameras? Will they be postponed continually? Will the Minister introduce them in the interest of road safety?

**Deputy Noel Dempsey:** The roll-out of the speed cameras and the signing of the contract are a matter for the Minister for Justice, Equality and Law Reform. I ask him about it every day, as he will probably confirm. I am told we are very near the signing of the contract. I will leave it to my colleague to make the actual announcement.

**Deputy Thomas P. Broughan:** Will it be before the budget?

**Deputy Noel Dempsey:** Very soon.

### **Rail Network.**

3. **Deputy Fergus O'Dowd** asked the Minister for Transport the additional resources he has given to CIE to repair the viaduct at Malahide, County Dublin; and if he will make a statement on the matter. [39932/09]

**Deputy Noel Dempsey:** Earlier this year, my Department allocated €404 million to Iarnród Éireann for investment in the development of the rail network and railway safety. Of this, €90 million was allocated to the railway safety programme.

As is normal for a programme of the range and complexity of the public transport capital programme, a number of adjustments were made during the year and an additional €2 million was allocated to Iarnród Éireann in July, followed by an additional €7 million in September, arising from other areas of the programme where spending was lower than expected. In addition, Iarnród Éireann was able to re-allocate funding to the railway safety programme from adjustments to its own investment programme such as revisions to the payment schedule for new rolling stock.

[Deputy Noel Dempsey.]

These re-allocations allowed an increase in the Exchequer provision for railway safety to €107 million for the current year. Iarnród Éireann undertook the repair of the Malahide viaduct from within this increased provision. The total estimated cost of repairing the viaduct itself will be in the order of €4.5 million to €5 million.

I understand from Iarnród Éireann that it will be in a position to re-open the line later this month once approval is received from the Railway Safety Commission. I welcome the speedy re-instatement of the viaduct.

**Deputy Fergus O'Dowd:** Issues arise from the accident at Malahide, where 20 m of railway line fell into the sea. I am thankful that due to the action of Keith Farrelly, the train driver who spotted the collapse of the tracks, hundreds of people did not face their death in over 3 m of water. This is a fact and everybody acknowledges it.

Were it not for the sea scouts, nobody would have walked the line at all. Evidence has shown that for ten days prior to the collapse, the line was not walked, as required, three times per week. Following the call from the sea scouts, the engineer who examined the scene looked at the track only but did not examine the structure at the base of the viaduct. The photograph the sea scouts show depicts them on the water at the base of the viaduct supports. Iarnród Éireann never examined these in the week in question, notwithstanding the fact that a track movement detection vehicle passed over the viaduct the day before the accident. I am deeply concerned about the standards in Iarnród Éireann in this regard. I challenge the Minister to challenge Iarnród Éireann on this issue. It is a very serious matter.

It is not acceptable that the accident happened in the way it did when significant issues were raised by the sea scouts. It is not acceptable that the engineer did not look at the structures underneath the track and that the track was not walked at all, as required.

**Deputy Noel Dempsey:** I agree with the Deputy that safety must be of paramount importance. The safety procedures in place should be adhered to at all times by Iarnród Éireann and the rest of the companies in the CIE group. I share the Deputy's concern in this regard but I know from speaking to Iarnród Éireann officials that the track movement recording vehicle passed over the viaduct the day before the incident and recorded very good track alignment and no evidence of subsidence, as the Deputy acknowledged. It is very doubtful that anybody walking the track would have been able to find such evidence.

**Deputy Fergus O'Dowd:** That is not the point.

**Deputy Noel Dempsey:** I agree. If there are checks to be carried out, they should be carried out. I do not want to say very much more about this until the Railway Safety Commission makes its findings known and we have all the facts. However, I share the Deputy's concern.

**Deputy Fergus O'Dowd:** In 2006, a review of railway safety and the role and function of the Railway Safety Commission pointed out that there were significant issues still outstanding, notwithstanding the reports in the years 1998, 2000 and 2001. Page 8 of the review states a programme of thorough inspections of Iarnród Éireann's structures should be commenced by the company. What Iarnród Éireann is saying, as acknowledged generally, is that the base of the viaduct was scoured. However, the report states, "However, based on interviews at Divisional level, there does not—

**An Leas-Cheann Comhairle:** The Deputy may refer to the report but may not quote it.

**Deputy Fergus O'Dowd:** The report, produced by Arthur D. Little in 2006, states the scour safety management systems were not in place. It states it was a serious issue that was not being addressed adequately by Iarnród Éireann. There is a systems failure. Some €1.1 billion was invested in Iarnród Éireann and other CIE companies over recent years, yet the companies did not address significant safety issues that were pointed out in 1998, 1999, 2000 and 2006.

We are very lucky people were not killed at Malahide. The Minister is not doing the job he should be doing. He should be holding those responsible to account but this is not happening.

**Deputy Noel Dempsey:** The role of the Minister in this matter is to ensure that legislation is in place and that finance is available to implement the railway safety programme. The first railway safety programme, which covered the period 1999 to 2003, benefited from an investment of €600 million. Four hundred miles of track were renewed and 220 miles of fencing was erected. From 2004 to 2008, the total investment was €512 million. In this case, 134 miles of track were renewed and work was completed on 429 miles of fencing. The safety culture and safety management systems of Iarnród Éireann were enhanced completely.

A total of €513 million has been targeted for the third railway safety programme, which started in 2009. A total of €443 million of the funding is for infrastructural investment and €70 million is for the continued enhancement of safety management systems. The matter has been dealt with by me from the point of view of the legislation and finance. The Railway Safety Commission will make its investigation and it will report. Anything that arises as a result of that will be pursued by me.

### **Road Safety.**

4. **Deputy Fergus O'Dowd** asked the Minister for Transport when he will legislate for mandatory alcohol testing at road accidents; and if he will make a statement on the matter. [39933/09]

**Deputy Noel Dempsey:** I have included provision for the mandatory testing for alcohol of drivers involved in road traffic collisions in the new Road Traffic Bill, which was published on 30 October 2009. The proposal is that mandatory testing of a driver at a collision will be undertaken by a member of the Garda Síochána where an injury is caused to another person that requires medical assistance. This addresses a specific action in the Road Safety Strategy 2007-2012 to “ensure appropriate legislation and protocols to address the testing of road users involved in collisions”. It also meets a commitment I have made on a number of occasions to include a suitable provision in the Road Traffic Bill.

Following its publication, the Bill will be considered by the Oireachtas in due course. Once the Bill has been finalised and approved by the Oireachtas, and signed into law, commencement of the various provisions, including this one, will proceed. In the meantime, the current position is that the Garda Síochána has discretion under road traffic legislation to require a driver involved in a collision to provide a preliminary breath specimen. The discretion was provided in acknowledgement of the fact that urgent medical attention may be required for seriously injured victims, and that must take precedence over breath testing. While that remains the case, the provision in the new Road Traffic Bill makes it clear that a breath specimen must be taken unless there are particular overriding circumstances for not doing so.

A garda may also currently request a blood or urine sample from a driver who is in hospital following a vehicle incident, where the garda believes that the person was intoxicated at the time. The new Road Traffic Bill also strengthens this provision, by placing an obligation on the driver involved in a collision to provide such a specimen while in hospital. Both these provisions are part of the package of issues addressed in the Road Traffic Bill in regard to intoxicated driving in particular.

**Deputy Fergus O'Dowd:** I welcome the introduction of mandatory testing. On Wednesday, 17 October 2007, on foot of the Fine Gael motion on the issue the Minister changed his mind and agreed to introduce the provision. At that time it was expected that we would have the legislation within three months but it has taken more than two years to get to this point.

I support what the Minister is doing. One of the issues that arises is how the Garda will carry out the mandatory testing and enforce the regulations given the cutbacks in Garda overtime. The Department should also be dealing with other significant issues. For example, the Garda have ceased testing HGVs and some other vehicles on health and safety grounds. A number of inspections have been withdrawn because it is not safe for the Garda to carry them out, as the space is not available for such inspections on the national road network. I support what the Minister is doing, but if we are to continue to have mandatory testing we need to ensure that where the Garda stop people that it is safe and that people are pursued in a safe and proper way.

Statistics from the World Health Organisation website on the proportion of drivers in the European Union checked by the traffic police for alcohol impairment between 2003 and 2006 reveal that this country had one of the lowest levels of testing. At that time approximately 4% of drivers had been tested once and 3% had been tested more than once, whereas in many other countries the figures are approximately 26% and 38% respectively. A significant issue arises about enforcement and resources.

**Deputy Noel Dempsey:** In recent years, in line with a commitment made by this and previous Governments, the number of members of the Garda traffic corps, which was specifically set up to target road traffic offences, has been increased. The commitment was made to 1,200 members and that level has been reached. The members are dedicated primarily to road traffic duties. The effects of that change are clear to see. I accept the point that in the past the level of visibility, testing and enforcement was not as high but that is not something that can be said, especially in the past five years. The traffic corps is proving effective. As the Deputy has acknowledged on a number of occasions we are reducing the number of deaths and injuries on the roads. I expect that the current level of enforcement will be maintained or increased because the traffic corps is a dedicated part of the force and it should be able to organise its work in such a way that testing can be carried out during ordinary hours of duty.

**Deputy Fergus O'Dowd:** The figures are from between 2003 and 2006 and I acknowledge that random testing has been introduced since then. However, the key point is that while the Garda traffic corps is dedicated primarily to traffic duties, it is not solely employed for that purpose and given the cutbacks in Garda overtime gardaí are not as available as they would like to be, especially at weekends when much overtime needs to be done, particularly late at night. Will the Minister contact his colleague, the Minister for Justice, Equality and Law Reform, about this issue? I cannot get the facts from him in reply to a parliamentary question on the figure for overtime in the Garda traffic corps. While acknowledging the improvements that have come about, the issue is a serious one and everyone wants to see more compliance and regular testing.

**Deputy Noel Dempsey:** Given the current economic circumstances the Garda overtime bill, which is not a matter for me — so I will not comment on it — has been reduced. There is no doubt about that. In the current circumstances, there is a general acceptance that we must reduce or adjust our expenditure to the tune of approximately €4 billion in this year's budget. That cannot be done without changing work practices.

I acknowledge the role the Garda traffic corps has played. It has been and should be possible to deploy its members during a regular eight hour shift. Admittedly, that will be during unsocial

hours but the work has to be organised in that particular way. No one can have any guarantees on overtime, be it in the health service, the Garda Síochána or any other sector in the future. We have to be flexible and change work practices and ensure that the services are available at the time they are needed by the public.

5. **Deputy Fergus O'Dowd** asked the Minister for Transport the progress made in implementing the commercial vehicles testing review report in 2007; and if he will make a statement on the matter. [39934/09]

**Deputy Noel Dempsey:** Under the Road Safety Authority Act 2006 (Conferral of Functions) Order 2006, SI No. 477 of 2006, the Road Safety Authority, RSA, has responsibility for matters relating to vehicle testing, including commercial vehicles. One of the early tasks for the RSA was to undertake a comprehensive review of the arrangements for the roadworthiness testing of commercial vehicles in Ireland. In 2008, I approved reform proposals from the authority, which recommended two key courses of action to raise roadworthiness standards on a permanent basis.

The first element is an overhaul of the complete commercial vehicle roadworthiness testing system, addressing the testing process, development of a programme of roadside inspections to ensure continuous compliance, and the introduction of operator premises checks and intelligence-led targeting of operators based on risk. The second element is a proposal that the responsibility for the management and operation of the commercial vehicle testing system be transferred from local authorities to the RSA.

The overall objective of the transformation programme is to make a step change in the quality of commercial vehicles using Irish roads and thereby help improve road safety, reduce congestion, ensure fair competition, develop a much greater awareness of road safety issues and improve the culture of safety within the transport industry. The phasing and means of resourcing implementation of the reform plan is under consideration in light of current constrained Exchequer circumstances.

**Deputy Fergus O'Dowd:** The key point is that the overhaul of commercial vehicles roadworthiness testing commenced following the tragic crash in Navan where, sadly and tragically, five teenagers lost their lives. Following that, the first task of the Road Safety Authority was to do that report. The Minister's colleague, the then Minister for Transport, Deputy Martin Cullen, was responsible for that. In April 2007, the report was presented to the Government.

In February 2008, the Minister said the overhaul would happen immediately. I have the press statement here. The expectation was that the Road Safety Authority, RSA, would take over responsibility for the future management and operation of the vehicle testing system for local authorities and that there would be a major overhaul of the system. That has not happened to date. The Road Safety Authority is not in charge, does not have oversight and does not have all the facts and statistics relating to the number of heavy goods vehicles, public service vehicles and so forth that are dangerous but are on our roads. It cannot and does not have responsibility for them, because the Minister did not do his job.

**Deputy Noel Dempsey:** That is not correct. Ministers are not supposed to get involved in industrial relations, IR, issues within Departments. The report was presented to and was approved by the Government. It was considered that the best and most effective way of doing this was to transfer responsibility for it to the RSA. That was agreed by Government. I also secured funding through an increase in fees and this is available to the RSA. However, there are IR issues relating to the transfer of this function from the local authorities to the RSA. I



[Deputy Noel Dempsey.]

am not in a position to resolve those issues. It is another good example of where there must be increased flexibility within the public service to ensure that the public, as the Deputy correctly said, gets the type of service it deserves. The sooner this matter is resolved between the RSA and the local authorities, the better. The roads will be safer. As far as I am concerned, those involved in holding up the process should desist, allow the RSA to take over and allow staff to be redeployed and get on with the job.

**Deputy Fergus O'Dowd:** I would go further than the Minister. They should be sacked.

The Minister cannot accept that after two years this transfer has not happened. According to the report, testing standards were not applied uniformly throughout the country, there is considerable scope for unscrupulous or careless operators or test centres not to be compliant with current regulations and test results could be retrospectively changed. That could be extremely dangerous. If a lorry or a bus on the road had a bad report, it could be changed retrospectively to a good report. It is a very serious issue and it is not good enough for the Minister to hide behind the officials who might well be frustrating this. He is the Minister.

This arose from the accident that occurred in the Minister's constituency. I am not labouring this point but it was the first task of the Road Safety Authority to get this done. It has not happened and the Government has not delivered on this issue. Does the Minister accept that there are dangerous and unsafe lorries and buses in some parts of the country, because although many of these test centres are excellent, some of them are not doing their job? It is dangerous and unacceptable that the Minister has not insisted on change by now.

**Deputy Noel Dempsey:** The Deputy is being rather unfair. I was talking about the administration of this system. The Deputy is conveying the impression that no testing is taking place or there is a lack of testing.

**Deputy Fergus O'Dowd:** No, that the problem still persists because the Road Safety Authority is still not in charge.

**Deputy Noel Dempsey:** That would be unfair. It is illegal for somebody to retrospectively change vehicle testing certificates. If the Deputy has knowledge of that——

**Deputy Fergus O'Dowd:** It is in the report.

**Deputy Noel Dempsey:** If he has personal knowledge of that, he should report it to the Garda or to me, and I will report it.

**Deputy Fergus O'Dowd:** I am reporting it to the Minister.

**Deputy Noel Dempsey:** The Deputy should give me the details.

**Deputy Fergus O'Dowd:** It is in the report.

**Deputy Noel Dempsey:** Those are cases that were detected. Deputy O'Dowd is making the case that this is still happening——

**Deputy Fergus O'Dowd:** I am making the case that the Road Safety Authority is not in charge of these centres.

**An Leas-Cheann Comhairle:** Allow the Minister to conclude his answer to the Deputy's question.

**Deputy Noel Dempsey:** The RSA vehicle inspectorate participated in 225 roadside checks in 2008, an increase of more than 100% on 2007. Roadside checks were completed on 3,252 vehicles. These checks revealed that 1,350 of the vehicles had some defects. The RSA vehicle inspectorate made 280 vehicle testing network test centre visits in 2008 to ensure compliance with commercial vehicle test centre standards and consistency of testing. The impression should not be created that nothing is happening in this area. There is one major issue that still must be resolved, that is, the staff going from local authorities to the RSA.

**Deputy Fergus O'Dowd:** Who oversees the system?

**Deputy Noel Dempsey:** The RSA is very diligent in ensuring both the roadside testing and the visits to centres continue.

**Deputy Fergus O'Dowd:** The roadside testing has stopped.

**An Leas-Cheann Comhairle:** That concludes priority questions. We will now proceed to other questions.

### Other Questions.

---

#### Departmental Expenditure.

6. **Deputy Pat Breen** asked the Minister for Transport the potential and planned spending cuts across his Department; and if he will make a statement on the matter. [39601/09]

12. **Deputy Jan O'Sullivan** asked the Minister for Transport his views on the proposals regarding the transport sector by the special group on public service numbers and expenditure programmes; and if he will make a statement on the matter. [39544/09]

16. **Deputy P. J. Sheehan** asked the Minister for Transport his views on the special group on public service numbers and expenditure programmes' recommendations in relation to transport; and if he will make a statement on the matter. [39678/09]

**Deputy Noel Dempsey:** I propose to take Questions Nos. 6, 12 and 16 together.

The report of the special group on public service numbers and expenditure programmes recommended full year savings of €127 million in my Department's current expenditure provision. The proposed expenditure reductions included a saving of €2.9 million on administrative expenditure, pay and non-pay; a reduction of €36.2 million on roads and road related expenditure, including €20 million on road maintenance; and a saving of €68 million on public transport expenditure, including €55 million from operational efficiencies among the CIE companies. The balance of €20 million was accounted for by savings in aviation and cross-programme expenditure. The report also included recommendations on additional revenue raising measures such as asset disposal and road pricing, and proposed some organisational restructuring such as the merger of agencies and functions.

As part of the preparations for the budget, my Department submitted a list of possible savings options to the Department of Finance in early September which took account of the recommendations in the report. That submission also included a preliminary evaluation of the non-revenue reduction recommendations in the report. The Government is considering all the recommendations in the special group's report and decisions will be made by it in the context of the budget for 2010 and later years. To assist with the task, the Government has referred

[Deputy Noel Dempsey.]

the report to the Oireachtas Committee on Finance and the Public Service for its views prior to the budget. These processes are ongoing and it would therefore be inappropriate for me to comment in advance of the deliberations being finalised.

**Deputy James Bannon:** The Minister has proved himself a very weak performer at Cabinet level to allow such a drastic cut in funding for the roads programme. The planned cut will have a devastating effect on the condition of the country's roads. A cut of €36.2 million in funding for county roads is deplorable. Does the Minister realise the serious effect this will have on the quality of our roads? There is also a serious problem with poor signposting on roads, particularly on the recently constructed motorways. It is a major cause of concern to the travelling public.

I also wish to raise the Dublin-Sligo rail line. There is a serious health and safety issue at Edgeworthstown on Sunday evenings because the train travelling from Sligo to Dublin is overcrowded at that junction. This is a threat to the health and safety of the young people travelling back to college at weekends.

**An Leas-Cheann Comhairle:** A question for the Minister.

**Deputy James Bannon:** In addition, the continuation of the motorway from Mullingar to Rooskey is not getting the priority it deserves from the Government, despite the promises made in the last general election campaign. Furthermore, the main north-south artery through the midlands, the N55, was described in a recent report as the road to hell. It is one of the worst roads in the country.

**An Leas-Cheann Comhairle:** A question for the Minister.

**Deputy James Bannon:** What are the Minister's plans to upgrade this artery through the midlands?

**An Leas-Cheann Comhairle:** That is a separate question, Deputy.

**Deputy James Bannon:** This would pull much of the traffic from the congested east coast of the country.

**An Leas-Cheann Comhairle:** That merits a separate question, Deputy.

**Deputy James Bannon:** I also have a question about motor insurance. Has the Minister consulted the Department of Enterprise, Trade and Employment about the huge increase of 15% in the cost of motor insurance due to the poor condition of our roads?

**An Leas-Cheann Comhairle:** That is well beyond the scope of the question. I call the Minister.

**Deputy Noel Dempsey:** It is obvious Deputy Bannon did not listen to my initial reply. I was asked specifically about the recommendations and I outlined the nature of those recommendations. I concluded by stating that discussions were taking place, that the matter had been referred to the committee and that it would be inappropriate for me to comment on any specific savings that might happen in advance of the deliberations being finalised. The recommendations contained in the McCarthy report will be decided upon by the Government and not individual Ministers. The latter will make their own recommendations, but the Government will make decisions in respect of the overall position.

**An Leas-Cheann Comhairle:** I call Deputy Broughan.

**Deputy James Bannon:** The Minister has so many reports he could use them to paper the walls of this House twice over.

**An Leas-Cheann Comhairle:** Deputy Bannon should allow somebody else to speak.

**Deputy Thomas P. Broughan:** In the two most recent budgets, particularly the one introduced in April, the allocation in respect of transport was severely cut. There was a major cutback in the provision of public transport and some 300 buses were removed from the road. I was recently lectured by both Deputy Ciarán Cuffe and the Minister in respect of the Dublin city bus gate. However, both of them voted for a reduction of 300 buses in the fleets of Bus Éireann and Dublin Bus. The Road Safety Authority's budget was slashed by €2.8 million and the allocation relating to park-and-ride facilities was largely removed. In addition, there was a series of cutbacks in respect of important transport developments. I agree with Deputy Bannon with regard to the roads budget.

Is it not a terrible prospect that the Department, which has a relatively small budget when compared to some of its bigger counterparts, is facing into some severe cutbacks that will impact very negatively on public transport? The old Fine Gael mantra regarding subsidisation and rolling it up for three or four years in the context of the PSO for public transport was repeated earlier today. Dublin Bus has one of the lowest public subsidies of any major urban bus company in Europe. In addition, Bus Éireann is paid a derisory subsidy of 12%. Its counterpart in Belgium receives a subsidy of 78%.

I am tired of hearing the same old ráiméis. I am also tired of people making vindictive and vicious attacks on the public sector and public transport. Senator Ross — who will never be a Deputy — has a vicious and vindictive attitude towards the public sector and public transport.

**Deputy Fergus O'Dowd:** The Senator would beat the Deputy any day of the week.

**Deputy Thomas P. Broughan:** In light of his track record as he perceives it, is the Minister prepared to inform the Taoiseach and the Minister for Finance that if they do not retain key elements of the public transport and road safety budgets, he will resign? Will he take a strong line, indicate that he will not tolerate cuts and insist that the transport be protected?

**Deputy Noel Dempsey:** This is typical of what we are obliged to deal with.

**Deputy Thomas P. Broughan:** By the way, I thought the Minister was off to Europe.

**Deputy Noel Dempsey:** The Government is continually castigated by the Opposition for not taking the necessary actions to restore the economy. For the past five to ten years we have been criticised in respect of all the money we spent, etc. It is being stated now that the circumstances in which we currently find ourselves reflect the way that money was spent.

**Deputy James Bannon:** The Government wasted that money.

**Deputy Noel Dempsey:** That is despite the fact that the Opposition called on us to spend even more money.

No area of Government expenditure will escape cuts or will not have changes made to it. The Department of Transport will be no more exempt than any other Department. In the context of what Deputy Broughan said, I will try to ensure that the commitment contained in the renewed programme for Government in respect of public transport will be adhered to. I agree with him that we have quite an amount of catching up to do.

[Deputy Noel Dempsey.]

I do not, however, agree with everything the Deputy says. He wanted me to pay for 300 new buses at a time when it was clear that they were not needed and when those already on the roads were not being used efficiently.

**Deputy Thomas P. Broughan:** That is not what the Deloitte report says.

**Deputy Noel Dempsey:** That is what Deloitte—

**Deputy Thomas P. Broughan:** The Minister is misleading the House.

**Deputy Noel Dempsey:** I am not.

**An Leas-Cheann Comhairle:** I am sure Deputy Broughan does not mean to say that because it is not in order for him to do so.

**Deputy Thomas P. Broughan:** The Minister is misleading the House.

**Deputy Noel Dempsey:** The Deputy should allow me to answer the question.

**An Leas-Cheann Comhairle:** The Minister should be allowed to proceed.

**Deputy Thomas P. Broughan:** The Deloitte report states that Bus Éireann is an efficient company. It is ridiculous.

**Deputy Noel Dempsey:** The Deputy was seeking 300 buses for Dublin Bus.

**Deputy Thomas P. Broughan:** I was seeking them for both companies.

**Deputy Noel Dempsey:** No, the Deputy was seeking them for Dublin Bus. The Deloitte report shows that we can increase the efficiencies in Dublin Bus. The company has accepted that and has put in place the necessary changes. Deloitte focused on one particular bus corridor and indicated that it would be possible for Dublin Bus to save €3 million in a year in respect of it. Thanks to the changes that were made, the agreement reached with the workers and the work done by management, it appears that at least €2 million will be saved in respect of that corridor. I want to see similar initiatives across the public transport service. I am as committed to that service as the Deputy. However, I want it to be efficient, effective and capable of delivering for the public.

**Deputy Fergus O'Dowd:** The subsidy for Dublin Bus increased from €18.9 million in 2000 to €82.9 million in 2008.

**Deputy Thomas P. Broughan:** It was 29% of total revenue.

**Deputy Fergus O'Dowd:** The Deputy should allow me to conclude. Is it not a fact that subsidy increased from €18.9 million in 2000 to €82.9 million in 2008? The number of buses on the road remained more or less the same during that period, but over 200,000 houses were built in the greater Dublin area. The bus network was not adequate to meet the needs of the increasing population. It is absolutely imperative that the network should be expanded and that routes should be open to competition. We want to see more buses, more people on them and cheaper fares. We do not care what colour buses are painted as long as they are provided.

The Dublin Port tunnel, which cost almost €600 million, is the largest single item of infrastructure built since the foundation of the State. When the tunnel was completed, much of the basic equipment in it, namely, the Scada safety system and the heating and ventilation system,

were not fit for purpose. Is it not the case that if an accident had occurred during the first two years in which the tunnel was in operation, the first four minutes of the warning period could have been lost? The point I am making is that the money was not spent because the Minister did not have oversight of it.

There is universal agreement that whatever happens in respect of the transport budget, the rural transport initiative should remain in place. I accept that savings must be made and practical approaches taken. However, public transport is available in our cities and it should continue to be available in rural areas.

**Deputy Noel Dempsey:** It is possible to quote statistics in support of any argument. I do not believe the Deputy is being fair in that regard. Deputy Broughan has a point in respect of this matter. I do not know the exact figure but the number of buses did increase somewhat during the period to which Deputy O'Dowd refers and the age of the bus fleet improved considerably. As a result, we now have the youngest bus fleet in Europe. Deputy O'Dowd is correct that the network remained largely the same. That was one of the failings of the system. However, the level of service of the network increased substantially. From 2000 up to 2006 or 2007, the number of passengers also increased to a substantial degree. There has been a decrease during the past couple of years.

The money was invested well at the time but I agree with the Deputy that the major failure was that the network did not change.

**Deputy Fergus O'Dowd:** I accept that.

**Deputy Noel Dempsey:** Services did not change to meet the demands. We must rectify that failure and provide services in places where people work and live.

### **Transport 21.**

7. **Deputy Willie Penrose** asked the Minister for Transport if he will publish a full report on every Transport 21 project including each current estimated commencement date, date of conclusion, the estimated cost of each project and the likely outcomes down to 2015; and if he will make a statement on the matter. [39546/09]

23. **Deputy Joe Carey** asked the Minister for Transport his views on whether all aspects of the Transport 21 plan will be completed by the 2015 deadline; his further views on capital transport investment projects as a means to restore lost economic competitiveness and provide much needed short term employment; and if he will make a statement on the matter. [39609/09]

42. **Deputy Bernard J. Durkan** asked the Minister for Transport the degree to which the objectives set out in Transport 21 have so far been achieved; the full extent of changes made to the original proposals; the extent to which these targets have been affected by the Revised Programme for Government, the economic situation or other factors such as the proposed carbon tax; the extent to which calculation in respect of costs and completion dates have been revised arising therefrom; and if he will make a statement on the matter. [39684/09]

**Deputy Noel Dempsey:** I propose to take Questions Nos. 7, 23 and 42 together.

Information on the completion dates, projected outcomes and costs of major Transport 21 projects that have been completed or are at an advanced stage of construction is contained on my Department's Transport 21 website.

[Deputy Noel Dempsey.]

This is the fourth year of Transport 21 and significant progress has been made. To date, more than 66% of the major inter urban roads programme, linking Dublin with Cork, Limerick, Galway, Waterford and the Border with Northern Ireland, has been completed and the remainder is under construction and on target for completion in 2010. Upgrade of the M50 motorway is also on target for completion in 2010. The Waterford city bypass and Tullamore bypass were recently opened.

On public transport, Irish Rail has completely modernised its intercity rolling stock. I opened the Cork commuter rail line from Glounthaune to Midleton earlier this year and phase 1 of the Western Rail Corridor and the Luas line to Docklands are scheduled to be completed by year end. Construction continues on other projects, including the Luas lines to Cherrywood and Citywest, the first phase of the Navan rail line between Clonsilla and Pace and the Kildare rail project.

The start and completion dates for Transport 21 projects that have not yet commenced will be subject to the relevant statutory and procurement and contract award processes and will also be determined by the funding allocation available during the current difficult economic climate. I do not propose to release the cost of these projects until the relevant procurement processes have been completed and all contracts have been awarded. This is standard practice at this stage.

It is unlikely that all of the projects originally identified in Transport 21 will be completed by 2015. However, no projects have been cancelled and Transport 21 continues to provide the strategic framework for capital spending on transport infrastructure into the future.

The priorities for investment are set out in the renewed programme for Government.

**Deputy Thomas P. Broughan:** It has been reported that expenditure on metro north to end September was approximately €134 million, including legal fees. Is that the position? Is the Government wobbling on metro north, one of the flagships, after the inter-urban routes, of Transport 21? The process is well under way in terms of the railway procurement order and there remains only two bidders involved, Celtic Metro and Metro Express. What level of funding to progress this development would be required in the forthcoming budget and the next three or four budgets? Will such funding be relatively small? Also, is funding for metro north ringfenced?

Can the Minister tell us, as we head into 2010 and on towards the 2015 deadline, which projects are or might be postponed? For example, what will happen in respect of the electrification of the Maynooth line, Kilbarry Station on the Cork-Blarney line, the Luas power upgrades and the upgrade of the Dublin-Maynooth and Cherry Orchard-Inchicore lines? There are a range of projects across the country about which people are now concerned given the fiscal crisis. These projects which would greatly enhance public transport are now in doubt.

The Minister recently opened the first phase of the Navan line. However, the Navan line needs to go to Navan. Is there widespread belief within Government that it is not going to be able to deliver on many projects, including metro north?

**Deputy Noel Dempsey:** It is no secret that the current economic circumstances will make it difficult to deliver on all projects. The renewed programme for Government, published a couple of weeks ago, specifically states, in respect of priorities for capital investment in transport, that work will continue on the subsequent phases of the Western rail corridor and Navan projects for earliest possible delivery; planning and design in respect of metro west, the Bray-Lucan and cross-city Luas lines with a view to earliest possible delivery; metro north and the DART underground, including associated projects such as electrification and rolling stock will be fast-

tracked and prioritised so that they are completed by 2016, real time passenger information will be introduced at more than 500 bus stops in Dublin and Cork by the end of 2010 and will be extended to bus stops in Limerick, Galway and Waterford in 2011; an integrated ticketing system will be introduced for all modes of transport; the smart card will be rolled out for testing next year and the major inter-urban roads programme will be completed in 2010; investment in enhancement and maintenance of regional and local roads will continue and a significant portion of the budget will be allocated to road improvement projects; and the Bray to Balbriggan cycle-pedestrian route and other similar routes will be developed as major tourism and commuter facilities. While that list does not include all projects in Transport 21, they are the priorities.

The Government is not wobbling on metro north. The process has ceased because the oral hearing was stopped. Further information was sought from the RPA and this was provided on 1 October. While I understand the intention was that the oral hearing would recommence before the end of this month, this has not been confirmed. This is a good example of the futility of my trying to predict in this House when projects will commence or finish. I cannot do so until the contractors are on site. The planning and procurement process is lengthy and difficulties often arise. Metro north and the DART underground are the two major priorities in the public transport area. While other projects in the list are priorities, I have no control over the planning process. If all goes according to plan, we should have the railway order for metro north by the middle of next year.

**Deputy Fergus O'Dowd:** We all support the metro north project. I appreciate it is a battle in difficult times. However, it is important we are ready when the economy turns around.

We are spending so much money on all of these projects. Will the Minister request CIE to provide us with a list of the ten top procurement projects for each of its companies during the past two years? While I welcome the list of projects announced by the Minister, an important project not listed is the Leinster outer orbital route which I know the Minister will favour given its potential to assist economic development in the Louth-Meath and general north county Dublin areas. I accept the Government is not committed to this project in this cycle but perhaps the Minister will outline his views in this regard.

**Deputy Noel Dempsey:** I presume what the Deputy is seeking from CIE is information on the top ten tenders?

**Deputy Fergus O'Dowd:** Yes.

**Deputy Noel Dempsey:** I will ask CIE to provide that information for each of the three companies.

**Deputy Fergus O'Dowd:** I thank the Minister.

**Deputy Noel Dempsey:** On the Leinster outer orbital route, this project is not included in this phase of the national development plan or Transport 21. It will be considered in the context of renewal of the programme post-2011. The Deputy and I are at *ad idem* that this project will be hugely important for the north east region in general and further afield. It is a project that will have to come into the reckoning post-2011.

**Deputy James Bannon:** The Minister omitted from his list the Kinnegad to Rooskey and on to Sligo motorway project, which is an important east-west link.

What is the status of that motorway now as a result of the downturn in the economy? We have a Minister responsible for transport, we have the NRA and we have the National Trans-



[Deputy James Bannon.]

port Authority. We also have a new position for the capital city, the position of a directly elected Lord Mayor. The Green Party is insisting that this position will be created by next year. Will there be a role for the newly directed Lord Mayor with regard to Dublin transport?

**Deputy Noel Dempsey:** If the Deputy puts down separate questions on the individual projects, I will try and be as helpful as I possibly can be. The issues he has raised are included in the planning and design process. Money is provided each year as it is needed to advance those projects. As I have said on a number of occasions, as far as I am concerned, the planning and design of the projects is extremely important. We may not have the money to go ahead with as many of them as we had hoped over the next two or three years, but I am convinced the right thing to do is to continue with planning and to bring projects to a stage where they are ready to go to tender. Then in 2011 or 2012 when the economy picks up and money becomes available again, we will have the projects ready on the shelf.

**Deputy Thomas P. Broughan:** After the general election.

**Deputy Noel Dempsey:** We will try and get some of them in before the election. That would be more beneficial. With regard to the question on the mayor, it is envisaged that the directly elected mayor of Dublin will have transport functions.

### **National Cycle Policy.**

8. **Deputy Jack Wall** asked the Minister for Transport the position regarding the cycle ways that have been approved for funding including Carrigaline to Crosshaven in County Cork and the cross Dublin cycle route; the cycle ways which are awaiting funding approval; the estimated cost of same; his views on the number of cyclist fatalities and the level of enforcement of road traffic law as regards cyclists; and if he will make a statement on the matter. [39539/09]

**Deputy Noel Dempsey:** Since announcing the national cycle policy framework in April, I have indicated my intention to provide financial support to exemplary, demonstration, cycling infrastructure projects in the following areas: the Phoenix Park; Carrigaline; Eyeries; Passagewest, with a link to Rochestown; Crosshaven to Carrigaline; Dublin city, from Portobello to Fairview Park; Galway, comprising the Fisheries Field greenway; Fenit to Tralee; Castletroy; Newport to Mulranny; Westport greenway; and south Dublin, to link Adamstown directly to the Grand Canal cycle path. In addition, I am supporting refurbishment of cycle lanes in Dublin City, new cycle parking facilities in Galway and Waterford and in schools and workplaces and other cycling-related initiatives around the country. My support for the foregoing projects, some of which will be provided over this year and 2010, will be some €18.4 million. This is a significant increase in investment which will not only will facilitate cycling but seek to deliver a safety dividend.

On the safety issue, I understand from the Road Safety Authority that seven cyclist fatalities have occurred to date this year. This is a decrease of 46% on the full year figure for 2008. I offer my condolences to everyone who has lost loved ones in traffic accidents. However, I should record that the Government is making significant progress in delivering the road safety strategy and in achieving its objective of reducing road fatalities to 60 fatalities per million of population, or 252 per year, by 2012.

Regrettably, use of our roads, whether by motorists, cyclists or pedestrians, can never be risk free. The safety of cyclists and other vulnerable road users is and remains a matter of concern. The development of a national cycling safety strategy by the Road Safety Authority has been

amalgamated into the national cycle policy framework. Enforcement is, of course, a matter for the Garda Síochána.

**Deputy Thomas P. Broughan:** It is tragic that cyclists are still being killed on our roads. I echo the Minister's comments in that regard and sympathise with the relatives and friends of the people who died so tragically. There have been 11 cycling related deaths in this city over the past seven or eight years. The Dublin cycling campaign, the Galway cycling campaign and other cycling campaigns with which I have liaised have made the point that the enforcement of the rule on overtaking cyclists is not being carried out by the Garda Síochána. Will the Minister look at that issue in the context of his cycling strategy?

I thank the Minister for the details he gave us on the overall programme. Going into 2010, what level of funding is being requested for cycling projects generally and what level of funding will the Minister be able to provide? I am aware there was a row between the Minister and the Minister for the Environment, Heritage and Local Government, Deputy John Gormley, with regard to the Sutton to Sandycove route. Are the Ministers talking to each other again and will there be further progress on that project? I tried to launch the project 17 or 18 years ago, but we are still waiting for it. An astonishing figure of €7 million per km was given by Dublin City Council for that route. Has the Minister discussed the matter with the city council? I am aware the Minister has an overall budget, as indicated in the cycling strategy, of €1.2 billion. However, is it realistic to expect these additional resources will be brought forward in the next couple of years?

I congratulate my colleague, Councillor Andrew Montague, who proposed the free bike scheme which has been so successful for Dublin. It is a wonderful initiative. When I was on the council some years ago, I proposed the radial cycleway network, which was the beginning of the cycling programme. I congratulate Councillor Montague on the major step that has been taken and hope it will be replicated in other major cities throughout the country.

**Deputy Noel Dempsey:** I do not have the full accurate figures before me for the projects I mentioned, but next year's expenditure, which will bring most of them to a conclusion, will be approximately €11 million. The total amount we are making available for those projects has been committed to them. Some are already completed, for example, the Phoenix Park project.

If we are to get a change in attitude to cycling and walking and if we are to get people out of cars, something to which I am committed, we will have to use some of the money we used previously on roads to provide the facilities to encourage them. I am committed to doing this. Some wonderful schemes have been put forward and while some people consider it a waste of money to spend it on cycle lanes etc., at a time when money is tight they are missing the point. I acknowledge Deputy Broughan's support in that regard. Some of the €1.2 billion we will require to cover us up to 2020 will have to come from the roads budget and we will have some fighting to do to get extra money from that.

I never had a fight with my colleague and friend, the Minister, Deputy John Gormley, on the issue of the Sutton to Sandycove project. We are providing approximately €3 million for that this year, as part of a package.

**Deputy Thomas P. Broughan:** Did he not threaten to lie down on the beach until he got the funding?

**Deputy Noel Dempsey:** He did not. Some €3 million will be spent on that project and he will provide €1.5 million of that, which I appreciate greatly. I wish to acknowledge Councillor Montague's contribution to the cycling programme. I hope to meet him early in the new year.

[Deputy Noel Dempsey.]

On the bus gate issue and not making a political point about it, the decision made, supported by the Labour Party councillors, does enormous damage to Councillor Montague's efforts.

**Deputy Thomas P. Broughan:** I asked a parliamentary question about the bus gate, but a response was not allowed. The Minister lectured us outside with the media, but now he has answered the parliamentary question he refused to answer. The bus gate will return in mid-January. There are issues also with regard to jobs. The bridge should have been open, but it was not.

**An Leas-Cheann Comhairle:** The Deputy is out of order.

**Deputy Fergus O'Dowd:** I am surprised by Deputy Broughan's approach to the bus gate because he is a favourite of Dublin Bus, whose facts and figures show that as a result of the bus gate buses move much faster through the city. I am disappointed with him in that regard.

We are all of the same view with regard to cycling and walking and I welcome the Minister's views on the issue. In some cities in France I have visited recently the pedestrian is king in the city centre, the cyclist follows and then comes the motorist. In some cities in France, the traffic stops for pedestrians crossing the roads at designated areas. Could we look at the law on this in urban issues? It is a critical issue.

**Deputy James Bannon:** Have any of the tourism interests in the midlands been in contact with the Minister about the development of cycle paths in the area, particularly in the lake county of Westmeath? A significant amount has been spent to develop the canal system across the country. The canal banks offer great opportunities for cycling routes that would open up paths from Dublin to the Midlands and the Shannon. Could that facility be opened up further?

**Deputy Noel Dempsey:** We must use our imagination in this area. The canals offer an extensive cycle and pedestrian way. The Royal Canal will be completely open next year. The railways are similar, some of the projects I read out run along disused railway lines. As the Deputy says, there are great opportunities for tourism and related projects. We have advertised two schemes we hope will get local authorities to think more about how they might to do this.

### **Haulage Licences.**

9. **Deputy Seán Sherlock** asked the Minister for Transport his views on the Farrelly report into the issuing of road transport haulage operators' licences by his Department; when he will publish the promised legislation to enhance the regulatory regime governing the future issuance of road transport operator licences in view of the case in which an alleged drug trafficker applied for and received a licence; and if he will make a statement on the matter. [39554/09]

**Deputy Noel Dempsey:** I initiated a general review into the criteria for granting road transport licences in April 2009 in the aftermath of the drug case referred to by the Deputy. Mr. Jimmy Farrelly was engaged to review all aspects of the decision to award the licence and, having regard to that review, to examine and to make recommendations on the procedures for processing applications for licences and the legislative framework.

Mr. Farrelly's report made a number of recommendations to strengthen legislation, as well as proposals on improving procedural and processing matters. I have since published the Farrelly report and an accompanying action plan for the implementation of its recommendations on my Department's website.

Many of the recommendations have now been fully implemented and others have been progressed substantially. In addition, legal advice was sought and received on the current regu-

lations as many of the legal, and constitutional issues around the criteria for granting licences, have proven difficult and complex. Legal advice recommended strengthening of compliance with EU law in this area and advised that new regulations would be required to achieve this.

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

I signed a new regulation in August 2009 which is now in effect. This regulation automatically disqualifies from holding a road transport operator's licence, any operator who has serious convictions in a number of specific areas including murder, manslaughter, serious assaults, drug-trafficking, person trafficking, money laundering, sexual offences and firearms offences.

The disqualification applies if the convictions are within the past five years when prosecuted on indictment, or two years when prosecuted summarily. Any licensee continuing to operate while disqualified, risks receiving a maximum fine of €500,000 or three years in prison, or both.

I also plan to introduce a second regulation to further strengthen the regulatory regime. The proposed regulation is broader in scope, and will cover other relevant persons working in licensed transport operations, such as directors and transport managers. This regulation will provide for disqualification in respect of convictions for serious offences committed beyond five years by licensees or relevant persons. It will also provide a potential licensee and relevant person with the right to go to court seeking leave to apply to the Minister for a licence, where the conviction occurred more than five years previously.

As a result of the possible significant impact of this regulation on the sector, a consultation process was initiated with the industry, the Courts Service and the Garda at the end of September. The closing date for receipt of comments was 23 October 2009. The responses are now being examined with a view to introducing a second regulation before the year end.

**Deputy Thomas P. Broughan:** I have the Farrelly report here and it is shocking. The Garda did not check for past convictions when granting a HGV licence and awarded a licence to a notorious drug dealer. It was an appalling situation. Has it been remedied? Is the new regulation in effect? Does that mean people with convictions for murder, manslaughter, drug trafficking and sexual offences will not be allowed a licence for such a vehicle?

On foot of that, have we checked to see if we have missed any other grants of licences like this? My colleagues, Deputies Rabbitte and Costello, repeatedly asked for information on this matter in this House and were stymied. The situation was allowed to continue until the Government was finally forced to take action thanks to this valuable report.

**Deputy Noel Dempsey:** The Deputy has the sequence of events incorrect, I commissioned the Farrelly report on foot of the specific case raised. All of the matters that arose as a result of that case have been dealt with. The first statutory instrument that I put in place means that anyone convicted in the past five years would have to give up his licence. Four people have been contacted in that regard and if they have not handed up their licences by the end of next week, the Garda will take action against them. All of the recommendations in the report are being acted upon. Many are complete, but a Bill on foot of this report will be introduced next year.

*Written Answers follow Adjournment Debate*

**Adjournment Debate Matters.**

**An Leas-Cheann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Member in each case: (1) Deputy Eamon Scanlon — the retention of cancer services at Sligo General Hospital;

[An Leas-Cheann Comhairle.]

(2) Deputy Noel J. Coonan — the proposed abolition of Tipperary Institute of Education; (3) Deputy James Reilly — the provision of funding in respect of a site for a second level school in Lusk, County Dublin; (4) Deputy James Bannon — the issuing of appointments for consultants at the Midlands Regional Hospital, Mullingar, County Westmeath; (5) Deputy Thomas McEllistrim — investment in ICT education in schools particularly at primary level; (6) Deputy Andrew Doyle — the implication of the proposed cut in the half rate carers allowance on the ability of the carers to provide the costly necessities of care for the sick and elderly in their own homes and the possibility of implementing the Carers Association of Ireland cost neutral proposals following the disappointment of the decision by the Government not to publish the national carers strategy in March of this year; (7) Deputy Lucinda Creighton — the issuing of the report into corporate governance at the Dublin Docklands Development Authority; and (8) Deputy Bernard J. Durkan — the Kill national school, County Kildare, building project.

The matters raised by Deputies Eamon Scanlon, James Bannon, Thomas McEllistrim and Bernard Durkan have been selected for discussion.

### **Adjournment Debate.**

---

#### **ICT in Schools.**

**Deputy Thomas McEllistrim:** A recent evaluation report prepared by the Department's inspectorate based on case studies in more than 50 schools, inspections in more than 180 schools and survey evidence from almost 1,400 teachers, 900 principals and 900 students, studied the impact of ICT on teaching and learning in Irish primary and post-primary schools.

The report noted the significant improvements in reducing the student to computer ratio since the commencement of specific ICT funding initiatives for schools. It found that in the main schools make effective use of ICT grants provided by the Department to develop their ICT systems. It also shows that most schools have an ICT plan and an acceptable use policy in place. The report also indicated that the majority of teachers use ICT in lesson planning and preparation and acknowledges that large numbers of teachers are participating in continuing professional development courses in ICT.

The inspectorate's evaluation, however, recorded limited integration of ICT in the classroom at primary level. The evaluation found the use of ICT in primary schools is currently focused on developing students' numeracy, reading and writing skills and that it is also used in social, environmental and scientific education. The inspectors recommend wider use of ICT across the curriculum. If we are to successfully meet the challenge of providing our school-going children with the skills they require for the future, we must invest now in transforming schools into e-learning environments.

Apart from the investment in broadband for schools some years ago, the last major investment in ICT was during the IT 2000 project and the recent announcement by the Minister. Many computers in schools were too old by the time broadband was introduced and are certainly long past their sell-by date by now.

We know the importance of ICT back-up in this House but our primary schools, where a teacher could be dealing with up to 30 pupils, have no technical backup. In Ireland, we have many of the most important ICT companies and we have not sufficiently tapped into the partnership possibilities that exist with them. ICT equipment is getting less expensive, as is software. Schools need new ICT equipment, adequate broadband, technical support services and pedagogical guidance. There is an immediate need to provide new equipment and technical

support. The strategy group recommends that the requirement be met by front-loading investment in these areas in the first three years of the national development plan period.

Achieving a desirable level of ICT usage in all schools depends on a number of critical, interconnected factors — teacher education and professional development to leverage the benefits of new learning technologies; the ready availability of appropriate digital content and content tools; sufficient computers and support ICT equipment in schools; adequate and robust broadband provision; technical support and maintenance of a high standard; structures to implement and support the investment; and support for effect-focused and learning age suitable ICT equipment.

It is recognised that schools will vary in their requirements for and expectations of ICT. To identify desirable baseline levels of ICT provision and equipment for schools, the strategy group recommends that schools adopt the recommended ICT configurations for the development of e-learning strategies and their future implementation. All classrooms should be networked to include between five and eight service points of access, with two at the teacher's desk and four to six for the students. Ideally schools should work towards eventually having a 5:1 pupil teacher computer ratio in classrooms.

To facilitate greater ICT integration at primary level, computers should be located in classrooms rather than in dedicated computer rooms. Large primary schools may choose to maintain their computer rooms. At post-primary level, a mix of locations is appropriate and should include both classroom computers and computer rooms. All classrooms should have a fixed digital projector and teaching computer with a wireless keyboard and wireless mouse. All computers in the schools should be networked and broadband enabled. Ready access should be available to a range of digital devices such as digital cameras and digital video cameras.

Access should be available to a mobile laptop trolley supporting between ten and 30 laptops capable of linking to the school network and the Internet, one for small schools and two for large schools. There should be a mobile multimedia station in every school with integrated digital media features to enable content creation, editing and production, recording and duplication. Resource rooms and learning support areas should be equipped with networked internet-ready computers and digital projectors, where appropriate.

**Minister for Transport (Deputy Noel Dempsey):** As a former Minister for Education and Science, I am delighted to respond to this Adjournment matter on behalf of my colleague, the Minister for Education and Science, Deputy Batt O'Keeffe. I thank the Deputy for raising the matter as it provides us with an opportunity to outline the Department's commitment to the ICT in schools programme.

The Minister agrees that ICT skills are increasingly critical for full participation in our social, cultural, recreational and working lives. ICT has been identified as a core component of the knowledge society and is recognised as a key tool for the improvement of teaching and learning. Where ICT is used innovatively and integrated into the curriculum, the learning experience can be more enriching, collaborative and personally gainful.

ICT enables teachers to bring lessons to life in new ways, to motivate learners and to find new ways of reaching students with special educational needs. The Department's policy on ICT in schools seeks to promote the integration of ICT in teaching and learning across the curriculum and the acquisition of ICT skills by students to enable them to participate in the knowledge society.

Since the Department's ICT in schools programme commenced in 1998, almost €209 million was invested in the programme up to the end of 2008, comprising €121 million capital investment and €88 million current investment. The programme has addressed four broad areas, the

[Deputy Noel Dempsey.]

provision of essential ICT infrastructural networking within schools, the provision of access to broadband connectivity to schools, up-skilling teachers' ICT skills and integrating ICT within the curriculum and providing curriculum relevant digital content and software.

In addition to the capital funding provided by the ICT in schools programme, additional funding for ICT is provided through the Department's school building programme. While new post-primary school buildings projects have included ICT equipment budgets for some time, similar arrangements were introduced at primary level last year. In 2008, equipment grants of €2.3 million were provided to new post-primary school building projects while €2.2 million was provided to 72 primary schools where a newly constructed school or large scale extension reached practical completion.

Last Monday, the Minister announced grants of €4.2 million in respect of 383 primary schools where construction work was completed in 2008 and 2009. The grants are based on an amount of €5,000 in respect of each occupied permanent classroom built in 2008 and 2009 and will enable the school to buy computer hardware, software and digital equipment. In addition, the grant scheme for minor works to national school properties includes ICT equipment within the range of approved school expenditure.

Disadvantaged schools have benefited from the €3.4 million ITC grant scheme for delivering equality of opportunity for schools, DEIS, from the Dormant Accounts (Educational Disadvantage) Fund. A further €1.5 million fund is being supported from the Dormant Account Fund to assist up to 100 DEIS schools achieve digital schools status.

The ICT strategy group report, Investing Effectively in ICT in Schools, which was published in July 2008 provides a clear direction to inform actions to further the integration of ICT into teaching and learning in our schools. The framework for sustainable economic renewal, building Ireland's smart economy, reiterates Government policy to enhance the role of ICT in the educational system, working in partnership with industry, to invest further in the provision of equipment and connectivity.

Earlier this year, the Minister set up the joint advisory group, comprising members of ICT Ireland, the Telecommunications and Internet Federation, the Irish Software Association, the Department of Education and Science and the National Centre for Technology in Education, to explore how best to do this having regard to the recommendations set out in the strategy group report. The main recommendations of the report focus on the provision of up-to-date ICT equipment and digital content in all schools, access to an appropriately specified, cost-efficient broadband service to all learning areas within the school, and a functional and dependable ICT infrastructure with access to appropriate technical support and maintenance to sustain this quality of service.

This joint advisory group which commenced its work last March signifies a strong partnership between industry and the education sector, with the shared objective of supporting children's developmental potential by enhancing the role of ICT in the educational system. The group's report is being finalised and the Minister will consider its recommendations in the context of existing policy and funding.

I thank the Deputy for raising this issue and assure him that the Department is committed to the objectives of the smart economy whereby use of ICT in schools will be enhanced through working in partnership with industry to invest in ICT equipment and connectivity.

#### **Health Service Staff.**

**Deputy James Bannon:** I thank the Ceann Comhairle for affording me time to raise this important matter on the Adjournment, namely, the need for the Minister for Health and Chil-

dren to outline her position in relation to the issuing of bogus appointments for a consultant who left the Midlands Regional Hospital, Mullingar, County Westmeath, last March and whether she stands over these actions, particularly if they are on a country-wide basis. What happened in relation to the “phantom” appointments with a dermatological consultant in the Midlands Regional Hospital between March this year and September, when I highlighted the deception in the press, was mind-blowing. The fact that it was endorsed by the HSE compounded the felony, and I use the word advisedly.

No matter how the parliamentary affairs section of the HSE tries to rationalise the matter and despite its admission of guilt, the fact that any health service would deliberately set out to deceive vulnerable patients by sending out appointments to see a consultant who had left a hospital months previously needs very urgent review. I am outraged that the HSE can mislead patients in a manner which is blatant and calculated to deceive. Given the high incidence of skin cancer in Ireland, the actions of the HSE, which are the Minister’s responsibility, are criminal. Does she have any concern that holding patients at the mercy of appointments that were repeatedly made and cancelled at the last minute, with a consultant who did not exist, could or may have, led to fatalities?

I am extremely concerned that what happened in the Midlands Regional Hospital is, as we speak, being replicated around the country as this seems to be the directive that the Minister is sending out. If it is happening in one hospital, we can be sure that it is happening in others but will the trusting patients ever know the facts?

I have a response to a parliamentary question on the matter which states that the first consultant dermatologist was appointed to the Midland Regional Hospital in September 2007. This dermatologist resigned her post in March of this year. The response goes on to say that the HSE sought on several occasions to recruit a replacement. I believe from this answer that discussions have taken place with St. James’s Hospital, Dublin, and the post is now to be immediately filled.

While this response is, I suppose, factual, it does not explain why these details could not have been outlined in the first place and patients told that there was no dermatologist available. They could have then been given the opportunity to make alternative arrangements to see another consultant or refer back to their GPs.

When I was first made aware of this situation last September, I was shown appointments for patients made for last April, up to and including this month, which is eight months after the consultant left to take up another position. The hospital’s answer to this dubious practice was that “the appointments were made in good faith”. That must be HSE speak for “con”. This is disgraceful. It is taking unaccountability to new levels. What exactly are the functions of the Department of Health and Children and the HSE? Do the patients who are supposed to be the central focus of any health system have any rights under the Minister’s watch?

Are they not entitled to an honest open and equal system that will provide the best care possible for each and every one of them? “Equality” is certainly not a word that can be associated with the Department of Health and Children and neither is “sanity”. Recent madness in the Department saw already overpaid consultants given an increase of €25,000 while essential services at hospitals such as Mullingar are cut and patients left in life-threatening situations.

Cutbacks have seen the recent closure of 16 much needed beds in the Midland Regional Hospital. I have been reliably informed that 16 more are due to be cut. Will Minister inform me that this is not the case? With an already poor health infrastructure in the midlands, any further erosion of essential services would be a scandalous dereliction of duty. Playing God



[Deputy James Bannon.]

and deciding who should live and who should die is the next step for a Government that has completely lost touch with reality.

**Deputy Noel Dempsey:** I am replying to this Adjournment matter on behalf of my colleague the Minister for Health and Children, Deputy Mary Harney.

The Midland Regional Hospital at Mullingar provides an extensive range of acute services to the population of Dublin and the midlands and, in particular, to people in the Longford-Westmeath area. The Government has shown its commitment to the hospital by the capital improvements that it has supported in recent years.

The first consultant dermatologist for the midlands was appointed to the Midland Regional Hospital, Mullingar, in September 2007. Prior to this, a consultant dermatologist from Temple Street Hospital provided two sessions per week at the hospital. In December 2008, the consultant dermatologist appointed at the hospital tendered her resignation to take effect from 31 January 2009. On 8 January 2009, approval was received from the consultants appointments unit to fill the post on a temporary basis pending the permanent filling of the post. In mid-January, the temporary post for consultant dermatologist at the hospital was advertised. There were no applicants for this competition. In February 2009 an offer of employment was made to a Belfast-based dermatologist to provide a temporary dermatology service at the hospital. However, it was not possible to agree contract terms with this consultant and he did not take up duty.

The post was then re-advertised in the press, journals and websites from 1 March to 27 March 2009. Resulting from this competition, two inquiries were received. Neither of these candidates met the qualifications for the post. The HSE sought on several occasions to recruit a suitable temporary replacement without success. Discussions have taken place between the HSE and a major teaching hospital in Dublin with a view to expanding the remit of the post. As a result of these discussions, the HSE intends to advertise the permanent restructured post in the coming weeks. In the meantime, the HSE is endeavouring to put arrangements in place pending filling of the post permanently.

The appointment times issued to patients by the hospital were based on an expectation, at the time, that the consultant post was about to be filled. Unfortunately, the expected appointment did not materialise. The hospital management regrets any confusion resulting from this. In the meantime, some patients who required urgent treatment have been seen in Dublin. Arrangements have also been made for children to be treated in Dublin. The hospital will continue to focus on the best possible quality of care for all its patients.

### **Schools Building Projects.**

**Deputy Bernard J. Durkan:** I thank the Ceann Comhairle for affording me the opportunity to raise this issue again. It has been a sensitive issue in my constituency for some years. The schools building project at Kill, County Kildare, which started in the past six months was the end of a long drawn-out campaign to upgrade the school to better cater for the needs of its pupils and the people in an area with a rapidly expanding population. All seemed to be going well during the summer. Unfortunately, the project has run into difficulty as it appears the builder in charge of the project has gone into liquidation.

The school authorities, board of management and the parents are concerned at this development and that the project may fall by the wayside or be delayed for some time. What is required at this stage is that the school authorities would have an opportunity to meet with the Minister

to identify the best possible means of proceeding with the project in the shortest time possible. There is no difference of opinion as to what needs to be done. The school authorities and the Department of Education and Science are at one on this issue.

I have raised the issue on the Adjournment to get a reassurance from the Minister for Education and Science that the project will proceed with all possible speed. In the interim, I ask the Minister for Transport to convey to the Minister for Education and Science the urgent necessity to accommodate an early meeting with the school authorities to identify the best possible means of proceeding the project without interruption.

**Deputy Noel Dempsey:** I am replying to this Adjournment matter on behalf of my colleague, the Minister for Education and Science.

Scoil Bhríde has a principal plus 19 teachers and four learning-resource teachers. In September 2008, it had 520 pupils and has seen a 24% increase in its enrolments over the five years up to September 2008. The project is in an area experiencing rapid growth and has a band rating of 1.1, the highest priority rating for schools building projects. It was one of 25 projects the Minister announced on 29 September 2008 to proceed to tender and construction. Since then the Minister has announced a further 53 projects to proceed to tender and construction.

The brief for the project in Scoil Bhríde is for a new 32 classroom school plus associated ancillary accommodation and site works. Following the announcement in September 2008 the project was tendered and a contractor was appointed in June 2009. Work commenced on site in June 2009.

On Tuesday, departmental officials were verbally made aware the contractor had gone into receivership. Although the Department has not received formal written notification that the contractor is in receivership, officials have been actively engaging with the design team to ensure all the necessary steps are being taken. The bondsman has been notified and contact has been made with the putative receiver who has been asked to confirm if the contractor is in receivership. The design team on the project held a meeting on site this morning to discuss progress and to agree the next steps.

Difficulties with contractors, while relatively rare, do occur from time to time. This is why the Minister insists on having the necessary documentation before contracts are in place. The project in Kill has a performance bond in place which will ensure the State is insulated from any additional costs that may arise in having this project completed. The purpose of the bond is to provide security for the State in the event of a contractor becoming insolvent and is no longer in a position to complete the contract.

The most recent school building project where a contractor went into receivership was in County Meath, a case with which I was familiar. In this case the project was re-tendered and a new contractor appointed in four months. The project in question was subsequently completed and handed over to the school in September.

If it transpires the contractor is not in a position to complete the project, then following the implementation of the formal procedures required by the conditions of contract, departmental officials will take the necessary steps to have this project back on site as soon as possible in accordance with public procurement procedures. Departmental officials will be in touch with the school in the coming days to appraise it of the situation and to assess the potential impact on the school in its current accommodation in the event of the likely delay in completing the project.

[Deputy Noel Dempsey.]

I again thank the Deputy for raising this matter and will convey his concerns to the Minister for Education and Science.

### **Hospital Services.**

**Deputy Eamon Scanlon:** I am grateful for the opportunity to raise this issue. It is widely known that the situation regarding the provision of cancer services in Sligo General Hospital has been very difficult during the past 18 months. Despite the best efforts of Deputy Devins, Senator Mark MacSharry and me, the diagnosing and surgical services have been moved to University Hospital Galway. I am very disappointed that has happened.

During that period Opposition parties made what I can only describe as a political football out of the situation in Sligo General Hospital. Opposition politicians who came to Sligo gave assurances on this, that and the other and promised the people there that when they returned to the Dáil after the summer recess they would table Private Members' motions on the retention of cancer services in Sligo General Hospital. The leaders of the two main Opposition parties were asked to sign pledges for the continuation of services in Sligo General Hospital, but they refused to do that. Despite that, their spokespeople gave assurances that they would raise the issue in the Dáil. They were supposed to do that in October, but it is now November and that still has not happened.

During the course of the deliberations on the transfer of diagnostics and surgery to University Hospital Galway, quite a number of meetings took place with the local committee on the services that would be provided in Sligo General Hospital following the transfer of services to University Hospital Galway. The Minister, Deputy Harney, Professor Drumm, and Professor Keane were in attendance at one meeting in particular at which guaranteed assurances were given to the people availing of the services in Sligo General Hospital, to people who had already availed of surgical services at that hospital, and to people who would have cancer surgery in University Hospital Galway and follow-up treatment in Sligo General Hospital, that mammography services and clinics would be available for these people in Sligo General Hospital.

I have received numerous letters during the past three weeks about this issue. It has been widely stated on local radio by many women, who are in a very distressed state, that they are being told different stories. I understand the director of the national cancer control programme issued a statement last week to the local radio station indicating that nothing had changed and that people would receive services in Sligo General Hospital. The people are being told something different apparently in the hospital. People are in doubt about the services that are being provided in Sligo General Hospital. That is not fair. This is an issue that needs to be resolved, however that may happen, even if it means that a person from the national care strategy comes to Sligo General Hospital to meet these people.

We all have had friends who had cancer. We all know the stress of that on a family. These people certainly do not need any more stress. They should not be left in doubt as to where they will have their next clinical appointment or mammogram. There were two radiologists in Sligo General Hospital and I understand one of them retired recently. Perhaps this is causing a problem. If do not know that it is, but if it is, people should be told.

Will the Minister ensure that this issue resolved one way or another and let the people know the position? That is the least they expect. If the services will not be provided in Sligo General Hospital, the people should be honestly told that. We are talking about sick people who are

suffering and who do not really know their future. They deserve much more than the current position. What is happening is wrong.

**Deputy Noel Dempsey:** I am replying to this Adjournment matter on behalf of my colleague, the Minister for Health and Children, Deputy Mary Harney.

I welcome the opportunity to set out the current position on cancer services at Sligo General Hospital. Deputies may recall a previous debate relating to the transfer of breast cancer diagnostic and surgical services from Sligo General Hospital to University Hospital Galway last April. In that debate, the Minister of State, Deputy Seán Haughey, outlined the rationale and objectives of the restructuring of cancer services under the national cancer control programme. As he stated then, the goals of the programme are better cancer prevention, detection and survival through a national service based on evidence and best practice for all cancers. This involves significant realignment of cancer services to move to a system which is consistent with best international practice in cancer control. Diagnosis and treatment planning for all cancers will ultimately be directed and managed by multidisciplinary teams based at eight cancer centres, but much of the treatment other than surgery, including chemotherapy, may be delivered in local hospitals.

The reorganisation of breast cancer diagnosis and surgery, which was the first priority for the national cancer control programme, is now almost complete with just one hospital awaiting transfer of these services. In the case of Sligo General Hospital, breast cancer diagnosis and surgery were transferred to University Hospital Galway on 6 August 2009. New patients are now referred to the symptomatic breast cancer service in Galway, which receives 15 to 20 referrals per week from Sligo-Leitrim and the surrounding area. A small number of women from the area are being referred to the Dublin centres.

Diagnosis and treatment planning are directed and managed by the multidisciplinary team in University Hospital Galway. Patients have their surgery and radiation oncology, if required, in University Hospital Galway. Medical oncology, for example, chemotherapy, which constitutes the majority of cancer services at Sligo General Hospital, continues to be provided there and the medical oncologist in Sligo General Hospital participates by video-conference in the multidisciplinary team meetings in University Hospital Galway of both the symptomatic breast cancer service and BreastCheck. The breast care nurse based in Sligo General Hospital follows up women with minor complications locally and provides ongoing support and breast care if necessary.

Other cancer services at the hospital are not affected. Other than skin cancer, which usually involves minor surgery, and a limited volume of bowel cancer cases, the vast majority of other curative cancer surgeries have never been undertaken at Sligo General Hospital, but are routinely referred to one of the eight designated cancer centres.

All resources associated with the breast cancer service in Sligo General Hospital were left in place until 1 November to facilitate the hospital in fulfilling its obligations to patients who were referred prior to 6 August but had not yet been seen. This process is now almost complete and it is anticipated that the remaining patients will be seen by the end of this week.

For review patients, follow-up mammography has been provided in the hospital since 6 August. The national cancer control programme is satisfied that a safe service can be provided in the short term with the equipment and experienced radiology and radiography personnel in Sligo General Hospital, as has happened in the case of other transitions. Follow-up mammography will continue to be provided in Sligo General Hospital into the future, as an outreach service from University Hospital Galway.

[Deputy Noel Dempsey.]

It is the responsibility of the relevant consultant and the hospital to arrange appropriate follow-up care for pre-existing patients following the transfer. The national cancer control programme has offered any assistance to the hospital that it may require in arranging these follow-ups.

The transition period for the transfer of breast cancer diagnosis and surgery from Sligo General Hospital is almost complete and the national cancer control programme is available to provide any assistance to the hospital that is required in arranging appropriate follow-up care for its pre-existing patients following the transfer. Only breast cancer diagnostic and surgical services have been transferred from Sligo General Hospitals and all other services, including medical oncology, remain in place.

The Dáil adjourned at 10.20 p.m. until 2.30 p.m. on Tuesday, 10 November 2009.

## Written Answers.

---

**The following are questions tabled by Members for written response and the ministerial replies as received on the day from the Departments [unrevised].**

---

*Questions Nos. 1 to 9, inclusive, answered orally.*

### **Public Transport.**

10. **Deputy Leo Varadkar** asked the Minister for Transport his strategies to make CIÉ financially more self-sufficient; his plans to reduce subvention to CIÉ; the amount of public money given in both capital and public service obligation payments to CIÉ since 1997 to date in 2009; the forecast made by him for the 2009 CIÉ deficit; and if he will make a statement on the matter. [39623/09]

**Minister for Transport (Deputy Noel Dempsey):** In the period 1997 to 2009 over €3.03 billion in Exchequer subvention has been paid to CIÉ towards the operational cost of loss making socially and economically necessary services. The allocation of €303m in 2009 represents an increase of 127% in the 1997 figure, but a decrease of 1.7% on the 2008 provision and a decrease of 1.1% on the 2007 provision. In addition an amount of €3.2 billion (€298m in 2009 to date) in capital funding has been provided in the same period. Despite this high level of Exchequer support, CIÉ and its subsidiary companies are facing a very difficult financial position in 2009 with a projected operating loss of €70m due to declining passenger numbers, diesel tax increase due to withdrawal of fuel duty rebate (as required by EU law), reduced subvention and less savings than planned. In response, all three companies are pursuing cost recovery plans involving measures to increase revenues, change pay and conditions, allowances and work practices and rationalise services. It is imperative that these cost recovery plans be pursued vigorously and expeditiously so that the companies can achieve at least financial breakeven as early as possible while maintaining services at the highest possible level. The Exchequer is not and will not be in a position to compensate for accumulating losses.

### **State Airports.**

11. **Deputy Joan Burton** asked the Minister for Transport if he has been briefed by the Directors he appointed to the board of Aer Lingus on proposals by Aer Lingus management to cut annual costs by around €97 million up to 2011 including the possible loss of 676 jobs at the company in Dublin, Cork and Shannon; and if he will make a statement on the matter. [39524/09]

**Minister for Transport (Deputy Noel Dempsey):** I was not briefed by the State appointed directors on the Board of Aer Lingus Group plc on the company's cost restructuring plan. A representative from the company briefed officials from my Department immediately following the company's announcement to the Stock Exchange on 7th October and my officials then briefed me on the matter.

Decisions on commercial and operational matters at Aer Lingus are a matter for the Board and management of the Company and it is not open to the Government to intervene in such matters. Aer Lingus is an independent Company and it has to make decisions on a commercial basis.

The Government is satisfied from all of the information available to it that a major restructuring of the Group's cost base is essential if Aer Lingus is to survive. This restructuring is a matter for the company. It is my belief that if that restructuring does not take place urgently the airline will find it difficult to survive in the long term and all jobs in the company could be at risk.

I understand that a consultation process between management and staff is now underway and I would encourage all parties to engage constructively in that process. The industrial relations mechanisms of the State are available to assist in reaching an agreed outcome for all concerned.

*Question No. 12 answered with Question No. 6.*

### **Departmental Bodies.**

13. **Deputy Michael D. Higgins** asked the Minister for Transport if the new chairperson and chief executive officer designates of the Dublin Transport Authority will become the chair and CEO of the new National Transport Authority; and if he will make a statement on the matter. [39535/09]

51. **Deputy Michael D. Higgins** asked the Minister for Transport the reason regarding the establishment of the Dublin Transport Authority; the way the new proposals to transform the DTA into a National Transport Authority will affect progress on making the DTA operational; and if he will make a statement on the matter. [39534/09]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 13 and 51 together.

I recently announced the appointment of Mr. John Fitzgerald as chairperson and Mr. Gerry Murphy as chief executive designate of the Dublin Transport Authority. On the passing into law of the Public Transport Regulation Bill 2009 which is currently before the Dail, the Dublin Transport Authority will be renamed as the National Transport Authority.

That Bill follows and builds on the Dublin Transport Authority 2008 Act and, together with that Act, presents a comprehensive framework for the future regulation and control of public passenger land transport.

The Bill also provides for the dissolution of the Commission for Taxi Regulation and the transfer of its functions and staff to the new Authority.

It is my intention to appoint the rest of the members of the Authority in the coming weeks with a view to the formal establishment of the Authority in early December.

### **Air Services.**

14. **Deputy Damien English** asked the Minister for Transport his contingency plans in the event of wide scale strikes at major airports here; if, further to Parliamentary Question No.

173 of 15 October 2009, he has had further communications with Aer Lingus; the contact he has had with the Dublin Airport Authority and the unions in order to avoid wide scale disruptive actions at airports; and if he will make a statement on the matter. [39632/09]

**Minister for Transport (Deputy Noel Dempsey):** The Dublin Airport Authority (DAA) has statutory responsibility to manage, operate and develop Dublin, Cork and Shannon airports and as such the preparation of a contingency plan in the event of a strike is a matter for the company.

In fulfilling its remit the DAA has informed me that it seeks to ensure that continuity of service is maintained across the wide range of services it provides to airlines and passengers. I understand that the DAA has strategies, policies and contingency plans to deal with unforeseen events and managing crisis situations, including those situations where service is disrupted. A key aim of the DAA is to have systems that reduce the potential for disruption in the first instance and where the disruption occurs to manage the safety and security of passengers and airport employees.

The risk of disruption due to industrial action by any grouping of its core staff can be minimised by a willingness to engage with and use the industrial relations machinery of the State when matters of dispute arise. In this regard, I am informed that the DAA has a registered agreement with the Labour Court that provides for a “no strike clause” in respect of potential industrial action by the fire and police emergency services during the lifetime of the agreement. Issues concerning the scope or alteration of the agreement are resolved through the normal third party mechanisms and if necessary through binding recommendation of the Labour Court.

However, in circumstances where, for whatever reason, the safety and security of the travelling public were to be compromised due to the withdrawal of key labour, the DAA would be faced with no choice but to suspend airport operations. I understand that, after careful consideration of issues involved, if the board and management feel that this is the appropriate action, then such action will be implemented.

In relation to Aer Lingus, as I outlined in my response to Question No. 11 earlier, decisions on commercial and operational matters at Aer Lingus are a matter for the Board and management of the Company and it is not open to the Government to intervene in such matters. I was not briefed by the State-appointed directors or by other representatives of the company of the details of the restructuring plan in advance of its announcement to the Stock Exchange on 7th October. A representative of the company briefed officials from my Department on the details of the plan immediately following the announcement.

I would encourage all parties to engage constructively in the consultation process that is currently underway on the restructuring plan. The industrial relations mechanisms of the State are available to assist in reaching an agreed outcome for all concerned.

### **Light Rail Project.**

15. **Deputy Frank Feighan** asked the Minister for Transport the contacts that he has had with the Department of Finance regarding the Metro North project; when he expects a decision on commitment to the Metro North project; and if he will make a statement on the matter. [39637/09]

33. **Deputy Róisín Shortall** asked the Minister for Transport the position regarding the Metro North; when a decision will be made between the two final bidders; the estimate of funding that will be allocated to Metro North under Budget 2010; and if he will make a statement on the matter. [39545/09]



127. **Deputy Aengus Ó Snodaigh** asked the Minister for Transport if capital funds will be made available in 2010 for the Metro North line; and if he will make a statement on the matter. [39754/09]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 15, 33 and 127 together.

An Bórd Pleanála adjourned the Oral Hearing into the Railway Order application for Metro North in April this year, to allow consideration of further information requested from the Railway Procurement Agency. An Bórd Pleanála subsequently wrote to the Agency requesting further additional information in respect of the application. All the additional information has now been supplied and placed on public display. An Bórd Pleanála has, as yet, set no date for the recommencement of the Oral Hearing.

Two consortia have been shortlisted as part of the PPP procurement process. The next phase of procurement must await the outcome of the planning process.

As I have stated on a number of occasions previously, Government will take the final decision on Metro North at the conclusion of the procurement process, namely financial close.

In the meantime, the Railway Procurement Agency is continuing to progress the project in accordance with the Government decision in January last year, which approved the financial framework for the PPP. As is normal practice for large Exchequer supported projects, my Department is in regular contact with the Department of Finance. Decisions on the Exchequer allocation for Metro North in 2010 will be taken as part of the Estimates process for next year currently underway.

*Question No. 16 answered with Question No. 6.*

### **Public Transport.**

17. **Deputy Simon Coveney** asked the Minister for Transport the progress made to date in the implementation of the Deloitte Report dealing with bus market reform; if he has set a timeframe for Dublin Bus to achieve certain goals; his views on whether CIÉ is capable of providing adequate bus services at a reasonable cost to the Exchequer in view of recent cut-backs in services; and if he will make a statement on the matter. [39617/09]

**Minister for Transport (Deputy Noel Dempsey):** Dublin Bus has reported good progress in the implementation of the recommendations of the Deloitte report on the cost and efficiency review of Dublin Bus and Bus Éireann. In line with the recommendations of the report and taking account of the need to reduce its operating deficit, Dublin Bus is, inter alia, redesigning its network based on most recent pattern of demand/demographics and reducing the number of variations of bus routes. It is also working on eliminating unnecessary duplication of services, creating even headways to improve reliability and reduce the potential for “bunching” of services and on the introduction of automatic vehicle location and real time passenger information. Dublin Bus expects, in line with the recommendations of the Deloitte report, to complete the redesign of its network by January, 2010.

In relation to the capability of the CIÉ companies to provide adequate bus services at reasonable cost, the Deloitte report acknowledges that both Dublin Bus and Bus Eireann are efficient operators but that there is scope for greater efficiencies in Dublin Bus to improve its network design and operation. The decline in passenger revenue during 2009 combined with the withdrawal of fuel duty rebate, rising costs and the maintenance of subvention at prior year levels has nevertheless required the CIÉ companies to pursue a range of measures including service

changes, a wage freeze and work practice changes to reduce their operating deficits and maintain financial viability while maintaining services at the highest level possible.

In this context the decision by Dublin Bus, as part of its cost recovery plan, to reorganise its network to reflect changes in demand based on 120 fewer buses is consistent with the conclusions in the Deloitte Report.

### **Vehicle Testing.**

18. **Deputy Dinny McGinley** asked the Minister for Transport the progress made in implementing the 2007 report on Commercial Vehicles Testing Review; and if he will make a statement on the matter. [39657/09]

**Minister for Transport (Deputy Noel Dempsey):** Under the Road Safety Authority Act 2006 (Conferral of Functions) Order 2006 (S.I. No. 477 of 2006) the Road Safety Authority (RSA) has responsibility for matters relating to vehicle testing, including commercial vehicles.

One of the early tasks for the RSA was to undertake a comprehensive review of the arrangements for the roadworthiness testing of commercial vehicles in Ireland. In 2008, I approved reform proposals from the Authority which recommended two key courses of action to raise roadworthiness standards on a permanent basis.

The first element is an overhaul of the complete commercial vehicle roadworthiness testing system, addressing the testing process, development of a programme of roadside inspections to ensure continuous compliance, and the introduction of operator premises checks and intelligence led targeting of operators based on risk.

The second is a proposal that the responsibility for the management and operation of the commercial vehicle testing system be transferred from local authorities to the RSA.

The overall objective of the transformation programme is to make a step change in the quality of commercial vehicles using Irish roads and thereby help improve road safety, reduce congestion, ensure fair competition, develop a much greater awareness of road safety issues and improve the culture of safety within the transport industry. The phasing and means of resourcing implementation of the reform plan is under consideration in light of current constrained Exchequer circumstances.

### **Proposed Legislation.**

19. **Deputy Jim O’Keeffe** asked the Minister for Transport when the proposed new Road Traffic Bill will be published; the way this Bill will deal with drug driving; and if he will make a statement on the matter. [39517/09]

28. **Deputy Tom Hayes** asked the Minister for Transport his proposals to improve the fixed charge processing system; and if he will make a statement on the matter. [39645/09]

43. **Deputy Mary Upton** asked the Minister for Transport the position regarding the implementation of the Road Safety Strategy 2007-2012 including the rollout of the national speed camera programme, the closing of a series of loopholes in the penalty points system, the impact on road safety of the slashing of the advertising and campaign budgets for the Road Safety Authority and reduced general enforcement levels of road traffic law; if he will report on the proposed provisions of the new Road Traffic Bill; if the legislation includes provision for the mandatory testing of all drivers involved in road collisions, road side drug driving and a reduction in the general blood alcohol limit to 50 mg and to 20 mg for professional drivers; his views on the likely sanctions in the Bill; and if he will make a statement on the matter. [39521/09]

53. **Deputy Jim O’Keeffe** asked the Minister for Transport the way the field impairment testing for drug driving, as proposed in the forthcoming Road Traffic Bill, will be implemented; the way this test will differentiate between prescribed medication and illegal substances; and if he will make a statement on the matter. [39518/09]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 19, 28, 43 and 53 together.

I published the Road Traffic Bill 2009 on Friday 30 October 2009. It provides for the lowering of the legal Blood Alcohol Concentration (BAC) from 80 mg of alcohol (per 100 ml of blood) to 20 mg for learner, novice and professional drivers, and from 80 mg of alcohol (per 100 ml of blood) to 50 mg for other drivers.

The Bill also provides for preliminary impairment testing to assist the Garda in forming an opinion that the driver is or is not under the influence of an intoxicant (drink or drugs). It also includes amendments to the fixed charge and penalty point systems, including the option of payment of a fixed charge on receipt of a summons for the offence.

The safety camera project and road traffic enforcement are matters for my colleague the Minister for Justice, Equality and Law Reform.

While the RSA’s advertising and campaign budgets were reduced for 2009, as a result of cuts imposed across all Departments and agencies, it will continue to implement its programme of road safety awareness, education and research.

In relation to the Road Safety Strategy, I refer the Deputy to my reply to Question No. 40.

#### **Rural Transport Services.**

20. **Deputy Michael Ring** asked the Minister for Transport if discussions have taken place with regard to the future of the rural transport programme; and if he will make a statement on the matter. [34097/09]

39. **Deputy Denis Naughten** asked the Minister for Transport his plans for the rural transport initiative; and if he will make a statement on the matter. [39520/09]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 20 and 39 together.

There are commitments to the Rural Transport Programme (RTP) in the National Development Plan, Towards 2016 and the Department of Transport’s Sectoral Plan under the Disability Act 2005. The development of rural transport is also a key objective in the Government’s sustainable travel and transport plan *Smarter Travel — A Sustainable Transport Future*. The renewed Government Programme contains a commitment to explore the provision of a full-scale transport system in rural areas using the network expertise of Bus Éireann and the resources of the school and health transport systems.

The Government is considering all the recommendations in the Special Group’s report and decisions will be made by the Government in the context of the Budget for 2010 and later years. To assist with that task, the Government has referred the Report to the Oireachtas Committee on Finance and General Affairs for its views prior to the Budget.

A number of initiatives are currently underway to examine the potential for synergies between existing transport providers. These include pilot co-operative transport projects in the North East and North West, an exercise to map all transport services in County Louth and a cross-border pilot rural community transport project under the auspices of the British/Irish

Council. The outcome of these initiatives will feed into the process for further developing rural transport policy.

### **Motor Insurance.**

21. **Deputy Emmet Stagg** asked the Minister for Transport his views on the implications for road safety of proposals by motor insurers to increase motor insurance costs by 10% even though motor insurance prices increased by 15% over the past year according to the Central Statistics Office and the number of road collisions and fatalities continues to fall; if he is liaising with the Department of Enterprise, Trade and Employment regarding same in view of the recent road safety gains and allegations that motor insurers are loading motor premiums with premiums from flooding and other non-motoring insurance claims; and if he will make a statement on the matter. [39553/09]

**Minister for Transport (Deputy Noel Dempsey):** Third Party motor insurance is required by law for the use of all mechanically propelled vehicles in a public place. Motor insurance is provided by private companies in an open and competitive market where consumers interests can exert influence by seeking quotes and comparing costs, before purchasing. Insurance companies, numbering 29 at present, are regulated by the Financial Regulator.

Motor insurance costs as measured by the CSO have increased by 15% from September 2008 to September 2009, after a historic decline in costs over a five year period from March 2003 to February 2008 of nearly 40%. The cost of motor insurance in 2009 still remains at 31% below the prevailing rate in 2002. Motor insurance companies in Ireland insure vehicle drivers rather than vehicles. This enables them to calculate the risks associated with specific drivers and thereby price the insurance premium accordingly. The factors taken into account when calculating the risk include the age, gender and driving experience of the driver, the engine size of the vehicle and its usage together with the address at which the vehicle is based.

The cost of uninsured driving amounts to approximately 6% of motor insurance claims and also adds to the cost of the average motor insurance premium, as does the likelihood of an increase in fraudulent or exaggerated claims during a recessionary period. There has been a significant increase in the cost of claims paid out. The gross incurred cost of motor claims in 2008 increased by 24% when compared to 2007.

Likewise, subsets of drivers with apparent higher risks pay higher premiums, for example young male drivers, because of the high level of collisions and deaths involving this group. Premiums for young female drivers are lower. This difference in treatment is due to the reduced risks involved, as perceived by the insurance industry. This system also enables a specific driver to establish a no-claims status over a number of years. It is always advisable for both mature and young drivers to “shop-around” and take advantage of the competition within the market when seeking new insurance or renewing an existing policy.

The Office of the Financial Regulator is better positioned to examine and comment on whether any cross subsidisation is taking place across other types of non life insurance. That office receives returns from all the companies operating in Ireland. The Financial Regulator operates under the aegis of my colleague, the Minister for Finance.

### **Ports Security.**

22. **Deputy Brian O’Shea** asked the Minister for Transport if he is reviewing security at ports here in view of the recent seizure of 120 million contraband cigarettes at Greenore Port, County Louth; his proposals to enhance the security in all of the national ports; and if he will make a statement on the matter. [39531/09]

**Minister for Transport (Deputy Noel Dempsey):** The seizing of contraband cigarettes is a matter for the Customs and the Garda Síochána. My Department is responsible for the implementation of International and EU security requirements at Irish ports.

The annex to the International Convention for the Safety at Life at Sea (SOLAS) 1974 was amended in 2004 to include a new chapter concerning maritime security and which introduced the International Ship and Port Security (ISPS) Code. In the European context, Regulation 725/2004/EC brought the maritime security requirements of SOLAS and the ISPS Code into community law.

In Ireland, since July 2004, port facilities receiving cargo vessels of 500 gross tonnes and above and those receiving passenger ships that are engaged in international trade have been required to comply with the EC Regulation and this includes Greenore port.

Port facilities require an approved port facility security plan and a port facility security officer is responsible for day-to-day security activities. The provisions of the EC Regulation and the ISPS Code only apply in relation to the “ship to shore” interface at ports.

Regarding enhancements to security in Irish ports, directive 2005/65/EC on enhancing port security extends the requirements for port security measures to cover adjacent relevant areas containing works and equipment designed to facilitate commercial maritime transport operations. The European Communities (Port Security) Regulations, S.I. 284 of 2007, transpose the Directive requirements into law in Ireland.

One of the directive’s requirements is that Port Security Authorities (PSA) are required to be established. Following consultation with relevant stakeholders it was agreed that the port security authorities should include representation from the Garda Síochána, the Revenue Commissioners as well as the port operators.

The Marine Survey Office (MSO) in my Department is currently working to finalise the implementation of the directive requirements. This includes the designation of port areas that will be subject to the enhanced security measures and the approval of port security plans covering such port areas.

Another initiative which my Department has, and continues to develop, is the Safe Seas Ireland (SSI) maritime information system. Vessels of 300 gross tonnes and over are required to provide security and other relevant information into the SSI before arriving into an Irish port. This information is provided via login and password to relevant stakeholders. Additionally the SSI is being developed to incorporate the security related information of the ports themselves. This single window system is already providing significant benefits to stakeholders that I expect will continue to grow as the system is developed further in the future.

*Question No. 23 answered with Question No. 7.*

#### **Proposed Legislation.**

24. **Deputy Joe McHugh** asked the Minister for Transport when he will introduce the Sustainable Travel and Transport Bill to the Houses of the Oireachtas; and if he will make a statement on the matter. [39659/09]

**Minister for Transport (Deputy Noel Dempsey):** Preliminary work is underway in my Department on the identification and development of possible measures to be included in a Sustainable Travel and Transport Bill.

Bearing in mind the priority legislation that I wish to progress in the current year and available resources, I expect to be in a position to present a Sustainable Travel and Transport Bill to the Houses of the Oireachtas during 2010.

### Road Haulage Industry.

25. **Deputy Seán Sherlock** asked the Minister for Transport if he will explain the changes to his policy on the employment of a full time transport manager for road haulage companies with 50 or less vehicles; and if he will make a statement on the matter. [39555/09]

**Minister for Transport (Deputy Noel Dempsey):** Every licensed commercial road transport business, both haulage and passenger, must have a transport manager, who holds a Certificate of Professional Competence.

A consultation paper was issued to all licensed Road Transport Operators in March 2009 proposing a number of changes to the existing Transport Manager Policy. The document was also placed on my Department's Website (*www.transport.ie*) and sent to a number of representative bodies and agencies.

At that time, transport managers employed by firms were not allowed to engage in any other employment outside the transport firm, or to work as transport managers for other firms simultaneously. There were some minor exceptions where the transport manager was a spouse or partner of the operator.

The majority of the operators who responded in the consultation process, were in favour of the proposed changes, outlined below, which were introduced at the end of September last. Transport managers are now permitted to manage operations for up to four transport operators as long as the total number of vehicles being managed does not exceed 50. The amount of time that can be worked outside the transport firm will depend on the total number of vehicles being managed.

Cases involving outside employment are decided on an individual basis taking into account the maximum working time allowed weekly under the Organisation of Working Time Act 1997 and compliance with EU requirements. The changes introduced will reduce overall costs by allowing an operator to employ a transport manager on a part-time basis rather than on a full time basis, where they have 50 vehicles or less. 85% of all operators own five vehicles or less.

Transport managers who were engaged on a full-time basis to manage a very small number of vehicles, may find they are now only required to work on a part-time basis. However, they will be permitted to work for other operators and/or engage in other employment.

The changes introduced comply with new EU regulations and were notified to all operators when the new policy commenced.

### Travel Projects.

26. **Deputy James Reilly** asked the Minister for Transport if he has established a fund to support innovative sustainable travel projects, which can help in changing travel behaviour or reducing environmental impacts; and if he will make a statement on the matter. [39672/09]

**Minister for Transport (Deputy Noel Dempsey):** I launched two funds this summer, to support innovative sustainable travel projects, the Smarter Travel Project Fund, and the National Competition for Smarter Travel Areas.

- The Smarter Travel Project Fund was established to:
  - assist the development of demonstration projects that can deliver sustainable transport initiatives at both a national and local level, achieving real and measurable changes in people's travel choices and behaviour

[Deputy Noel Dempsey.]

- assist the development of demonstration projects that aim to reduce the environmental impact of travel
- increase the capability of organisations to help deliver sustainable travel
- raise public awareness and acceptability of sustainable travel and transport issues.

The Project fund is €15 million over five years. The deadline for applications for this fund closed on 9 September. Applications were made by a wide range of groups and individuals. My Department received 121 bids, some of which were of a very high standard.

The National Competition for Smarter Travel Areas differs from the project fund in that it is not targeted at individual or specific measures. The Competition adopts a multi-dimensional approach to transport and spatial planning so that reliance on car use is dramatically reduced and alternative options are made available and promoted.

The national competition will therefore support a wide range of integrated transport and spatial planning projects delivered in one particular area. A Smarter Travel Area bid comprises a highly integrated approach to changing the travel behaviour of a whole town or area.

The National Competition for Smarter Travel Areas aims to demonstrate that sustainable travel can be delivered in all types of communities across Ireland. Bids were therefore submitted in one of five different categories, according to population size:

- Small towns, villages or rural areas with populations of up to 5,000;
- small towns, villages etc with populations of 5-15,000;
- towns or groups of towns/villages with populations of 15-25,000;
- larger towns or groups of towns with populations of 25-40,000; and
- large towns or cities with populations above 40,000.

The deadline for stage 1 bids was 30 October, and 39 bids were submitted from across the local authorities, who had responsibility for co-ordinating bids. Successful bids from Stage 1 will be shortlisted. These shortlisted bids will then be awarded supporting funds to develop full business case bids, including travel plans, for stage 2. I am aiming to have Stage 2 bids submitted by the end of March, and for the final list of successful bids to be announced in May 2010. €50 million over five years will be available for Smarter Travel Areas.

Both funds are targeted firstly at behavioural change to encourage more sustainable travel. A direct consequence of this behavioural change will be reduced environmental emissions (CO<sub>2</sub> and also local air pollutants), reduced congestion, improved fitness and health levels, and more attractive town centres and streetscapes. Measures in both the Smarter Travel Project Fund and the National Competition for Smarter Travel Areas will be evaluated, to develop clear evidence on how sustainable travel is best delivered and designed for the Irish context. The most successful measures, delivering best value for money, will thus be identified, and can be rolled out across Ireland.

#### **Air Services.**

27. **Deputy Mary Upton** asked the Minister for Transport if he has met or been briefed by representatives of the travel and tourism industry in view of continuing falling volumes of

passengers especially in the aviation sector; his plans to enhance the travel industries here and if he will make a statement on the matter. [39526/09]

**Minister for Transport (Deputy Noel Dempsey):** While I have not recently met with or been directly briefed by representatives of the travel and tourism industry, I am fully aware of the negative impact that the current difficult economic situation is having on the aviation sector and am closely monitoring developments.

My Department is liaising with the Department of Arts Sport and Tourism in the context of implementing recommendations from the Report of the Tourism Renewal Group published recently by my colleague, the Minister for Arts Sport and Tourism, Deputy Martin Cullen.

*Question No. 28 answered with Question No. 19.*

### **Public Transport Safety.**

29. **Deputy Joe Costello** asked the Minister for Transport if he has received any of the reports by the Department of Transport, An Garda Síochána, the Railway Safety Commission, Dublin Bus or Veolia Transport into the series of collisions involving public transport vehicles during September and October 2009; when these reports will be made public; if he will mandate the Road Safety Authority with an overarching statutory role in the investigation of all road collisions including those involving public transport vehicles along the lines of the outstanding role played in marine collisions by the Marine Casualty Investigation Board; and if he will make a statement on the matter. [39528/09]

**Minister for Transport (Deputy Noel Dempsey):** The investigation of collisions on the road is a matter for An Garda Síochána. Neither my Department nor the RSA have a function in this area and I have no plans to change that.

Road traffic accidents involving light rail trams are also subject to investigation by the Railway Accident Investigation Unit in accordance with the provisions of the Railway Safety Act 2005.

In relation to the accidents referred to by the Deputy I understand that both Dublin Bus and Veolia are, in addition to the Garda investigation, conducting their own internal investigations. It is a matter for the companies concerned whether or not to publish these internal reports when available. The report of the investigation being carried out by the independent Rail Accident Investigation Unit into the accident involving a Luas tram and a Dublin Bus vehicle will in accordance with the provisions of the Railway Safety Act be published.

### **Road Network.**

30. **Deputy Ciarán Lynch** asked the Minister for Transport the reason he has requested the National Roads Authority to take over the management functions of the non-national road network on a non-statutory basis; the functions this new role will entail for the NRA; and if he will make a statement on the matter. [39541/09]

**Minister for Transport (Deputy Noel Dempsey):** The National Roads Authority has not taken over management responsibility for regional and local roads. They remain the statutory responsibility of the local authorities.

From 1st September last, the National Roads Authority was tasked with undertaking certain functions relating to regional and local road grants on behalf of my Department. This was done on foot of an agreement negotiated by officials of my Department and the NRA and approved by me and the Board of the Authority.



[Deputy Noel Dempsey.]

The new arrangement was concluded on an administrative basis so as not to affect my statutory role or that of the local authorities in any way.

The improvement and maintenance of regional and local roads remains the statutory responsibility of road authorities under section 13 of the Roads Act 1993 and is not affected by the new administrative arrangements. The NRA is not being given any new statutory powers similar to those it has in relation to national roads.

Under section 82 of the Roads Act the Minister for Transport is empowered to pay grants to road authorities and under this power I allocate regional and local road grants to these authorities each year to supplement expenditure from their own resources. This power is also unaffected by the revised administrative arrangements and I will continue to decide on grants policy and on the grant allocations to each individual road authority.

This decision was taken on grounds of administrative efficiency, particularly in circumstances where there is increasing pressure on staffing and financial resources. It makes sense to use one organisation to administer all road grant payments and to monitor the expenditure of these road grants.

The NRA already had very effective systems in place to administer the national road improvement and maintenance programme and it was therefore concluded that the most logical and efficient approach was to use that NRA expertise to administer regional and local road grants as well.

Because there is no change in my statutory power I will continue to be accountable to the Oireachtas as at present and will continue to reply to Parliamentary Questions on regional and local road grants.

A copy of the agreement between the Authority and my Department is available in the Dáil Library. The role of the Authority is set out in that agreement.

### **Taxi Industry.**

31. **Deputy Pat Rabbitte** asked the Minister for Transport his views on the recent reforms announced by the Commission on Taxi Regulation; his plans to incentivise the purchase of wheelchair accessible taxis in the industry in view of the current economic prospects in the taxi sector; and if he will make a statement on the matter. [39547/09]

**Minister for Transport (Deputy Noel Dempsey):** The regulation of the taxi industry is, in accordance with the Taxi Regulation Act 2003, a matter for the Commissioner on Taxi Regulation and the Minister for Transport has no role in relation thereto.

Proposals from the Commission to provide funding towards the upgrading of the wheelchair accessible fleet are under consideration in my Department.

### **Departmental Properties.**

32. **Deputy Liz McManus** asked the Minister for Transport the status of all leases of port company lands; if all of the chairpersons of the ten State commercial port companies have replied to the request for this information; and if he will make a statement on the matter. [39550/09]

**Minister for Transport (Deputy Noel Dempsey):** As I indicated during the Dáil debates on the Harbours (Amendment) Act 2009, I wrote to all ten chairpersons of the State commercial port companies requesting details of all leases of port company lands.

I have now received responses from eight of the ten companies and I expect to receive the two outstanding responses shortly. The status of the leases is in the first instance a matter for the port companies themselves and would be subject to commercial sensitivity.

*Question No. 33 answered with Question No. 15.*

### **Public Transport Safety.**

34. **Deputy Ruairí Quinn** asked the Minister for Transport if a departmental review of the systems for checking and monitoring safety across the whole transport sector is taking place in view of the number of potentially fatal collisions involving public transport vehicles; and if he will make a statement on the matter. [39529/09]

**Minister for Transport (Deputy Noel Dempsey):** The regulatory and investigatory regime in place governing rail safety, administered by the Railway Safety Commission and the Railway Accident Investigation Unit under the Railway Safety Act, 2005 as amended, in respect of both heavy rail and light rail, is designed in such a way as to identify through monitoring and reporting mechanisms how improvements can be made to systems in the light of developments in the industry and reported incidents. I do not, therefore, see the need to undertake a special review in that regard and I am satisfied also that the regime is fully in line with our EU obligations.

Neither do I consider a review of the arrangements in relation to buses to be necessary. The Road Safety Authority (RSA) has responsibility for matters relating to vehicle testing, including commercial vehicles. In early 2008, I approved proposals from the RSA to reform the Commercial Vehicle Roadworthiness Testing System. The phasing and implementation of the reform plan is under consideration in light of current constrained Exchequer resources.

It is also the case that since 10 September 2008 all professional bus drivers are required to obtain and hold a certificate of professional competence (CPC), which in addition to gaining the required certificate requires ongoing annual training.

### **Port Development.**

35. **Deputy Pat Rabbitte** asked the Minister for Transport his views on the Dublin Port National Development Plan Study conducted by Indecon Consultants for his Department; his views on his favoured scenario for the development of Dublin Port; and if he will make a statement on the matter. [39548/09]

**Minister for Transport (Deputy Noel Dempsey):** In August 2009 the final report of the Dublin Port National Development Plan Study carried out by Indecon was published on my Department's website, [www.transport.ie](http://www.transport.ie).

I commented at the time that the report is an important analysis not just of the future of Dublin Port but also provides a useful insight into the capacity challenges that face the sector as a whole.

The report highlighted the strategic importance of Dublin Port to our national economy with over 40% of national tonnage passing through the port.

While the report noted the significant downturn experienced in traffic volumes at both Dublin and the State's ports in general, it highlighted the need to develop significant additional port capacity by 2025 — 2030.

Such is the nature of the expected future demand, the capacity required will necessitate the provision of a single significant project, such as that envisaged at Dublin or Bremore, in addition to other projects around the State.

36. **Deputy Eamon Gilmore** asked the Minister for Transport if he has been briefed on the recent postponement of the An Bord Pleanála hearing into plans by the Dublin Port Company to infill 52 acres in Dublin Bay; and if he will make a statement on the matter. [39549/09]

**Minister for Transport (Deputy Noel Dempsey):** The Minister for Transport is a “prescribed body” for the purposes of Dublin Port Company’s planning application under the Planning and Development (Strategic Infrastructure) Act 2006.

Accordingly, the Board has kept me informed of developments throughout the process. I was informed of the Board’s decision to postpone the hearing by letter dated 22 September 2009. In a further letter dated 7 October 2009, the Board informed me of the background to the decision and the results of the Board’s consideration on the matter.

It is my understanding that the oral hearing will reconvene as soon as a new consultant to the Board has been selected and fully briefed on the relevant issues. However, these arrangements are a matter for the Board.

### **Irish Rail.**

37. **Deputy Thomas P. Broughan** asked the Minister for Transport his views on the recently published and CIÉ commissioned Baker, Tilly, Ryan, Glennon Report on alleged irregularities in the procurement process at Irish Rail; the action he will take or has taken in view of the report’s recommendations; and if he will make a statement on the matter. [39537/09]

**Minister for Transport (Deputy Noel Dempsey):** I refer the Deputy to my reply to priority Question No. 1 of today.

### **Emergency Communications Systems.**

38. **Deputy Emmet Stagg** asked the Minister for Transport the reason he has not signed up for the new EU-wide in-car emergency communication system, eCall that could save up to 2,500 lives a year on the roads across the EU; and if he will make a statement on the matter. [39552/09]

**Minister for Transport (Deputy Noel Dempsey):** Ireland is one of 12 Member States, including the United Kingdom and France, that has not yet given a commitment to develop eCall on a voluntary basis, by way of signing a Memorandum of Understanding. Since eCall does not exist as a deployed service anywhere in Europe, it has been considered premature to enter into commitments involving Exchequer funding until there are further policy developments and clarification at EU level.

While I strongly support the underlying principle of eCall in saving lives and reducing the severity of injuries, Ireland has a number of concerns about the effectiveness of a market based voluntary approach, about the lack of social inclusion since cheaper cars may not contain this feature and the fact that other vehicles are excluded. There are also questions about financial and economic feasibility of this concept, the operational and pre-deployment issues involved and, the willingness of industry, via the market, to invest in and implement eCall technology in cars. No car manufacturer has yet signed the Memorandum of Understanding.

A recent policy paper published by the European Commission in August 2009 has suggested that eCall might be deployed on a mandatory basis. Studies have indicated that eCall has a greater potential to save lives and reduce serious injuries if deployed on a mandatory as opposed to a voluntary basis.

My colleague, the Minister for Communications, Energy and Natural Resources has responsibility for mobile telecommunications and emergency call handling for An Garda Síochána, the

ambulance and fire brigade services, in the State. Any mandatory deployment of eCall would have financial implications for that Department. I have recently requested that his Department examine the implications of eCall from its perspective and I look forward to receiving a response in this regard.

A further study on eCall is currently being undertaken under the auspices of the European Commission, but is not yet complete. Ireland is actively engaging with this study. I will continue to monitor developments at a European level.

*Question No. 39 answered with Question No. 20.*

### **Road Safety.**

40. **Deputy Denis Naughten** asked the Minister for Transport the status of his road safety strategy; and if he will make a statement on the matter. [39519/09]

**Minister for Transport (Deputy Noel Dempsey):** The overall objective of the Road Safety Strategy 2007-2012 is to save lives and prevent serious injuries, through a combination of education, enforcement, engineering and other actions, thereby bringing Ireland in line with best practice countries in road safety terms.

The Strategy is being systematically implemented across a range of agencies, and we have seen a sustained reduction in the number of people killed on our roads. The total for 2008, at 279 was the lowest since records began, and the downward trend continues this year, with a total of 198 to end October.

The Road Safety Authority is required to report to me annually on the implementation of the 126 actions in the Strategy, all of which identify the lead agency responsible for implementation and a target implementation date.

The report for the year 2008 is currently being finalised, but it is clear from communication with the RSA that substantial progress has been made. Many of the Actions for that year have been completed and substantial progress has been made on the majority of the rest.

### **Public Transport.**

41. **Deputy Lucinda Creighton** asked the Minister for Transport when construction of the DART underground will begin; the action being taken to compensate inner city communities for the disruption caused by the proposed works; and if he will make a statement on the matter. [39683/09]

**Minister for Transport (Deputy Noel Dempsey):** Construction of the DART Underground comes under the remit of Iarnród Éireann and I understand that an application for a Railway Order for the DART Underground will be submitted by Iarnród Éireann to An Bord Pleanála in early 2010.

The start and completion dates of Transport 21 projects in planning, such as the DART Underground, will in each case be determined by the outcome of public consultation, the statutory planning approval process, the public procurement process and the availability of financial resources determined by the funding allocation available during the current difficult economic climate. As I have previously indicated to the House, the DART Underground is intended to be procured by means of a Public Private Partnership.

Significant engagement has taken place with communities along the route during public consultations on the project.

[Deputy Noel Dempsey.]

However, it must be acknowledged that a project of the scale of DART Underground cannot be delivered without some disruption. Iarnród Éireann will continue to work in the planning and design of the project to minimise such disruption. It must also be acknowledged the project will, on completion, bring significant benefits to the communities along the route and wider Dublin region.

*Question No. 42 answered with Question No. 7.*

*Question No. 43 answered with Question No. 19.*

44. **Deputy Jack Wall** asked the Minister for Transport if he will report on the alleged operation of the direct bus service by a company (details supplied) between Dublin and Galway without a licence; the number of other bus services which are under investigation by his Department and An Garda Síochána; his views on the insurance, health and safety implications of this situation; and if he will make a statement on the matter. [39538/09]

**Minister for Transport (Deputy Noel Dempsey):** I can confirm that there are 3 licensed operators on the Galway-Dublin City/Airport route offering a range of multi stop and non stop services. Only one of these operators is licensed to operate a non stop service. My Department is aware that one of the operators in question is operating an unlicensed non stop service between Galway-Dublin City/Airport and that this matter has been referred to An Garda Síochána. I can confirm that 3 other unlicensed services on other routes are currently being investigated by my Department.

I can also confirm that the operator of the unlicensed services between Galway and Dublin holds a current International Road Passenger Transport Operator's Licence from my Department.

Before any operator can obtain a Road Passenger Transport Operator's Licence, they must satisfy a number of conditions, including that any vehicle to be authorised under the operator's licence has a roadworthiness certificate, is taxed and insured and that its tachograph is in working order.

45. **Deputy Kathleen Lynch** asked the Minister for Transport his plans for capital spending in the transport sector for 2010, 2011, 2012 and 2013; if he is preparing a submission on transport capital spending for Budget 2010; the recommendations he has made to the Department of Finance in this regard; and if he will make a statement on the matter. [39542/09]

**Minister for Transport (Deputy Noel Dempsey):** The capital funding allocation for my Department for the coming years will be determined as part of the 2010 Budget process and discussions are taking place between officials of my Department and the Department of Finance on this matter.

The priorities for future investment in transport are set out in the Renewed Programme for Government. Transport 21 will continue to provide the strategic framework for capital spending on transport infrastructure. Projects will commence subject to relevant statutory, procurement and contract award processes, and as the necessary funding becomes available.

### **Light Rail Project.**

46. **Deputy Lucinda Creighton** asked the Minister for Transport if he will clarify the status of LUAS line E; if it will be included in Vision 2030; and if he will make a statement on the matter. [39682/09]

**Minister for Transport (Deputy Noel Dempsey):** The Feasibility Study on a possible Luas line connecting Dundrum to the City Centre via Rathfarnham, Terenure, and Harold's Cross was published in May 2008. This Study is a first step in a process of assessing whether or not the development of a line serving these areas should be pursued.

The output of this study will form part of the input into the new transportation strategy for the Greater Dublin Area (Vision 2030) being developed by the Dublin Transportation Office which will be the successor to "A Platform for Change". I expect the new strategy to be finalised during 2010 by the Dublin Transport Authority.

### **Port Development.**

47. **Deputy Liz McManus** asked the Minister for Transport the position regarding the development of Bremore Port, County Meath; if he has reviewed the recent viewing arrangements for key planning applications at Bremore; and if he will make a statement on the matter. [39551/09]

**Minister for Transport (Deputy Noel Dempsey):** Drogheda Port Company, together with their partners Castlemarket Holdings, are continuing to progress their plans to develop a deep-water port facility at Bremore.

I understand that pre-planning consultations have taken place with An Bord Pleanála. However, to date no planning application has been lodged in respect of the development.

In July this year, Drogheda Port Company made an application to me for a ministerial order to extend the company's harbour limits to the area around the Bremore site.

A public consultation with respect of such orders is not a statutory requirement. However, public consultation was carried out prior to a previous alteration of the company's harbour limits in 2004 and the company conducted a similar consultation in this instance.

This is not a planning application and any order made has no consequence in terms of planning legislation.

The consultation period concluded on 9 September and the documentation has now been returned to me with a confirmation from the Gardaí that it was on public display from 19 August for a period of 21 days.

I have received a number of submissions in response to the consultation and am in the process of considering these before making my decision regarding the order.

### **Rail Network.**

48. **Deputy Thomas P. Broughan** asked the Minister for Transport if he will undertake a review of the performance of the Railway Safety Commission and Irish Rail safety procedures in view of the collapse of the Broadmeadow Bridge railway line, County Dublin, and the flaws in the safety monitoring system that subsequently came to light; if he will review the level of funding allocated to the Railway Safety Commission; when the three investigations into the bridge collapse will report to him; and if he will make a statement on the matter. [39585/09]

**Minister for Transport (Deputy Noel Dempsey):** I understand from the Railway Accident Investigation Unit (RAIU) that it is conducting an independent investigation into all aspects of the collapse of the Malahide Viaduct. The Railway Safety Commission (RSC) is also investigating the compliance by Irish Rail with the safety management systems which have been approved by it. In accordance with the Railway Safety Act 2005, as amended, Irish Rail is also carrying out its own internal investigation into the collapse. The results of these investigations will be available to the RAIU.

[Deputy Noel Dempsey.]

In accordance with the Railway Safety Act, 2005 as amended, the RAIU is required to make public its final report not later than 12 months and I expect that all three reports will be completed within that timeframe.

The RSC is being funded in 2009 by means of an Exchequer grant €2.014m and an industry levy of €1.409m. The funding of the RSC is reviewed regularly by the RSC in conjunction with my Department.

### **Public Transport.**

49. **Deputy Brian O'Shea** asked the Minister for Transport the timescale for the implementation and full operation of plans for an automatic vehicle location system, real time information system and integrated ticketing system in Dublin Bus and other public bus transport companies; the cost for implementing integrated ticketing; and if he will make a statement on the matter. [39536/09]

**Minister for Transport (Deputy Noel Dempsey):** I understand from Dublin Bus that the AVL (Automatic Vehicle Location) system has been developed and that the installation of on-bus equipment across the PSO fleet has been completed on 350 buses. The system is expected to be deployed to all PSO routes at Summerhill depot by the end of 2009. A phased deployment will follow, on a depot by depot basis, until all routes are operational by the end of 2010.

The deployment of Real Time Passenger Information (RTPI) will follow on from the deployment of the AVL system. The initial deployment of real time information will be on mobile phones (using SMS text messaging) and the internet. Full deployment of this real time information service will coincide with completion of the full rollout of the AVL system at the end of 2010. I understand from Dublin City Council that the installation of on-street Real Time Passenger Information is also due to be completed by the end of 2010.

With regard to the integrated ticketing system, subject to successful in-house testing, the single smartcard will be rolled out initially to a small number of Dublin Bus testers for live consumer testing of the Dublin Bus/Luas integrated annual ticket and then to a small number of customers in early 2010. By end-2010, smartcards with a “pay-as-you-go” function will be available to some 75% of public transport customers in the GDA. It is anticipated that private bus operators, along with Irish Rail Dart & Commuter Rail services, and Bus Éireann on a pilot basis, will join the scheme in 2011. The overall capital budget for the integrated ticketing project is €55.4 million.

### **Road Network.**

50. **Deputy Bernard J. Durkan** asked the Minister for Transport the full extent of funding provided by his Department and spent by each local authority on the county roads structure on a local authority basis annually over the past five years to date in 2009; the extent of funding provided for this purpose through the National Roads Authority; the extent to which his Department remains accountable to Dáil Éireann; the degree to which the proposed funding is sufficient to meet the requirements as set out by the various local authorities for the future; and if he will make a statement on the matter. [36004/09]

**Minister for Transport (Deputy Noel Dempsey):** I have set out the details regarding regional and local road grants provided by my Department to local authorities from 2005 to 2008 in the table below together with the road grant allocations made by my Department in 2009. No regional and local roads grants for the period 2005 to 2009 have been or will be paid to local

authorities covering this period by the National Roads Authority. The NRA will begin the administration of these grants from the start of 2010.

The greatly increased State funding provided for regional and local roads over the last decade, together with local authority own resources, has resulted in a vast improvement in the condition of those roads.

From 1st September last, the National Roads Authority was tasked with undertaking certain functions relating to regional and local road grants on behalf of my Department. This was done on foot of an agreement negotiated by officials of my Department and the NRA and approved by me and the Board of the Authority. A copy of the agreement has been lodged with the Dáil Library.

The new arrangement was concluded on an administrative basis so as not to affect my statutory role or that of the local authorities in any way.

The improvement and maintenance of regional and local roads remains the statutory responsibility of road authorities under section 13 of the Roads Act 1993 and is not affected by the new administrative arrangements. The NRA is not being given any new statutory powers similar to those it has in relation to national roads.

Under section 82 of the Roads Act the Minister for Transport is empowered to pay grants to road authorities and under this power I allocate regional and local road grants to these authorities each year to supplement expenditure from their own resources. This power is also unaffected by the revised administrative arrangements and I will continue to decide on grants policy and on the grant allocations to each individual road authority.

This decision was taken on grounds of administrative efficiency, particularly in circumstances where there is increasing pressure on staffing and financial resources. It makes sense to use one organisation to administer all road grant payments and to monitor the expenditure of these road grants.

Because there is no change in my statutory power I will continue to be accountable to the Oireachtas as at present and will continue to reply to Parliamentary Questions on regional and local road grants.

Regional & Local Road Grant Payments 2005-2008 and 2009 Allocation

	2005 Payment	2006 Payment	2007 Payment	2008 Payment	2009 Allocation*
	€	€	€	€	€
<i>County Council</i>					
Carlow	4,901,251	7,397,633	7,521,703	7,084,649	5,196,199
Cavan	16,665,542	19,756,943	18,898,156	18,172,927	13,052,025
Clare	19,223,888	22,325,832	22,109,873	21,509,081	16,032,498
Cork	41,860,364	55,269,684	59,063,156	60,531,272	43,880,723
Donegal	29,695,990	38,179,934	44,361,904	42,584,564	28,664,397
Dún Laoghaire-Rathdown	7,784,326	7,418,881	13,913,143	9,187,663	6,109,699
Fingal	10,393,002	5,834,504	6,882,876	9,740,986	5,788,866
Galway	25,245,447	29,990,818	30,261,755	29,964,618	24,234,746
Kerry	21,892,239	29,013,635	26,035,543	24,102,662	17,985,097
Kildare	22,210,525	23,041,196	19,721,311	25,966,894	15,769,264
Kilkenny	11,747,285	11,864,719	14,709,310	14,394,053	11,373,699
Laois	7,716,290	11,011,603	12,620,443	10,844,115	9,045,928
Leitrim	11,394,289	13,820,454	13,070,342	12,532,288	8,960,699



[Deputy Noel Dempsey.]

	2005 Payment	2006 Payment	2007 Payment	2008 Payment	2009 Allocation*
	€	€	€	€	€
Limerick	16,265,713	18,209,030	18,331,398	18,408,476	13,190,198
Longford	7,534,394	8,596,563	8,724,066	8,666,647	6,380,799
Louth	6,138,509	6,802,469	7,996,926	9,410,281	10,920,631
Mayo	23,957,433	31,603,785	32,641,708	30,289,621	22,316,746
Meath	34,027,833	22,204,520	29,492,526	28,053,813	16,566,473
Monaghan	14,549,255	17,000,469	16,737,317	16,049,658	12,445,199
North Tipperary	9,804,683	11,893,322	13,059,254	12,870,233	11,008,598
Offaly	8,582,916	14,218,788	11,376,060	10,582,910	8,180,699
Roscommon	13,528,087	16,563,014	17,992,982	18,361,100	13,118,265
Sligo	12,099,311	15,498,529	15,736,257	14,486,294	10,706,899
South Dublin	14,893,461	7,058,607	11,950,211	9,162,308	8,250,899
South Tipperary	11,765,005	14,451,331	14,906,821	14,926,558	10,762,998
Waterford	10,873,217	11,956,797	16,358,317	15,557,110	13,672,699
Westmeath	10,974,725	13,140,380	16,001,769	15,120,147	13,941,365
Wexford	14,478,240	17,581,481	16,923,972	17,756,026	12,784,498
Wicklow	10,867,776	13,497,309	14,139,102	23,598,685	20,603,820
<i>City Council</i>					
Cork	6,541,096	7,506,343	7,776,855	7,003,628	4,264,000
Dublin	6,927,940	8,174,092	14,703,321	14,178,426	12,682,450
Galway	1,763,235	1,768,847	1,646,408	2,317,829	1,674,000
Limerick	2,744,963	4,132,544	5,016,049	3,498,718	2,294,000
Waterford	11,160,705	1,653,747	6,060,214	6,950,075	2,289,000
<i>Borough Council</i>					
Clonmel	961,880	569,490	688,005	692,500	488,903
Drogheda	601,000	641,658	664,184	644,000	405,000
Kilkenny	547,110	561,000	609,970	607,360	393,000
Sligo	1,132,790	1,158,535	1,663,975	1,366,713	1,993,000
Wexford	518,954	663,461	659,258	700,250	443,000
<i>Town Council</i>					
Arklow	260,000	279,000	287,000	287,000	177,000
Athlone	525,000	563,000	581,000	581,000	359,000
Athy	228,584	279,000	287,000	287,000	177,000
Ballina	260,000	279,000	287,000	287,000	177,000
Ballinasloe	255,311	279,000	287,000	287,000	177,000
Birr	260,000	279,000	206,850	287,000	177,000
Bray	565,000	606,000	575,238	623,544	385,000
Buncrana	260,000	279,000	287,000	287,000	177,000
Bundoran	183,000	197,000	204,000	204,000	126,000
Carlow	546,000	587,000	605,000	605,000	373,000
Carrickmacross	183,000	197,000	204,000	287,000	177,000
Carrick-on-Suir	260,000	279,000	287,000	287,000	177,000
Cashel	183,000	197,000	204,000	204,000	126,000
Castlebar	460,000	379,000	287,000	287,000	177,000
Castleblaney	183,000	197,000	139,256	202,413	126,000

	2005 Payment	2006 Payment	2007 Payment	2008 Payment	2009 Allocation*
	€	€	€	€	€
Cavan	260,000	279,000	287,000	287,000	177,000
Clonakilty	183,000	196,709	204,000	287,000	177,000
Clones	183,000	197,000	204,000	204,000	126,000
Cobh	260,000	261,683	287,000	231,629	177,000
Dundalk	565,000	606,000	624,000	624,000	385,000
Dungarvan	260,000	279,000	287,000	287,000	177,000
Ennis	546,000	587,000	605,000	605,000	373,000
Enniscorthy	260,000	279,000	287,000	263,481	177,000
Fermoy	180,475	279,000	287,000	287,000	177,000
Kells	260,000	279,000	216,345	287,000	177,000
Killarney	260,000	279,000	287,000	287,000	177,000
Kilrush	183,000	197,000	204,000	204,000	126,000
Kinsale	183,000	197,000	204,000	287,000	177,000
Letterkenny	525,000	563,000	581,000	581,000	359,000
Listowel	183,000	197,000	204,000	287,000	177,000
Longford	260,000	279,000	287,000	287,000	177,000
Macroom	183,000	197,000	204,000	204,000	126,000
Mallow	260,000	279,000	287,000	287,000	177,000
Midleton	260,000	279,000	281,296	266,470	177,000
Monaghan	260,000	279,000	287,000	287,000	177,000
Naas	546,000	587,000	605,000	605,000	373,000
Navan	546,000	587,000	605,000	605,000	373,000
Nenagh	260,000	279,000	287,000	287,000	177,000
New Ross	260,000	279,000	287,000	287,000	177,000
Skibbereen	183,000	197,000	204,000	204,000	126,000
Templemore	183,000	197,000	204,000	204,000	126,000
Thurles	260,000	279,000	287,000	287,000	177,000
Tipperary	260,000	279,000	287,000	287,000	177,000
Tralee	546,000	582,001	605,000	605,000	373,000
Trim	260,000	279,000	287,000	287,000	177,000
Tullamore	260,000	279,000	285,071	287,000	177,000
Westport	260,000	279,000	287,000	287,000	177,000
Wicklow	260,000	279,000	287,000	287,000	177,000
Youghal	243,322	279,000	287,000	241,794	177,000

\*2009 Allocation following the Supplementary Budget of 7 April 2009.

*Question No. 51 answered with Question No. 13.*

### **Road Safety.**

52. **Deputy Róisín Shortall** asked the Minister for Transport if he will report on his meeting with Northern Ireland's Environment Minister at the North South Ministerial Council Meeting in terms of moves to harmonise blood alcohol levels for drink driving in the two jurisdictions; the position regarding his plans to harmonise driver disqualification laws and penalty points between the Republic of Ireland and Northern Ireland; and if he will make a statement on the matter. [39522/09]

**Minister for Transport (Deputy Noel Dempsey):** Road safety is a regular agenda item on meetings of the Transport Sector of North-South Ministerial Council, including blood alcohol concentration (BAC) levels for intoxicated driving.

Both I and my Northern Ireland colleague Mr Edwin Poots agree that improving safety on our roads requires that BAC levels be reduced in each jurisdiction. I published my proposals for reduced BAC levels in the Road Traffic Bill last Friday. While in Northern Ireland no decision has as yet been made following their recent consultation process, it is clear that BAC levels will also be reduced in that jurisdiction.

We both agree on the importance of co-ordination on this and other road safety matters, and noted continuing cross-border co-operation on a number of issues of common interest.

On the mutual recognition of driving disqualifications, the meeting noted that the necessary formal Declarations have now been made to the EU by both Ireland and the UK, and the measures will take effect on 28 January 2010.

Both jurisdictions also have an interest in the mutual recognition of penalty points. This project will be pursued once the mutual recognition of driving disqualifications is in place, but it is a more complex and long term process likely to take a number of years.

*Question No. 53 answered with Question No. 19.*

#### **Rail Network.**

54. **Deputy Joe Costello** asked the Minister for Transport the position regarding the collapsed Broadmeadow railway bridge, County Dublin; when the bridge will re-open and services will return to normal; if he has received any report from Irish Rail on bridge and permanent way safety procedures; and if he will make a statement on the matter. [39527/09]

**Minister for Transport (Deputy Noel Dempsey):** I refer the Deputy to my reply to priority PQ 3 of today.

#### **Departmental Agencies.**

55. **Deputy Joanna Tuffy** asked the Minister for Transport the reason he has decided to amalgamate the Commission for Aviation Regulation and the regulatory functions of the Irish Aviation Authority into the proposed new National Transport Authority; when the legislation to facilitate this move will be published; his views on the merging of different transport regulatory functions under one agency; if there will be implications for staff at CAR and the IAA from this merger; and if he will make a statement on the matter. [39533/09]

**Minister for Transport (Deputy Noel Dempsey):** I announced my intention to amalgamate the Commission for Aviation Regulation and the regulatory functions of the Irish Aviation Authority with the planned new National Transport Authority on 1st October concurrent with the publication of the Government Statement on Economic Regulation.

The amalgamation of these functions into the planned National Transport Authority will contribute to improving the efficiency and effectiveness of Ireland's regulatory environment and bring greater coherence to the regulatory framework for transport, in particular.

Detailed proposals to implement the decision are currently being developed. The decision will obviously have implications for staff of both organisations and I have written to both the Commissioner for Aviation Regulation and the Chairman of the Irish Aviation Authority to

assure them that there will be full consultation with both organisations as these proposals are developed.

The International Civil Aviation Organisation (ICAO) will conduct a comprehensive audit of Ireland's system for safety oversight of civil aviation early in 2010. I do not propose to publish detailed proposals for the amalgamation in advance of the audit as some recommendations may emerge from the audit that could be implemented in tandem with the legislation that will be necessary to provide for the amalgamation of functions.

### **Job Creation.**

56. **Deputy Joan Burton** asked the Minister for Transport if he has liaised with the Department of Enterprise, Trade and Employment on all proposals to establish a successor business at the SR Technics plant in Dublin Airport; if he has been briefed on any proposals by Aer Lingus to establish a successor business for part of the maintenance operation; the stage the Dublin Aerospace proposal is at; the State supports that are being provided; and if he will make a statement on the matter. [39525/09]

**Minister for Transport (Deputy Noel Dempsey):** Officials from my Department have maintained regular liaison with the Department of Enterprise Trade & Employment on proposals to establish a successor business at the SR Technics. My colleague, the Minister for Enterprise, Trade & Employment has also kept me informed.

I understand that Enterprise Ireland has provided support towards the establishment of a new company Dublin Aerospace, an aviation maintenance and repair operation, located at Dublin Airport. The amount of financial support approved is commercially sensitive. I am advised that the company has commenced operations with 32 initial employees recruited. Maintenance licences have been obtained from IAA and this number is anticipated to grow to 226 jobs.

Aer Lingus' maintenance contracts are a commercial matter for the Company.

### **Business Initiatives.**

57. **Deputy Joe McHugh** asked the Tánaiste and Minister for Enterprise, Trade and Employment the position regarding a project (details supplied); her views on the impact to date on Border businesses; and if she will make a statement on the matter. [39814/09]

**Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan):** The All-Island Halo Business Angels Network was launched on 28 September 2009.

Halo Business Angels Network (HBAN), is a new initiative that is available throughout Ireland. It aims to link early stage entrepreneurs looking for funding with potential angel investors with ambitious plans to increase the level of funding for new and growing businesses in Ireland.

Led by InterTradeIreland and Enterprise Ireland, HBAN plans to act as 'the angel network with a VC approach' by offering guidance to businesses seeking access to expansion funds and to investors looking for pre-screened opportunities. It will also work in partnership with existing angel networks.

HBAN has plans to generate almost €6 million in new angel investment in its first two years of operation and will create 10 new angel investment syndicates. Rigorous assessment procedures will be observed to promote the most viable business expansion opportunities.

[Deputy Mary Coughlan.]

The new investment raised will be used to back up to 20 early stage enterprises. HBAN will focus on companies at an early stage of their development that have established a solid trading record and are seeking approximately €250,000-€500,000 to support further growth. HBAN is calling on angel investors and investment syndicates to come forward, both to support small businesses and the wider economy.

HBAN will effectively act as a hub between companies and different sources of financing, whether state agencies, business incubation centres or private 'angel' investors. HBAN has ambitious targets, in terms of the numbers of businesses to be supported and the level of financing to be generated over the coming year.

In addition to providing funding, Intertrade Ireland and Enterprise Ireland can provide support to entrepreneurs in the form of advice on the most likely sources of funds for the next stage in their planned development. For investors, the agencies can advise on the most appropriate opportunities and offer due diligence on the firms in which they may be considering investing.

### **Redundancy Payments.**

58. **Deputy Noel J. Coonan** asked the Tánaiste and Minister for Enterprise, Trade and Employment when redundancy payment will issue to a person (details supplied) in County Tipperary; the reason for the delay; and if she will make a statement on the matter. [39771/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Dara Calleary):** My Department administers the Social Insurance Fund (SIF) in relation to redundancy matters on behalf of the Department of Social and Family Affairs. There are two types of payment made from the SIF — rebates to those employers who have paid statutory redundancy to eligible employees, and statutory lump sums to employees whose employers are insolvent and/or in receivership/liquidation.

I can confirm that my Department received an application for a statutory redundancy lump sum payment on 10 September, 2009 in respect of the person concerned which application is awaiting processing.

Currently, the average time it takes to process rebate applications from employers filed online is 7 months while claims submitted by post are taking 8 months. The Redundancy Payments Section of my Department is currently processing applications filed online from March '09 and those submitted by post from February 2009. In respect of lump sum payments paid directly to employees in instances where employers are unable to pay the statutory redundancy entitlements as in this case, the Section is, in general, processing claims dating from June 2009.

Given the unprecedented increase in Redundancy Payment claims lodged with my Department in since late 2008 it has proved impossible to maintain the customer service targets that previously obtained. The scale of the challenge is evident from the statistics that show incoming redundancy claims with a cumulative figure for the first ten months of 2009 at 67,346. This figure exceeds the claims lodged for the full year 2008 (40,607) and 2008 was, of itself, an exceptional year as compared with earlier years when claims received were of the order of 25,000.

Efforts continue to be made by my Department to deliver more acceptable turnaround processing times for redundancy payments given the difficulties that this gives rise to for both individual employees and the business community. Measures already taken include:

- the reassignment of 26.7 additional staff (full time equivalents) from other areas of the Department to the Redundancy Payments area since early 2009 with ongoing review of trends and demands. The current number of staff serving in the Redundancy Payments Section in terms of full time equivalents is 50.5 although the Section is currently carrying three vacant positions which are due to be filled;
- the prioritisation of the Department's overtime budget towards staff in the Redundancy Payments Section to tackle the backlog outside normal hours;
- the establishment of a special call handling facility to deal with the huge volume of telephone calls from people and businesses who are naturally concerned about their payments, using the facilities and cooperation of the National Employment Rights Authority (NERA). This centre has received an average of 12,500 calls per month this year with an estimated 60% relating to redundancy payments;
- The provision of better quality information relating to current processing times on the Department's website; · Engagement with the Revenue Commissioners to facilitate the offset of redundancy rebate payments by employers against outstanding tax liabilities with the Revenue Commissioners.

The Tánaiste and I continue to monitor closely the impact of these changes against the continuing influx of redundancy claims and will consider further measures to deal with the situation should current measures prove to be inadequate.

59. **Deputy Noel Ahern** asked the Tánaiste and Minister for Enterprise, Trade and Employment when a company (details supplied) will receive the revenue refund due to them on the redundancy payment in respect of an employee who was made redundant in December 2008. [39837/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Dara Calleary):** My Department administers the Social Insurance Fund (SIF) in relation to redundancy matters on behalf of the Department of Social and Family Affairs. There are two types of payment made from the SIF — rebates to those employers who have paid statutory redundancy to eligible employees, and statutory lump sums to employees whose employers are insolvent and/or in receivership/liquidation.

I can confirm that my Department received an application for a statutory redundancy.

Lump sum application in respect of the person concerned in July, 2009 and our records indicate that payment of the claim was issued by my Department in late August, 2009 to the address given on the application form. In the event that payment did not reach the applicant in this case, it would be advisable for the individual to make contact directly with the Redundancy Payments Section of my Department.

#### **Work Permits.**

60. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if a work permit will be renewed in the case of a person (details supplied) in County Kildare who has been employed here since 2007; and if she will make a statement on the matter. [39848/09]

**Minister of State at the Department of Enterprise, Trade and Employment (Deputy Dara Calleary):** The Employment Permits Section informs me that it has no record of an employment permit being issued in respect of the above named.

However, if the individual or his prospective employer wishes to submit an application it will be considered on its merits.

### **Departmental Properties.**

61. **Deputy Mary Upton** asked the Minister for Finance the cost of the acquisition of the site outside Killarney, County Kerry, which was purchased for the decentralisation of the Department of Arts, Sports and Tourism; the person from whom this site was purchased; if the purchase of this site followed best practice; if the purchase price of the land was consistent with the prices of land in the surrounding area; and if he will make a statement on the matter. [39827/09]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** The cost of the site in question was €4.5 million. It was purchased from Killarney Town Council. I am advised that by the Commissioners of Public Works that the purchase followed best practice. The price was consistent with the price of land in the area at the time of the transaction.

### **Disabled Drivers.**

62. **Deputy Paul Connaughton** asked the Minister for Finance when a decision will be made on an appeal of an application for a primary certificate for disabled drivers in the case of a person (details supplied) in County Galway; and if he will make a statement on the matter. [39905/09]

**Minister for Finance (Deputy Brian Lenihan):** The initial application for a Primary Medical Certificate under the Disabled Drivers and Disabled Passengers (Tax Concessions) Regulations 1994, is made to the Senior Medical Officer of the relevant local Health Service Executive administrative area.

If the Primary Medical Certificate has been refused in this case, the named person may appeal the refusal to the Medical Board of Appeal, National Rehabilitation Hospital, Rochestown Avenue, Dún Laoghaire, County Dublin. I would point out that the Medical Board of Appeal is independent in the exercise of its functions.

### **Tax Code.**

63. **Deputy Joan Burton** asked the Minister for Finance the number of recipients of each of the personal tax credits; the PAYE tax credit for the years 2007, 2008, 2009; the number of recipients of each of these tax credits in the pay brackets, less than €10,000, less than €20,000, less than €30,000, less than the average industrial wage, less than €40,000, less than €50,000, less than €60,000, less than €70,000, less than €80,000, less than €90,000, less than €100,000, over €100,000; the extra revenue which would be generated for the Exchequer by limiting each of the personal tax credits and the PAYE credit respectively to those in each of the pay brackets set out above. [39714/09]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that the relevant information available relates to numbers of claimants for the personal and PAYE credits, excluding claimants for lone parents and the widowed persons top up, in the specified income ranges which are set out in the following table.

Claimants for the lone parents and the widowed persons top up credits are included in the table numbers within the numbers shown for the appropriate personal status.

Numbers of claimants for income tax credits

Range of Gross Income		2007		2008		2009	
		Personal*	PAYE	Personal*	PAYE	Personal*	PAYE
€ 0 – 10,000	Single	415,445	396,240	407,479	384,476	388,234	360,794
	Married	51,184	43,706	50,972	42,108	50,267	39,612
	Widowed	5,515	4,667	5,066	4,021	5,415	4,109
	Range Total	472,144	444,613	463,517	430,606	443,916	404,515
10,001 – 20,000	Single	360,567	333,380	350,244	320,372	335,085	302,632
	Married	73,606	60,556	72,546	56,031	75,058	54,311
	Widowed	30,716	29,030	30,292	28,115	29,316	26,397
	Range Total	464,891	422,966	453,081	404,517	439,459	383,340
20,001 – 30,000	Single	326,631	305,290	321,208	300,210	298,580	278,204
	Married	112,690	92,856	111,069	88,465	108,842	83,697
	Widowed	18,384	15,664	18,911	15,960	17,286	14,484
	Range Total	457,706	413,811	451,188	404,635	424,709	376,386
30,001 – A I W**	Single	67,894	63,193	106,701	99,558	82,585	77,072
	Married	30,768	25,044	48,700	39,143	39,289	30,646
	Widowed	3,329	2,676	5,095	4,228	3,959	3,260
	Range Total	101,990	90,913	160,496	142,929	125,833	110,978
A I W** – 40,000	Single	143,815	132,973	106,225	98,925	110,275	103,023
	Married	82,300	67,762	61,188	49,651	66,016	52,773
	Widowed	6,663	5,385	4,863	3,979	5,101	4,160
	Range Total	232,777	206,119	172,277	152,554	181,391	159,956
40,001 – 50,000	Single	114,212	105,113	118,386	110,429	103,894	97,230
	Married	103,435	85,134	100,453	82,315	94,590	76,388
	Widowed	5,968	4,717	6,072	4,920	5,372	4,360
	Range Total	223,614	194,964	224,911	197,664	203,856	177,978
50,001 – 60,000	Single	57,499	52,122	60,428	55,726	52,226	48,271
	Married	86,256	70,342	84,158	68,422	77,616	62,923
	Widowed	3,278	2,442	3,292	2,565	2,899	2,243
	Range Total	147,034	124,906	147,878	126,713	132,741	113,437
60,001 – 70,000	Single	30,390	26,899	31,802	28,798	27,426	24,853
	Married	71,849	57,214	68,906	55,860	63,639	51,168
	Widowed	1,950	1,353	1,975	1,439	1,718	1,263
	Range Total	104,189	85,467	102,684	86,097	92,784	77,285



[Deputy Brian Lenihan.]

Range of Gross Income		2007		2008		2009	
		Personal*	PAYE	Personal*	PAYE	Personal*	PAYE
€ 70,001 – 80,000	Single	17,117	14,767	17,798	15,728	15,162	13,598
	Married	54,796	43,587	54,697	43,641	48,219	39,061
	Widowed	1,235	803	1,219	851	1,049	747
	Range Total	73,148	59,157	73,714	60,221	64,430	53,404
80,001 -90,000	Single	9,935	8,220	10,569	9,201	8,907	7,714
	Married	40,438	31,679	40,176	32,231	35,380	28,509
	Widowed	846	529	846	571	724	497
	Range Total	51,218	40,427	51,590	42,002	45,012	36,718
90,001 – 100,000	Single	5,672	4,535	5,962	4,984	5,028	4,203
	Married	29,731	22,913	29,370	23,257	25,759	20,592
	Widowed	535	311	533	342	448	287
	Range Total	35,938	27,759	35,865	28,583	31,235	25,082
Over 100,000	Single	15,932	10,103	16,113	10,957	13,732	9,350
	Married	106,621	67,448	106,300	70,522	92,288	61,070
	Widowed	1,905	662	1,784	723	1,512	620
	Range Total	124,458	78,214	124,197	82,202	107,532	71,040
Totals	Single	1,565,109	1,452,835	1,552,913	1,439,365	1,441,135	1,326,944
	Married	843,675	668,241	828,535	651,644	776,963	600,748
	Widowed	80,324	68,240	79,951	67,715	74,802	62,426
Overall Total		2,489,108	2,189,316	2,461,399	2,158,723	2,292,899	1,990,118

\*“Personal” excludes lone parent and widowed persons top up.

\*\*Average Industrial Wage (AIW):

2007 €32,730;

2008 €34,431;

2009 €33,700 (estimate).

2007 TM PERS CREDITS

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
10,000 or less	Single	1,902,875,577	413,774	0	10,000 or less	Single	15,785,406	1,671	178,936
	Married	235,312,988	51,184	0		Married			
	Widowed	33,141,910	5,515	0		Widowed			
	Range Total	2,171,330,475	470,473	0		Range Total	15,785,406	1,671	178,936
10,001 – 20,000	Single	3,995,491,817	280,334	0	10,001 – 20,000	Single	1,438,089,421	80,233	32,018,605
	Married	1,117,654,400	71,986	0		Married	30,815,057	1,620	329,217
	Widowed	446,495,137	30,383	0		Widowed	5,594,468	333	216,896
	Range Total	5,559,641,355	382,704	0		Range Total	1,474,498,946	82,187	32,564,718
20,001 – 30,000	Single	711,798,849	30,391	0	20,001 – 30,000	Single	7,370,934,523	296,240	393,676,087
	Married	2,130,240,540	86,737	0		Married	691,326,711	25,953	20,102,152
	Widowed	128,828,288	5,755	0		Widowed	320,695,368	12,629	11,267,335
	Range Total	2,970,867,676	122,884	0		Range Total	8,382,956,602	334,822	425,045,574
30,001 – 32,730	Single	15,125,425	484	0	30,001 – 32,730	Single	2,112,036,959	67,410	165,644,970
	Married	457,058,738	14,582	0		Married	507,959,455	16,186	17,775,221
	Widowed	4,741,798	152	0		Widowed	99,463,826	3,177	6,174,211
	Range Total	476,925,961	15,217	0		Range Total	2,719,460,241	86,773	189,594,403

2007 TM PERS CREDITS — *continued*

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
32,731 – 40,000	Single	26,097,914	724	0	32,731 – 40,000	Single	5,171,870,462	143,091	538,015,558
	Married	1,016,387,049	28,397	0		Married	1,976,420,655	53,903	86,819,932
	Widowed	10,119,287	281	0		Widowed	230,575,630	6,382	19,840,796
	Range Total	1,052,604,249	29,402	0		Range Total	7,378,866,747	203,375	644,676,286
40,001 – 50,000	Single	15,897,736	359	0	40,001 – 50,000	Single	5,059,113,473	113,853	788,597,625
	Married	222,922,100	5,219	0		Married	4,417,042,620	98,216	275,848,503
	Widowed	8,233,734	186	0		Widowed	257,140,136	5,782	35,128,295
	Range Total	247,053,570	5,764	0		Range Total	9,733,296,229	217,850	1,099,574,423
50,001 – 60,000	Single	8,966,262	163	0	50,001 – 60,000	Single	3,122,143,013	57,336	623,960,832
	Married	51,968,881	958	0		Married	4,678,562,465	85,298	461,751,654
	Widowed	4,253,248	78	0		Widowed	174,408,121	3,200	31,475,437
	Range Total	65,188,390	1,200	0		Range Total	7,975,113,600	145,834	1,117,187,922
60,001 – 70,000	Single	7,164,276	110	0	60,001 – 70,000	Single	1,952,875,926	30,280	448,508,330
	Married	29,914,505	463	0		Married	4,630,714,555	71,386	579,967,425
	Widowed	2,711,667	42	0		Widowed	123,282,670	1,908	25,945,615
	Range Total	39,790,449	615	0		Range Total	6,706,873,151	103,574	1,054,421,370

2007 TM PERS CREDITS — *continued*

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
70,001 – 80,000	Single	7,052,428	94	0	70,001 – 80,000	Single	1,269,949,076	17,023	319,130,859
	Married	31,280,145	417	0		Married	4,064,848,178	54,379	612,735,919
	Widowed	1,409,266	19	0		Widowed	90,888,351	1,216	21,061,042
	Range Total	39,741,839	530	0		Range Total	5,425,685,605	72,618	952,927,819
80,001 – 90,000	Single	6,760,107	80	0	80,001 – 90,000	Single	832,675,875	9,855	221,931,663
	Married	24,135,051	285	0		Married	3,402,658,667	40,153	591,848,813
	Widowed	969,004	11	0		Widowed	70,627,872	835	17,675,197
	Range Total	31,864,162	376	0		Range Total	4,305,962,414	50,842	831,455,674
90,001 – 100,000	Single	4,192,824	44	0	90,001 – 100,000	Single	532,550,227	5,628	148,028,523
	Married	25,825,484	272	0		Married	2,791,381,106	29,459	538,480,482
	Widowed	835,965	9	0		Widowed	49,744,062	526	13,108,581
	Range Total	30,854,272	325	0		Range Total	3,373,675,394	35,613	699,617,586
Over 100,000	Single	68,514,229	250	0	Over 100,000	Single	2,978,246,065	15,682	948,669,829
	Married	491,062,789	1,969	0		Married	20,513,907,106	104,652	5,686,398,525
	Widowed	11,168,405	53	0		Widowed	377,657,954	1,852	119,298,553
	Range Total	570,745,424	2,272	0		Range Total	23,869,811,125	122,186	6,754,366,907
Totals	Single	6,769,937,444	726,808	0	Totals	Single	31,856,270,427	838,301	4,628,361,818
	Married	5,833,762,669	262,469	0		Married	47,705,636,575	581,206	8,872,057,842
	Widowed	652,907,709	42,485	0		Widowed	1,800,078,458	37,839	301,191,958
Overall Total		13,256,607,822	1,031,762	0	Overall Total	81,361,985,460	1,457,346	13,801,611,619	

2007 PAYE CREDIT

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax& DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax&DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
10,000 or less	Single	1,812,308,602	396,240	0					
	Married	196,763,124	43,706	0					
	Widowed	28,315,432	4,667	0					
	Range Total	2,037,387,159	444,613	0					
10,001 – 20,000	Single	3,896,178,037	273,411	0		Single	1,131,187,059	59,969	13,055,137
	Married	946,575,562	60,556	0					
	Widowed	426,476,537	29,030	0	10,001 – 20,000				
	Range Total	5,269,230,135	362,997	0		Range Total	1,131,187,059	59,969	13,055,137
20,001 – 30,000	Single	677,862,468	28,948	0	20,001 – 30,000	Single	6,878,379,692	276,342	347,763,564
	Married	2,013,024,194	81,925	0		Married	310,155,660	10,931	3,389,177
	Widowed	121,052,105	5,433	0		Widowed	260,610,156	10,231	7,032,617
	Range Total	2,811,938,767	116,306	0		Range Total	7,449,145,508	297,505	358,185,358
30,001 – 32,730	Single	10,364,538	332	0	30,001 – 32,730	Single	1,969,373,710	62,861	149,514,744
	Married	426,289,872	13,599	0		Married	359,147,544	11,445	8,188,318
	Widowed	3,646,248	117	0		Widowed	80,116,286	2,559	4,218,608
	Range Total	440,300,657	14,048	0		Range Total	2,408,637,539	76,865	161,921,670

2007 PAYE CREDIT — *continued*

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
32,731 – 40,000	Single	17,570,545	488	0	32,731 – 40,000	Single	4,789,329,388	132,485	489,695,708
	Married	925,465,934	25,900	0		Married	1,539,134,864	41,862	53,080,991
	Widowed	7,624,202	213	0		Widowed	186,820,265	5,172	14,716,506
	Range Total	950,660,681	26,600	0		Range Total	6,515,284,517	179,519	557,493,206
40,001 – 50,000	Single	7,074,701	161	0	40,001 – 50,000	Single	4,662,276,175	104,952	727,916,050
	Married	157,891,108	3,733	0		Married	3,660,900,586	81,401	208,223,160
	Widowed	4,931,132	113	0		Widowed	204,634,065	4,604	27,099,255
	Range Total	169,896,940	4,007	0		Range Total	8,527,810,825	190,957	963,238,466
50,001 – 60,000	Single	3,041,445	55	0	50,001 – 60,000	Single	2,834,322,990	52,067	572,093,664
	Married	22,142,905	414	0		Married	3,834,646,423	69,928	367,022,213
	Widowed	2,411,190	45	0		Widowed	130,474,490	2,397	23,399,902
	Range Total	27,595,540	514	0		Range Total	6,799,443,903	124,392	962,515,779
60,001 – 70,000	Single	2,239,618	34	0	60,001 – 70,000	Single	1,731,935,865	26,865	404,119,371
	Married	9,983,897	154	0		Married	3,698,970,809	57,060	457,269,734
	Widowed	1,533,616	24	0		Widowed	85,821,192	1,329	18,143,219
	Range Total	13,757,130	213	0		Range Total	5,516,727,866	85,254	879,532,323

2007 PAYE CREDIT — continued

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax& DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax&DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
70,001 – 80,000	Single	1,725,009	23	0	70,001 – 80,000	Single	1,099,780,870	14,744	281,754,356
	Married	8,762,677	117	0		Married	3,249,163,055	43,470	491,261,624
	Widowed	311,131	4	0		Widowed	59,691,196	799	14,085,524
	Range Total	10,798,816	144	0		Range Total	4,408,635,121	59,013	787,101,504
80,001 – 90,000	Single	1,794,646	21	0	80,001 – 90,000	Single	692,449,752	8,199	188,901,775
	Married	9,131,396	107	0		Married	2,674,559,925	31,572	469,612,674
	Widowed	173,083	2	0		Widowed	44,531,875	527	11,296,740
	Range Total	11,099,125	130	0		Range Total	3,411,541,552	40,297	669,811,189
90,001 – 100,000	Single	490,425	5	0	90,001 – 100,000	Single	428,404,649	4,530	122,388,508
	Married	9,008,936	95	0		Married	2,161,715,486	22,818	423,342,607
	Widowed	198,032	2	0		Widowed	29,299,684	309	7,896,590
	Range Total	9,697,393	102	0		Range Total	2,619,419,819	27,657	553,627,705
Over 100,000	Single	6,115,857	43	0	Over 100,000	Single	1,564,138,613	10,060	512,080,830
	Married	75,642,338	470	0		Married	10,506,844,829	66,978	2,858,168,117
	Widowed	1,497,692	11	0		Widowed	100,652,361	651	31,460,239
	Range Total	83,255,887	524	0		Range Total	12,171,635,803	77,690	3,401,709,185
Totals	Single	6,436,765,889	699,762	0	Totals	Single	27,781,578,762	753,073	3,809,283,706
	Married	4,800,681,942	230,775	0		Married	31,995,239,179	437,466	5,339,558,617
	Widowed	598,170,399	39,661	0		Widowed	1,182,651,571	28,579	159,349,201
Overall Total		11,835,618,231	970,198	0	Overall Total		60,959,469,512	1,219,118	9,308,191,524

2008 TM PER CREDITS

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
0 – 10,000	Single	1,880,280,048	406,476	0	0 – 10,000	Single	9,640,316	1,003	79,848
	Married	235,572,574	50,972	0		Married			
	Widowed	28,788,830	5,066	0		Widowed			
	Range Total	2,144,641,453	462,514	0		Range Total	9,640,316	1,003	79,848
10,001 – 20,000	Single	4,251,462,626	292,914	0	10,001 – 20,000	Single	1,021,938,562	57,330	22,974,388
	Married	1,109,649,007	71,488	0		Married	20,349,369	1,058	138,923
	Widowed	442,451,261	29,912	0		Widowed	6,644,269	380	304,071
	Range Total	5,803,562,894	394,313	0		Range Total	1,048,932,200	58,768	23,417,382
20,001 – 30,000	Single	908,490,462	38,596	0	20,001 – 30,000	Single	7,044,340,517	282,612	340,717,746
	Married	2,216,199,186	89,835	0		Married	562,802,115	21,234	15,284,456
	Widowed	192,044,463	8,544	0		Widowed	269,502,182	10,367	8,322,840
	Range Total	3,316,734,111	136,975	0		Range Total	7,876,644,815	314,213	364,325,042
30,001 – 34,431	Single	36,350,346	1,143	0	30,001 – 34,431	Single	3,390,998,380	105,558	257,747,279
	Married	809,969,306	25,213	0		Married	758,110,712	23,487	25,150,101
	Widowed	9,594,947	301	0		Widowed	154,079,540	4,794	8,754,247
	Range Total	855,914,599	26,657	0		Range Total	4,303,188,632	133,839	291,651,628



2008 TM PER CREDITS — *continued*

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
34,432 – 40,000	Single	27,238,319	736	0	34,432 – 40,000	Single	3,910,104,804	105,489	386,497,885
	Married	893,914,585	24,216	0		Married	1,382,915,551	36,972	58,814,213
	Widowed	9,539,997	259	0		Widowed	170,688,879	4,604	13,530,291
	Range Total	930,692,902	25,211	0		Range Total	5,463,709,234	147,066	458,842,389
40,001 – 50,000	Single	26,032,899	594	0	40,001 – 50,000	Single	5,231,631,640	117,792	758,916,945
	Married	471,415,589	11,001	0		Married	4,035,074,576	89,452	225,013,357
	Widowed	10,539,666	239	0		Widowed	259,985,064	5,833	32,375,542
	Range Total	507,988,154	11,834	0		Range Total	9,526,691,280	213,077	1,016,305,843
50,001 – 60,000	Single	13,478,498	246	0	50,001 – 60,000	Single	3,276,152,613	60,182	625,905,259
	Married	98,709,329	1,819	0		Married	4,515,449,408	82,339	408,312,502
	Widowed	5,209,423	96	0		Widowed	174,247,999	3,196	29,526,087
	Range Total	117,397,250	2,161	0		Range Total	7,965,850,020	145,717	1,063,743,848
60,001 – 70,000	Single	11,013,912	170	0	60,001 – 70,000	Single	2,039,876,963	31,632	453,709,359
	Married	55,411,644	855	0		Married	4,413,058,683	68,051	517,204,514
	Widowed	3,823,905	59	0		Widowed	123,733,519	1,916	25,065,999
	Range Total	70,249,461	1,084	0		Range Total	6,576,669,165	101,600	995,979,872

2008 TM PER CREDITS — *continued*

All Exempt Cases					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
70,001 – 80,000	Single	10,166,800	137	0	70,001 – 80,000	Single	1,316,506,839	17,661	322,994,193
	Married	38,891,921	521	0		Married	4,047,154,944	54,176	570,544,840
	Widowed	1,933,739	26	0		Widowed	89,041,138	1,193	19,866,222
	Range Total	50,992,459	684	0		Range Total	5,452,702,921	73,030	913,405,254
80,001 – 90,000	Single	6,207,566	73	0	80,001 – 90,000	Single	886,474,975	10,496	232,240,893
	Married	36,923,827	435	0		Married	3,367,775,563	39,741	555,634,603
	Widowed	1,047,055	12	0		Widowed	70,605,191	834	17,342,990
	Range Total	44,178,448	520	0		Range Total	4,324,855,729	51,070	805,218,486
90,001 – 100,000	Single	5,929,325	63	0	90,001 – 100,000	Single	557,679,532	5,899	152,513,269
	Married	30,931,997	325	0		Married	2,752,388,432	29,045	507,925,372
	Widowed	965,120	10	0		Widowed	49,603,998	523	12,730,415
	Range Total	37,826,442	398	0		Range Total	3,359,671,963	35,467	673,169,056
over 100,000	Single	83,205,421	310	0	over 100,000	Single	2,896,955,789	15,803	910,204,301
	Married	631,123,653	2,472	0		Married	19,747,278,169	103,828	5,326,878,573
	Widowed	13,097,732	70	0		Widowed	339,514,724	1,714	104,649,029
	Range Total	727,426,806	2,852	0		Range Total	22,983,748,683	121,345	6,341,731,903
Totals	Single	7,259,856,223	741,457	0	Totals	Single	31,582,300,930	811,456	4,464,501,366
	Married	6,628,712,618	279,152	0		Married	45,602,357,523	549,383	8,210,901,453
	Widowed	719,036,139	44,594	0		Widowed	1,707,646,504	35,357	272,467,732
Overall Total		14,607,604,980	1,065,203	0	Overall Total		78,892,304,956	1,396,196	12,947,870,551

2008 PAYE CREDIT

exempt 2008 PAYE (Non Proprietor/Directors)					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
0 – 10,000	Single	1,760,215,134	384,476	0					
	Married	188,714,994	42,108	0					
	Widowed	22,707,166	4,021	0					
	Range Total	1,971,637,294	430,606	0					
10,001 – 20,000	Single	4,101,751,256	282,419	0	10,001 – 20,000	Single	727,715,538	37,953	6,089,472
	Married	873,748,172	56,031	0					
	Widowed	415,312,366	28,115	0					
	Range Total	5,390,811,794	366,564	0		Range Total	727,715,538	37,953	6,089,472
20,001 – 30,000	Single	847,403,308	35,987	0	20,001 – 30,000	Single	6,588,452,030	264,223	300,480,557
	Married	2,024,176,662	81,912	0		Married	188,843,953	6,553	1,456,445
	Widowed	172,660,293	7,688	0		Widowed	216,325,046	8,272	5,103,691
	Range Total	3,044,240,262	125,586	0		Range Total	6,993,621,029	279,049	307,040,693
30,001 – 34,431	Single	24,470,064	773	0	30,001 – 34,431	Single	3,173,150,549	98,785	234,218,264
	Married	732,299,689	22,803	0		Married	527,970,399	16,340	11,577,566
	Widowed	6,875,768	216	0		Widowed	128,895,637	4,012	6,372,706
	Range Total	763,645,520	23,792	0		Range Total	3,830,016,585	119,137	252,168,537

2008 PAYE CREDIT — *continued*

exempt 2008 PAYE (Non Proprietor/Directors)					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
34,432 – 40,000	Single	15,709,774	425	0	34,432 – 40,000	Single	3,652,176,204	98,500	355,906,387
	Married	791,631,187	21,462	0		Married	1,056,439,115	28,189	35,198,483
	Widowed	6,649,411	181	0		Widowed	140,778,261	3,798	10,304,112
	Range Total	813,990,371	22,067	0		Range Total	4,849,393,580	130,487	401,408,982
40,001 – 50,000	Single	11,245,169	259	0	40,001 – 50,000	Single	4,892,114,259	110,170	711,468,830
	Married	351,846,632	8,277	0		Married	3,341,221,719	74,038	167,113,733
	Widowed	6,308,519	144	0		Widowed	212,759,942	4,776	25,781,121
	Range Total	369,400,320	8,680	0		Range Total	8,446,095,920	188,984	904,363,685
50,001 – 60,000	Single	4,128,090	76	0	50,001 – 60,000	Single	3,028,808,508	55,650	584,710,240
	Married	39,087,420	724	0		Married	3,712,311,505	67,698	326,281,125
	Widowed	3,098,347	57	0		Widowed	136,607,871	2,508	23,255,005
	Range Total	46,313,856	856	0		Range Total	6,877,727,884	125,857	934,246,370
60,001 – 70,000	Single	2,255,060	35	0	60,001 – 70,000	Single	1,854,472,490	28,763	418,623,367
	Married	12,933,172	199	0		Married	3,608,386,671	55,661	419,837,205
	Widowed	1,933,909	30	0		Widowed	91,007,420	1,409	18,631,909
	Range Total	17,122,140	264	0		Range Total	5,553,866,581	85,833	857,092,481

2008 PAYE CREDIT — continued

exempt 2008 PAYE (Non Proprietor/Directors)					All Taxpayers				
Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)		Range of Gross Income and Personal Status		Gross Income (M+2E cases: Either summed Major+Minor Income or Agregated case Income)	Income Tax & DIRT (M+2E cases: Either summed Major+Minor Tax or Agregated case Tax)	
			Number	Amount				Number	Amount
70,001 – 80,000	Single	2,037,752	27	0	70,001 – 80,000	Single	1,170,132,566	15,701	292,106,270
	Married	9,915,267	133	0		Married	3,251,397,746	43,508	461,700,018
	Widowed	621,851	8	0		Widowed	62,940,001	843	14,301,756
	Range Total	12,574,869	169	0		Range Total	4,484,470,313	60,052	768,108,044
80,001 – 90,000	Single	1,524,265	18	0	80,001 – 90,000	Single	775,240,643	9,183	207,048,374
	Married	9,367,892	110	0		Married	2,721,621,055	32,121	455,875,140
	Widowed	263,178	3	0		Widowed	48,069,533	568	11,957,513
	Range Total	11,155,334	131	0		Range Total	3,544,931,231	41,871	674,881,027
90,001 – 100,000	Single	1,417,008	15	0	90,001 – 100,000	Single	469,538,986	4,969	131,763,838
	Married	9,103,515	96	0		Married	2,194,484,250	23,161	411,894,889
	Widowed	195,329	2	0		Widowed	32,253,524	340	8,456,507
	Range Total	10,715,852	113	0		Range Total	2,696,276,760	28,470	552,115,234
over 100,000	Single	6,473,738	44	0	over 100,000	Single	1,683,916,999	10,913	544,507,244
	Married	85,324,589	522	0		Married	10,974,725,734	70,000	2,922,837,165
	Widowed	1,505,963	11	0		Widowed	109,203,835	712	33,556,289
	Range Total	93,304,290	577	0		Range Total	12,767,846,569	81,625	3,500,900,697
Totals	Single	6,778,630,616	704,555	0	Totals	Single	28,015,718,772	734,810	3,786,922,844
	Married	5,128,149,190	234,375	0		Married	31,577,402,148	417,269	5,213,771,771
	Widowed	638,132,097	40,476	0		Widowed	1,178,841,070	27,239	157,720,608
Overall Total		12,544,911,903	979,405	0	Overall Total		60,771,961,991	1,179,318	9,158,415,223

Figures to indicate the breakdown over the income ranges of the numbers of claimants for lone parents and the widowed persons top up credits, and estimates of the yield to the Exchequer from limiting each of the personal tax credits and the PAYE credit respectively to those in each of the specified income ranges, are not readily available and could not be provided without undertaking an extensive development of the Revenue tax forecasting model.

The figures for 2007 are based on incomes data derived from income tax returns held on Revenue records and have been grossed-up to an overall expected level to adjust for incompleteness in the numbers of returns on record at the time the data were extracted for analytical purposes. For the years 2008 and 2009, the figures are estimates from the Revenue tax forecasting model using actual data for the year 2007, adjusted as necessary for income and employment growth for the years in question.

It should be noted that a married couple who has elected or has been deemed to have elected for joint assessment is counted as one tax unit.

64. **Deputy Richard Bruton** asked the Minister for Finance his views on allowing the construction of wind turbines on farms to be subject to the VAT reclamation scheme for farmers; and if he will make a statement on the matter. [39740/09]

**Minister for Finance (Deputy Brian Lenihan):** I am advised by the Revenue Commissioners that flat-rate farmers are not in the normal course entitled to credit for, or repayment of, VAT incurred by them on business inputs. The Value-Added Tax (Refund of Tax) (No 25) Order, 1993 provides for refunds to flat-rate farmers for VAT borne on the “construction, extension, alteration or reconstruction of any building or structure which is designed for use solely or mainly for the purposes of a farming business”. However, while the installation of a wind turbine may be the construction of a structure, such a structure is not “designed for use solely or mainly for the purposes of a farming business”. It is designed rather to generate electricity for wherever required. Consequently, the installation of wind turbines does not come within the scope of the refund order.

#### **Financial Services Regulation.**

65. **Deputy Richard Bruton** asked the Minister for Finance if his attention has been drawn to the fact that a company (details supplied) can transfer large sums of cash to any financial institution in the world; his views on whether this is a vehicle which may be used to launder money; if he will make the transfer of large sums of cash illegal under the Money Laundering Act; and if he will make a statement on the matter. [39741/09]

**Minister for Finance (Deputy Brian Lenihan):** In Accordance with Ireland’s EU obligations All Exchange Control legislation expired on 31 December 1992. From 1 January 1993 there are no laws or regulations which would prevent the normal free movement of capital or current payments to or from the State by individuals or corporate entities for any purpose. This liberalisation applies equally to EU and non-EU countries.

However, in any such transactions the Irish resident parties involved, including the financial institutions, must ensure they are in conformity with the following: Financial sanctions in place under various European Communities Regulations, enforced under domestic law, which affect financial transfers to or from jurisdictions, entities or individuals which are the subject of sanction — these financial sanctions are generally in support of the fight against the financing of terrorism, weapons of mass destruction or repressive regimes; anti-Money Laundering legislation, for the purpose of ensuring that effective measures are taken to combat the laundering of the proceeds of criminal activity or the financing of terrorism.

[Deputy Brian Lenihan.]

Any person who carries on the business of money transmission, such as the company referred to by the deputy, is subject to the money laundering provisions of the Criminal Justice Act 1994 and accordingly is required to identify their customers, keep records, train staff and report suspicious transactions to the Garda Síochána and to the Revenue Commissioners. Money transmitters are also subject to EU Regulation 1781/2006 which requires that money transfers be accompanied by the identity of the sender including name, address and account number.

Money transmitters are required to be authorised by the Financial Regulator under the Central Bank and Financial Services Authority of Ireland Act 2004. The authorisation process involves the application of a “fit and proper” test to the persons directing the business. The Financial Regulator conducts ongoing supervision of authorised businesses to ensure that they meet the requirements of the money laundering and terrorist financing provisions of the Criminal Justice Acts.

### **Tax Yield.**

66. **Deputy Joan Burton** asked the Minister for Finance the estimated revenue from the income levies expected in 2010. [39744/09]

**Minister for Finance (Deputy Brian Lenihan):** The Income Levy was introduced in October of last year in Budget 2009 and the rates subsequently increased in the Supplementary Budget in April of this year. Based on these forecasts, it was estimated that the Income Levy would yield approximately €1.1 billion in 2009.

The Pre-Budget Outlook will update the macroeconomic projections for the period 2009-2013. As part of that process, my Department will also set out a technical fiscal forecast on a pre-Budget basis for 2010 and beyond. The Pre-Budget Outlook will be published shortly. Then, as is customary, post-Budget tax forecasts will be published on Budget day which is scheduled for December 9th.

### **Flood Relief.**

67. **Deputy Tom Sheahan** asked the Minister for Finance if he will provide funding to protect an area (details supplied) from further devastation and to protect residents from further flooding; and if he will make a statement on the matter. [39801/09]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** As a result of the Commissioners of Public Works inviting submissions from Local Authorities for funding of coastal protection works in 2009, Kerry County Council submitted four projects for funding. Each Local Authority was requested to prioritise the projects included in their submission.

The Office of Public Works (OPW) has reviewed all projects submitted and, following a qualitative assessment of them, has decided on the allocation of the €676,000 to Local Authorities for coastal protection works in 2009. In carrying out their qualitative assessment, the OPW was mindful of areas where there was a known risk to human life and/or a substantial risk to the infrastructure of the area, and where works or studies could be substantially completed in 2009. Kerry County Council was allocated €360,000 of the available funding for 2009 in respect of its submission for funding. This does not include a provision in respect of the areas referred to in the Deputy’s question. Kerry County Council have assigned a lower priority to this area.

However, OPW will further review the situation towards the end of 2009, with a view to preparing a 2010 coastal protection programme.

68. **Deputy Tom Sheahan** asked the Minister for Finance if he will ensure that the engineers who will carry out an investigation into flooding at Glenfesk and Sneem in County Kerry will meet with the landowners along the flooding lands; and if he will make a statement on the matter. [39802/09]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** The Commissioners of Public Works approved funding to Kerry County Council for funding to investigate the flooding problems at Glenfesk and Sneem. The carrying out of the studies is a matter for the Council.

#### **Tax Code.**

69. **Deputy Joe McHugh** asked the Minister for Finance the measures he plans to put in place to prevent the influx of coal produce with high sulphur content from Northern Ireland that will follow the increase of VAT on coal from 13.5% as recommended in the Commission on Taxation Report 2009 in view of the fact that VAT on coal in Northern Ireland is 5%; and if he will make a statement on the matter. [39815/09]

**Minister for Finance (Deputy Brian Lenihan):** I would point out that the Report of the Commission on Taxation does not contain a recommendation to increase the VAT rate applicable to coal. I have no plans to increase the VAT rate that applies to home heating fuels.

With regard to the differential between the VAT rate applicable to coal in Ireland and the UK, under EU law Member States can retain certain reduced rates provisions which they had in existence on 1 January 1991 but cannot introduce any new provisions and once moved an item cannot be returned to that rate. As Ireland implemented a reduced rate of not less than 12% on home heating fuels, including coal, in 1991 we can retain that reduced rate but the rate cannot go below 12%. In 1991 the UK applied a zero rate to such fuels and under a similar derogation they are entitled to apply a reduced rate to coal, which can be as low as 5%. In this context, EU law does not allow for Ireland to have the same reduced rate of VAT on fuels as applies in the UK.

With regard to legislation governing coal produce and distribution, I have been informed by the Department of the Environment, Heritage and Local Government that S.I. 118/1998 of the Air Pollution Act, 1987 (Marketing, Sale and Distribution of Fuels) Regulations, 1998 provides a ban on the marketing, sale and distribution of bituminous coal in sixteen towns and cities around the country. This includes: Dublin since 1990; Cork since 1995; Arklow, Drogheda, Dundalk, Limerick and Wexford since 1998; Celbridge, Galway, Leixlip, Naas and Waterford since 2000; and Bray, Kilkenny, Sligo and Tralee since 2003.

The aim of these Regulations is to provide for the improvement of air quality in urban areas by restricting the sale of bituminous, or smoky, fuel within such areas. To date the ban has been largely successful and has led to a significant improvement in air quality in these areas.

In addition, in October 2008 the Solid Fuel Trade Group (SFTG Ltd) and the former Minister of State at the Department of Environment, Heritage and Local Government, Mr Michael Kitt, T.D., signed a new voluntary agreement to maintain low levels in the sulphur emissions of bituminous coal and petcoke, and to maintain existing limitations, through smokeless zones, on the marketing, sale and distribution of solid fuels. The agreement also provides that in the towns and environs of Athlone, Carlow, Clonmel and Ennis, SFTG Ltd. will maintain the smokeless fuel market penetration level of 75%, as a percentage of overall solid fuel sales, as set out in previous agreements. These four towns are additional to those already covered by smokeless zones.



[Deputy Brian Lenihan.]

In general, local authorities carry out spot checks on fuel retailers to ensure compliance with the ban. Cork County Council is pending prosecution of a retailer who sold bituminous coal in restricted areas to customers who claim to live outside the restricted area.

The Department of the Environment, Heritage and Local Government is planning to place a joint advertisement with the Department of Social and Family Affairs later this month in selected local and regional newspapers. This advertisement will remind fuel retailers of the ban and that local authorities are empowered to take enforcement action. The advertisement will also refer to the Smokeless Fuel Allowance, which is an allowance paid by the Department of Social and Family Affairs to low-income households to help them meet the extra costs of using smokeless or low smoke fuels in certain parts of the country. The amount paid is €3.90 per week for 32 weeks of the year.

### **Tax Yield.**

70. **Deputy Mary Upton** asked the Minister for Finance the estimated tax take from the reintroduction of the 1% betting levy on on-course gambling; the estimated revenue generated if this figure as 1.5%; and if he will make a statement on the matter. [39829/09]

**Minister for Finance (Deputy Brian Lenihan):** Based on an estimate of around €230 million of bets having been placed with on-course bookmakers at race meetings over the twelve month period to 31 August 2009, it is estimated that applying the 1% betting duty to such bets would have yielded the Exchequer approximately €2.3 million and a 1.5% betting duty would have yielded the Exchequer approximately €3.45 million.

The on-course duty was reduced to zero in 1999 in the context of the reduction in the off-course duty at that time and the importance of supporting attendances at race meetings.

71. **Deputy Mary Upton** asked the Minister for Finance the estimated tax take from increasing the betting levy from 1% to 1.5%; and if he will make a statement on the matter. [39830/09]

**Minister for Finance (Deputy Brian Lenihan):** I am informed by the Revenue Commissioners that it is estimated that the additional full year yield to the Exchequer from increasing the betting duty from 1% to 1.5% would be in the region of €15 million.

### **Architectural Heritage.**

72. **Deputy Pat Breen** asked the Minister for Finance further to Parliamentary Question No. 300 of 27 January 2009, the funding that has been made available for a project (details supplied) in County Clare; if tender documents have been prepared; and if he will make a statement on the matter. [39847/09]

**Minister of State at the Department of Finance (Deputy Martin Mansergh):** The buildings were occupied by the Department of the Environment, Heritage and Local Government staff and subsequently vacated to allow for works to be undertaken, after which they would re-occupy.

The Office of Public Works (OPW) appointed a design team, who developed a sketch scheme that is ready to be submitted for planning permission. Progress on this is subject to funding from the Department of the Environment, Heritage and Local Government, which is not yet confirmed. As the buildings have deteriorated since they have been unoccupied, OPW is planning to carry out essential repairs to ensure that the buildings are safe, funding permitted.

### **National Asset Management Agency.**

73. **Deputy Joan Burton** asked the Minister for Finance if he will make a statement on the reports that loans at a bank (details supplied) relating to the purchase of shares in a company may be transferred to the National Assets Management Agency; his views on the financing of such speculative share purchases fall within the definition of associated loans eligible for transfer to NAMA. [39953/09]

**Minister for Finance (Deputy Brian Lenihan):** The Deputy will be aware that the loans eligible for transfer to NAMA have a book value of €77 billion. This figure comprises approximately €49 billion land and development loans and approximately €28 billion associated loans. The reason for the inclusion of these associated loans within the eligible loans for transfer to NAMA is to cleanse the balance sheets of the banks of exposure to higher risk borrowers. It is clear that these associated loans could include loans relating to the purchase of shares. Therefore, if the loans referred to in the Deputy's question are associated with land and development loans eligible for transfer to NAMA, they too will be eligible.

I would remind the Deputy that I have made it clear on several occasions that the maximum price to be paid by NAMA for certain non-land and development loans will not exceed current market value, i.e. no long term value uplift will be applied.

### **National Drugs Strategy.**

74. **Deputy Seán Ó Fearghail** asked the Minister for Health and Children if her attention has been drawn to the proliferation of head shops which have opened here; her views on same; if her further attention has been drawn to the products on sale through these outlets; her further views on whether the consumption of such products might lead to the involvement in the consumption of illicit substances and that some of the substances on sale in these outlets should be barred in the interest of public health; the action she will take or the legislation she will bring forward in this area; and if she will make a statement on the matter. [39804/09]

**Minister for Health and Children (Deputy Mary Harney):** The Misuse of Drugs Act 1977 and regulations made thereunder regulate and control the import, export, production, supply and possession of a range of named narcotic drugs and psychotropic substances listed in the Schedules to the Act. Substances are scheduled under the Act in accordance with Ireland's obligations under international conventions and/or where there is evidence that the substances are causing significant harm to public health in Ireland.

Items available for sale in so-called 'head shops' such as "spice" or "snow" are currently not scheduled under Misuse of Drugs legislation. The list of scheduled substances is kept under ongoing review. For example, in 2006 psychotropic ('magic') mushrooms, which were on sale in such outlets, were banned and their possession and sale is now illegal. On 31 March 2009, BZP was similarly subjected to legislative control measures and criminal sanctions.

Deputy John Curran, Minister of State at the Department of Community, Rural and Gael-tacht Affairs, who has responsibility for co-ordinating the National Drugs Strategy, has identified head shops as an area of concern, and is currently considering the options available to more effectively control the activities of head shops. My officials are in contact with their counterparts in the Office of the Minister for Drugs in this regard.

### **Inter-Country Adoptions.**

75. **Deputy Ciarán Cuffe** asked the Minister for Health and Children the status of a bilateral adoption agreement between Ireland and Ethiopia; the talks which have taken place between

[Deputy Ciarán Cuffe.]

the two countries to reach such an agreement; when she expects to conclude these talks; and if she will make a statement on the matter. [39715/09]

76. **Deputy Ciarán Cuffe** asked the Minister for Health and Children the contact she has had with an organisation (details supplied) regarding a bilateral adoption agreement; her plans to meet with the organisation; and if she will make a statement on the matter. [39716/09]

82. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support a matter (details supplied); and if she will make a statement on the matter. [39733/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** I propose to take Questions Nos. 75, 76 and 82 together.

The Adoption Bill, 2009, which is designed to give force of law to the Hague Convention on the Protection of Children and Co-operation in Respect of Inter-country Adoption, has passed through the Seanad and is scheduled to be debated in Dail Eireann in the current Dáil session. The new legislation, which incorporates the provisions of the Hague Convention, is designed to provide a framework to ensure that appropriate procedures have been followed and that all adoptions are effected in the best interests of the child. Future inter-country adoption arrangements will be governed by the terms of the Adoption Bill 2009 when enacted.

The current policy position, as set out in the Adoption Bill 2009, is that for an adoption to be registered under the Bill it must be effected in a contracting State to the Hague Convention or in a country with which Ireland has a bilateral agreement. For non-Hague countries only those adoptions effected prior to the commencement of the new law can be registered on the Register of Inter-Country Adoptions to be established under the Bill.

There are transitional provisions contained in the Bill. However, the issue of further transitional measures for prospective parents who are at an advanced stage when the Bill is enacted, and who wish to continue with an adoption from a non-Hague, non-bilateral country, have been raised with me by representative groups. I am currently examining this and other related matters. My officials, in consultation with officials from the Department of Foreign Affairs, have been doing preparatory work on a possible bilateral agreement with Ethiopia. Consideration of this is at an early stage. I can confirm that on the 30th of October 2009 I met with the Organisation referred to by the Deputy.

77. **Deputy Ciarán Cuffe** asked the Minister for Health and Children if provisions that will allow parents who have already commenced the adoption process to proceed with their applications will be included in Adoption Bill 2009; and if she will make a statement on the matter. [39717/09]

81. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support a matter (details supplied). [39732/09]

101. **Deputy Mary Upton** asked the Minister for Health and Children the transition measures that will be introduced for adoptions which have progressed under the old system and are close to completion with regard to the Adoption Bill 2009 and the ratification of the Hague Convention; if these adoptions will be allowed to continue or if the process will have to be restarted; and if she will make a statement on the matter. [39824/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** I propose to take Questions Nos. 77, 81 and 101 together.

The Adoption Bill, 2009, which is designed to give force of law to the Hague Convention on the Protection of Children and Co-operation in Respect of Inter-country Adoption, has passed through the Seanad and I am actively seeking time for its progression in the current Dáil session. As I have stated on many previous occasions, under the new legislation, prospective adoptive parents will be able to adopt from countries that have also ratified the Hague Convention and from countries with which Ireland has a bilateral agreement that meets Hague standards.

I firmly believe that legislation and, specifically, the regime of the Hague Convention, provides an assurance for individual children, their families, and the State, that appropriate procedures have been followed and that the adoption was effected in the best interests of the child. This applies in the case of countries who have not, as yet, ratified the Hague Convention, and would seem unlikely to do so in the immediate future. As currently set out in the Bill, for non-Hague countries, only those adoptions effected before the commencement of the Act can be registered on the Register of Inter-Country Adoptions to be established under the Bill. There are transitional provisions contained in the Bill. However, the issue of further transitional measures for prospective parents who are at an advanced stage when the Bill is enacted, and who wish to continue with an adoption from a non-Hague, non-bilateral country, have been raised with me by representative groups. I am currently examining this and other related matters.

I am familiar with the provisions of the Guide to Good Practice. It should be noted that these provisions refer to situations where countries are moving from bilateral arrangements to Hague Convention arrangements. Bilateral agreement adoptions are provided for in the Bill. Difficulties now being raised relate to countries with which Ireland has no bilateral agreement. While that matter is under consideration, I must emphasise that I must be guided at all times by the best interests of the individual child as well as the need to uphold standards which are for the protection of all children being considered for inter country adoption in specific sending countries.

### **Hospital Services.**

78. **Deputy Seán Sherlock** asked the Minister for Health and Children if she will ensure that further consultation is expedited in respect of a hip operation for a person (details supplied) in County Cork; and if she will make a statement on the matter. [39718/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for direct reply.

### **Hospital Waiting Lists.**

79. **Deputy Noel J. Coonan** asked the Minister for Health and Children the number of children with arthritis from North Tipperary who are waiting on the only paediatric rheumatologist here in Our Lady's Hospital in Crumlin, Dublin 12; the length of time these children have been waiting for treatment; her plans to appoint a second specialist; and if she will make a statement on the matter. [39721/09]

92. **Deputy Emmet Stagg** asked the Minister for Health and Children her views on whether it is acceptable that children with arthritis have to wait 13 months to see the paediatric rheumatologist here; if she will instruct the Health Service Executive to appoint two further paediatric rheumatologists to assist in relieving pain for these children. [39775/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 79 and 92 together.

During 2009, the HSE provided significant additional service pressure funding to the paediatric hospitals in Dublin, to address priority service requirements in intensive care, neurosurgery and surgery.

For rheumatology, national funding was provided for two additional rheumatologist posts. The posts identified by the HSE as priorities for this year were adult rheumatologist posts in Kerry and in the North East. The HSE will be keeping the position in paediatric rheumatology under review, in the context of available resources.

I have forwarded the Deputies' questions to the HSE for a more detailed response.

### **Medical Cards.**

80. **Deputy George Lee** asked the Minister for Health and Children if her attention has been drawn to the fact that a person (details supplied) in County Dublin is waiting more than six months for a decision to be made on their medical card application; if her further attention has been drawn to the hardship caused by this delay; her plans to reduce the waiting period; and if she will make a statement on the matter. [39723/09]

**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.

*Question No. 81 answered with Question No. 77.*

*Question No. 82 answered with Question No. 75.*

### **Departmental Correspondence.**

83. **Deputy John McGuinness** asked the Minister for Health and Children further to Parliamentary Question No. 249 of 20 October 2009, if she will confirm the status of new procurement processes within the Health Service Executive; if agreement has been reached to modernise the system of procurement in order to effect savings; and if she will make a statement on the matter. [39743/09]

**Minister for Health and Children (Deputy Mary Harney):** This is a matter appropriate to the Health Service Executive and has been referred to the Executive for direct reply.

### **Services for People with Disabilities.**

84. **Deputy Michael McGrath** asked the Minister for Health and Children if she will respond to a query (details supplied). [39745/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** National Quality Standards: Residential Settings for People with Disabilities were published by HIQA in May 2009 but have not yet been approved by the Minister for Health and Children. Given the current economic situation, to move to full statutory implementation of the standards, including regulation and inspection, presents significant challenges at this time. However, notwithstanding the difficulties of immediate statutory implementation, the Department, the HSE and HIQA have agreed that progressive implementation of the Standards will now commence, and that they will become the benchmark against which the HSE assesses both its own directly operated facilities and other facilities that the HSE funds.

Discussions are ongoing regarding the development of self-assessment tools, providing awareness training for service providers and the introduction of an appropriate level of external validation for relevant settings. In addition, in accordance with the commitment given in the implementation plan for the Ryan Commission Report, the Minister for Health and Children will bring detailed proposals to Government in Autumn 2009 with regard to the protection of vulnerable adults with disabilities who are currently in institutional care.

Children with disabilities in generic residential centres under the Child Care Act, 1991, are covered by the standards and inspection regimes already applying to those centres. There are a further approximately 150 centres offering residential or respite care to approximately 300 children with disabilities. Children who reside in these centres are not in the care of the State, although they are cared for by the State. The majority of these centres are run by voluntary organisations funded by the HSE and are excluded from inspection under the Child Care Act 1991. In relation to the children with disabilities in these other residential centres, the Ryan Commission report recommends that “All services for children should be subject to regular inspections in respect of all aspects of their care”.

An implementation plan for the recommendations of the Ryan Commission was submitted to Government by the Minister for Children and Youth Affairs which included proposals to implement in full, all the recommendations of the Commission. The implementation plan contains a commitment that the Health Act 2007 will be commenced to allow the independent registration and inspection of all residential centres and respite services for children with a disability by December 2010.

#### **Homeless Persons.**

85. **Deputy Ciarán Lynch** asked the Minister for Health and Children the breakdown of the figures for homeless children according to each local health office area here; and if she will make a statement on the matter. [39760/09]

**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.

#### **Hospital Services.**

86. **Deputy James Bannon** asked the Minister for Health and Children the reason a person (details supplied) in County Longford had an operation cancelled in October 2009 although the surgeon was available; when an alternative date will be issued; and if she will make a statement on the matter. [39762/09]

**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.

#### **Health Service Staff.**

87. **Deputy James Bannon** asked the Minister for Health and Children the purpose of the national recruitment panel for physiotherapists; and if she will make a statement on the matter. [39764/09]

88. **Deputy James Bannon** asked the Minister for Health and Children the reason a national recruitment panel for physiotherapists was introduced; and if she will make a statement on the matter. [39765/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 87 and 88 together.

Subject to overall parameters set by Government, the Health Service Executive has the responsibility for determining the composition of its staffing complement. In that regard, it is a matter for the Executive to manage and deploy its human resources to best meet the requirements of its Annual Service Plan for the delivery of health and personal social services to the public. As this is a service matter it has been referred to the HSE for direct reply.

89. **Deputy James Bannon** asked the Minister for Health and Children the reason there was no national recruitment panel interviews for new graduates in 2009; and if she will make a statement on the matter. [39766/09]

90. **Deputy James Bannon** asked the Minister for Health and Children the reason the national panel for physiotherapists is still in operation when it discriminates against new graduates; and if she will make a statement on the matter. [39767/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 89 and 90 together.

Subject to overall parameters set by Government, the Health Service Executive has the responsibility for determining the composition of its staffing complement. In that regard, it is a matter for the Executive to manage and deploy its human resources to best meet the requirements of its Annual Service Plan for the delivery of health and personal social services to the public. As this is a service matter it has been referred to the HSE for direct reply.

91. **Deputy James Bannon** asked the Minister for Health and Children her plans to help unemployed physiotherapy graduates; and if she will make a statement on the matter. [39768/09]

**Minister for Health and Children (Deputy Mary Harney):** There has been a growing demand for, and investment in, physiotherapy services over the last number of years. A particular priority for my Department and the Department of Education and Science in recent years has been the expansion of the supply of therapy graduates. The Government has also invested heavily in the education and training of such personnel in order to secure a good supply of graduates to provide for the healthcare needs of the population into the future. In this regard, since 1997, the number of training places for physiotherapists has been increased from 64 to 145 which represents an increase of 127%. The numbers employed in physiotherapy has also grown significantly, with 678 whole time equivalents employed in December 1999 compared to 1,442 whole time equivalents employed in September 2009, which represents an increase of 113%.

The Government is committed to ensuring continued adequate recruitment of professional staff across a range of community settings to ensure the continued development of community services. Additional funding of €20 million has been provided in 2009 for health and education services for children with special educational needs. This funding will provide a total of 125 additional therapy posts in the HSE targeted at children of school-going age. 90 of these will be in the disability services, including speech and language therapists, occupational therapists, and physiotherapists.

My Department has written to the Health Service Executive setting out the overall approved employment control ceiling for 2009. As part of this approval, written confirmation has been provided to the HSE that the general moratorium on recruitment, promotion and the payment

of acting up allowances does not apply to specific designated grades. Delegated sanction has been given to the HSE for the creation and filling of frontline posts including speech and language therapy, occupational therapy and physiotherapy posts. The approval indicated that vacancies in existing posts in these grades may continue to be filled. New posts may also be created in these grades, up to a specified limit, provided that the HSE is satisfied in each case that there is no scope to redeploy an equivalent post from the hospital sector to the primary and community care sector. This moratorium exemption provides for an increase in the number of therapy posts, in line with Government policy, in order to meet the requirements of integrated care delivery and primary care needs particularly in respect of children at risk, the elderly and those with disabilities. The recruitment and retention of these key front line therapy posts, including physiotherapists, is vital to ensure continued progress in the development of community settings.

Subject to overall parameters set by Government, the Health Service Executive has the responsibility for determining the composition of its staffing complement. It is a matter for the Executive to manage and deploy its human resources to best meet the requirements of its Annual Service Plan for the delivery of health and personal social services to the public. With regard to the recruitment of new physiotherapy posts, as this is an operational matter it has been referred to the HSE for direct reply.

*Question No. 92 answered with Question No. 79.*

#### **Hospital Services.**

93. **Deputy Emmet Stagg** asked the Minister for Health and Children if her attention has been drawn to the fact that persons with arthritis living in County Kildare must wait for up to three years to see a consultant rheumatologist in Tallaght Hospital; her views on same; her plans to rectify the problem. [39776/09]

**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.

#### **Health Service Staff.**

94. **Deputy Emmet Stagg** asked the Minister for Health and Children further to Parliamentary Question No. 191 of 13 October 2009, if her attention has been drawn to the fact that the community welfare officers covering north Kildare are operating with workloads for 21 staff, but only have 12 community welfare officers; and if, in view of same, she will reinvestigate the possibility of both recruiting and transferring additional staff to the community welfare service in north Kildare. [39777/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for attention and direct reply to the Deputy.

#### **Health Services.**

95. **Deputy Emmet Stagg** asked the Minister for Health and Children the reason for the delay in opening a community welfare public office in Naas, County Kildare. [39778/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter, it has been referred to the HSE for attention and direct reply to the Deputy.



### Care of the Elderly.

96. **Deputy Emmet Stagg** asked the Minister for Health and Children the number of home care packages allocated to new applicants in each year since the scheme was put in place and in particular the number for County Kildare; and the number which have applied for the scheme and are awaiting a decision on assessment. [39780/09]

**Minister of State at the Department of the Health and Children (Deputy Áine Brady):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

### Services for People with Disabilities.

97. **Deputy Catherine Byrne** asked the Minister for Health and Children the number of adults with an intellectual disability that are currently accessing day services in the Dublin area; the location of each of these services; and if she will make a statement on the matter. [39792/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** As the Deputy's question related to service matters, I have arranged for the question to be referred to the Health Service Executive for direct reply.

### Pre-school Services.

98. **Deputy Catherine Byrne** asked the Minister for Health and Children the status of the free pre-school year scheme; if she will provide an overview of the way this scheme is to operate; the number of pre-schools that are participating in the scheme; if she is confident that there will be a place for each eligible child; and if she will make a statement on the matter. [39793/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** I have responsibility for the implementation of the new free Pre-School Year in Early Childhood Care and Education (ECCE) scheme which will be introduced in January next.

The scheme is open to all commercial and community pre-school services, including both sessional playschools and crèche facilities, which are notified to the Health Service Executive (HSE) or registered with the Irish Montessori Educational Board (IMEB). Children will be eligible to avail of the pre-school year where they are aged more than 3 years 2 months and less than 4 years 7 months on 1 September each year.

A key requirement of the scheme is that pre-school leaders must hold a certification for a major award in childcare / early education at a minimum of Level 5 on the National Framework of Qualifications of Ireland (NFQ) or an equivalent recognised qualification in the childcare / early education field. In the first two full years of the scheme, the qualification requirement will be met where a person holds an award in ECCE that includes the four core modules of Early Education, Child Development, Caring for Children and Work Experience and has at least 2 years experience of working in a position of responsibility with children aged from birth to 6 years.

It is a condition of the pre-school year that services which wish to participate will be required to provide an appropriate educational programme for children which adheres to the principles of Síolta, the National Quality Framework for Early Childhood Education. Síolta is a quality assurance process which addresses all aspects of practice in early childhood care and education services. It is designed to support practitioners to develop high quality services for children aged from birth to 6 years.

An annual capitation fee of over €2,450 will be paid to participating services in return for the provision of a free pre-school year to each child. Payments will be made to services at the beginning of each term. A higher capitation rate of €2,850 per annum will be paid to sessional playschool services where all childcare workers have qualification levels above the minimum requirements for the scheme. To qualify for the higher capitation rate all Pre-School leaders in the service must hold a level 7 or 8 qualification relating to childcare and have 3 years experience working in the sector, and all assistants must hold a relevant level 5 qualification.

It is a fundamental principle of the scheme that it is available to parents free of charge. Services may, however, charge parents for additional services provided these are clearly optional to parents and provided appropriate programme based activities continue to be provided to children not availing of such services during the Pre-School year hours. Services participating in the scheme should be satisfied that they will be in a position to meet all of their costs from the capitation provided and additional funding will not be provided where this is not the case.

Services can provide the Pre-School Year from a range of options. A full or part-time day-care service will normally provide the place for 2 hours 15 minutes a day, five days a week over 50 weeks. A playschool sessional service will normally be required to provide a pre-school service for 3 hours a day, five days a week over 38 weeks. However, where for good reason a sessional service is unable to operate over 5 days, it may participate in the scheme by providing a place for 3 hours 30 minutes a day, 4 days a week over 41 weeks.

Further flexibility is provided for in that, a full or part-time service may choose to provide a sessional service over 38 weeks of a year (or 2 sessional services each day) while a sessional service may choose to provide 2 hours 15 minutes per day over 50 weeks. Also in cases where children attend a full or part-time day-care service for 3 days a week only, consideration will be given to allowing the service to participate in the scheme on the basis of providing the pre-school year to those children for 3 hours 45 minutes a day for 3 days a week. In such cases, a service will be required to provide the pre-school year over 50 weeks.

Applications by approximately 4,200 childcare services to enter the new scheme are currently being processed by my Office. It is expected that a list of services approved to participate in the scheme will be available shortly from the City and County Childcare Committees (CCCs). Based on the applications to date, I am confident that the total number of places available in pre-school services applying to enter the scheme will meet the number of places required.

When the scheme was announced in April, I stated that there was a possibility that geographic pockets might exist in January where demand for places would exceed supply, requiring parents to travel further than they would wish for their child to avail of a place. However, with less than 2 months until the scheme goes live, my Office would have anticipated that affected parents would be in contact at this stage to say that they were unable to avail of a place locally, and this has not been happening, except in a very limited number of cases where the parent was unaware of local pre-schools participating in the scheme. I would hope, therefore, that this will be a very limited problem.

Nevertheless, my Office is putting mechanisms in place whereby services with excess capacity in January will be identified to the CCCs, thereby allowing them to advise any parents who may have difficulties in finding a place for their children. My Office and the CCCs will also continue to monitor the situation next year to ensure any shortfalls which may occur would be met in September 2010.

### **Inter-Country Adoptions.**

99. **Deputy Joe McHugh** asked the Minister for Health and Children the options available

[Deputy Joe McHugh.]

to parents who will receive the declaration for adoption purposes in the next few weeks; the countries that are open to couples who wish to pursue adoptions in the coming period; and if she will make a statement on the matter. [39819/09]

100. **Deputy Joe McHugh** asked the Minister for Health and Children the options available to parents who wish to adopt; and if she will make a statement on the matter. [39820/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** I propose to take Questions Nos. 99 and 100 together.

The Adoption Board have advised that it is prudent for prospective adoptive parents to seek legal advice in respect of the arrangements in specific jurisdictions in regard to adoption. Factors in assessing whether the adoption can subsequently be recognised under Irish Law include, the current compatibility of Irish Law with the law of the country of origin of the child; the current status of the country as a contracting or non-contracting state to the Hague Convention; the waiting times for referral; and the related likely date of the adoption proceeding; as well as specific practices which are contrary to Irish public policy such as private placements.

I am conscious of the complexities for prospective adopters in selecting a country of origin at a point when the legal requirements are changing here, as well as elsewhere. I have discussed this matter with the Adoption Board at a recent meeting. While there is some guidance currently available on the Board's website, I have asked them to consider what further guidance might be provided to support prospective adopters in making country choices over the coming months. I will keep this situation under review.

*Question No. 101 answered with Question No. 77.*

### **Pharmacy Regulations.**

102. **Deputy Mary Upton** asked the Minister for Health and Children if, in view of the reduction in dispensing fees paid to pharmacists under the general medical scheme she will instruct a union (details supplied) to reduce the fees charged to pharmacists in view of the fact that their fees rose six fold in 2008 and dispensing fees have now been reduced by 35% to 40%; and if she will make a statement on the matter. [39825/09]

**Minister for Health and Children (Deputy Mary Harney):** I presume that the Deputy is referring to the fees charged by the Pharmaceutical Society of Ireland (PSI) under Schedule 1, Section 20 of the Pharmacy Act 2007. The PSI have recently made an application seeking my consent to their fees for 2010 and the matter is currently being considered. The Society will be advised of my decision shortly.

I would also like to point out to the Deputy that fees charged by the Society did not rise six fold in 2008. For example, the fees charged by the Society for the registration of pharmacists in 2008 rose from €432 to €450, an increase of 4.1%, and no increase was applied for pharmacists in 2009. There were also increases in some other fees in 2008 and 2009, for example, fees for the issuing of certificates, or for first time registration, however, the general level of increase in 2008 was in the range of 4.9% to 14.8%, and, in 2009, in the order of 5%.

### **Inter-Country Adoptions.**

103. **Deputy Mary Upton** asked the Minister for Health and Children the outcome of the

meeting with the Deputy Prime Minister of Vietnam on 23 October 2009; and if she will make a statement on the matter. [39826/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** As the Deputy is aware, my Office has been in negotiations with the Vietnamese Government regarding the drafting of a new bilateral inter-country Adoption agreement for some time. I have clearly indicated my intention to await the finalisation of the International Social Services Report on Inter-country Adoption in Vietnam before making final decisions regarding the next steps. I will be considering the report along with the report published in August by the Ministry of Labour, Invalids and Social Affairs of the Socialist Republic of Vietnam. I anticipate the ISS report will be finalised this month. I will be communicating my decision at the earliest opportunity. I am extremely mindful of the difficult position many prospective adopters find themselves in at this point in time.

Deputy Prime Minister Hoàng Trung Hải recently led a trade mission to Ireland. I took this opportunity to meet again with Minister Hải whom I had met with during my July visit to Vietnam. The meeting took place on the 23rd October and adoption matters were discussed. The meeting was most amicable and allowed both Governments to outline their current positions in relation to the bilateral agreement and legislative developments in each jurisdiction, including Hague Convention ratification. Both Governments restated their desire to achieve the highest standards in inter-country adoption and they committed to ongoing dialogue to advance these goals.

#### **Youth Services.**

104. **Deputy Mary Upton** asked the Minister for Health and Children the funding levels for each of the past ten years in the Young People Facilities and Services Fund; the name and location of each organisation or group which benefited from this funding in each of the years in tabular form; and if she will make a statement on the matter. [39831/09]

**Minister of State at the Department of Health and Children (Deputy Barry Andrews):** The Young People's Facilities and Services Funding (YPFSF) was established in 1998 to assist in the development of preventative strategies/initiatives in a targeted manner through the development of youth facilities, (including sport and recreational facilities) and services in disadvantaged areas where a significant drug problem exists or has the potential to develop. The objective of the Fund is to attract "at risk" young people in disadvantaged areas into these facilities and activities and divert them away from the dangers of substance abuse. The target group for the Fund are 10-21 year olds who are marginalised through a combination of risk factors relating to family background, environmental circumstances, educational disadvantage, involvement in crime and/or drugs, etc.

The YPFSF currently operates in 14 Local Drugs Task Force (LDTF) areas (Dublin — 12, Bray and Cork) and 8 urban areas — Galway, Limerick, Waterford Cities and Carlow, Athlone, Arklow, Dundalk and Wexford Towns.

Disbursements from the Fund commenced in the Department of Education & Science in 2002 and the Fund transferred to the Department of Community, Rural and Gaeltacht Affairs later that year. Details of YPFSF Funding administered by D/CRGA, in addition to mainstreamed project funding provided by other Departments, from 2002 to 2008 are set out in Table 1.

The Deputy will be aware that, in May last year, the Taoiseach announced that the YPFSF was to be integrated into the Office of the Minister of Children and Youth Affairs (OMCYA)

[Deputy Barry Andrews.]

and arrangements to give effect to that transfer were completed in January of this year. Details of funding in 2009 are set out in Table 2.

Table 1: DCGRA — YPFSF Expenditure 2003-2008

Year	Amount paid out from D/CRGA	Amount paid by other Departments to YPFSF mainstreamed projects	Total
	€	€	€
2002	15,223,390*	0	15,223,390
2003	20,003,265	0	20,003,265
2004	11,878,212	6,405,370	18,283,582
2005	14,241,929	7,095,980	21,337,909
2006	15,451,574	8,291,815	23,743,389
2007	20,274,778	8,642,000	28,916,778
2008	20,870,012	8,885,000	29,755,012
Total	117,943,160	39,320,165	157,263,325

\*Funding administered by the Department of Education and Science in 2002.

Table 2: OMCYA — Expenditure to date 2009

Year	Amount paid out by OMCYA	Amount paid out to YPFSF mainstreamed projects	Total
	€	€	€
2009	18,557,767	8,631,000	27,188,767
Overall Total	136,500,927	47,951,165	184,452,092

Applications for funding under the YPFSF are made through the relevant Development Group which determines the suitability of proposals against priorities identified for the area, which are in turn assessed by the National Assessment Committee (NAC) of the YPFSF. Projects are funded by the Office of the Minister for Children & Youth Affairs through channels of funding, for example VECs, Local Authorities. I have arranged for my officials to supply the Deputy, under separate cover, with details of YPFSF funding to these organisations.

#### Medical Aids and Appliances.

105. **Deputy Michael Creed** asked the Minister for Health and Children if a person (details supplied) in County Cork is entitled to get a digital hearing aid or financial contribution towards a hearing aid; and if she will make a statement on the matter. [39833/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

#### Infectious Diseases.

106. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children if she or the Health Service Executive is monitoring the effect of the swine flu outbreak in schools; and if she will make a statement on the matter. [39840/09]

**Minister for Health and Children (Deputy Mary Harney):** As part of the pandemic planning process, the Health Services Executive has provided guidance and protocols concerning swine flu incidences in schools. This guidance advises that in the event of an unusual number of students or staff within a particular school presenting with influenza like illness, the principal of that school should inform the Department of Public Health of the HSE. Departments of Public Health in turn inform the Health Protection Surveillance Centre which collates this data on a weekly basis. The number of such schools reporting has been low indicating that schools have been managing the situation well.

#### **Hospital Waiting Lists.**

107. **Deputy Pat Breen** asked the Minister for Health and Children when a person (details supplied) in County Clare will be facilitated; and if she will make a statement on the matter. [39844/09]

**Minister for Health and Children (Deputy Mary Harney):** The management of waiting lists generally is a matter for the Health Service Executive and the individual hospital concerned. I have, therefore, referred the Deputy's question to the Executive for direct reply.

The National Treatment Purchase Fund (NTPF) 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 to anyone acting on their behalf, to contact the Fund directly in relation to their case.

#### **Vaccination Programme.**

108. **Deputy Lucinda Creighton** asked the Minister for Health and Children the number of general practitioners signed up to administer the H1N1 vaccine; the number of those who did not receive the vaccine by 9 a.m. on the morning of 2 November 2009; the reason for the failure to provide the vaccine on time; and if she will make a statement on the matter. [39897/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the HSE for direct reply.

#### **Representations to Ministers.**

109. **Deputy Ruairí Quinn** asked the Minister for Health and Children if she has received representations in relation to lands (details supplied) in County Dublin; if she is satisfied that this matter is being dealt with in accordance with the principles set out in the revised Programme for Government; the action she has taken; if she has sought an investigation and report into the issues raised; and if she will make a statement on the matter. [39908/09]

**Minister for Health and Children (Deputy Mary Harney):** I have received representations in regard to this matter. I have consulted with my colleague, the Minister for Transport, in whose area of Ministerial responsibility this falls and I am satisfied that the Minister is fully apprised of the issues involved. I would note that these matters have also been before the Courts and that the person mentioned has spoken to a number of former Ministers for Transport in relation to the issues.

#### **Health Service Staff.**

110. **Deputy James Reilly** asked the Minister for Health and Children the details of the incentivised career break scheme in the Health Service Executive; the eligibility criteria for the scheme; if there are any restrictions to the scheme; the closing date for applications; the number

[Deputy James Reilly.]

of persons who have inquired; the number of persons who have applied; and if she will make a statement on the matter. [39912/09]

111. **Deputy James Reilly** asked the Minister for Health and Children the details of the shorter working year scheme in the Health Service Executive; the eligibility criteria for the scheme; if there are any restrictions to the scheme; the closing date for applications; the number of persons who have inquired; the number of persons who have applied; and if she will make a statement on the matter. [39913/09]

112. **Deputy James Reilly** asked the Minister for Health and Children the details of the incentivised scheme for early retirement in the Health Service Executive and her Department; if there are any restrictions to the scheme; the closing date for applications; the number of persons who have inquired; the number of persons who have applied; and if she will make a statement on the matter. [39914/09]

113. **Deputy James Reilly** asked the Minister for Health and Children the estimated cost and cost per person of the incentivised scheme for early retirement, the incentivised career break scheme and the shorter working year; and if she will make a statement on the matter. [39915/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 110 to 113, inclusive, together.

In his Supplementary Budget Statement of 7 April 2009, the Minister for Finance announced that he would make available three schemes to reduce the number of public sector employees in the wider public sector. My Department issued a suite of three circulars to the HSE on 15 May 2009 to give effect to this measure in the public health sector; the Incentivised Scheme for Early Retirement (8/2009); the Incentivised Career Break Scheme (Circular 9/2009); and the Shorter Working Year (10/2009).

The purpose of these circulars is to facilitate a permanent, structural reduction in the numbers of staff employed, along with an associated restructuring of organisation and operations, in as timely a manner as possible and in line with the 2009 Employment Control Framework for the Public Health Sector. While the reduction in numbers achieved under these schemes is intended to contribute significant and ongoing savings to the Exchequer, this must be done in a way that does not undermine essential service provision. The schemes do not apply, therefore, to grades exempted from the moratorium on recruitment and promotions under the 2009 Employment Control Framework for the Public Health Sector in order to meet the requirements of integrated health care delivery and, in particular, to address needs in the community in respect of care of the elderly and people with disabilities.

Members of all other grades who meet the eligibility criteria will have access to these schemes provided the grades/staff groups concerned cooperate with the requirements in relation to redeployment, mobility, skill mix and flexibility which are outlined in the employment control framework. This is designed to allow individuals to avail of these schemes while still protecting services. Because staff who avail of these schemes will not be replaced (save in very exceptional cases), employers must pay particular attention, when considering applications, to the scope that exists within the organisation for reorganising and restructuring work in order to minimise the impact on essential service delivery. Staff cooperation and flexibility in that regard is essential.

My Department was informed that the health service trade unions issued a directive instructing their members not to cooperate with redeployment and reassignment requests from management. The unions have stated their opposition to the moratorium on recruitment and promotions as set out in 2009 Employment Control Framework for the Public Health Sector, referred to above. This instruction from the unions severely restricts the ability of management to organise/restructure work practice and contravenes the qualification criteria for these schemes. As a result, the HSE suspended all three schemes on 18 June and the suspension remains in place. One person in the public health sector had been approved to exit the system under the Incentivised Scheme of Early Retirement by that date and the cost of the 10% lump sum paid was €2,307 with an annual pension payable of €11,102 per annum.

The closing date for applications for the Special Incentive Career Break Scheme was 30 July 2009 and 23 October 2009 for the Incentivised Scheme for Early Retirement, while there is no closing date for applications for the Shorter Working Year Scheme. I understand that applications continued to be accepted by the relevant employer, pending resolution of the outstanding industrial relations issues. I have been informed that the HSE has had discussions with the health service unions regarding its policy on redeployment/reassignment and these discussions are ongoing.

The HSE have provided the following data in relation to the applications received in respect of the three schemes as at 25 September 2009:

	Incentivised Scheme for Early Retirement	Special Incentive Career Break Scheme	Shorter Working Year Scheme
Total Number of Applicants	305	329	39

I am informed by the HSE that information regarding the number of enquiries received in relation to these schemes is not available.

#### **Services for People with Disabilities.**

114. **Deputy David Stanton** asked the Minister for Health and Children the number of persons with autism in the State; and if she will make a statement on the matter. [39927/09]

115. **Deputy David Stanton** asked the Minister for Health and Children how the Health Service Executive and her Department record the number of persons with autism in the State; and if she will make a statement on the matter. [39928/09]

**Minister of State at the Department of Health and Children (Deputy John Moloney):** I propose to take Questions Nos. 114 and 115 together.

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.

116. **Deputy Finian McGrath** asked the Minister for Health and Children if she will support the case of a person (details supplied) in Dublin 5. [39947/09]

**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.



### Children in Care.

117. **Deputy David Stanton** asked the Minister for Health and Children the number of children in care in the State; the number who are in residential facilities operated by private care organisations; the names and locations of these facilities; the number of children in care in each location; and if she will make a statement on the matter. [39951/09]

**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.

### Health Service Staff.

118. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the formula used in the calculation of allowances or bonuses paid to Health Service Executive staff; and if she will make a statement on the matter. [39957/09]

119. **Deputy Jan O'Sullivan** asked the Minister for Health and Children the names of the Health Service Executive managers and officials who are in receipt of performance-related bonuses or allowances; if these payments are considered core pay or additional premium pay; and if she will make a statement on the matter. [39956/09]

**Minister for Health and Children (Deputy Mary Harney):** I propose to take Questions Nos. 118 and 119 together.

The Performance Related Award Scheme was introduced following a decision by the Government on the implementation of recommendations of the Review Body on Higher Remuneration in the Public Sector. The primary function of the Review Body is to advise the Government from time to time on the general levels of remuneration appropriate to certain public sector posts, including higher management grades in the health service not covered by the Public Service Benchmarking Body process.

In accordance with the principles set out by the Review Body, awards should be related to the achievement of highly demanding and challenging targets and stretch objectives which are difficult but not impossible to achieve. The Scheme provides for the payment of awards after the year end, when it has been demonstrated that the prior agreed stretched objectives have been met. Awards made to individuals are considered personal information under the Data Protection legislation 1988 & 2003 and for this reason individual recipients cannot be named. Performance related payments are not considered to be core pay or additional premium pay. They are payments made for work carried out beyond what is seen as the normal ongoing requirements of the job.

In line with the recommendations of the Review Body there is consistency in the levels of awards available to employees within the following limits: — maximum awards not to exceed 20% of salary of any individual — an overall cost limit for awards of 10% of payroll for the relevant groups where feasible.

### Health Services.

120. **Deputy Fergus O'Dowd** asked the Minister for Health and Children the progress made to date in services and assistance for women who have had symphysiotomies; and if she will make a statement on the matter. [39958/09]

**Minister for Health and Children (Deputy Mary Harney):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

### **Nursing Home Subventions.**

121. **Deputy Michael P. Kitt** asked the Minister for Health and Children if she will include respite care and respite grants in the new nursing home scheme; and if she will make a statement on the matter. [39960/09]

**Minister of State at the Department of the Health and Children (Deputy Áine Brady):** The Nursing Homes Support Scheme aims to render long-term residential care affordable and anxiety-free and to ensure that no-one is forced to sell their home during their lifetime to pay for such care. The definition of “long-term residential care services” stipulates that the care services must be provided for a period of not less than 30 days or periods in the aggregate amounting to not less than 30 days within a period of 12 consecutive months.

The scheme does not apply to individuals who enter nursing homes on a short-term basis for respite or convalescence.

### **Health Services.**

122. **Deputy Jan O’Sullivan** asked the Minister for Health and Children if the follow-up breast clinic in Sligo for those women who have had surgery is closing; and if she will make a statement on the matter. [39962/09]

**Minister for Health and Children (Deputy Mary Harney):** The matter raised by the Deputy relates to the provision of healthcare services and accordingly, I have asked the HSE to respond directly to the Deputy on the matter.

### **Cycle Facilities.**

123. **Deputy Catherine Byrne** asked the Minister for Transport the status of plans for a new cycle path in Dublin city; if these plans will include works to provide cycle paths along the Grand Canal in the city; and if he will make a statement on the matter. [39799/09]

**Minister for Transport (Deputy Noel Dempsey):** Dublin City Council has developed plans for an off-road cycle route via the Grand Canal, the new Samuel Beckett Bridge and the Royal Canal to provide a link from Portobello to Fairview Park. I understand from the City Council that elements of the plan are currently on public display in accordance with requirements under the Planning Acts.

While developing and progressing the project is a matter for the City Council, I indicated in September of this year that I would make up to €10 million available over the period 2009 and 2010 towards its delivery. The proposal is an exemplary demonstration project for the purposes of promoting sustainable and smarter travel. It has potential to facilitate both existing and aspiring cyclists on both sides of the city for both commuting and recreational purposes by serving areas of high employment content such as the South Inner City and the IFSC and scenic areas such as Bull Island. The project also seeks to deliver significant improvements to safety for pedestrians and cyclists at eleven road junctions.

### **State Airports.**

124. **Deputy Olivia Mitchell** asked the Minister for Transport the marketing campaign or strategies which have been rolled out to promote Shannon Airport as a customs and border protection facility; and if he will make a statement on the matter. [32234/09]

**Minister for Transport (Deputy Noel Dempsey):** Responsibility for marketing the Preclearance Service at Shannon Airport is a matter for the Shannon Airport Authority and I have no statutory function in that regard.

**Air Services.**

125. **Deputy Olivia Mitchell** asked the Minister for Transport if progress has been made in regard to issues raised by an association (details supplied) in a recent submission relating to group bookings; and if he will make a statement on the matter. [37486/09]

129. **Deputy Olivia Mitchell** asked the Minister for Transport the progress made following his meeting with the management of Aer Lingus at which he was due to discuss issues raised by an association (details supplied); and if he will make a statement on the matter. [39783/09]

**Minister for Transport (Deputy Noel Dempsey):** I propose to take Questions Nos. 125 and 129 together.

Commercial arrangements of this nature are entirely a matter for Aer Lingus. However, the issues raised by the Association have been brought to the attention of Aer Lingus management. I understand the airline is engaging with the Association on the issue in order to explain the rationale for their policy relating to group bookings and to seek a way forward which reflects the challenging environment in which the airline operates.

**EU Directives.**

126. **Deputy Olivia Mitchell** asked the Minister for Transport if he has had consultations with the European Commission in relation to the planned stakeholder consultation to be held in October with regard to a planned overhaul of consumer rights for holiday makers; his views on the planned overhaul; and if he will make a statement on the matter. [32266/09]

**Minister for Transport (Deputy Noel Dempsey):** In 2007 the European Commission commenced a consultation process for the review of the Package Holiday Directive (Council Directive No. 90/314/EEC), which sets out consumer rights in the package travel, package holiday and package tour sectors.

My Department recently attended a workshop on the review for Member States, which was held by the Directorate General for Consumers in the European Commission. It is understood that the Commission will shortly engage with wider stakeholders including industry, regulators and consumer groups to explore a range of specific proposals for reform of the Directive.

The purpose of the Commission's review is to update consumer rights in response to significant changes in the market since the adoption of the existing Directive in 1990. Consumers are increasingly moving away from the traditional package holiday booked through tour operators and travel agents, to organising travel and accommodation themselves through a combination of means including the Internet. This fundamental change in the market structure has led to a significant number of holidays not being protected by existing legislation.

As the key objective of the review is to ensure that adequate protections are in place for the consumer, it is expected that the Department of Enterprise Trade & Employment and the National Consumer Agency will also play an active part in the consultation process for the proposed reform of this Directive.

*Question No. 127 answered with Question No. 15.*

**Departmental Expenditure.**

128. **Deputy Aengus Ó Snodaigh** asked the Minister for Transport the amount of funds already spent on the Metro North project. [39755/09]

**Minister for Transport (Deputy Noel Dempsey):** The expenditure incurred, including legal fees, on Metro North, to end September 2009 is €133.5m.

*Question No. 129 answered with Question No. 125.*

### **Rail Network Property.**

130. **Deputy Joe Costello** asked the Minister for Transport if his attention has been drawn to the fact that toxic railway sleepers have been illegally sold into the domestic garden market (details supplied); the steps he has taken to identify the culprits; if the matter is in the hands of the gardaí; the steps he has taken to identify the location of the toxic sleepers which were sold and recover them and the threat to health addressed; and if he will make a statement on the matter. [39784/09]

**Minister for Transport (Deputy Noel Dempsey):** The manner of disposal of railway sleepers by Irish Rail is a day to day matter for the company.

### **Road Network.**

131. **Deputy Bernard J. Durkan** asked the Minister for Transport the funding provided by his Department for national, primary or minor roads directly to the National Roads Authority or the various local authorities here in each of the past five years and to date in 2009; and if he will make a statement on the matter. [39873/09]

**Minister for Transport (Deputy Noel Dempsey):** As Minister for Transport, I have responsibility for overall policy and funding in relation to the national roads programme element of Transport 21. The construction, improvement and maintenance of individual national roads is a matter for the National Roads Authority under the Roads Act 1993 in conjunction with the local authorities concerned.

The Exchequer funding provided to the National Roads Authority for capital and current expenditure on the national road network is as follows:-

	Capital	Current	Total
	€	€	€
2004	1,178,959,000	51,328,000	1,230,287,000
2005	1,263,770,000	53,394,000	1,317,164,000
2006	1,582,500,000	55,064,000	1,637,564,000
2007	1,712,706,000	55,097,000	1,767,803,000
2008	1,599,577,000	58,210,000	1,657,787,000
2009 Allocation	1,438,900,000	44,255,000	1,483,155,000

The improvement and maintenance of regional and local roads, in its area, is a statutory function of each road authority in accordance with the provisions of section 13 of the Roads Act, 1993. Works on such roads are a matter for the relevant local authority to be funded from its own resources supplemented by State road grants. The initial selection and prioritisation of projects to be funded is also a matter for the local authority.

I have set out the details regarding regional and local road grants provided by my Department to local authorities from 2004 to 2008 in the table below together with the road grant allocations made by my Department in 2009. No regional and local roads grants for the period 2004 to 2009 have been or will be paid to local authorities covering this period by the National Roads Authority. The NRA will begin the administration of these grants from the start of 2010.

[Deputy Noel Dempsey.]

## Regional &amp; Local Road Grant Payments 2005-2008 and 2009 Allocation

	2004 Payment	2005 Payment	2006 Payment	2007 Payment	2008 Payment	2009 Allocation*
	€	€	€	€	€	€
<i>County Council</i>						
Carlow	4,253,800	4,901,251	7,397,633	7,521,703	7,084,649	5,196,199
Cavan	16,269,470	16,665,542	19,756,943	18,898,156	18,172,927	13,052,025
Clare	18,286,146	19,223,888	22,325,832	22,109,873	21,509,081	16,032,498
Cork	38,647,405	41,860,364	55,269,684	59,063,156	60,531,272	43,880,723
Donegal	29,252,663	29,695,990	38,179,934	44,361,904	42,584,564	28,664,397
Dún Laoghaire-Rathdown	7,874,491	7,784,326	7,418,881	13,913,143	9,187,663	6,109,699
Fingal	9,785,217	10,393,002	5,834,504	6,882,876	9,740,986	5,788,866
Galway	23,796,406	25,245,447	29,990,818	30,261,755	29,964,618	24,234,746
Kerry	19,569,478	21,892,239	29,013,635	26,035,543	24,102,662	17,985,097
Kildare	17,453,601	22,210,525	23,041,196	19,721,311	25,966,894	15,769,264
Kilkenny	10,807,565	11,747,285	11,864,719	14,709,310	14,394,053	11,373,699
Laois	7,690,369	7,716,290	11,011,603	12,620,443	10,844,115	9,045,928
Leitrim	10,669,193	11,394,289	13,820,454	13,070,342	12,532,288	8,960,699
Limerick	17,371,817	16,265,713	18,209,030	18,331,398	18,408,476	13,190,198
Longford	7,307,965	7,534,394	8,596,563	8,724,066	8,666,647	6,380,799
Louth	6,691,503	6,138,509	6,802,469	7,996,926	9,410,281	10,920,631
Mayo	25,455,372	23,957,433	31,603,785	32,641,708	30,289,621	22,316,746
Meath	22,077,737	34,027,833	22,204,520	29,492,526	28,053,813	16,566,473
Monaghan	14,070,786	14,549,255	17,000,469	16,737,317	16,049,658	12,445,199
North Tipperary	9,520,635	9,804,683	11,893,322	13,059,254	12,870,233	11,008,598
Offaly	7,894,309	8,582,916	14,218,788	11,376,060	10,582,910	8,180,699
Roscommon	13,103,545	13,528,087	16,563,014	17,992,982	18,361,100	13,118,265
Sligo	10,685,853	12,099,311	15,498,529	15,736,257	14,486,294	10,706,899
South Dublin	23,606,845	14,893,461	7,058,607	11,950,211	9,162,308	8,250,899
South Tipperary	10,206,249	11,765,005	14,451,331	14,906,821	14,926,558	10,762,998
Waterford	10,945,504	10,873,217	11,956,797	16,358,317	15,557,110	13,672,699
Westmeath	7,209,630	10,974,725	13,140,380	16,001,769	15,120,147	13,941,365
Wexford	12,819,963	14,478,240	17,581,481	16,923,972	17,756,026	12,784,498
Wicklow	8,927,822	10,867,776	13,497,309	14,139,102	23,598,685	20,603,820
<i>City Council</i>						
Cork	9,494,478	6,541,096	7,506,343	7,776,855	7,003,628	4,264,000
Dublin	8,074,323	6,927,940	8,174,092	14,703,321	14,178,426	12,682,450
Galway	1,420,020	1,763,235	1,768,847	1,646,408	2,317,829	1,674,000
Limerick	2,496,919	2,744,963	4,132,544	5,016,049	3,498,718	2,294,000
Waterford	16,431,709	11,160,705	1,653,747	6,060,214	6,950,075	2,289,000
<i>Borough Council</i>						
Clonmel	766,150	961,880	569,490	688,005	692,500	488,903
Drogheda	524,543	601,000	641,658	664,184	644,000	405,000
Kilkenny	539,550	547,110	561,000	609,970	607,360	393,000
Sligo	1,032,481	1,132,790	1,158,535	1,663,975	1,366,713	1,993,000
Wexford	521,630	518,954	663,461	659,258	700,250	443,000

	2004 Payment	2005 Payment	2006 Payment	2007 Payment	2008 Payment	2009 Allocation*
	€	€	€	€	€	€
<i>Town Council</i>						
Arklow	253,000	260,000	279,000	287,000	287,000	177,000
Athlone	510,000	525,000	563,000	581,000	581,000	359,000
Athy	253,000	228,584	279,000	287,000	287,000	177,000
Ballina	253,000	260,000	279,000	287,000	287,000	177,000
Ballinasloe	253,000	255,311	279,000	287,000	287,000	177,000
Birr	253,000	260,000	279,000	206,850	287,000	177,000
Bray	550,000	565,000	606,000	575,238	623,544	385,000
Buncrana	253,000	260,000	279,000	287,000	287,000	177,000
Bundoran	178,000	183,000	197,000	204,000	204,000	126,000
Carlow	532,000	546,000	587,000	605,000	605,000	373,000
Carrickmacross	178,000	183,000	197,000	204,000	287,000	177,000
Carrick-on-Suir	253,000	260,000	279,000	287,000	287,000	177,000
Cashel	178,000	183,000	197,000	204,000	204,000	126,000
Castlebar	503,000	460,000	379,000	287,000	287,000	177,000
Castleblaney	178,000	183,000	197,000	139,256	202,413	126,000
Cavan	253,000	260,000	279,000	287,000	287,000	177,000
Clonakilty	178,000	183,000	196,709	204,000	287,000	177,000
Clones	176,364	183,000	197,000	204,000	204,000	126,000
Cobh	253,000	260,000	261,683	287,000	231,629	177,000
Dundalk	550,000	565,000	606,000	624,000	624,000	385,000
Dungarvan	253,000	260,000	279,000	287,000	287,000	177,000
Ennis	532,000	546,000	587,000	605,000	605,000	373,000
Enniscorthy	253,000	260,000	279,000	287,000	263,481	177,000
Fermoy	253,000	180,475	279,000	287,000	287,000	177,000
Kells	253,000	260,000	279,000	216,345	287,000	177,000
Killarney	253,000	260,000	279,000	287,000	287,000	177,000
Kilrush	178,000	183,000	197,000	204,000	204,000	126,000
Kinsale	178,000	183,000	197,000	204,000	287,000	177,000
Letterkenny	510,000	525,000	563,000	581,000	581,000	359,000
Listowel	178,000	183,000	197,000	204,000	287,000	177,000
Longford	253,000	260,000	279,000	287,000	287,000	177,000
Macroom	178,000	183,000	197,000	204,000	204,000	126,000
Mallow	253,000	260,000	279,000	287,000	287,000	177,000
Midleton	253,000	260,000	279,000	281,296	266,470	177,000
Monaghan	253,000	260,000	279,000	287,000	287,000	177,000
Naas	532,000	546,000	587,000	605,000	605,000	373,000
Navan	532,000	546,000	587,000	605,000	605,000	373,000
Nenagh	253,000	260,000	279,000	287,000	287,000	177,000
New Ross	253,000	260,000	279,000	287,000	287,000	177,000
Skibbereen	178,000	183,000	197,000	204,000	204,000	126,000
Templemore	178,000	183,000	197,000	204,000	204,000	126,000
Thurles	253,000	260,000	279,000	287,000	287,000	177,000
Tipperary	253,000	260,000	279,000	287,000	287,000	177,000
Tralee	789,500	546,000	582,001	605,000	605,000	373,000
Trim	253,000	260,000	279,000	287,000	287,000	177,000

[Deputy Noel Dempsey.]

	2004 Payment	2005 Payment	2006 Payment	2007 Payment	2008 Payment	2009 Allocation*
	€	€	€	€	€	€
Tullamore	253,000	260,000	279,000	285,071	287,000	177,000
Westport	253,000	260,000	279,000	287,000	287,000	177,000
Wicklow	253,000	260,000	279,000	287,000	287,000	177,000
Youghal	253,000	243,322	279,000	287,000	241,794	177,000

\*2009 Allocation following the Supplementary Budget of 7 April 2009.

### Rail Network.

132. **Deputy Bernard J. Durkan** asked the Minister for Transport if consideration has been given to the provision of a spur to provide extension to rail services at Naas, County Kildare; and if he will make a statement on the matter. [39874/09]

**Minister for Transport (Deputy Noel Dempsey):** I refer the Deputy to Parliamentary Question No. 273 answered on 17 February 2009. The position remains the same.

### Airport Charges.

133. **Deputy Bernard J. Durkan** asked the Minister for Transport the extent to which airport charges at the various airports here compare with charges at other airports throughout Europe; and if he will make a statement on the matter. [39875/09]

**Minister for Transport (Deputy Noel Dempsey):** The Commission for Aviation Regulation (CAR) regulates airport charges levied at Dublin Airport. Charges at Cork and Shannon are set by the airport authority. Passenger charges levied at the six regional airports, which are owned and operated independently, are a matter for each airport concerned.

In relation to comparative charges at other European Airports, I have been informed by the Dublin Airport Authority (DAA) that independent research indicates that charges at Dublin are towards the lower end of a broad comparison group of the top airports in Europe. In this context, I understand that data extracted from the independently produced Jacobs 'Review of Airport Charges 2008' Report, ranking charges from most to least expensive, showed that Dublin airport's charges ranked 29th of 50 in its European airport survey. I also understand from the DAA that charges at Cork and Shannon also compare favourably with European benchmarks.

### Road Safety.

134. **Deputy Bernard J. Durkan** asked the Minister for Transport the total number of road traffic accidents reported in each of the past five years and to date in 2009; if an accident report was completed in each case with particular reference to fatalities or injury; the extent to which drugs, alcohol or other factors contributed to the cause; and if he will make a statement on the matter. [39877/09]

**Minister for Transport (Deputy Noel Dempsey):** Under the Road Safety Authority Act 2006 (Conferral of Functions) Order 2006 (S.I. No 477 of 2006) this is a matter for the Road Safety Authority.

### Transport 21.

135. **Deputy Bernard J. Durkan** asked the Minister for Transport the degree to which the

objectives set out in Transport 21 have been achieved to date or are more likely to be so achieved in accordance with the original predictions; and if he will make a statement on the matter. [39878/09]

**Minister for Transport (Deputy Noel Dempsey):** I refer the Deputy to my reply to similar Question No. 7 of today's date.

### **Rail Services.**

136. **Deputy Bernard J. Durkan** asked the Minister for Transport the anticipated date for the further augmentation of commuter rail facilities to and from Dublin in the context of the national development plan or in the interim; and if he will make a statement on the matter. [39885/09]

**Minister for Transport (Deputy Noel Dempsey):** As set out in Transport 21 and the National Development Plan, the next augmentation of commuter rail services will be the Kildare Route Project which entails the quadrupling of a critical section of track between Cherry Orchard and Hazelhatch on the Heuston to Kildare line. New or relocated stations have already been opened at Adamstown in 2007, Fonthill and Park West in 2008 and an expanded station in Hazelhatch in May 2009. The Kildare Route Project will allow the separation of Intercity and commuter services and will improve speed, reliability and capacity for commuter, regional and intercity services. This is due for completion in January 2010.

Work is continuing on Phase 1 of the Navan Rail link. This phase involves the reopening of 7.5km of railway line running off the Maynooth line, at Clonsilla, to the M3 interchange at Pace, near Dunbooyne. Services are expected to commence towards the end of 2010. Detailed design work on the next phase of the Navan line from Pace to Navan is also currently underway.

Further works in progress include the Dublin City Centre Resignalling Project. This project, will provide for further capacity enhancement by upgrading signalling to accommodate more services in the critical City Centre area. It is a key project aimed at unlocking the existing major bottleneck in the city centre, which will have positive spin off effects for DART, Commuter and Intercity passengers. The project is due to be completed in early 2012.

Work is also continuing on the DART Underground and the associated electrification programmes.

Also the new Inter City Railcars and Inter City carriages have brought improvements in terms of capacity, reliability and services. The configuration of the new Inter City Railcars will also allow for greater flexibility in timetabling as they can be set-up as either 3 car trains or 6 car trains.

The Dublin Transportation Office (DTO) is currently working on a successor to the Platform for Change and this is expected in the first half of next year.

As I have previously advised the House, the start and completion dates of Transport 21 projects in planning, such as the DART Underground, will in each case be determined by the outcome of public consultation, the statutory planning approval process, the public procurement process and the availability of financial resources determined by the funding allocation available during the current economic climate.

### **Proposed Legislation.**

137. **Deputy Fergus O'Dowd** asked the Minister for Justice, Equality and Law Reform the progress made to date regarding proposed legislation to control management companies and their agents; and if he will make a statement on the matter. [39728/09]



**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The position is that both the Property Services (Regulation) Bill 2009 and the Multi-Unit Developments Bill 2009 are awaiting Committee Stage in the Seanad.

#### **Work Permits.**

138. **Deputy John McGuinness** asked the Minister for Justice, Equality and Law Reform the requirements for a non-national person to be self employed here. [39742/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** In general EU citizens can exercise EU Treaty rights to reside and work freely in Ireland including an entitlement to become self-employed in the State. In accordance with the Government decision of December 2008, nationals of Bulgaria and Romania continue to require employment permits in order to take up employment in the State unless they otherwise have permission to participate in the Irish labour market. However, as with other EU citizens they can become self-employed here.

#### **Crime Levels.**

139. **Deputy Michael Ring** asked the Minister for Justice, Equality and Law Reform the number of times legislation (details supplied) has been effected on a county to county basis. [39713/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** In the time available it has not been possible for the Garda authorities to supply the information requested by the Deputy. I will be in contact with the Deputy when the information is to hand.

#### **Residency Permits**

140. **Deputy James Bannon** asked the Minister for Justice, Equality and Law Reform if a person (details supplied) in County Westmeath who has been living and working here since 2006 will remain here indefinitely; if their partner will be able to join them under the family reunification scheme; and if he will make a statement on the matter. [39763/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I have been informed by the Irish Naturalisation and Immigration Service (INIS) that the person referred to by the Deputy was granted permission to remain in the State in 2006 under Section 24 of the Refugee Act, 1996. This permission to remain here is renewed on an annual basis by the Garda National Immigration Bureau and currently this person has permission to remain until 14th October 2010.

I have further been informed that the person referred to made an application for Family Reunification on 15th September 2009. This application will be considered by INIS and a decision will issue in due course. All applications are dealt with in chronological order.

#### **Garda Stations.**

141. **Deputy Catherine Byrne** asked the Minister for Justice, Equality and Law Reform his plans to upgrade Garda stations in Dublin city and around the country; if there is a budget in place for basic repair and upgrade works when they are deemed necessary; and if he will make a statement on the matter. [39790/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Over the past number of years significant investments has been made in the Garda Síochána accommodation

programme. This year alone new Garda Stations have opened in Ballymun, Leixlip, Irishtown, Finglas and Ballymote, Co. Sligo and it is expected that a new station at Buncrana, Co. Donegal will open in the near future. In addition, refurbishment works have commenced at a number of Stations around the country.

I am advised by the Garda authorities that the Garda Commissioner has established a Garda Accommodation Programme Board under the chairmanship of the Chief Administrative Officer, to prepare a long-term accommodation strategy to support the requirements of operational policing. The strategy will bring forward a mechanism to systematically prioritise investment projects and provide an estimate for the cost of the works involved.

The capital budget for new stations and major refurbishments is provided for in the Vote of the Office of Public Works. In addition, a maintenance budget (amounting to over €7.5m in 2009) is included in the Garda Vote. I am advised that the Office of Public Works has implemented a measured term maintenance programme for all Dublin Garda stations which has proved extremely efficient in delivering a quality customer service to the Garda Síochána.

### **Garda Equipment.**

142. **Deputy Catherine Byrne** asked the Minister for Justice, Equality and Law Reform if he is satisfied that each Garda station has sufficient basic IT equipment such as PCs and printers, for members to complete their daily administrative duties; and if he will make a statement on the matter. [39791/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am advised by Garda management that they are satisfied that Gardaí have sufficient access to IT equipment such as PCs and printers to enable them to complete their daily administrative duties.

I am further advised that a new Information and Communications Technology Strategy for the period 2010-2012 will be developed and will identify future technologies required to support the Garda Síochána in meeting the objectives set out in their overall Strategy Statement for the same period.

### **National Drugs Strategy.**

143. **Deputy Seán Ó Fearghaíl** asked the Minister for Justice, Equality and Law Reform if his attention has been drawn to the proliferation of head shops which have opened here; his views on same; if his further attention has been drawn to the products on sale through these outlets; his views on whether the consumption of such products might lead to the involvement in the consumption of illicit substances and that some of the substances on sale in these outlets should be barred in the interest of public health; if the Gardaí have given consideration to this development or expressed concern with regard to this developing phenomenon; the action he will take or the legislation he will bring forward in this area; and if he will make a statement on the matter. [39805/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am aware of the recent emergence in the State of outlets commonly known as 'Headshops' and I have been assured by the Garda authorities that the activities of such outlets are closely monitored by An Garda Síochána to ensure compliance with the law, in particular with the Department of Health and Children's Misuse of Drugs Acts 1977/1984.

A number of these types of premises have already been subject of a Garda investigation for suspected breaches of the law, resulting in the submission of investigation files to the Law Officers. A targeted policing operation took place earlier this year whereby searches were

[Deputy Dermot Ahern.]

conducted in 25 outlets nationwide and products seized during these searches have been submitted to the Forensic Science Laboratory for analysis. Pending the outcome of same, investigation files will be submitted to the Law Officers in course for directions as what charges, if any, should be preferred. I am also assured by the Garda authorities that these kinds of outlets referred to by the Deputy will continue to be monitored for compliance with the law.

Furthermore my colleague Minister John Curran, Minister of State at the Department of Community, Rural and Gaeltacht Affairs, who has responsibility for co-ordinating the National Drugs Strategy, has identified head shops as a particular area of concern, and in conjunction with relevant Departments and Agencies, is currently considering the options available to more effectively control the activities of such shops. In terms of the further specific controlling of substances on sale in headshops as the Deputy will appreciate that is a matter which falls under the remit of my colleague, the Minister for Health and Children, under the Misuse of Drugs Acts 1977/1984.

### **Citizenship Applications.**

144. **Deputy Pat Breen** asked the Minister for Justice, Equality and Law Reform further to Parliamentary Question No. 339 of 7 July 2009, the status of an application by a person (details supplied) in County Clare; and if he will make a statement on the matter. [39846/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** A valid 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 October 2008. All valid applications are dealt with in chronological order as this is deemed to be the fairest to all applicants. The average processing time from application to decision is now at 24 months. More complicated cases can at times take more than the current average, while an element of straight forward cases can be dealt with in less than that timescale. The length of time taken to process each application should not be classified as a delay, as the length of time taken for any application to be decided is purely a function of the time taken to carry out necessary checks. 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 it is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria.

### **Asylum Applications.**

145. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding the residency status in the case of a person (details supplied) in County Meath; and if he will make a statement on the matter. [39849/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 164 of Thursday, 12 March 2009, and the written Reply to that Question.

The person concerned applied for asylum on 8 February 2006. In accordance with Section 9 of the Refugee Act 1996 (as amended), the person concerned was entitled to remain in the State until his application for asylum was decided. His asylum application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Arising from the refusal of his asylum application, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the person concerned was notified, by

letter dated 31 August 2006, that the Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why a Deportation Order should not be made against him. Representations have been received on behalf of the person concerned.

The position in the State of the person concerned will now be decided by reference to the provisions of 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. All representations submitted will be considered before the file is passed to me for decision. Once a decision has been made, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

### **Residency Permits.**

146. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if it is accepted that all documentation has been submitted to facilitate the determination of an application for residency in the case of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [39850/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Irish Naturalisation and Immigration Service (INIS) that the person concerned made an application for residency in October 2008. The General Immigration Division wrote to the person in question on 7 July 2009, 29 July 2009, 24 September 2009 and 21 October 2009 requesting further information and documentation. This documentation was received on 28 October 2009 and will be dealt with in due course.

147. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding the case of a person (details supplied) in County Meath whose application has been rejected in spite of the fact that they are married to a French national; the status of the French national in this case; if either or both have right of residency in France or here; and if he will make a statement on the matter. [39851/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I am informed by the Immigration Division of my Department that the person in question made an application for residence in the State on the basis of his marriage to an EU National. This application was refused on 20 August 2009. The decision to refuse this application is currently under review at the applicant's request. An entitlement to residence in France would be a matter for the French authorities.

### **Asylum Applications.**

148. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform if leave to remain will be granted in the case of a person (details supplied) in County Kildare on humanitarian or compassionate grounds in view of the state of their health; and if he will make a statement on the matter. [39852/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 21 November 2006. Her application was refused following consideration of her case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal. The person concerned was informed, by letter dated 24 October 2008, that the Minister proposed to make a Deportation Order in respect of her. She was given three options in accordance with Section 3(3)(b)(ii) of the Immigration Act, 1999 (as amended),

[Deputy Dermot Ahern.]

to be exercised within 15 working days. Namely, to leave the State voluntarily, to consent to the making of a Deportation Order or to make 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 9 July 2009, 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 1 September 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 for permission to remain in the State. On 2 September 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 requiring her to 'present' to the Garda National Immigration Bureau (GNIB), 13-14 Burgh Quay, Dublin 2, on 6 October 2009, in order to make travel arrangements for her deportation from the State. The person concerned failed to 'present' as requested and was classified as evading her deportation. Should she come to the notice of the Gardaí, she would be liable to arrest and detention. She should, therefore, present herself to the GNIB without any further delay.

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.

### **Asylum Applications.**

149. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the progress made to date in 2009 in the determination of residency in the case of a person (details supplied) in Dublin 8; and if he will make a statement on the matter. [39853/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 8 February 2007. 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 was informed, by letter dated 13 November 2007, that the Minister proposed to make a Deportation Order in respect of her. She was given three options in accordance with Section 3(3)(b)(ii) of the Immigration Act, 1999 (as amended), to be exercised within 15 working days. Namely, to leave the State voluntarily, to consent to the making of a Deportation Order or to make 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.

The person concerned 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). 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 5 June 2008. 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 for permission to remain in the State. On 14 August 2008, 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 requiring the person concerned to leave the State by 10 October 2009.

By letter dated 4 August 2009, the legal representative of the person concerned lodged an application for revocation of the Deportation Order, in accordance with the provisions of Section 3(11) of the Immigration Act, 1999 (as amended). Following consideration of the information submitted, the Deportation Order was affirmed and the person concerned and her legal representative were advised of this decision by letter dated 2 November 2009. In addition, the person concerned was required to present herself to the GNIB on 10 November 2009. By letter dated 23 October 2009 the person concerned and her legal representative were given an undertaking that the Deportation Order would not be enforced until 30 June 2010. The undertaking will not extend beyond this date.

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.

**150. Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the progress made to date in 2009 in the determination of residency of a person (details supplied) in Dublin 1; and if he will make a statement on the matter. [39854/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The person concerned applied for asylum on 21 September 2006. In accordance with Section 9 of the Refugee Act 1996 (as amended), the person concerned was entitled to remain in the State until his application for asylum was decided. His asylum application was refused following consideration of his case by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Arising from the refusal of his asylum application, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the person concerned was notified, by letter dated 16 June 2007, 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 a Deportation Order should not be made against him. 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 application for Subsidiary Protection is refused, the position in the State of the person concerned will then be decided by reference to the provisions of 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. All representations submitted will be considered before the file is passed to me for decision. Once a decision has been made, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

[Deputy Dermot Ahern.]

The Deputy might note that the case of the person concerned is among a large number of such cases awaiting consideration at present. However, the Deputy can be assured that the case of the person concerned will be finalised as soon as possible.

151. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the progress made to date regarding the determination of residency in the case of a person (details supplied) in County Laois; and if he will make a statement on the matter. [39855/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** There is currently no application pending in my Department for residency in the case of the person whose details were supplied. If an application for asylum has been made by the person concerned, the Deputy will of course be aware that it is not the practice to comment in detail on individual asylum applications.

### **Citizenship Applications.**

152. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding an application for naturalisation in the case of a person (details supplied) in County Laois; and if he will make a statement on the matter. [39856/09]

**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 September 2009. On examination of the application submitted it was determined that the person in question did not meet that statutory 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 to her on 23 September, 2009. It is open to the person concerned to lodge a new application for a certificate of naturalisation with the Citizenship Division of my Department if and when they are in a position to meet the statutory requirements.

153. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding an application for citizenship in the case of a person (details supplied) in County Laois; and if he will make a statement on the matter. [39857/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** An application for a certificate of naturalisation on behalf of the person referred to in the Deputy's Question was received in the Citizenship Division of my Department in September 2009. Processing of the file has been completed and I have made a decision. The parent of the person in question was informed of this decision in a letter issued on 23 October 2009.

### **Residency Permits.**

154. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding family reunification in the case of a person (details supplied) in County Laois; and if he will make a statement on the matter. [39858/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to my previous Replies to his Parliamentary Questions. I am informed by the Irish Naturalisation and Immigration Service (INIS) that the person in question was the subject of a Family Reunification/Permission to Remain application made by his brother in 2003. The Family Reunification/Permission to Remain application was refused in August 2004 and the brother

of the person in question was notified of the decision on 19 August 2004. I am further informed by INIS that the legal representative of the person referred to by the Deputy made further representations and were informed on 13 March 2009 that as the person concerned was being interviewed by An Garda Síochána his application was being suspended pending the outcome of the investigation. On receipt of the completed investigation by An Garda Síochána the application will be further considered.

### **Asylum Applications.**

155. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding to an application for residency and citizenship in the case of persons (details supplied) in County Mayo; and if he will make a statement on the matter. [39859/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The persons concerned, a husband and wife, made separate applications for asylum on 3 March 2005 and 18 April 2005 respectively. The second named person gave birth to a child in the State later in 2005 and this child was subsequently included in her mother's asylum application. In accordance with Section 9 of the Refugee Act 1996 (as amended), the persons concerned were entitled to remain in the State until their applications for asylum were decided. Their asylum applications were refused following consideration of their individual cases by the Office of the Refugee Applications Commissioner and, on appeal, the Refugee Appeals Tribunal.

Arising from the refusal of their asylum applications, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the persons concerned were notified, by letters dated 13 April 2007 and 20 April 2007 respectively, that the Minister proposed to make Deportation Orders in respect of them and their child. 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 Deportation Orders should not be made in respect of them and their child. In addition, they were notified of their respective entitlements 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 persons concerned submitted separate applications for Subsidiary Protection in the State in accordance with these Regulations and these applications are under consideration at present. When consideration of these applications have been completed, the persons concerned will be notified in writing of the outcomes. In the event that the applications for Subsidiary Protection are refused, the position in the State of the persons concerned will then be decided by reference to the provisions of 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. All representations submitted will be considered before the files are passed to me for decision. Once decisions have been made, these decisions and the consequences of the decisions will be conveyed in writing to the persons concerned.

156. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding an application for residency on humanitarian grounds in the case of a person (details supplied) in County Mayo; and if he will make a statement on the matter. [39860/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to Parliamentary Question No. 78 of Thursday, 9 April, 2009, and the written Reply to that Question. As stated in my earlier Reply, the person concerned has submitted an application



[Deputy Dermot Ahern.]

for Subsidiary Protection in the State which 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 application for Subsidiary Protection is refused, the position in the State of the person concerned will then be decided by reference to the provisions of 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. All representations submitted will be considered before the file is passed to me for decision. Once a decision has been made, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

157. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in relation to residency in the case of a person (details supplied) in County Cork; and if he will make a statement on the matter. [39861/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** There is currently no application pending in my Department for residency in the case of the person whose details were supplied. If an application for asylum has been made by the person concerned, the Deputy will of course be aware that it is not the practice to comment in detail on individual asylum applications.

#### **Residency Permits.**

158. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when renewal of travel and residency documentation will issue in the case of a person (details supplied) in Dublin 24; and if he will make a statement on the matter. [39862/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Irish Naturalisation and Immigration Service (INIS) informs me that the person in question was granted permission to remain in the State on 23 August 2006 on the basis of family reunification. In order to renew registration in the State, the person concerned must present at their local Garda National Immigration Bureau office with passport, approval letter from the Family Reunification Section and be accompanied by the Refugee who applied to have the person concerned reunited with them. I am informed by the Immigration Services Section of INIS that no application for a travel document has been received from the person concerned to-date. It remains open to the person in question to submit an application for a travel document accompanied by the relevant supporting documentation to the Travel Document Unit of INIS which is located at 13-14 Burgh Quay, Dublin 2.

#### **Asylum Applications.**

159. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the progress made to date regarding an application for residency and citizenship in the case of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [39864/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** I refer the Deputy to the Reply given to his Parliamentary Question No. 699 on Tuesday 3 November 2009. The status of the person concerned is as set out in that Reply.

#### **Citizenship Applications.**

160. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform

the position in regard to residency and citizenship in the case of a person (details supplied) in County Carlow; and if he will make a statement on the matter. [39865/09]

**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 October 2009. On examination of the application submitted it was determined that the application in its entirety be returned to the person concerned for further attention on 12 October, 2009. In order to be fair to all applicants, only valid applications can be considered. It is open to the person in question to re-submit the application to the Citizenship Division of my Department at anytime. I wish to inform the Deputy that the person to whom he refers was granted permission to remain in the State, in 2000, under the arrangements then in place for the non-EEA parents of Irish citizen children. I am informed that the permission granted is currently valid until 13 September 2010.

161. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding to citizenship or eligibility for same in the case of a person (details supplied) in County Carlow; and if he will make a statement on the matter. [39866/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** Officials in the Citizenship Division of my Department inform me that there is no record of an application for a certificate of naturalisation from the person referred to in the Deputy's Question.

The Irish Nationality and Citizenship Act, 1956, as amended, provides that the Minister may, in his absolute discretion, grant an application for a certificate of naturalisation provided certain statutory conditions are fulfilled. The conditions are that the applicant must be of full age, be of good character, have had a period of one year's continuous residency in the State immediately before the date of application and, during the eight years immediately preceding that period, have had a total residence in the State amounting to four years, intend in good faith to continue to reside in the State after naturalisation, have made, either before a Judge of the District Court in open court or in such a manner as the Minister for special reasons allows, a declaration in the prescribed manner, of fidelity to the nation and loyalty to the State.

In the context of naturalisation, certain periods of residence in the State are excluded. These include, periods of residence in respect of which an applicant does not have permission to remain in the State, periods granted for the purposes of study, periods granted for the purposes of seeking recognition as a refugee within the meaning of the Refugee Act, 1996. It is open to the person concerned to lodge an application for a certificate of naturalisation with the Citizenship Division of my Department if and when they are in a position to meet the statutory requirements.

162. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in regard to citizenship in the case of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [39867/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** A valid 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 March 2007. I decided in my absolute discretion not to grant a certificate of naturalisation and the reason for refusal was disclosed to the person in question in a letter issued on 12 March, 2009.

It is open to the person concerned to lodge a new application for a certificate of naturalisation with the Citizenship Division of my Department at anytime. However, in doing so he should bear in mind the reason for refusal of his previous application.

### Refugee Status.

163. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when temporary travel documents will issue in the case of a person (details supplied) in Dublin 12; and if he will make a statement on the matter. [39868/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** The Irish Naturalisation and Immigration Service (INIS) informs me that the person in question was refused Refugee Status in 2003 and is therefore not entitled to be issued with an Irish Travel Document. The person concerned was granted temporary permission to remain in the State on 19 February 2009 for 3 years until 19 February 2012.

In exceptional cases an application for an Irish temporary travel document may be considered. In all such cases INIS must be satisfied that there is no alternative open to the applicant before an Irish temporary travel document will issue. An application for an Irish temporary travel document will only be considered by the Immigration Services Section in INIS on receipt of a fully completed application form. Supporting documentation accompanying any such application should include original correspondence from the relevant consular authority outlining the steps necessary to be followed by the person to facilitate the procurement of a national passport if their presence is required outside the State.

I am informed by the Immigration Services Section of INIS that the person concerned has had two applications for a temporary travel document refused recently as the applications received were not accompanied with the requisite original correspondence from his own consular authorities.

It remains open to the person in question to submit a new application for a temporary travel document accompanied by the relevant supporting documentation to the Travel Document Unit of INIS which is located at 13-14 Burgh Quay, Dublin 2.

### Citizenship Applications.

164. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform the position in regard to an application for citizenship in the case of a person (details supplied) in County Cork; and if he will make a statement on the matter. [39869/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** A valid 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 October 2008.

All valid applications are dealt with in chronological order as this is deemed to be the fairest to all applicants. The average processing time from application to decision is now at 24 months. More complicated cases can at times take more than the current average, while an element of straight forward cases can be dealt with in less than that timescale. However, I understand that the person concerned is a refugee. In accordance with the Government's obligations under the United Nations Convention relating to the Status of Refugees, every effort is made to ensure that applications from persons with refugee status are dealt with as quickly as possible.

The length of time taken to process each application should not be classified as a delay, as the length of time taken for any application to be decided is purely a function of the time taken to carry out necessary checks. 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 it is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria.

I am also informed that there is a discrepancy between the address the Deputy has provided and the address that my Department holds on file, please note that it is the responsibility of the applicant to keep my Department informed of any change of address in writing.

165. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when consideration of an application for citizenship is expected to be completed in the case of a person (details supplied) in County Carlow; and if he will make a statement on the matter. [39870/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** A valid 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 February 2007.

All valid applications are dealt with in chronological order as this is deemed to be the fairest to all applicants. The average processing time from application to decision is now at 24 months. More complicated cases can at times take more than the current average, while an element of straight forward cases can be dealt with in less than that timescale. However, I understand that the person concerned is a refugee. In accordance with the Government's obligations under the United Nations Convention relating to the Status of Refugees, every effort is made to ensure that applications from persons with refugee status are dealt with as quickly as possible. Officials in the Citizenship Division inform me that processing of the application is at an advanced stage and the file will be submitted to me for a decision in due course.

The length of time taken to process each application should not be classified as a delay, as the length of time taken for any application to be decided is purely a function of the time taken to carry out necessary checks. 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 it is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria.

166. **Deputy Bernard J. Durkan** asked the Minister for Justice, Equality and Law Reform when consideration of an application for citizenship is expected to be completed in the case of a person (details supplied) in County Carlow; and if he will make a statement on the matter. [39871/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** A valid 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 February 2007.

All valid applications are dealt with in chronological order as this is deemed to be the fairest to all applicants. The average processing time from application to decision is now at 24 months. More complicated cases can at times take more than the current average, while an element of straight forward cases can be dealt with in less than that timescale. However, I understand that the person concerned is a refugee. In accordance with the Government's obligations under the United Nations Convention relating to the Status of Refugees, every effort is made to ensure that applications from persons with refugee status are dealt with as quickly as possible. Officials in the Citizenship Division inform me that processing of the application is at an advanced stage and the file will be submitted to me for a decision in due course.

The length of time taken to process each application should not be classified as a delay, as the length of time taken for any application to be decided is purely a function of the time taken to carry out necessary checks. 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

[Deputy Dermot Ahern.]

necessary checks and balances to ensure that it is not undervalued and is only given to persons who genuinely satisfy the necessary qualifying criteria.

### **Road Traffic Offences.**

167. **Deputy Seymour Crawford** asked the Minister for Justice, Equality and Law Reform the number of Garda checkpoints which have been specifically put in place to breathalyse for drunk driving in the Cavan and Monaghan, Louth and Meath divisional districts for each of the past four years; the time of day or night these checkpoints took place and the length of time; if he is satisfied that he has sufficient personnel to deal with this issue; if he will advise if or when he plans to roll out the promised speed cameras structure on a national basis; and if he will make a statement on the matter. [39937/09]

**Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern):** In the time available it has not been possible for the Garda authorities to provide the information requested by the Deputy in relation to the number of Garda checkpoints which have been specifically put in place to breathalyse for drunk driving in specific areas referred. I will be in contact with the Deputy when the information is to hand.

An Garda Síochána is engaged in a procurement process, in accordance with EU Directives, national public procurement procedures and relevant legislation, for the provision and operation of safety cameras by a service provider. A preferred bidder has been selected, and contract discussions are at an advanced stage. Every effort is being made to proceed with this project as speedily as possible. Until these discussions are concluded, it is not possible to indicate details of the proposed introduction of or a specific timetable for the project.

### **Foreign Conflicts.**

168. **Deputy Chris Andrews** asked the Minister for Foreign Affairs if his attention has been drawn to the fact that a humanitarian convoy which has been organised by the Palestinian Return Centre and other non-governmental organisations is now trapped in Egypt and is prohibited from entering Gaza to deliver medical equipment there; if he has been in contact with the Egyptian Government about same; and if he will make a statement on the matter. [39758/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I refer the Deputy to my reply to question 772 of the 3rd November as outlined below:

I have not been contacted by any charitable group in connection with this convoy. However, I have had enquiries made with the Egyptian authorities in relation to it. I understand that the convoy in question is a very large shipment of aid organised by Palestinian groups in a number of European countries, primarily the UK. It was organised in proper consultation with the Egyptian authorities, and permissions issued. Unfortunately, however, the shipment was sent to Port Said, whereas all shipments for Gaza are now to be routed through the port of Arish, closest to Gaza. I understand Egyptian officials and the Egyptian Red Crescent are arranging its transfer to Arish.

A separate difficulty is that a very large number of persons have travelled with the convoy intending to enter Gaza, and the Egyptian authorities had not been notified of this. They are now processing these individuals and will in due course decide if some or all of them can be admitted to Gaza.

### **International Agreements.**

169. **Deputy Joe McHugh** asked the Minister for Foreign Affairs if Britain has recently engaged his Department in discussions regarding the implementation of the Schengen Agreement here; and if he will make a statement on the matter. [39818/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** The British authorities have not recently engaged my Department regarding the implementation of the Schengen Agreement here. As the Deputy will be aware, the Schengen Agreement primarily concerns immigration, police and judicial matters, which are the responsibility of my colleague, the Minister for Justice, Equality and Law Reform. In addition, in an EU context, many of the issues covered by the Schengen Agreement are discussed on an ongoing basis in the relevant Council formats by all EU Member States, including Britain and Ireland. For example, Member States are currently negotiating the Schengen Information System, Mark 2.

### **Child Abductions.**

170. **Deputy Noel Ahern** asked the Minister for Foreign Affairs the progress made on the attempts in respect of a person (details supplied) to reunite them with their daughter; if he has raised this matter with his Hungarian counterpart; if he has made a complaint to the European Court of Justice against Hungary; and if he will make a statement on the matter. [39838/09]

**Minister for Foreign Affairs (Deputy Micheál Martin):** I have been following developments closely in the case mentioned by the Deputy for the past twenty two months. The case involves the abduction of the child of an Irish citizen. My officials, both in Dublin and in the Embassy in Budapest have been in regular contact with the Irish citizen concerning this case. Diplomatic staff in our Embassy in Budapest, have met with the relevant authorities in Hungary on numerous occasions to raise our concerns.

Following the completion of legal proceedings in Hungary in July 2009, a bailiff was granted powers including police assistance to enforce an Order of the Hungarian High Court compelling the ex-wife to hand over the child to her father. On 29 July, when the bailiff went to a house in the village of Boconad in order to enforce the Order, he found that the mother had absconded with the child. Diplomatic staff from our Embassy and from the Embassy of France in Budapest were present in Boconad on that occasion to observe proceedings and provide consular assistance.

The Hungarian authorities subsequently issued a search warrant in respect of the child's mother but to date neither she nor the child have been found. The Embassy is maintaining close contact with the Hungarian police. On 28 October, following a report that the child was at an address in the town of Egar, the bailiff in the case went to the address accompanied by police officers but Fiona was not at this address. Diplomatic staff from our Embassy and the Embassy of France in Budapest were again present to observe proceedings and to provide consular assistance.

I wrote to the Hungarian Foreign Minister on 29 September and urged that the Hungarian authorities take all appropriate action to locate the child with a view to enforcing the Court Order. I am now awaiting a reply to this letter. I have also been in contact with my French counterpart Mr. Bernard Kouchner concerning this case. I can assure the Deputy I will continue to give a high priority to supporting the Irish citizen in question.

### **Departmental Programmes.**

171. **Deputy Michael Ring** asked the Minister for Arts, Sport and Tourism the way he will

[Deputy Michael Ring.]

fund the continuation of a programme (details supplied) which has directly engaged thousands of people with disabilities in sport and physical activities in view of its nationwide success. [39710/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** Special funding of €2.5 million was allocated from the dormant accounts fund for the appointment of 20 Sports Inclusion Development Officers (SIDOs) in Local Sports Partnerships (LSPs) in 2008. The SIDOs were appointed on two-year contracts to provide opportunities for persons with a disability to participate in sport and physical activity. A network of 33 LSPs has been set up throughout the country by the Irish Sports Council (ISC) to coordinate and promote sport at local level especially amongst specific target groups such as older people, girls and women, people with disabilities, unemployed people, and those who live in identified disadvantaged communities. The special dormant accounts funding was in addition to the annual funding provided to the LSPs by the ISC for programmes and initiatives aimed at increasing participation in recreational sport. The ISC has allocated €6 million to the LSPs in 2009. The continuation of the SIDO scheme from 2010 will be dependent on negotiations on the 2010 Estimates.

### **Departmental Funding.**

172. **Deputy Ciarán Lynch** asked the Minister for Arts, Sport and Tourism if he will recognise that the needs of cultural cinema require State support, in particular, the case of a cinema (details supplied) in Cork city; if he will become involved in the matter; if he will meet with the various interests both public and private to determine the action to save the cinema; the funding and support that might be available or freed up by him in these circumstances with regard to dealing with the cinema's immediate difficulties and putting a sustainable business plan in place, for example, the creation of a public private partnership; and if he will make a statement on the matter. [39734/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** In 1997, the venue referred to by the Deputy received capital funding of IR£100,000 (€127,000) from the Department of Arts, Heritage, Gaeltacht & the Islands under a scheme called the Cultural Development Incentive Scheme. I understand that in 2003/2004, under a scheme operated by the Cultural Cinema Consortium, a capital grant of €750,000 was awarded for the expansion of the cinema. The manager of the Cinema decided ultimately not to avail of this grant. Exchequer funding is not provided for current day-to-day operation of the cinema, either through my Department or agencies under its remit.

### **Sports Capital Programme.**

173. **Deputy Arthur Morgan** asked the Minister for Arts, Sport and Tourism his plans regarding the sports capital grant scheme; if he will renew the sports capital grant scheme; or if he will replace it; and if he will make a statement on the matter. [39785/09]

174. **Deputy Arthur Morgan** asked the Minister for Arts, Sport and Tourism the way the sports capital grant scheme is funded; if the programme is funded from the profits generated by the national lottery; if so, the location to which the money generated in 2009 has gone in view of the fact that the sports capital grant scheme was suspended for 2009; and if he will make a statement on the matter. [39786/09]

175. **Deputy Arthur Morgan** asked the Minister for Arts, Sport and Tourism the outcome for groups which have, or have partially, invested in projects dependant on income from the

sports capital grant scheme; if the groups that drew up a development plan prior to the suspension of the sports capital grant scheme will be awarded the grant; and if he will make a statement on the matter. [39787/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** I propose to take Questions Nos. 173 to 175, inclusive, together.

Under the Sports Capital Programme, which is administered by my Department, and part funded from the proceeds of the National Lottery, funding is allocated to sporting and community organisations at local, regional and national level throughout the country. Since 1998, over €725 million has been allocated to over 7,400 projects across the country. No new applications for funding have been sought in 2009 and no decision has been made on the timing of the next round of the Programme. However, €56 million has been provided in my Department's vote in the 2009 Estimates to cover payments to be made from the C1 subhead, out of which grants are paid for the provision of sports and recreation facilities and all of this money be spent before the end of the year. The corresponding figure for 2008 was €58m.

With over €175m in outstanding grant at the start of 2009 it has been business as usual for all grantees allocated funding under previous rounds of the Programme this year. By close of business on Friday 30 October over 1,330 payments had been approved with a total value of over €49m. It is the intention to meet existing commitments made to grantees under the Programme subject to their compliance with the relevant criteria required for the payment.

Work on the National Sports Facilities Strategy, which will provide an improved policy platform for any future rounds of the Programme, is at an advanced stage of preparation in my Department. It is my intention to publish the strategy once it has been completed and considered by the Government. The distribution of the proceeds of the National Lottery is a matter for the Minister for Finance.

176. **Deputy Mary Upton** asked the Minister for Arts, Sport and Tourism further to Parliamentary Question No. 389 of 20 October 2009, the process and procedure that applies when an application is made for a grant under the sports capital programme; if the sports capital programme is now closed for the foreseeable future; the duties of those persons previously engaged in the administration of the programme; and if he will make a statement on the matter. [39828/09]

**Minister for Arts, Sport and Tourism (Deputy Martin Cullen):** All applications received before the Sports Capital Programme deadline are assessed according to the Programme's assessment criteria as outlined in the terms and conditions of the programme. These criteria, which are issued with application forms, can be summarised as follows:

- the extent to which projects increase active participation and result in improved standards of sport especially in disadvantaged areas;
- the financial viability of the project; and
- the need to achieve an equitable spread geographically and across different sports and community groups.

In addition, projects identified as being located in areas designated as disadvantaged, or as serving disadvantaged areas, are targeted and prioritised. A scoring system is employed which allocates marks to each application consistent with the extent to which it meets the assessment criteria. Different weighting is attached to the various criteria depending on their importance. All applications must fulfil certain minimum terms and conditions to qualify for a score.



[Deputy Martin Cullen.]

The applications are divided into two categories for assessment — local and non-local i.e. national, regional and municipal-multisport. For local projects, the level of funding to each county is on the basis of a pro-rata distribution of the available funding on the basis of the population as set out in the most recent census of population. All local applications from an individual county are assessed by one member of staff to ensure a consistent approach to applications from the county concerned. These assessments are then subject to quality proofing by more senior officers to the officer which conducted the initial assessment. Applications which meet the basic qualifying conditions each receive a score, which decides their order of priority within their own county.

In cases where a sufficient number of eligible projects is not received from a county, any excess funding is typically distributed pro-rata among counties that have an excess of eligible projects. Non-local projects are assessed on additional criteria such as the location of the proposed facility within the network of national, regional, municipal facilities and linkages with the Department's Local Authority Swimming Pools Programme. Following completion of the assessment process, a list of recommended allocations is submitted to the Minister for approval. Both the assessment of applications and the payment of allocations under the Sports Capital Programme is subject to inspection by my Department's capital inspection unit, internal audit section (which examines certain sections of the Department each year) and externally by the Comptroller and Auditor General.

No new applications for funding have been sought in 2009 and no decision has been made on the timing of the next round of the Programme. However, €56 million has been provided in my Department's vote in the 2009 Estimates to cover payments to be made from the C1 subhead, out of which grants are paid for the provision of sports and recreation facilities and all of this money be spent before the end of the year. The corresponding figure for 2008 was €58m.

With over €175m in outstanding grant at the start of 2009 it has been business as usual for all grantees allocated funding under previous rounds of the Programme this year. By close of business on Friday 30 October over 1,330 payments had been approved with a total value of over €49m.

The section dealing with sports capital grants also has responsibility for other sports capital projects such as the Local Authority Swimming Pools Programme, the Tax Relief for Donations to Certain Sports Bodies scheme and the redevelopment of Lansdowne Road Stadium. The staffing complement in the section dealing with Sports Capital grants has been reduced during the last 12 months.

### **National Drugs Strategy.**

177. **Deputy Seán Ó Feargháil** asked the Minister for Community, Rural and Gaeltacht Affairs if his attention has been drawn to the proliferation of “head” shops which have opened here; his views on same; if his further attention has been drawn to the products on sale through these outlets; his further views on whether the consumption of such products might lead to the involvement in the consumption of illicit substances and that some of the substances on sale in these outlets should be banned in the interest of public health and safety; if community groups have raised concerns with him about these outlets; the action he will take or the legislation he will bring forward in this area; and if he will make a statement on the matter. [39806/09]

**Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy John Curran):** I am aware of the growth in the number of Head Shops and the activities of

these shops selling substances that are represented as being “legal highs” or “herbal highs”. These products are currently not scheduled under the Misuse of Drugs legislation, but may have effects similar to those of illicit substances. Community groups, amongst others, have raised their concerns with me and two of the major issues raised relate to the potential health hazard that the products may represent and their potential to act as a gateway to illicit drug use.

Actions 14 and 15 of the new National Drugs Strategy were developed to address the widely held concerns in this regard by committing to:

- Monitoring the activities of headshops, and all businesses involved in the sale of psychoactive substances, with the objective of ensuring that no illegal activity is undertaken.
- Keeping drugs-related legislation under continuous review, with particular focus on new synthetic substances, new or changed uses of psychoactive substances, and against the background of EU and broader international experience and best practice.
- Ensuring that steps are taken to reform legislation in this respect where it is deemed to be appropriate.

I also raised the issue at the initial meeting of the Oversight Forum on Drugs (OFD), which I chair, a few weeks ago. As a result of discussions at that meeting, a number of avenues are being explored to see what action can best be taken to minimise the impact of the activities of these shops.

The Deputy will be aware that the Department of Health & Children has the main statutory responsibility in the area. Under the Misuse of Drugs Acts, the importation, exportation, production, supply and possession of a range of named narcotic drugs and psychotropic substances are regulated and controlled. The list of scheduled substances is kept under review on an ongoing basis. In particular, that Department reviews any evidence that substances are being abused and are causing significant harm to public health. Such reviews can encompass EU decisions in regard to any substances, as happened in regard to BZP (Benzylpiperazine) but also decisions can be made unilaterally by each State, as it considers appropriate. The Early Warning Emerging Trends Committee (EWET) of the National Advisory Committee on Drugs (NACD) are also currently looking at the issues involved and are continuing to monitor developments at international level.

As ‘legal highs’ are currently not controlled substances, there is no authority under the Misuse of Drugs legislation to prevent their sale in headshops. The activities of these establishments are, however, consistently monitored by both the Garda Síochána and Revenue’s Custom Service with a view to ensuring that no illegal substances are sold from these premises.

### **National Carer’s Strategy.**

178. **Deputy Emmet Stagg** asked the Minister for Social and Family Affairs if she will publish the report on a national carer’s strategy; if she will make a statement outlining the reason for the delay in publishing this report. [39779/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** During 2008 an inter-departmental 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. However, because of the prevailing 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. This position remains unchanged.

[Deputy Mary Hanafin.]

The Government is acutely aware and appreciative of the contribution made by carers to people needing ongoing care and support. In recognition of this, considerable improvements have been made in recent years in services and supports for carers. Over the past decade, 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.

In Budget 2009, 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 and free travel and the respite care grant. It is estimated that the combined expenditure on carer's allowance, carer's benefit, the respite care grant and half-rate carer's allowance will be €650 million in 2009.

### Registration of Births.

179. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when approval will be given in respect of registry of birth in the case of a person (details supplied) in Dublin 20; and if she will make a statement on the matter. [39887/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I have had enquiries made with the HSE Civil Registration Service (Eastern Region) and I am informed that the position is that the mother of the person (details supplied) was in a legally subsisting marriage at the time of the birth. It appears that she informed the registrar that her legal spouse was not the father of the child and that the couple separated prior to the birth, albeit not by way of divorce, separation agreement or order.

Under Section 46 the Status of Children Act, 1987, a married man is legally presumed to be the father of all children of a subsisting marriage and this presumption is reflected in the provisions contained in part 3 of the Civil Registration Act, 2004, which govern the registration of births.

Section 22(3) of the Civil Registration Act, 2004, requires a woman who was in a subsisting marriage at the time of the birth, or in such a marriage within 10 months prior to the birth, and who claims that her husband is not the father of her child, to produce to the registrar either;

- a statutory declaration that she has been living apart from her husband during the period of 10 months ending immediately before the birth of the child by virtue of a decree of divorce, a decree of divorce *a mensa et thoro*, a decree of nullity or a deed of separation, or
- a statutory declaration of the person to whom the mother was married at some time during the period aforesaid, that he is not the father of the child.

As it appears that the mother in this case is not separated from her legal spouse by means of a decree or deed referred to above, a statutory declaration from her legal spouse has been requested from her by the registrar but has not been forthcoming.

A further option for registration in this case is provided for under the provisions of section 22(2)(d) of the Civil Registration Act, 2004, which allows registration of a birth to proceed if the mother produces to the registrar a document purporting to be a copy of an order made by a court in proceedings referred to in section 45 of the Status of Children Act 1987 (in effect, a

Guardianship or Maintenance Order from the District Court), finding that a person other than her legal spouse is the father of the child.

I am informed that the mother of the person (details supplied) has been fully informed of the requirements, as outlined above, to rebut the presumption of paternity and to allow the registration to proceed, but has failed to comply with same to date. Once these requirements have been met, the registration will be approved on the authority of a Superintendent Registrar.

#### Social Welfare Benefits.

180. **Deputy Michael Ring** asked the Minister for Social and Family Affairs the fixed amount paid each month to the CIÉ Group for journeys made using the free travel pass in the years 2004 to 2008 inclusive in tabular format. [39712/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The amounts paid by the Department to the CIÉ group in respect of the Free Travel scheme from 2004 to 2008 are set out in the following table:

Year	Month	Total
		€
2004	January	3,999,487
	February	3,855,895
	March	3,626,629
	April	4,061,266
	May	3,828,109
	June	3,817,953
	July	4,337,807
	August	3,737,090
	September	3,693,074
	October	3,921,266
	November	3,936,150
	December	3,808,838
	Total	46,623,564
2005	January	3,928,822
	February	3,832,354
	March	3,904,692
	April	4,000,140
	May	3,943,477
	June	3,843,932
	July	4,084,754
	August	4,068,678
	September	4,551,906
	October	4,106,451
	November	4,058,336
	December	3,999,759
	Total:	48,323,301
2006	January	4,386,564
	February	3,970,177
	March	4,187,543

[Deputy Mary Hanafin.]

Year	Month	Total
		€
	April	4,170,518
	May	4,046,900
	June	4,016,637
	July	4,046,486
	August	4,254,906
	September	4,323,983
	October	4,316,485
	November	4,320,053
	December	4,483,564
	Total:	50,523,816
2007	January	4,183,860
	February	4,272,765
	March	4,295,121
	April	4,295,728
	May	4,293,459
	June	4,303,445
	July	4,727,826
	August	4,306,291
	September	4,285,349
	October	4,307,764
	November	4,660,330
	December	4,612,782
	Total:	52,544,720
2008	January	4,912,329
	February	4,419,096
	March	4,474,077
	April	4,625,044
	May	4,501,839
	June	5,393,426
	July	4,622,247
	August	4,683,150
	September	4,516,989
	October	4,526,374
	November	4,632,930
	December	5,046,743
	Total:	56,354,244

The Department pays CIE Group centrally in respect of transport services provided by the Group companies for pensioners and other groups eligible under the Free Travel scheme. The apportionment of payment between the three constituent companies, Bus Eireann, Bus Atha Cliath and Iarnród Eireann is a matter for the CIE Group to determine. Payments to CIE are adjusted to take account of fares increases, service levels and amendments to the numbers of customers eligible for the Free Travel scheme.

### Employment Support Services.

181. **Deputy Catherine Byrne** asked the Minister for Social and Family Affairs the number of people on jobseekers benefit who have been referred to FÁS for interview to date in 2009; the age-profile of those being referred; and if she will make a statement on the matter. [39794/09]

182. **Deputy Catherine Byrne** asked the Minister for Social and Family Affairs her views that some people being referred to FÁS by her Department are unlikely to upskill and find alternative employment due to their age or education to date; the way she plans to help these people; and if she will make a statement on the matter. [39795/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I propose to take Questions Nos. 181 and 182 together.

The National Employment Action Plan, operated jointly with FÁS, is the main activation measure for jobseekers. Under the plan, all persons between the ages of 18 and 65 years who are in receipt of jobseekers allowance or jobseekers benefit and approaching 3 months on the Live Register, are identified by the Department of Social and Family Affairs and referred to FÁS for interview with the aim of assisting them to enter/re-enter the labour market.

In the period January to end of August 2009 (the latest date for which figures are available), a total of 55,883 persons were referred to FÁS. The reporting system does not provide a breakdown of the numbers referred between those on jobseekers benefit and those on jobseekers allowance. A breakdown of the numbers referred by age is provided in the table below.

Age profile of people referred under EAP to FÁS January-August 2009

Age	Numbers
Under 25	11,452
25-34	15,681
35-44	10,310
45-54	6,481
55-64	2,688
Long Term Unemployed*	9,271
Total	55,883

\*An age breakdown is not available for this group.

People remain on the live register while engaged with FÁS under the NEAP until they take up offers of employment or training. If they do not attend for interview with FÁS or having engaged with FÁS decline offers of employment or training, their cases are referred back to the social welfare local office for review to determine if they continue to satisfy the conditions for receipt of jobseekers payments. There is a statutory obligation on recipients of jobseekers payments to be available for and genuinely seeking full time employment.

People, who, for valid reasons, are unable to avail of the opportunities for placement in employment, training or education provided by FÁS, continue to receive payment. In such cases, the Department's facilitator service is available to assist them in identifying barriers to participation and exploring alternative progression routes. Facilitators liaise closely with social welfare customers in order to assess and determine their needs and arrange, through direct provision or jointly with other agencies, appropriate training and developmental programmes.

[Deputy Mary Hanafin.]

In addition, there is a range of employment support schemes available from the Department of Social and Family Affairs to facilitate people to return to education or to commence self employment.

The National Employment Action Plan plays an important role in assisting unemployed persons enter or return to the labour force. The process is fundamental in addressing the progression needs of those on the Live Register. It provides a stimulus to job search and affords an opportunity to explore, under professional guidance, the full range of employment and training services offered by FÁS.

### Social Welfare Benefits.

183. **Deputy Catherine Byrne** asked the Minister for Social and Family Affairs the number of people that are in receipt of the one parent family payment; the cost of this payment in 2007, 2008 and to date in 2009; the breakdown of the gender, age-profile and nationality of current recipients; and if she will make a statement on the matter. [39796/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The information requested by the Deputy in relation to One-parent Family Payment for each of the years 2007, 2008 and 2009 (October) is given in the tables below as follows:

Table 1: number of recipients and expenditure for each year

Table 2: breakdown by gender

Table 3: age profile

Table 4: nationality/EEA status of current recipients

Table 1: Number of Recipients and Expenditure

Year	No. of Recipients	Expenditure
		€
2007	85,084	962,424,795.99
2008	87,886	1,067,158,458.54
2009 (October)	89,896	917,780,000.00

*Note* the Expenditure figure for the period to the end of October 2009 is estimated. The actual expenditure figure is not available at this time.

Table 2: Breakdown by Gender

Number of Recipients	Female	Male
89,896	87,613	2,283
	97.46%	2.54%

Table 3: Age Profile

Age	Number of Recipients
Under 20	1,547
20-25	15,626
26-30	19,883
31-35	16,472
36-40	15,456
41-45	11,057
46-50	6,076
51-55	2,621
56-60	952
61-65	206
	89,896

Table 4: Nationality/EEA Status

COUNTRY / EEA	Recipients
Ireland	70,431
UK	4,164
Other EEA States	3,088
Non-EEA States	3,426
Coded as 'Oother'	8,787
Total	89,896

### Registration of Births.

184. **Deputy Catherine Byrne** asked the Minister for Social and Family Affairs her views on the mandatory inclusion of fathers' names on birth certificates, which would assist in securing maintenance payments where necessary; and if she will make a statement on the matter. [39797/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The current position in relation to birth registrations is that no man can be named as the father of a child in an entry unless he consents to do so or unless he is found to be the father of the child by the Courts, in proceedings relating to guardianship or maintenance or by way of a declaration of parentage, made under section 35 of the Status of Children Act, 1987.

Under the provisions of the Civil Registration Act, 2004, where the parents are not married to each other at the time of the birth, the father's particulars can be registered if the parents make a joint application to do so, or if either makes an application, accompanied by a statutory declaration from the other parent, naming the father, or if either parent makes an application accompanied by a court order naming the father.

Where a father's details are not registered initially, the parents may re-register the birth to add his details. The procedures for such re-registrations are similar to those for registrations. Also, if the parents marry each other following the birth, they are legally obliged to re-register the birth, under the provisions of section 24 of the Act.



[Deputy Mary Hanafin.]

The Houses of the Oireachtas Joint Committee on Social and Family Affairs has strongly recommended that it should be made compulsory for the father's name to be registered on a child's birth certificate (First Report — October 2009). The Law Reform Commission (LRC) recently issued a discussion document on legal aspects of family relationships, which included the issue of the registration of the father's particulars. They have invited submissions from interested parties and will, in due course, issue recommendations in a further report. Any recommendation in relation to the compulsory registration of the father's details on a birth record will be of considerable significance and will be seriously considered, especially in light of the Joint Committee's recommendation on the registration of the father's particulars.

### **Social Welfare Appeals.**

185. **Deputy Seán Ó Fearghaíl** asked the Minister for Social and Family Affairs if a person (details supplied) in County Kildare will have their appeal expedited in respect of their disability payment; and if she will make a statement on the matter. [39803/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The claim for disability allowance, by the person concerned, was disallowed by a Deciding Officer of the Department from 7th October 2009 following an assessment by a Medical Assessor who expressed the opinion that she was not medically suitable.

An appeal was opened on 13th October 2009 and the Social Welfare Appeals Office has advised me that, in accordance with statutory requirements, the Department was asked for the documentation in the case and the Deciding Officer's comments on the grounds of the appeal. In that context, an examination by another Medical Assessor will be carried out. The person concerned will be advised when the arrangements have been completed.

The Social Welfare Appeals Office is an office of the Department that is independently responsible for determining appeals against decisions on social welfare entitlements.

### **Social Welfare Benefits.**

186. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs the extent of rent support payable in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [39889/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The supplementary welfare allowance scheme, which includes rent supplement, is administered on behalf of the Department by the community welfare service of the Health Service Executive (HSE).

The HSE has advised that it has increased the amount of rent supplement payable to the person concerned from €779.70 to €849 per month from March 2009. This is the maximum amount of rent supplement payable for a person with rent of €950 per month in the area where she lives. The person concerned must pay the minimum contribution of €24 a week towards her rent from her own resources. The Executive has further advised that full arrears of rent supplement for the period from March to September 2009 have issued to the person concerned.

187. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when mortgage assistance will be awarded to a person (details supplied) in County Kildare. [39891/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** The Health Service Executive has advised that according to its records, an application for mortgage interest supplement has not been received from the person concerned.

The Health Service Executive has also advised that the person concerned has been in receipt of rent supplement since 14th November 2001.

188. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs when mortgage assistance or relief support will be awarded to a person (details supplied) in County Kildare. [39893/09]

**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 service of the Health Service Executive.

The Health Service Executive has advised that according to its records, an application for mortgage interest supplement has not been received from the person concerned.

It is open to the person concerned to contact his local community welfare officer with a view to making an application for mortgage interest supplement.

#### **Social Welfare Appeals.**

189. **Deputy Bernard J. Durkan** asked the Minister for Social and Family Affairs the position in relation to an appeal for carer's allowance in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [39894/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I am advised by the Social Welfare Appeals Office that the relevant Departmental papers and comments of the Department have been received and the case has been referred to an Appeals Officer for consideration.

The Social Welfare Appeals Office is an office of the Department that is independently responsible for determining appeals against decisions on social welfare entitlements.

#### **Social Welfare Benefits.**

190. **Deputy Lucinda Creighton** asked the Minister for Social and Family Affairs the reason there has been a delay in processing a disability benefit application in respect of a person (details supplied) in Dublin 2. [39898/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** Disability Allowance is a weekly allowance paid to people with a specified disability who are aged over 16 and under 66. The disability must be expected to last for at least one year and the allowance is subject to a medical assessment, a means test and a habitual residency test.

The person applied for Disability Allowance on 21 August 2009. Her claim was assessed by a Medical Assessor and she was found to be medically suitable for Disability Allowance.

The person's file was forwarded to a Social Welfare Inspector and the Inspector interviewed the applicant in relation to her means. Further information is required however, before a decision can be made on her claim. The Social Welfare Inspector will be in touch with this person shortly in this regard.

A decision on the Disability Allowance claim will be given upon receipt of the Social Welfare Inspector's report and the person concerned will be notified directly of the outcome.

191. **Deputy Olwyn Enright** asked the Minister for Social and Family Affairs the number of persons in receipt of jobseeker's benefit to date in 2009 by age category; the cost of same; and if she will make a statement on the matter. [39916/09]

192. **Deputy Olwyn Enright** asked the Minister for Social and Family Affairs the number of persons in receipt of jobseeker's allowance by age category; the number of people in receipt of jobseeker's allowance by duration up to one year, between one and two years, two and three years, three and four years, four and five years, five years and above; the cost of same; and if she will make a statement on the matter. [39917/09]

**Minister for Social and Family Affairs (Deputy Mary Hanafin):** I propose to take Questions Nos. 191 and 192 together.

I have presented a tabular statement showing the age by duration of both jobseekers allowance and jobseekers benefit claims at the end of October 2009. The expenditure on these schemes was as follows:

	2008	2009 (end Aug)
Jobseekers Allowance	1,158,851,171	1,195,628,373
Jobseekers Benefit	928,843,826	1,168,306,121

August 2009 is the latest date for which official figures are available.

Awarded Claims — Jobseeker's Allowance and Jobseeker's Benefit — 31/10/2009

Age	Jobseeker's Allowance						Total
	0-12 Months	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	
Under 25	35,304	12,828	3,649	1,535	794	522	54,632
25 to 34 years	35,737	13,153	4,811	2,531	1,630	3,276	61,138
35 to 44 years	20,550	9,065	3,727	2,230	1,534	4,468	41,574
45 to 54 years	12,942	6,040	2,774	2,034	1,619	5,979	31,388
55 to 64 years	6,629	3,335	2,933	2,468	2,122	8,758	26,245
65 to 66 years	182	112	138	123	106	951	1,612
Total	111,344	44,533	18,032	10,921	7,805	23,954	216,589

Age	Jobseeker's Benefit						Total
	0-12 Months	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	
Under 25	18,993	824	9	0	0	0	19,826
25 to 34 years	61,844	3,381	150	12	2	0	65,389
35 to 44 years	41,459	2,935	234	24	4	2	44,658
45 to 54 years	27,626	2,375	227	38	5	3	30,274
55 to 64 years	16,889	1,537	176	32	4	1	18,639
65 to 66 years	765	140	12	3	0	0	920
Total	167,576	11,192	808	109	15	6	179,706

Age	Total						Total
	0-12 Months	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	
Under 25	54,297	13,652	3,658	1,535	794	522	74,458
25 to 34 years	97,581	16,534	4,961	2,543	1,632	3,276	126,527
35 to 44 years	62,009	12,000	3,961	2,254	1,538	4,470	86,232
45 to 54 years	40,568	8,415	3,001	2,072	1,624	5,982	61,662
55 to 64 years	23,518	4,872	3,109	2,500	2,126	8,759	44,884
65 to 66 years	947	252	150	126	106	951	2,532
Total	278,920	55,725	18,840	11,030	7,820	23,960	396,295

### Local Authority Charges.

193. **Deputy James Bannon** asked the Minister for the Environment, Heritage and Local Government his views on if it is equitable that a person (details supplied) in County Longford who owns a house in a rural area and pays a mortgage on it and is also paying rent for a room in Dublin during the working week to access employment, should be expected to pay the €200 tax on her own home. [39761/09]

199. **Deputy Martin Ferris** asked the Minister for the Environment, Heritage and Local Government if a person whose sole residence is here but who stays with family in the north of Ireland during the week while working is liable to the non principal private residence charge. [39756/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** I propose to take Questions Nos. 193 and 199 together.

The Government has decided to broaden the revenue base of local authorities through the introduction of this charge on non-principal private residences, which is set at €200 per dwelling and is being levied and collected by local authorities.

While detailed guidance has been provided to local authorities for the purposes of applying the Local Government (Charges) Act 2009, covering, *inter alia*, the terms and definitions used in the Act and their local application, interpretation and implementation of the legislation is a matter for the local authorities in the first instance.

194. **Deputy George Lee** asked the Minister for the Environment, Heritage and Local Government if a house that is split into a number of bed-sits is liable to pay the non-principal private residence tax once or a number of times; the reason for this; and if he will make a statement on the matter. [39938/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Government has decided to broaden the revenue base of local authorities by introducing a charge on all non-principal private residences. The charge is payable by the owners of private rented accommodation, holiday homes and any other residential property that is not the owner's sole or main residence.

The Local Government (Charges) Act 2009, which sets out the detail of the charge, defines residential property as including flats, apartments and bedsits. The €200 charge is payable on each unit of accommodation used, or suitable for use, as a separate dwelling, whether or not

[Deputy John Gormley.]

any amenity or facility in the building or premises may be shared. The owner of a house split into a number of bedsits would thus be liable for the charge on each unit in that house.

195. **Deputy Noel J. Coonan** asked the Minister for the Environment, Heritage and Local Government the way he regulates the non-principal private residencies charge; the way it is decided that a property is exempt from the charge; if each local authority has their own engineer who checks the property to confirm if it is liable or not; the breakdown of the local authorities that have such an engineer and for those local authorities who do not have such an engineer; and if he will make a statement on the matter. [39720/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Local Government (Charges) Act 2009, which sets out the detail of the €200 charge on non-principal private residences, provides for a starting position of universal liability and goes on to exempt certain buildings and owners from the charge, the most important exemption being where a property is occupied by the owner as his or her sole or main residence on the liability date.

While detailed guidance has been provided to local authorities for the purposes of applying the Local Government (Charges) Act 2009, covering, *inter alia*, the terms and definitions used in the Act and their local application, interpretation and implementation of the legislation is a matter for the local authorities in the first instance.

The allocation of staff within a local authority is a matter for the local authority concerned.

#### **Waste Management.**

196. **Deputy Phil Hogan** asked the Minister for the Environment, Heritage and Local Government if the financial analysis of the proposed incinerator in Poolbeg in Dublin 4, as recommended by the Attorney General has commenced; the expected completion date for this financial analysis; and if he will make a statement on the matter. [39725/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The retention of an appropriate financial expert is currently being progressed and I expect that the analysis will be completed within a short period and forwarded to the Attorney General for his consideration in conjunction with previous economic analysis already provided.

#### **Departmental Staff.**

197. **Deputy Finian McGrath** asked the Minister for the Environment, Heritage and Local Government if he will support the case of a person (details supplied) in Dublin 3. [39731/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Due to the Moratorium on Recruitment and Promotion in the Public Service, my Department is not currently recruiting staff. However, any future recruitment by my Department will be carried out through the Public Appointments Service (PAS) and the person concerned should regularly check the PAS website [www.publicjobs.ie](http://www.publicjobs.ie) for updates.

#### **Motor Taxation.**

198. **Deputy Michael McGrath** asked the Minister for the Environment, Heritage and Local Government if he will respond to a query (details supplied) regarding the refund of motor tax. [39749/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** In accordance with Articles 12 to 15 of the Road Vehicles (Registration and Licensing) (Amendment) Regulations 1992 refunds of motor tax can be made in certain circumstances including where a vehicle in respect of which a tax disc has been taken out has not been used in a public place at any time since the issue of the disc.

In addition the regulations require that the annual rate of tax for the disc for which a refund is sought must exceed €99, that not less than a 3 month unexpired period remains on the disc from the date of refund and that the disc is surrendered to the licensing authority. The refund payable is set at 1/12th the annual rate of duty for every month of the licensing period unexpired at the time of surrender of the licence. Application is to the local motor tax office on form RF120 as prescribed by the Minister and is subject to verification by a member of the Garda Síochána.

*Question No. 199 answered with Question No. 193.*

### **Statutory Registration**

200. **Deputy Ciarán Lynch** asked the Minister for the Environment, Heritage and Local Government if he has prepared an advice note for companies (details supplied) which, for the past ten, 20 or 30 years have been legally trading under a name, style or title containing the word “architect”; and if he will make a statement on the matter. [39808/09]

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** Part 3 of the Building Control Act 2007 sets out the detailed requirements for registration of the title of “architect”. Once statutory registration has formally commenced, it will be an offence for a person who — (i) not being registered under Part 3, uses the title “architect”, either alone or in combination with any other words or letters, or name, title or description, implying that the person is so registered, or (ii) practices or carries on business under any name, style or title containing the word “architect” unless he or she is so registered.

However, subject to compliance with any rules that may be made by the registration body, this will not prevent a body corporate, firm or partnership from carrying on business under a name, style or title containing the word “architect” if- (a) the business, so far as it relates to architecture, is under the control and management of a registered professional, and (b) in all premises where its business relating to architecture is carried on, it is by or under the supervision of a registered professional.

### **Motor Taxation.**

201. **Deputy Joe McHugh** asked the Minister for the Environment, Heritage and Local Government his plans to address the cost anomaly in road tax for couples recently made redundant who have four or more children, and who are not in a position to upgrade their seven seater cars to more environmentally graded vehicles, with lower road tax requirements; and if he will make a statement on the matter. [39821/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** While my Department is currently reviewing the legislation which governs the imposition of motor tax, I have no plans to change the basic principle that private cars are taxed on the basis of certain physical criteria i.e. the engine size or the CO<sub>2</sub> emissions of the vehicle.

**Housing Developments.**

202. **Deputy Kathleen Lynch** asked the Minister for the Environment, Heritage and Local Government the local authorities that have complied with his request to put in place a protocol for taking housing estates in charge; and if he will make a statement on the matter. [39823/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** Based on returns made to my Department, 35 City, County and Borough Councils, as listed below, have a policy on taking in charge of estates, virtually all of which contain a protocol on the steps for the taking an estate in charge, as requested by my Department in Circular Letter PD 1/08 on Taking in Charge of Residential Developments/Management Arrangements. My Department is following up with the outstanding City, County and Borough Councils who either have yet to make a return or have stated that they have yet to prepare a taking in charge policy.

*County Councils*

Carlow

Cavan

Clare

Cork

Dun Laoghaire-Rathdown

Fingal

Galway

Kerry

Kildare

Kilkenny

Laois

Leitrim

Limerick

Longford

Mayo

Meath

Monaghan

Offaly

Sligo

Tipperary NR

Tipperary SR

Waterford

Westmeath

Wexford

Wicklow

*City Councils*

Cork

Dublin

Galway

Limerick

Waterford

*Borough Councils*

Clonmel

Drogheda

Kilkenny

Sligo

Wexford

**Local Authority Funding.**

203. **Deputy Caoimhghín Ó Caoláin** asked the Minister for the Environment, Heritage and Local Government his views on the proposal in the special group on public service numbers and expenditure programme for the abolition of town councils in view of the fact that such a step would be anti-democratic and in violation of the constitutional recognition of local government; and if he will make a statement on the matter. [39839/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The White Paper on local government will address a broad suite of local government issues, including in relation to town government. I expect that the White Paper will be published later this year following, inter alia, consideration of local government financing in light of the Report of the Commission on Taxation and in line with the commitments in the renewed Programme for Government.

**Local Authority Members.**

204. **Deputy Niall Collins** asked the Minister for the Environment, Heritage and Local Government the sanction or penalty for breach of a regulation (details supplied); and if he will make a statement on the matter. [39943/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Local Government Act 2001 provides that it is the duty of every local authority member to maintain proper standards of integrity, conduct and concern for the public interest, and this is emphasised in the Code of Conduct for Councillors that has been issued under the Act. The Act also provides that a person is disqualified from being a member of a local authority in a range of circumstances, including where that person is convicted of fraudulent or dishonest dealings affecting a local authority, or of corrupt practices.



[Deputy John Gormley.]

Directions issued by the Minister for the Environment, Heritage and Local Government under section 142 of the Local Government Act 2001 provide that a member of a local authority is liable to repay any allowance received for travelling and subsistence expenses to which such member was not entitled. A local authority is required to take any necessary action to recover any such amount repayable, including by way of deduction from, or suspension of, any other amounts to which a member would otherwise be entitled.

The Ethics in Public Office Acts 1995 and 2001 apply in relation to local authorities. Furthermore, the normal criminal law regarding fraud and deception may also be relevant.

#### **Local Authority Funding.**

205. **Deputy Olwyn Enright** asked the Minister for the Environment, Heritage and Local Government if exemptions are in place for the payment of the non-principal private residential tax for persons (details supplied); and if he will make a statement on the matter. [39946/09]

**Minister for the Environment, Heritage and Local Government (Deputy John Gormley):** The Government has decided to broaden the revenue base of local authorities through the introduction of this charge on non-principal private residences, which is set at €200 per dwelling and is being levied and collected by local authorities.

While the Local Government (Charges) Act 2009 sets out the detail of the charge and provides for a number of exemptions, there is no provision for an exemption on the basis of low income or receipt of social welfare payments. The Act does, however, place the collection of charges under the Act under the care and management of the relevant local authority.

#### **Housing Aid for the Elderly.**

206. **Deputy Deirdre Clune** asked the Minister for Communications, Energy and Natural Resources the grants and supports available for persons in the 60 to 65 years age group seeking to re-roof and insulate their homes to improve the energy efficiency of their homes; and if he will make a statement on the matter. [39809/09]

207. **Deputy Deirdre Clune** asked the Minister for Communications, Energy and Natural Resources the grants and supports available for persons aged 65 years and over seeking to re-roof and insulate their homes to improve the energy efficiency of their homes; and if he will make a statement on the matter. [39810/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** I propose to take Questions Nos. 206 and 207 together.

Financial supports are available to homeowners, regardless of age, under two schemes funded by my Department, to improve the energy efficiency of existing homes.

The Home Energy Saving (HES) Scheme which is administered by Sustainable Energy Ireland (SEI) provides grant assistance to homeowners for energy efficiency retrofitting measures including attic and wall insulation, very high-efficiency boilers, heating controls and Building Energy Rating (BER) assessments.

The scheme is open to anybody owning a house that was built prior to 2006. Homeowners can expect to save up to €700 per year on their energy bills if they install the full suite of measures available under the scheme. The scheme offers grants of up to 40% of the typical cost of energy efficiency upgrade measures, depending on the measure concerned. A list of eligible measures and fixed grant rates is set out in the following table:

Measure	Fixed grant rate
	€
Roof Insulation	250
Cavity Wall Insulation	400
Internal Wall Insulation	2,500
External Wall Insulation	4,000
High Efficiency Boiler with Heating Controls Upgrade	700
Heating Controls Upgrade Only	500
Building Energy Rating Assessment	200

Further information is available by contacting 1850 927000.

My Department's Warmer Homes Scheme (WHS) also provides support for low income housing for insulation and other energy efficiency improvement measures. This scheme is managed by SEI and implemented by local community groups. Measures include cavity wall insulation, attic insulation, boiler lagging jackets, draught proofing measures and Compact Fluorescent Lamps (CFLs). These measures are provided free or at a nominal cost to the householder. Advice is also provided on minimising energy use.

Some €20 million has been made available to the WHS in 2009. This represents a very substantial increase on previous years and the WHS is expected to support energy efficiency interventions in up to 15,000 low income homes this year.

My colleague, John Gormley T.D., Minister for the Environment, Heritage and Local Government, also operates a Housing Aid for Older People Scheme, which is delivered through local authorities. Grants of up to €10,500 are available for structural repairs including minor roof repairs to the homes of older people.

#### **Telecommunications Services.**

208. **Deputy Noel J. Coonan** asked the Minister for Communications, Energy and Natural Resources when broadband will be available to a person (details supplied) in County Tipperary; and if he will make a statement on the matter. [39774/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** My Department has entered into a contract with "3", a Hutchinson Whampoa company, for the delivery of the National Broadband Scheme (NBS). 3 is required to provide services to all residences and businesses that are within the NBS area and who seek a service.

The company is progressing its network roll-out and services have gone live in a number of areas. The entire NBS area must be covered by September 2010.

The general area of Rossoulty, Thurles, County Tipperary, will be covered by the NBS. The current service status of each NBS area is available at [www.three.ie/nbs](http://www.three.ie/nbs).

#### **Telecommunications Regulation.**

209. **Deputy Joe McHugh** asked the Minister for Communications, Energy and Natural Resources the number of legal challenges that have been initiated by Eircom against ComReg in the past 12 months; the number of these that relate to ComReg decisions that force Eircom to cut the wholesale price of broadband lines; and if he will make a statement on the matter. [39816/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** I am not a notified party in legal challenges to decisions of the Commission for Communications Regulation, ComReg, nor am I a party to any such proceedings. I am advised by ComReg that eircom has appealed ComReg decisions on five occasions in the last 12 months rising to six over the past 18 months. Two appeals related to the price of local loop unbundling; one related to the regulation of leased lines and the other 3 related to ComReg decisions in respect of certain retail offerings from eircom.

### **Telecommunications Services.**

210. **Deputy Joe McHugh** asked the Minister for Communications, Energy and Natural Resources if the locations for satellite broadband have been identified under the national broadband scheme awarded to a company (details supplied) earlier in 2009; and if he will make a statement on the matter. [39817/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** The National Broadband Scheme (NBS) contract guarantees that broadband connectivity will be available to 100% of the buildings within the NBS coverage areas. In recognition of the fact that some areas will be very costly and technologically challenging to reach using standard infrastructure, a limited number of residences and businesses in the NBS coverage area may be covered by a satellite service.

The NBS contract defines specific thresholds and circumstances under which satellite can be deployed and allows for a maximum of 8% of residences and businesses to be served utilising satellite technology. It is anticipated that the actual deployment of satellite will be around 5% of residences and businesses within the NBS coverage area. It is a matter for the NBS service provider, “3”, to decide where a satellite solution will be deployed.

### **Córas Postchóid.**

211. D’fhiafraigh **Deputy Darragh O’Brien** den Aire Cumarsáide, Fuinnimh agus Acmhainní Nádúrtha an mbeadh sé sásta córas postchóid nua na hÉireann a bhunú ina iomláine ar logainmneacha Gaeilge, ar uimhreacha agus ar an gcoimriú IE, nó ar uimhreacha agus litreacha nach mbaineann le haon logainm amhail ceann a bheadh bunaithe ar chomhordanáidí mar atá in úsáid sa chóras PONC atá curtha le chéile ag GPS Ireland cheana féin; gníomh a thacódh le beartas dátheangach an Rialtais, spiorad Acht na dTeangacha Oifigiúla 2003, atá leagtha síos i mBunreacht na hÉireann, beartas an Aontais Eorpaigh atá meáite ar mhionteangacha a chothú agus a neartú, agus straitéis 20 bliain don Ghaeilge atá le foilsiú go luath; agus an ndéanfaidh sé ráiteas ina thaobh. [39944/09]

**Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan):** Tá faomhaithe ag an Rialtas do chur i gcrích córas postchód mar a mhol an Bord um Thionscadal na bPostchód Náisiúnta.

Cuireadh an Bord ar bun chun an córas ab oiriúnaí d’Éirinn a mholadh agus chun féachaint ar na costais agus na tairbhí agus ar chur i gcrích postchód. Faoi réir an chórais a mholadh roinnfear an tír i thart ar 200 bailte poist agus i ngach baile poist beidh grúpaí de thart ar 40 nó 50 réadmhaoin. Tá cruth ABC 123 ar an bpostchód ina léirítear an baile poist sna litreacha agus an grúpa réadmhaoin ina bhfuil foirgneamh áirithe sna figiúirí.

Roghnaíodh an córas postchód áirithe ar roinnt fáthanna éagsúla, orthu siúd go mba éasca do bhaill an phobail cuimhneamh ar a gcód féin agus gur chabhair tagairt do logainm chuige seo. Is cuid lárnach de rath na gcód go mbainfeadh an pobal úsáid astu.

Níl aon rud sa mholadh a chuireann iachall ar dhuine comhdhéanamh an tseolta a mhalartú, nó a choinneodh duine ó úsáid a bhaint as foirm an tseolta i gceachtar de theangacha oifigiúla an Stáit. Sa bhreis ar sin, i gcás bailte poist atá lonnaithe san nGaeltacht, bainfear litreacha as leagan oifigiúil na Gaeilge de logainm leis an cód a bhunú.

### **Departmental Offices.**

212. **Deputy Phil Hogan** asked the Minister for Agriculture, Fisheries and Food the rental cost of all Department offices in Cork City; and if he will make a statement on the matter. [39724/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The rental cost of all my Department's offices in Cork City is a matter for the Office of Public Works.

### **Grant Payments.**

213. **Deputy Noel J. Coonan** asked the Minister for Agriculture, Fisheries and Food when a single farm payment will issue to a person (details supplied) in County Tipperary; the reason for delay in payment; and if he will make a statement on the matter. [39773/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** An application under the 2009 Single Payment Scheme was received from the person named on 14 May 2009. Following initial processing of the application, it was found that one of the land parcels claimed by the person named had also been claimed by two other scheme applicants. In keeping with standard procedures, all parties concerned were written to in order to establish which of them had the right to claim the parcel in question. Replies have now been received for the three parties concerned, thereby allowing the further processing of the application of the person named. The 70% advance payment will issue shortly to the nominated bank account of the person named.

### **Website Access.**

214. **Deputy Brendan Howlin** asked the Minister for Agriculture, Fisheries and Food if access to a public representative's website is barred on computers in his Department's offices; if this applies to all elected Members' websites; the reason access to these websites are denied; the person who made the decision to bar access; and if he will make a statement on the matter. [39788/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** The Department of Agriculture, Fisheries and Food uses standard security software to control and monitor access from its computer network to all external websites. Access to any public representatives' websites is not proactively restricted by my Department. Notwithstanding this and in accordance with my Department's internet usage policy, the third party software utilised, initially restricts websites using various pre-defined IT security categorisations, such as, barring access to 'web-mail' sites.

Therefore, it can inadvertently occur that access to legitimate websites can be generically blocked by the security software without the knowledge or proactive involvement of my Department's staff. To resolve such occurrences and in accordance with my Department's internet usage policy, any staff member wishing to access a website that has been automatically blocked by the security software is also prompted to request access by detailing the internet address and the reason(s) for access.

**Grant Payments.**

215. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Cork has not yet received their single farm payment; and if he will make a statement on the matter. [39835/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** An application under the 2009 Single Payment Scheme was received from the person named on 8 May 2009. As this application has now been fully processed, the 70% advance payment will issue shortly, and will be paid directly into the nominated bank account of the person named.

216. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will receive their REP scheme four payment. [39836/09]

**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, including plan checks, to be completed before the first 2009 payments issue.

Processing of applications, including the application from the person named, has commenced to facilitate the release of payments at the earliest possible date.

217. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food when the single farm payment will issue to a person (details supplied) in County Galway; and if he will make a statement on the matter. [39904/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** An application in respect of the 2009 Single Payment Scheme was received from the person named on 12 May 2009. Processing of the application revealed that one of the land parcels declared by the person named had overlapped with a parcel claimed by another scheme applicant.

Both parties were written to and asked to clarify the position regarding their entitlement to claim the overlapping portion of the parcel concerned. Following clarification in this regard the disputed area was then allocated to the person named which will allow payment issue under the Single Payment Scheme.

218. **Deputy Phil Hogan** asked the Minister for Agriculture, Fisheries and Food when payment will be awarded in respect of the REP scheme and forestry to a person (details supplied) in County Kilkenny; and if he will make a statement on the matter. [39907/09]

**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, including plan checks, to be completed before the first 2009 payments issue.

Processing of applications, including the application from the person named, has commenced to facilitate the release of payments at the earliest possible date.

With regard to Forestry my Department is currently processing an application from the person named for approval for afforestation grant aid. Information is currently being sought from the National Parks & Wildlife Service as part of the consultation process. In view of the current budgetary situation it is unlikely that approval will issue this year.

219. **Deputy Jim O’Keeffe** asked the Minister for Agriculture, Fisheries and Food the average time taken to process applications from date of application to date of clearance for payment of installation aid and REP scheme in each of his Department’s offices in County Cork. [39936/09]

**Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith):** Target times for the processing for REPS 3 are set out in the Charter of Rights for Farmers. REPS 4 processing is not yet finished for 2009, so average times are not available.

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, including plan checks, to be completed before the first 2009 payments issue.

For applications under the Young Farmers’ Installation Scheme, detailed checks are carried out by my Department’s Inspectorate on the property and education requirements and both on-farm and off-farm income limits. The average time in the Cork Office taken to process an application under the Scheme is seven months and this includes periods of communication with the applicant regarding queries or amendments to the application.

#### **Adult Education.**

220. **Deputy Pat Breen** asked the Minister for Education and Science his views on the work being carried out by a centre (details supplied) in County Clare; the possible implications for this centre of the special group on public service numbers and expenditure programmes report; if he will continue to make funding available to this centre; and if he will make a statement on the matter. [39711/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** The centre mentioned by the Deputy is a Senior Traveller Training Centre (STTC). The Report of the Special Group on Public Service Numbers and Expenditure Programmes recommended that STTC provision be phased out over a period of 2-3 years.

This proposal, like other proposals made by the Special Group, is currently being considered in the context of the estimates and budget process.

The full suite of further and adult education programmes, such as the Vocational Training Opportunity Scheme (VTOS), the Back to Education Initiative (BTEI), Youthreach, Adult Literacy and Community Education, continue to be available to all learners, including Travellers. In fact, Travellers are already participating in these programmes, especially in areas where there is no STTC.

#### **School Staffing.**

221. **Deputy Noel J. Coonan** asked the Minister for Education and Science the number of secondary school principals who retired in north Tipperary in the first ten months of 2009; the percentage this is of the total number of principals in the constituency; his plans to tackle this issue; and if he will make a statement on the matter. [39719/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** One principal retired from a secondary school in Tipperary North Riding in the period from 1 January 2009 to 31 October 2009. This single retirement represents 12.5% of the number of secondary school principals in Tipperary North Riding. It should be noted that this figure is based on the number of secondary

[Deputy Batt O’Keeffe.]

schools in Tipperary North Riding rather than by reference to the constituency to which the Deputy refers.

The retirement of principals of VEC schools are handled by each individual VEC and details of the number of retirement from these schools are not readily available in my Department.

While it is recognised that the turnover of senior posts is high in comparison to recent years, the overall number of retirements represents a relatively small proportion of the teacher population. The challenges in replacing principals and deputy principals are being addressed by school authorities. At the same time, retirements create opportunities for new management approaches and for ideas to be developed and realised.

The Leadership Development for Schools Programme (LDS) provides professional development and support for principals, deputies and others involved in school management and educational leadership in primary and post-primary schools. The introduction of this initiative in 2002 coincided with a period of intense change in Irish education as our schools embraced considerable change and challenges. Since 2002, thousands of principals, deputy principals and aspirant school leaders have participated on LDS programmes, leading to significant capacity-building at all levels in the system. In as far as possible, the LDS will focus its provision in 2009/10 on addressing this development. Many of the new appointees have already registered for training with the LDS this year or have previously participated in programmes.

#### **Schools Building Projects.**

222. **Deputy Noel J. Coonan** asked the Minister for Education and Science when work will begin on a school (details supplied) in County Limerick; when he expects a decision to be made; if his attention has been drawn to the urgency of this application; and if he will make a statement on the matter. [39722/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The project to which the Deputy refers was recently tendered. The school’s Design Team is currently preparing the Tender Report. When this report is completed and submitted to my Department it will be assessed by the Profession and Technical staff of the Building Unit. Provided there are no issues arising therefrom the school will be authorised to proceed to the construction stage.

#### **Special Educational Needs.**

223. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Science the accommodation and resources which he has provided to meet the needs of second level students on the autistic spectrum at a new post primary school (details supplied) in County Kildare; and if he will make a statement on the matter. [39750/09]

224. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Science the accommodation and resources which he will provided to meet the needs of second level students on the autistic spectrum at a proposed new post primary school at a location (details supplied) in County Kildare; and if he will make a statement on the matter. [39751/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 223 and 224 together.

Two new school buildings, which will be operated by Co. Kildare Vocational Educational Committee, are being delivered for the schools referred to by the Deputy. One of the buildings

is complete and the other is under construction and is due to be completed by the end of this year.

The brief for both buildings includes the provision of a designated special needs unit to meet the needs of the students.

### **Grangegorman Development Agency.**

225. **Deputy Aengus Ó Snodaigh** asked the Minister for Education and Science if the funds to proceed on schedule with the Grangegorman development project, Dublin, will be allocated in the 2010 budget; and if he will make a statement on the matter. [39752/09]

226. **Deputy Aengus Ó Snodaigh** asked the Minister for Education and Science the amount of funds already spent on the Grangegorman development project, Dublin.. [39753/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I propose to take Questions Nos. 225 and 226 together.

The Grangegorman Development Agency was established under Section 8 of the Grangegorman Development Agency Act 2005. The general aim of the Agency is to oversee the development of the lands at Grangegorman on behalf of the Departments of Education and Science, Health and Children, Dublin Institute of Technology and the Health Services Executive.

Section 12 of the Act provides that the Agency following its establishment must prepare a Strategic plan consisting of a written statement and a plan indicating the objectives for the development of the Grangegorman site, including the setting of a budget for the strategic plan subject to the approval of the Minister for Education and Science together with a strategy for its delivery within the set budget.

The draft Strategic plan and budget has been received by my Department and I intend bringing proposals to Government for consideration. The 2010 allocation for the Agency is being considered as part of the Estimates and Budgetary process. Since the Agency was established in 2006 my Department has provided the following grant aid:

2006 — €0.095m;

2007 — €3.525m;

2008 — €6.685m;

To date in 2009 — €3.863m.

### **Schools Building Projects.**

227. **Deputy Catherine Byrne** asked the Minister for Education and Science the status of a school building project (details supplied) in Dublin 12 which was to undergo a re-tendering process; if he will expedite the construction of a new school building which has been promised since 2000; and if he will make a statement on the matter. [39798/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The school to which the Deputy refers was one of ten projects that I announced in January 2009 to be re-tendered. In order to prepare for tender and to comply with the new form of Government contract, the project was required to submit revised tender and associated documentation.



[Deputy Batt O’Keeffe.]

Accordingly, in July following the receipt of compliant revised documentation, the project was authorised to go to tender. My Department has recently received the tender report which is currently being assessed by the Professional and Technical staff of the Building Unit. Provided there are no issues arising, the school will shortly be authorised to proceed to the award stage and ultimately the construction stage.

### **School Grants.**

228. **Deputy Jack Wall** asked the Minister for Education and Science his views regarding correspondence (details supplied); the actions he will take to address the concerns raised; if so when such actions are planned; and if he will make a statement on the matter. [39800/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Deputy may be aware that I had a constructive meeting with Protestant educational representatives on 21 October. I explained that a simple reversal of the measures taken in Budget 2008 applicable to all Protestant fee-charging schools and determined solely on a denominational criterion was not legally possible. I again made clear that I am prepared to work with the Protestant fee-charging schools to identify particular problems and issues that may be arising in some of their schools, or in respect of some students in their schools, and to examine how these might be addressed in a manner consistent with the Constitution.

I believe that engagement between my officials and representatives of the Protestant schools is the best way to seek to resolve the issues that are of concern.

### **School Transport.**

229. **Deputy Tom Sheahan** asked the Minister for Education and Science if he will provide school transport for children (details supplied) in County Kerry; and if he will make a statement on the matter. [39807/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** Under the terms of my Department’s School Transport scheme, a pupil with special needs is eligible for school transport if s/he is attending the nearest recognised: mainstream school, special class/special school or a unit, that is or can be resourced, to meet the child’s special educational needs under Department of Education and Science criteria.

The National Council for Special Education has responsibility, through its network of Special Educational Needs Organisers (SENOs), for the establishment of special education facilities and for allocating resource teachers and special needs assistants to schools to support children with special needs.

The parents/guardians of the pupils in question should liaise, in the first instance, with the local SENO. Eligibility for transport, under the terms of the above scheme, will then be examined upon receipt of the completed application forms for transport.

### **Vocational Education Committees.**

230. **Deputy Joe McHugh** asked the Minister for Education and Science the length of time that students, who have successfully completed their applications to the Donegal Vocational Education Committee and Donegal County Council third level education grants, will have to wait for payment; and if he will make a statement on the matter. [39822/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The process of assessing eligibility for third level grants and the organisation, management and payment of student grants are matters for the relevant local authority or VEC. These bodies seek to ensure students get decisions on their grant applications and are paid as soon as possible.

### Teaching Qualifications.

231. **Deputy Michael Creed** asked the Minister for Education and Science the situation regarding primary school teachers who have secured their qualification from outside the jurisdiction and who have to undertake an Irish language examination; when application forms for this examination will be available from a college (details supplied) in Dublin 3 which has indicated that they are awaiting a circular from his Department on this matter; and if he will make a statement on the matter. [39834/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** Adjustments to the arrangements for meeting the Irish language requirements for teachers trained outside the jurisdiction has involved a transfer of responsibilities to the Teaching Council and revised arrangements with the college. I understand that the Teaching Council has been in contact with the college and that the forms will issue shortly.

### School Closures.

232. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Education and Science if he is monitoring the effect of the swine flu outbreak on schools; the assessment of the effect so far in terms of temporary closures; and the number of school days lost and so on; and if he will make a statement on the matter. [39841/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The Health Service Executive is monitoring; and publishes on a weekly basis, the number of cases of Pandemic (H1N1) 2009, including the number of outbreaks within schools.

The general position regarding school openings and closures is set out in department circulars 11/95, M29/95, and 107/2007. In relation to this pandemic, to date the consistent advice issued to the schools is that unless the local Department of Public Health advise the management of the school to close as a precautionary measure, the school should remain open. As is normally the case where management finds it is necessary to close some or all of the school it is not necessary to obtain the Department of Education and Science’s approval. Schools should simply act in accordance with the advice of the health authorities.

My Department is an active member of the Standing Inter-Departmental Committee on Public Health Emergency Planning, chaired by the Department of Health and Children. This committee has been developing a cross departmental and sectoral response to responding to and managing this public health emergency.

Specifically, the role of my Department is to communicate to the education sector, public health information and advice on this pandemic flu. In that regard my Department continues to liaise with the Health Service Executive and the management bodies for education establishments to jointly develop specific advice and guidance for the education sector. This timely and practical information reflects the likely practical effects of this pandemic within a school; and includes information for schools on how to encourage and facilitate everyday actions that can help prevent the spread of this pandemic flu; and being able to respond to symptoms and cases of this flu.

### **Schools Building Projects.**

233. **Deputy Pat Breen** asked the Minister for Education and Science further to Question No. 429 of 26 May 2009, the status regarding an application by a school (details supplied); and if he will make a statement on the matter. [39845/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** As the Deputy is aware, the school to which he refers has made an application to my Department for large scale capital funding. The application has been assessed in accordance with the published prioritisation criteria for large scale building projects and assigned a band 2 rating. Information on the current school building programme, along with all assessed applications for major capital works, including the project in question, is available on my Department’s website, *www.education.ie*. The priority attaching to individual projects is determined by published prioritisation criteria, which were formulated following consultation with the education partners. There are four band ratings under these criteria, each of which describes the extent of accommodation required and the urgency attaching to it. Band 1 is the highest priority rating and band 4 is the lowest. Documents explaining the band rating system are also available on my Department’s website. A delegation from the school met with officials of my Department earlier this year and presented a proposal to finance the replacement of prefabricated buildings over a 20-year period. This proposal is being considered. The progression of all large-scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual school building and modernisation programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

### **Schools Recognition.**

234. **Deputy Pat Breen** asked the Minister for Education and Science further to Question No. 671 of 9 June 2009, the status regarding the application by a group (details supplied); and if he will make a statement on the matter. [39899/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** My Department is considering a number of broad policy issues relating to the recognition process for second level schools. The application from Educate Together to be recognised as a patron body at second level is being fully examined within the context of legal, financial and other factors that I must consider.

### **Residential Institutions Redress Board.**

235. **Deputy Ruairí Quinn** asked the Minister for Education and Science if he has received the results of the audit of assets belonging to the 18 Religious Teaching Orders that signed the 2001 Indemnity Agreement which covers the cost of the Residential Redress Board; if he will publish the findings; if not, the total value of assets owned by the orders; and if he will make a statement on the matter. [39910/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The panel appointed by the Government to assess the statements of resources submitted by the religious congregations following the publication of the Ryan report has submitted its report. The report is under examination prior to being submitted to the Government. As indicated previously, it is intended that the conclusions of the panel will be made public.

### **Schools Recognition.**

236. **Deputy Ruairí Quinn** asked the Minister for Education and Science when he will grant recognition to a proposed Gaelcholáiste (details supplied) in County Dublin; the reason for the delay; the date for recognition of the new school; if he will use some of the €396 million which has yet to be spent in its capital budget for 2009 to ensure sufficient accommodation can be provided for the school; and if he will make a statement on the matter. [39911/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The forward planning section of my Department is in the process of carrying out detailed analysis of over 40 locations of highest population growth in order to identify the school accommodation requirements up to and including the 2014-15 school year. When the required reports have been completed for the initial areas selected, the forward planning section will continue to work on preparing reports on a priority basis for the remainder of the country. Overall post-primary accommodation requirements in the Dundrum area, including the case for the provision of a new Irish language post-primary school, will be considered in this regard.

### **Higher Education Grants.**

237. **Deputy Michael Ring** asked the Minister for Education and Science if the eligibility of a person (details supplied) in County Mayo for the maintenance grant will be reviewed. [39923/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** My Department received an appeal on 2 November 2009 from the candidate referred to by the Deputy. The appeal is under review. It is anticipated that a reply will issue to the student shortly.

### **Teaching Qualifications.**

238. **Deputy Jim O’Keeffe** asked the Minister for Education and Science if he will establish a conversion course for trained Montessori teachers to enable them to become fully recognised teachers in the primary school structure; and if he will make a statement on the matter. [39935/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** As the Deputy may be aware, the recognition of teacher qualifications is a matter for the Teaching Council, the body with responsibility for establishing and maintaining standards in the teaching profession. Consequently, the issue of conversion courses is a matter for the council in the first instance. I have no plans to establish such a course.

### **Schools Building Projects.**

239. **Deputy Bernard Allen** asked the Minister for Education and Science when a decision will be made on a grant for an extension to a school (details supplied). [39939/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** I can confirm that the school to which the Deputy refers has made an application to my Department for large scale capital funding. The application has been assessed in accordance with the published prioritisation criteria for large scale building projects and assigned a Band 2 rating.

Information in respect of the current school building programme along with all assessed applications for major capital works, including the project referred to by the Deputy, are now available on my Department’s website at [www.education.ie](http://www.education.ie).

[Deputy Batt O’Keeffe.]

The priority attaching to individual projects is determined by published prioritisation criteria, which were formulated following consultation with the Education Partners. There are four band ratings under these criteria, each of which describes the extent of accommodation required and the urgency attaching to it. Band 1 is the highest priority rating and Band 4 is the lowest.

Documents explaining the band rating system are also available on my Department’s website.

The progression of all large scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of my Department’s multi-annual School Building and Modernisation Programme. However, in light of current competing demands on the capital budget of the Department, it is not possible to give an indicative timeframe for the progression of the project at this time.

### School Transport.

240. **Deputy Arthur Morgan** asked the Minister for Education and Science the number of children availing of the school transport scheme over the past five years on a county basis. [39941/09]

241. **Deputy Arthur Morgan** asked the Minister for Education and Science the number of children availing of the school transport scheme. [39940/09]

242. **Deputy Arthur Morgan** asked the Minister for Education and Science the number of children availing of the school transport scheme in County Donegal. [39942/09]

**Minister of State at the Department of Education and Science (Deputy Seán Haughey):** I propose to take Questions Nos. 240 to 242, inclusive, together.

Bus Éireann informed my Department that the number of tickets issued for travel on school transport services for the years 2005 to 2009 was as follows:

2005 — 135,000;

2006 — 134,000;

2007 — 135,000;

2008 — 135,000;

2009 — 125,000.

The number of eligible primary and post-primary children availing of the school transport scheme on a county basis in respect of 2005, 2006 and 2007 is as follows:

County	2007	2006	2005
Carlow	2,336	2,412	2,454
Cavan	3,792	3,710	3,734
Clare	3,962	4,233	4,225
Cork	15,090	15,369	14,647
Donegal	10,725	10,423	10,286
Dublin	4,989	5,423	5,839
Galway	9,631	10,052	10,011
Kerry	6,389	6,512	6,866

County	2007	2006	2005
Kildare	4,257	4,109	4,163
Kilkenny	4,104	4,101	4,209
Laois	1,659	1,626	1,705
Leitrim	2,693	2,398	2,592
Limerick	5,162	5,485	5,324
Longford	2,548	2,580	2,471
Louth	3,553	3,868	3,921
Mayo	6,633	6,804	7,038
Meath	4,164	4,393	3,535
Monaghan	4,186	3,853	3,850
Offaly	3,240	3,134	3,194
Roscommon	2,204	2,175	2,132
Sligo	2,632	2,760	3,340
Tipperary (NR)	4,409	4,999	4,804
Tipperary (SR)	1,833	1,824	1,927
Waterford	3,103	2,967	3,134
Westmeath	3,921	3,065	3,064
Wexford	5,931	6,185	6,191
Wicklow	3,703	4,024	4,537

The figures in respect of 2008 are currently being finalised by Bus Éireann.

The number of tickets issued for travel on school transport services in County Donegal at 31 October 2009 was 10,347.

#### **Pension Provisions.**

243. **Deputy George Lee** asked the Minister for Education and Science if the contributions made by teachers for their pensions were invested into a fund or if these contributions were used as income for the Exchequer; and if he will make a statement on the matter. [39950/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** The pension scheme for first and second level teachers are unfunded defined benefit schemes. There is no pension fund nor are contributions by teachers invested. Like many other public sector pension schemes, the teachers’ schemes operate on a pay-as-you-go basis. Pension contributions are credited as appropriations to the Vote for the Department of Education and Science in the year in which they are received. The cost of pensions in payment during the year is met from current revenue through monies voted by the Oireachtas. In the case of VEC teachers, the contributions are retained by the VEC and an appropriate adjustment is made to the allocation to the VEC to meet pay and pensions costs.

#### **Grant Payments.**

244. **Deputy Brian Hayes** asked the Minister for Education and Science, further to Parliamentary Question No. 746 of 20 October 2009 in respect of the three schools that have yet to submit invoices for rental grant aid for the January to June 2009 period, if he is satisfied that everything is correct and above board; and if he will make a statement on the matter. [39954/09]

**Minister for Education and Science (Deputy Batt O’Keeffe):** As outlined previously to the Deputy, rental grant-in-aid is provided to schools where original invoices for rental costs are

[Deputy Batt O’Keeffe.]

submitted for payment to my Department’s Planning and Building Unit. My Department has paid 99.6% of the overall rental grant-aid due for temporary school rental costs for the January to June 2009 period. 92% of schools have been paid to date for the July — December 2009 rental period.

There is nothing to suggest that there is anything irregular where schools do not submit invoices for a particular rental period. Simple explanations such as changes in school personnel, schools overlooking payments etc. can often result in delays in invoices being submitted to my Department. In any event, payment can not be made until the appropriate documentation is received.