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

Paidir.

Prayer.

Leaders' Questions

Deputy Enda Kenny: One of the hallmarks of the Cowen Government has been undue delays in making decisions, which has cost taxpayers a lot of money. On the recapitalisation of the banks, the Government delayed on the nationalisation and wind-up of Anglo Irish Bank, which has cost €30 billion. Yesterday, I made a constructive suggestion to the Taoiseach and the Government that it would be possible to bring forward to next week the 2011 budget and that it would be possible to have the essential measures of the finance Bill passed, as is the Taoiseach's duty and responsibility, before Christmas, which would bring a measure of certainty to the Government's proposals. However, the Taoiseach rejected this and I was disappointed to say the least.

I spoke to the European Commission yesterday, which made it perfectly clear that every hour that passes, every day that goes by and every week that moves along makes the position more drastic for the Irish taxpayer and people and, as a consequence, the package will be all the more rigorous with even stricter conditions. Bringing forward the budget would have been an answer in part to this issue.

An Ceann Comhairle: Can we have a question?

Deputy Enda Kenny: Authoritative sources now reveal it will be necessary to draw down a further €85 billion. To clarify, how much of this figure is for the banks, how much for the running of the country and what are the interest rates involved?

The Taoiseach: In respect of Deputy Kenny's remarks, I outlined the position yesterday regarding the timeline for the budget, which has been a matter of agreement between the Commissioner and the Minister for Finance. It is a timeline they obviously find to be acceptable and the Government now must proceed with the four-year plan that is being published today. It is not a question of there being further, more rigorous, conditions as a result of the budget's introduction on 7 December and that is not the position. Obviously, were there to be an election or were a situation to arise whereby a budget was not introduced until the new year without full-year effects, that would be a more difficult situation. However, the Government is moving along the timelines that have already been agreed between the parties concerned.

In respect of the other matters, the Deputy will agree and understand that negotiations continue with regard to this matter. Although the size of any programme is not finally decided, an amount in the order of €85 billion has been discussed and the Minister has made clear from the outset that it will not be a three-figure sum. However, those talks are continuing. The fund for banking includes an amount for immediate further recapitalisation of the banks and a contingency in case of further losses. As this contingency is sufficiently big to deal with all possible outcomes, it is not expected that it will all be drawn down. We are talking about an overdraft here, as was mentioned by a commentator this morning. It is a contingency that is available to us as required. On the basis of the State's requirements beyond July, up to which we are pre-funded, it also is available for drawdown for that purpose. Furthermore, the Deputy will appreciate that all these issues can be market sensitive and negotiations are continuing. I can only state to the Deputy that these talks are proceeding as quickly as possible but obviously one must ascertain how this can be finalised before the Government considers the matter further.

Deputy Enda Kenny: I am sure that in the talks that are proceeding, from the Government point of view the figures to be determined are being discussed. The figure of €85 billion is being bandied about and I again ask approximately what, from the Government's point of view, are we talking about in this regard? Is it €60 billion or €65 billion for banks and the rest for running services? In addition, surely there must have been some fix as to what will be the approximate interest rate.

Members read today that the State is to take over a majority shareholding in the Bank of Ireland, despite the comments a few weeks ago by the Minister for Tourism, Culture and Sport that all was well there. All Members can agree on the urgency of the need to repair, restructure and adequately capitalise the banking system in order that it can provide for the lifeblood of the economy and get credit flowing again to business. There is now serious concern about the scale of debt the country is incurring. How does the Taoiseach propose to ensure a fair sharing of the costs between the taxpayer and investors in the banks, including some of the bond holders, in a way that protects the Irish State from bankruptcy? This is a very serious question that is now on the minds of thousands of people.

The Taoiseach: We must all be responsible in relation to this matter. To allay any fears, worries or concerns the public may have, I point out to the Deputy that our banking system is fully supported by the European Central Bank in respect of its funding. On the question of capital, we have seen capitalisation provided to the banks heretofore. The Deputy will also be aware that any increase in capitalisation is a matter for discussion and negotiation and is not finalised in any sense at this point. It is important, given that these are market sensitive issues, that we not seek to suggest that ongoing discussions have been finalised or that we are in a position to outline a full package, if approved by Government. I ask that we all act in a responsible manner.

With regard to our future funding requirements, we would be making provision for drawing down further national borrowings in any event. Therefore, withdrawals from this fund — if we were to take it and approve it — would replace borrowings done for the Exchequer in any event. So the whole question of interest rates is a matter under negotiation, as the Deputy would appreciate. There are various sources of funds for this facility. That is an important matter that is yet to be finalised, and anything being mentioned is speculative at this time.

It is important that we allow negotiations to proceed and not affect them in any way, and I do not suggest this is the Deputy's intention. It is obvious that we should not affect the negotiations in a way that would not be good for the country. Let the negotiations and discussions take place. If we have an outcome that can be put to and approved by Government, it will, of course, be brought to the attention of the Parliament and the people thereafter.

Deputy Enda Kenny: Will the Taoiseach respond to my second question about the sharing of costs between the taxpayer and bank shareholders?

An Ceann Comhairle: Deputy Kenny, there is no provision for a supplementary question from leaders.

Deputy Enda Kenny: The second half of my question has not been answered.

The Taoiseach: I will respond to the second half of Deputy Kenny's question. The sustainability of our debt burden is an important part of how we proceed. I am confident that if we get an outcome we will be in a position to manage that situation. Again, that remains part of the negotiations and we need to await the outcome of those negotiations.

Deputy Eamon Gilmore: We are in very exceptional times. Unprecedented uncertainty and instability surrounds the Government. The Government itself is in its last days. The only thing we do not know is how long Fianna Fáil intends to prolong the life of the Government. The Green Party says it will be January. Yesterday, the Taoiseach seemed to indicate it would be February. Deputy Collins told a radio station this morning that it would be March and I understand a Minister told another radio yesterday that it would be May. It would appear the Government is trying to drag things out for as long as possible. Meanwhile, the Taoiseach will not commit to shortening the budgetary process. Last year, the Finance Bill was debated until the end of March. All of that process could be shortened if the Government chose to do so.

Now, we have continuing uncertainty regarding the banks. The Taoiseach will remember that when the Labour Party proposed, in early 2009, that the main banks be temporarily taken into public ownership, he rubbished that proposal. The Government is now having the banks nationalised anyway, but at a very expensive cost.

The Taoiseach is now in the process of applying to the European institutions and the IMF for a massive loan. He describes it as an overdraft. It is one hell of an overdraft. We are now told it will amount to €85,000 million. I have never heard of anyone applying for an overdraft they did not know the size of. The Taoiseach mentioned, in passing, that the figure of €85 billion was mentioned. Is that the size of the overdraft the State is applying for from the European institutions? He says the interest rate is being negotiated. Can he, at least, indicate the parameters of that negotiation? What is the highest level of interest being asked for? What is this overdraft likely to cost? What is the distribution of the overdraft between what the banks will require and what the State will require? Again, anyone applying for an overdraft would know the elements making up such an overdraft, what it is being required for and what would inform it.

An Ceann Comhairle: A question, Deputy Gilmore, please.

Deputy Eamon Gilmore: I have already asked two questions, a Cheann Comhairle. Please bear with me and, perhaps, listen to what I am saying. I have asked two questions already and I am coming to the final one. Can the Taoiseach indicate to the House the distribution of the amount of the overdraft between the banks and the State?

The Taoiseach: We are in the midst of discussions with the partners regarding these matters. The discussions are not finalised. It would be wrong of me to pre-empt the outcome of those negotiations at this time, but I will be as helpful as I can in the circumstances, consistent with the right interests of the country and the negotiations as they stand. That is all I can do.

With regard to the temporary nationalisation of the banks, had it occurred at that time Bank of Ireland, which subsequently got capital on the markets, would not have been able to get that capital. It would have had to come from the taxpayer because the bank would have been nationalised. As a fully funded State bank, that capital would have had to be funded by the State. Being able to raise capital on the markets in some measure has been helpful and effective in avoiding a further imposition on the taxpayer.

With regard to Deputy Gilmore's second point, we must wait to see the outcome of the present arrangements and what further capitalisation may be required. This will depend on a number of factors not yet decided, including the amount of capital and whether any of it can be got from other sources. That issue is not resolved. It is part of the discussions and I am not in a position to go any further with that today.

I was asked about amounts. It is not finally decided but a sum of the order of €85 billion has been discussed. The Minister for Finance has already said it is not a three figure sum. That is as far as I can go in relation to that matter.

On this being regarded as an overdraft, I simply used that term for illustrative purposes to indicate that it can be drawn down as required. We do not have to take on a loan of that size with full interest being charged thereon *ab initio* from day one. Having a facility raises issues but there will be a charging mechanism in the provision of the facility. That has to be worked out. That is technical and complicated work that is not yet completed. Given that there are different sources of funds for these facilities to be provided, it would be an average rate given the different rates which will apply to the funds from different sources. The current position is that any interest rate mentioned by anyone at present is speculative. I believe my comments answer the questions.

Giving Deputies a breakdown today depends on a range of factors that have not yet been decided upon, including the rate of drawdown were one to provide for more capital in the banks and the final position thereon. Given that we are pre-funded until July, the question arises as to the making of some contribution from our own resources, which is also under discussion in respect of how we deal with this matter. The negotiated facility will also result in a contribution. When the negotiations are completed and approved by the Government, the full details on all these matters will be made available to the House.

Deputy Eamon Gilmore: What is wrong with that reply is that we must drag the information out of the Taoiseach. This is not private business but public business. We are in an unusual position in that the Government, in its final days, is in the process of negotiating what the Taoiseach now calls a very big overdraft on behalf of the people of the country. As late as a week ago, the Taoiseach was denying he was applying for such an overdraft. What he is providing us with here is just incremental information. He is telling us that the figure of €85 billion has been mentioned and that the Minister for Finance said the figure will be less than €100 billion, which gives some indication of the range the Taoiseach is talking about.

Let us concentrate on the bank element. I accept that the interest rate and other matters are being negotiated and that, in order to achieve the best outcome in the interests of the country and taxpayer, the Taoiseach will not go into detail in this regard. I understand that and will not push him on it. However, I will push him about the banks because he has given the House and country a bum steer on them for a very long time. The Taoiseach states in the House that if we had gone down the route of temporary nationalisation, which the Labour Party advocated at the beginning of 2009, everything would be worse. If we had gone down that route, we would be coming out of the problem now and our banks would not be mired in the NAMA process that the Taoiseach got us into.

An Ceann Comhairle: Has the Deputy a question?

Deputy Eamon Gilmore: On the banks issue, the newspapers are full of talk about restructuring of the banks and about the extent to which the banks will be in public ownership. We were told some months ago that we had the final recapitalisation figure. It was a lot of money and was in the order of €50 billion, but we are now being told a loan or overdraft will have to be drawn down from the European Union in order to put money into the banks.

I will not come back to the Taoiseach if the figure he provides is not spot-on but I believe the House and people are entitled to hear at least the ballpark figure for what will be required by the banks out of the €85 billion. I and most commentators assume that most of the €85 billion will be required for the banks. It would be preferable and helpful and would add a little certainty to the public discussion if the Taoiseach gave at least give a ballpark figure for what the banks will require rather than having commentators here and elsewhere speculating today and over the weekend on the amount required, given that this is the last day on which the Taoiseach will be answering questions in the House before next week.

The Taoiseach: I am in no way seeking to avoid my responsibility to keep the public informed. The Deputy has acknowledged that there are ongoing negotiations and acknowledged this in respect of the interest rate and other matters.

No decisions on bank restructuring have yet taken place. I am not holding back with regard to any issue. The Deputy may consider various scenarios. They have been discussed in the financial press and other media. The Deputy is aware that these matters have an impact in terms of market sentiment and it would be irresponsible of me to give the Deputy a figure when decisions have not been made in this area. We know from the statements made by the EU Finance Ministers that we need to build upon and intensify the measures we have already taken, which have been supported. It is far from the case that our European partners, who are prepared to sit down with us to underpin financial and banking stability for the future through the provision of the facility, are suggesting we have given a bum steer. Rather, they are supportive of all the initiatives we have taken and believe we must build further upon them, recognising as they do the capacity of a small state to source all the funding required. That is the position. The Deputy's assertion that there are bum steers being given is blown away by the fact that our European partners, the banks with which we deal and the institutions are supportive and agree that the decisions we have taken on this matter have been the right ones. That is the truth of the matter and if one looks at the statements one will note that is the fact. Deputy Gilmore continues to suggest that temporary nationalisation of the banks would not have resulted in NAMA—

Deputy Joan Burton: Definitely not.

The Taoiseach: —that he would kick it further down the road. We would not get the segregation of assets, we would not get the transparency, we would not get the cost of the

[The Taoiseach.]

distressed assets, and we would not have parked them somewhere else outside the banking system, enabling the banks in some way to try to get to the market on the basis of having the ability to fund themselves given the level of losses. With all due respect, the Deputy's suggestion is a bum steer.

Deputy Emmet Stagg: What the Taoiseach has done worked extremely well.

An Ceann Comhairle: Deputy Stagg should not interrupt.

The Taoiseach: It is precisely a bum steer. This is where Deputy Gilmore's policy falls apart. He does not have a banking policy that is supported by anybody. No guarantee at the time—

(Interruptions).

Deputy Emmet Stagg: The country is wrecked.

The Taoiseach: Shouting me down will not win the argument. Not putting in place a guarantee at the time would have resulted in the implosion of the economy and the closure of the banks within days, as confirmed in the Honohan report.

Deputy Eamon Gilmore: That is not true.

Deputy Joan Burton: That is not true.

The Taoiseach: That is what the report says. The Deputies should read it.

The Labour Party revised its view in order to gain some respectability by stating it was only talking about subordinated debt, which it stated should not have been guaranteed on the basis that it constituted only 3% of the total volume. The view is that if one were not supposed to guarantee 3%, one should not have guaranteed 97%. We are told there would not have been an implosion; of course there would have been.

The second point the Labour Party makes — I am glad it is outlining this policy — pertains to temporary nationalisation, which would at the time have deprived Bank of Ireland from obtaining money on private markets, as it did subsequently. It would have had to have been paid for by the taxpayer.

Deputy Brendan Howlin: The Government has no shame.

The Taoiseach: All recapitalisation would have had to have been achieved by the taxpayer in that case. We are now told the Labour Party does not support the NAMA process, that it would keep the losses in the banking system, kick the matter down the road and get through it somehow, and that, hey presto, because Deputy Gilmore would be in charge, the banks would be repaired and all would be well.

Deputy Emmet Stagg: When the Taoiseach was in charge, he got it right—

The Taoiseach: That is not a policy; that is what I would define as a bum steer considering the very difficult circumstances the country is in.

Deputy Brendan Howlin: The Government has no shame.

The Taoiseach: That is the truth of the matter.

We are building on policies that are being supported by those who are prepared to support the country now precisely because they believe the difficult initiatives we have taken were the right ones to take.

Deputy Emmet Stagg: The mess the Government made of banking——

The Taoiseach: None of us in the House is in a position to say that, while those decisions were necessary, they have not proved sufficient. There are abnormal market conditions and we are out of the markets.

We must establish a means by which we can return to the markets at some stage.

As Members are aware, in the context of the ongoing discussions on Basel III, the question of the further capitalisation of banks has been mentioned. The Financial Regulator came forward with a very robust capital ratio of 8% in respect of the banks. That ratio is certainly as robust as any in Europe. The Financial Regulator also brought forward a very transparent process regarding the segregation of assets and stated that, in his view, the losses in the banks were of the order of €35 billion. That analysis remains as valid today as it was then. The issue that arises relates to stress testing the banks again to see if there is any further action we can take to convince the markets that we are on the right track. If further capitalisation of the banking sector is required to assist this process, it can be provided.

We must build on the existing policy framework. It is not the case that the European Union or the relevant institutions are approaching Ireland and asking that we adopt the policies of the Irish Labour Party. The position is quite the contrary. They are stating that we should build on the policies of the Government.

Deputy Pat Rabbitte: They are coming here——

(Interruptions).

An Ceann Comhairle: That concludes Leaders' Questions.

Ceisteanna — Questions

Constitutional Issues

1. **Deputy Enda Kenny** asked the Taoiseach if he will report on the implementation of The Sullivan Review of the Office of the Attorney General of June 2006; and if he will make a statement on the matter. [37172/10]

The Attorney General has informed me that all of the recommendations of the Sullivan Report have been fully implemented.

Deputy Enda Kenny: What is the position with regard to the legislation required to place the Children First guidelines on a statutory footing? The Taoiseach will be aware that said legislation relates to the use of soft information. Is he in a position to outline the position in this regard? I understand the legislation could have been enacted this year if priority had been accorded to it.

The Taoiseach: The supplementary information in my possession relates to the Sullivan report, which arose as a result of a review chaired by Mr. Eddie Sullivan, the then Secretary

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General of the Department of Finance, the purpose of which was to identify any aspects of the organisational structure, systems, procedures or staffing arrangements within the Office of the Attorney General that may require to be amended to ensure that the information and notification deficit which occurred in the office in respect of the handling of the CC case does not recur. It was, therefore, an organisational review and that is the supplementary information available to me in respect of it.

Deputy Enda Kenny: Is the Taoiseach in a position to indicate the current state of play regarding the referendum on children's rights? The purpose of such a referendum would be to give constitutional recognition to the rights of children and set out the constitutional standard that is required to ensure the State, its agencies and the courts will be in a position to provide children with the protection to which they are properly entitled. At this late stage in 2010, is the Taoiseach in a position to provide an indication with regard to the timeframe relating to the holding of the referendum to which I refer?

The Taoiseach: That is a separate issue. However, as stated on previous occasions, the Minister of State with responsibility for children and youth affairs, Deputy Barry Andrews, is working on the matter in question and will revert to the Cabinet in respect of it in due course. The Cabinet will be then in a position to consider the options and perhaps return to the Members who have shown an interest in this matter in order to outline — based on both the best advice that would be available from the Attorney General at that point and departmental observations — what might be the best way forward.

Deputy Eamon Gilmore: Does the Taoiseach expect the legislation which arose on foot of the A case, to which the Sullivan report related, will be brought forward by the Government prior to the general election? In the past, various referenda were held on the same day as general elections. A general election is to take place some time in the new year. Is it intended that the referendum on children's rights will take place on the same day as the general election?

The Taoiseach: I could not give that commitment until such time as the important work which is being undertaken at present is completed and considered by the Government and probably the House. I could not, therefore, indicate whether that would be the case at this point.

The Sullivan report related to the CC case which, in turn, related to statutory rape. The report noted that all the relevant parties accepted that the CC case had met the criterion of being an important and sensitive case such as to warrant reference to the Attorney General in accordance with office policy and protocols. In particular, it identified several milestones in the evolution of the case about which the Attorney General ought to have been informed or consulted. In reality, the Attorney General was consulted only about the first of these, namely, the nomination of counsel.

The Sullivan report instances the various relevant procedures and protocols in force, the policies that existed to ensure that staff were aware of the requirement to refer the case to the Attorney General and the existing office co-ordination arrangements which provided further mechanisms to assist in observance requirements. The report found, however, that the reason the Attorney General was not notified or consulted on the remaining milestones was the result of administrative error. In noting that no perfect system could be designed to deal with such administrative errors, the report concluded that the initiatives already under way as a result of an earlier review, the new measures proposed and the recommendations arising from the Sullivan review, would further enhance the operation of the office and reduce the risk of such an event recurring. The report set out 19 measures designed to further minimise the risk of recur-

rence. These included enhanced risk assessment procedures, various enhancements to IT systems and new management procedures.

The original question specifically relates to the actions taken to date and, as already stated, all the recommendations contained in the Sullivan report have been fully implemented. What I have outlined is all the information I have in respect of the matter.

Deputy Caoimhghín Ó Caoláin: In the interests of obtaining clarity in respect of the work on the Attorney General regarding the recommendations from the Joint Committee on the Constitutional Amendment on Children, will the Taoiseach indicate if the Attorney General has concluded his consideration of the proposed wording and of the submissions from each of the potentially affected Departments to which the Minister of State with responsibility for children and youth affairs had referred the wording for assessment? What is the current status of the Attorney General's work in respect of the preparation for the expected referendum on children's rights, which hopefully will take place in 2011?

In the interests of establishing greater understanding of and confidence in the work of the Attorney General, will the Taoiseach indicate if there is a body of work in respect of which confidentiality is not a core requirement and with regard to which the advice of the Attorney General could, in certain circumstances, be shared with Members in this Chamber? If there were a way to share information in the way to which I refer, this would allow for some degree of appreciation regarding the approach being taken and the advice being offered.

The Taoiseach: As already stated, I do not have in my possession any papers relating to that specific matter, which does not come within the purview of the original question. It was not anticipated that supplementary questions of this nature would arise. However, there are some issues which I brought to the attention of the House in reply to supplementary questions posed on a previous occasion. This matter is being pursued by the Minister of State with responsibility for children and youth affairs, Deputy Barry Andrews, who will revert to the Government in respect of it in due course. The Minister of State is affording this matter priority.

This is a complex area and I respect the fact that the Joint Committee on the Constitutional Amendment on Children did a substantial amount of work in respect of it. The committee brought forward a lengthy and detailed suggested wording and, as the Deputy will be aware, in terms of constitutional matters all words count and everything must be considered.

I assure the House that if this was not as complex as it is, I am sure we could have made headway a little more quickly. Everyone who was on the committee spent considerable time and effort putting his or her thoughts together on it. However, the Government must consider all of its implications. When work is completed in that area and considered by Government, I would envisage that we would have to come back to the House to discuss it further.

Deputy Caoimhghín Ó Caoláin: On the role of the Attorney General, is there any situation that the Taoiseach could envisage where the Attorney General's advices to Government could be shared across the House? I am not seeking to be vexatious with this. It is only just to have an understanding of the approach and advices given. Are there situations that the Taoiseach could envisage where the confidentiality issue is not absolutely paramount?

The Taoiseach: I understand the imperative here for the independence of the Attorney General as legal adviser to the Government to be unimpaired and unconstrained. At the end of the day, it is a matter for Government to decide on what is the best outcome and then to come to the House armed with whatever arguments it requires to put its proposal and to explain its position.

[The Taoiseach.]

It is important that the Attorney General, as a constitutional officer, discharges his or her functions on the basis of pointing out if there are constitutional issues that need to be addressed in a proposal before it would be put. Otherwise one is leaving it open with that knowledge to constitutional challenge subsequently and, possibly, it having to be withdrawn or amended subsequently.

It is a matter of some importance, as one would expect where an insertion or deletion of a constitutional provision is being envisaged, that all aspects of the matter are very carefully considered and that at the end of the day the Government comes with what it believes to be a proposal which meets with the constitutional requirements while implementing the change it seeks to bring about subject to the agreement of the people.

Cabinet Committees

2. **Deputy Liz McManus** asked the Taoiseach the reasons the Cabinet sub-Committee on Climate Change did not meet as planned on 6 October 2010; when this Committee is to meet next. [38721/10]

The Taoiseach: The planning meeting of the Cabinet Committee on Climate Change and Energy Security did not take place on 6 October to allow work to continue at official level on a number of issues, which were subsequently brought before a full meeting of the Government. The next meeting of the Cabinet committee has not yet been scheduled.

It would be incorrect to correlate the number of meetings of the Cabinet committee with the Government's commitment to tackling and addressing the climate change and energy security issues. The Government has been meeting frequently and full consideration has been given to climate change and energy security issues where appropriate.

The Minister for the Environment, Heritage and Local Government retains lead responsibility for climate change policy, with cross-departmental issues co-ordinated through the senior officials group on climate change and energy security chaired by my Department.

I am satisfied that significant progress is being achieved and that the issues are receiving the appropriate level of attention. Any specific questions on climate change issues should be put down to the Minister for the Environment, Heritage and Local Government, or other Minister if appropriate.

Deputy Liz McManus: What is the point in having a Cabinet sub-committee on climate change? It does not meet, nothing is happening, there is no Bill and there are no results. At this stage the Taoiseach might consider abandoning the project of having a Cabinet sub-committee dealing with climate change but never meeting.

I ask the Taoiseach to explain what the hell is going on. When we had a debate in this House on climate change we were promised, and, indeed, the Minister for the Environment, Heritage and Local Government subsequently tweeted that day, that heads of the Bill would be published on the following Tuesday, 13 November. All we got was a tweet; we did not get heads of the Bill. Would the Taoiseach tell us exactly why the heads of the Bill did not materialise? Is it true, as has been said, that the Taoiseach's Department is holding up this legislation?

While he is replying, would he also indicate, because I have been trying to find out and it seems the Taoiseach is only person who might answer this, who is responsible for the programme for Government commitment to ensure a climate change impact assessment is taken into account for all Cabinet decision making? When I put down a parliamentary question to any Minister, or even the Taoiseach, I am told that I will not get a reply because it impinges

on the principles of Cabinet confidentiality. The Government has a commitment in the programme for Government but it will not tell us anything about it because the Government is protected by the bulwark of Cabinet confidentiality. That is not proper Government. Maybe the Taoiseach would answer the question of who is supposed to be doing this and how is it being done.

Deputy Eamon Gilmore: Does the Taoiseach tweet?

The Taoiseach: No, like yourself.

Deputy Olwyn Enright: Probably wise.

An Ceann Comhairle: It is important before the Taoiseach replies to state on this matter that the line Minister has responsibility for any legislation. Is the Taoiseach prepared to take it in a general way?

The Taoiseach: Absolutely, I would likely to be as helpful as possible at all times.

Deputy Jim O’Keeffe: What has come over the Taoiseach?

The Taoiseach: Sorry?

Deputy Jim O’Keeffe: What has come over the Taoiseach at all?

The Taoiseach: I looked over at Deputy Jim O’Keeffe and I said, “What a wonderful day.”

Deputy Enda Kenny: I thought bare-knuckled boxing was outlawed.

The Taoiseach: Much progress has been made on the climate change Bill. I am not a person who is holding up the Bill. I hope I have been helpful in ensuring that we have been able to come forward with a good Bill. This type of legislation will be unprecedented in an Irish context and it is therefore essential to ensure that the drafting process is comprehensive. I am satisfied that significant progress is being achieved and I would expect that the Bill should be published shortly. Much work and discussion has gone into it. Far from holding it up, I have been using my good offices to try to resolve matters and bring matters forward, as, I think, Deputy McManus would expect me to in my position.

On the question of impact assessment, that is a matter that has to be considered.

Deputy Liz McManus: By whom exactly?

The Taoiseach: By Cabinet.

Deputy Liz McManus: Nobody seems to be responsible.

The Taoiseach: Where there is an impact on climate change in respect of an issue, it can be considered by Cabinet. Line Departments, as Deputy McManus will be aware, make their observations on every proposal that comes to Government.

The important point, from our point of view, is that in respect of the Bill itself much progress has been made and I would be hopeful that the Bill would be published shortly.

Deputy Liz McManus: I thank the Taoiseach for his answer. He clearly stated he is not responsible for holding up the legislation—

The Taoiseach: Neither is anyone else.

Deputy Liz McManus: I would be grateful if he would indicate who exactly is responsible for holding up the legislation.

The Taoiseach: There is no-one responsible for holding it up.

Deputy Liz McManus: Is the Taoiseach stating then that the Minister, Deputy Gormley, was misleading the public? He made a very clear statement on the web. He stated, in his twitter, that heads of the Bill would be published on Tuesday, 13 November. He did it under pressure and we all understand political pressure, but that does not excuse a clear statement that was issued for the public. Many welcomed it and took him at his word. Is the Taoiseach now saying that we should not take the Minister at his word?

An Ceann Comhairle: It might be better pursue this with the line Minister.

Deputy Liz McManus: It seems that one can say anything. If one is a Minister, one can say what one likes but it does not have to be true. Maybe the Taoiseach would reply on who is holding up the legislation and on why the Minister, Deputy Gormley, made a commitment to the public which turns out to be untrue.

An Ceann Comhairle: A significant aspect of that question should be directed to the line Minister.

The Taoiseach: I have given some information for which the Deputy is welcome. There is merely a bit of political point scoring going on now. The relevant point is that at the end of the day all Ministers are proceeding as quickly as they can with the legislation. The Minister is committed to this legislation and the Government is anxious to ensure that we proceed correctly and get this legislation done. As I stated, it is an unprecedented piece of legislation in an Irish context. It is not a question of merely drafting up sections 1, 2 and 3, as Deputy McManus will appreciate based on the work in which the committee of which she is a member has been involved.

Deputy Liz McManus: We delivered the goods. We did what we had to do.

The Taoiseach: Deputy McManus is just doing a bit of point scoring now. I have given the information, which is what Question Time is about. If she wants to ask a question of Deputy Gormley and try to score a point on some date perhaps she should put it directly.

An Ceann Comhairle: We will move on——

Deputy Liz McManus: A brief supplementary——

An Ceann Comhairle: We have spent much time on this and it is——

Deputy Liz McManus: I wish to ask a brief supplementary because I did not ask it subsequently, and I should have. The Taoiseach stated the Cabinet must consider the climate change impact assessment of Cabinet decisions. Has it done so?

An Ceann Comhairle: Questions on Cabinet deliberations are——

Deputy Liz McManus: I think the Taoiseach might——

An Ceann Comhairle: ——confidential——

Deputy Liz McManus: The Taoiseach wants to give information.

An Ceann Comhairle: —and it is not appropriate to ask supplementary questions about it so we will move on.

Deputy Liz McManus: Ceann Comhairle—

The Taoiseach: The issue is as I have given it. I am sure Deputy McManus is aware of Cabinet procedures and the circulation of memoranda to Departments for observations. These issues are mentioned in the line Department's observations where they are relevant and they are taken into account in the decision-making process.

Deputy Caoimhghín Ó Caoláin: Will the Taoiseach indicate the membership of the Cabinet sub-committee on climate change? Will he confirm that the Minister for Transport is a member? In this context, will the Taoiseach agree there is a critical need to support current and projected public transport arrangements, not only to cater to the public need but also in recognition that every effort must be made to reduce the dependence on private cars and private vehicles which are contributing significantly to the climate change challenge that we face today? Does the Taoiseach care to indicate whether this is a consideration with regard to the upcoming tsunami of cuts that the Government has indicated for 2011?

An Ceann Comhairle: The Deputy should submit a parliamentary question to the line Minister on these matters.

Deputy Caoimhghín Ó Caoláin: My question is reasonable given the context. The Taoiseach may wish to respond.

The Taoiseach: Membership of the Cabinet sub-committee comprises of the Minister for Agriculture, Fisheries and Food, the Minister for Enterprise, Trade and Innovation, the Minister for Foreign Affairs, the Minister for Transport, the Minister for the Environment, Heritage and Local Government, the Minister for Communications, Energy and Natural Resources, the Minister for Finance and myself.

Deputy Caoimhghín Ó Caoláin: Is the Minister for Transport a member?

The Taoiseach: Yes, I mentioned the Minister for Transport. I hope I have mentioned all of the members.

To answer Deputy Ó Caoláin's question, I do not have detailed information that would be accurate to give to him. A question to the line Minister might be best. I do not have it as it was not contemplated.

Tribunals of Inquiry

3. **Deputy Eamon Gilmore** asked the Taoiseach if his sanction was sought for the recent appointment by the Moriarty Tribunal of a new counsel to the Tribunal; the basis on which any sanction was given; the number of senior counsel and junior counsel allocated to the Tribunal; the implications for the costs incurred by his Department of the appointment of the new counsel; and if he will make a statement on the matter. [40182/10]

4. **Deputy Enda Kenny** asked the Taoiseach the costs which accrued to his Department during October in respect of the Moriarty Tribunal; and if he will make a statement on the matter. [41187/10]

5. **Deputy Enda Kenny** asked the Taoiseach if he approved or sanctioned the appointment of a new counsel for the Moriarty Tribunal; and if he will make a statement on the matter. [41188/10]

6. **Deputy Michael Noonan** asked the Taoiseach the estimated cost to his Department of the Tribunal chaired by Mr. Justice Moriarty; and if he will make a statement on the matter. [41610/10]

7. **Deputy Eamon Gilmore** asked the Taoiseach the costs accrued by his Department arising from the Moriarty Tribunal at the latest date for which figures are available; if any estimate is available of the estimated final cost to his Department; and if he will make a statement on the matter. [42572/10]

The Taoiseach: I propose to take Questions Nos. 3 to 7, inclusive, together.

Earlier this year, in view of the long-term absence of Mr. John Coughlan, senior counsel, the sole member of the tribunal, Mr. Justice Moriarty, sought sanction to appoint a senior counsel to replace him. In the event, the judge did not proceed on this basis.

Instead, Mr. Justice Moriarty sought and received sanction to appoint a senior counsel solely to undertake the examination of Mr. Michael Andersen. This work has now been completed and the engagement of the senior counsel by the tribunal has ceased. In addition, a junior counsel was appointed to the tribunal's legal team to do the ongoing work of Mr. Coughlan.

While sanction for these appointments was sought from my Department, neither I nor my Department was involved in the selection or approval of the individuals concerned. As is the normal practice, that is a matter for the tribunal. A brief fee for the senior counsel in respect of the examination of Mr. Andersen was sanctioned, along with a daily rate for the actual examination, other than the first day. However, no invoice has been received in the Department and it is understood that the tribunal has not yet finalised terms with the senior counsel, within the sanctioned rates. In view of this, I do not propose to disclose the sanctioned rates but I can confirm that they are considerably below those applying to the tribunal's own senior counsel.

As no invoice has been received in the Department, I cannot yet give the House details of the costs arising from the engagement of the senior counsel. However, the costs involved will be more than offset by the significant savings that have accrued from the long-term absence of Mr. Coughlan.

The fee of the newly appointed junior counsel, engaged to do Mr. Coughlan's work on an ongoing basis, is €1,050 *per diem*. This is considerably below the rate which applied to Mr. Coughlan. There are currently two senior counsel and three junior counsel on the tribunal's legal team. The appointment of a junior counsel to replace Mr. Coughlan reduced the number of senior counsel from three to two. Total expenditure by my Department from the establishment of the Moriarty tribunal in 1997 to end-October 2010 was €40.8 million. Expenditure in October 2010 was €162,642.

The sole member of the tribunal, Mr. Justice Moriarty, has not yet addressed third party costs. Until this is done, we cannot estimate the overall cost of the tribunal with any accuracy. The tribunal secretariat has on many occasions over the years told my Department that any attempt by the tribunal to quantify third party costs would lead to conclusions being drawn and suppositions being made, which could infringe on the rights of witnesses and impinge on the independence of the tribunal.

As Deputies will be aware, the Comptroller and Auditor General's special report on tribunals of inquiry, in attempting to establish some estimate of the overall cost of the Moriarty tribunal,

gave various ranges for third party costs, but stressed that the figures were subject to many caveats and contingencies.

Deputy Eamon Gilmore: Does the Taoiseach know why it was necessary to appoint an additional senior counsel to conduct the last module of the public hearings when the tribunal already had other counsel available to it? There had not been public hearings for a while and this public hearing had been signalled for some time. I do not understand why, if other counsel were available to the tribunal, it was necessary to appoint an additional senior counsel.

I understand the public hearings have now concluded. In July 2008, the Minister for Finance introduced the initial set of measures for cost savings for the Exchequer and one of the commitments he gave was that once public hearings of tribunals were concluded counsel would not be paid after that date. Will the Taoiseach confirm this is now the position in respect of the Moriarty tribunal?

Has the Department of the Taoiseach made any inquiry or examined the number of days for which counsel claimed payment in the Moriarty tribunal? Is it true that some counsel have claimed more than 300 working days in a particular year? Given that the normal working year is approximately 250 days, will the Taoiseach indicate whether the Department has examined the number of days for which counsel claimed up to €2,500 per day for work on the tribunal?

An Ceann Comhairle: There is a danger in questions on this matter that we will get into a parallel discussion about the workings of the tribunal. Many of these matters are the responsibility of the chairman of the tribunal.

Deputy Michael Kennedy: That was a profound announcement made by the Ceann Comhairle.

The Taoiseach: With regard to legal resources approved for the tribunal, earlier in the year Mr. Justice Moriarty sought additional resources in view of the long-term unavailability of Mr. Coughlan. Initially, he sought and was given sanction for the tribunal to engage a senior counsel on an ongoing basis to assist it in completing its work. Sanction was also obtained for the engagement of an outside firm of solicitors with regard to separate legal proceedings against the tribunal. The judge subsequently sought and obtained sanction for a senior counsel to be engaged solely for the purpose of examining Mr. Anderson on behalf of the tribunal and for a junior counsel to do Mr. Coughlan's work on an ongoing basis. A decision as to who will cross-examine is a matter for the tribunal itself. We are not involved in selecting or approving who it will be. It was the chairman's view and we acceded to it.

I can confirm that the fees for the tribunal's legal team were reduced last year and this year. Fees were reduced by 8% from 1 March 2009. Fees were further reduced by 15%, except for one lower level fee which was reduced by 6.5%. It is true that claims have been made for large numbers of days, but it should be noted that all claims for legal fees for a tribunal's legal team are certified, both by the tribunal's registrar and by the sole member, before being sent to my Department for processing. For the most part, these claims related to expenses incurred several years ago. The focus now should be on the tribunal finishing its work. While the costs of the tribunal are met from the Vote of my Department, the administration of the tribunal is carried out by its own staff in order to fully respect the independence of the tribunal. Administrative expenditure relating to the tribunal is certified by the registrar of the tribunal and this certified information is then transmitted by the tribunal to my Department for payment.

There is no doubt that tribunals are an expensive way of carrying out investigations and it was for that reason we brought forward the Tribunals of Inquiry Bill which is currently before the House. With regard to the length of time the Moriarty tribunal is taking, I should point

[The Taoiseach.]

out that it has published the first part of its report. Also, in a letter to the Clerk of the Dáil in May, Mr. Justice Moriarty pointed out that were new circumstances outside the tribunal's control, such as legal challenges, which have delayed its work. He indicated that he would comment more fully on this matter in his final report.

Deputy Caoimhghín Ó Caoláin: The Taoiseach has repeatedly refused to identify the barristers who he claimed in a previous response to a parliamentary question I put to him had threatened to walk. He indicated the threat was made in the event the Government was to proceed by enforcing the reduced fees that had been signalled a considerable time ago. In the context of at least two of the barristers having earlier this year clocked up to €8.5 million between them in fees through the Moriarty tribunal, will the Taoiseach not take this opportunity to identify who these barristers were? Will he explain to the House — something he has refused to do in the past — why they were not faced down if they threatened to walk away as indicated?

I have listened to the Taoiseach's detailed reply. Is he in a position now to guesstimate when we will see a conclusion to this long protracted process? While he has indicated he is not in a position to give an estimated final figure, are there any projections on the anticipated overall cost of tribunal over the decade and a half of legal consideration on this issue?

The Taoiseach: I do not recall the context in which I made the comments the Deputy ascribes to me. It may have been in the context of a supplementary reply where I was probably making the more general point that if the Government interfered with the tribunal in some way, the political charge would be that we were seeking to undermine it or trying to influence the outcome, because, unfortunately, there was a very partisan political atmosphere around the tribunal, even though it was a tribunal that was selected by everyone in the House at the time. As a result of the setting up of this tribunal, which is, if one likes, a "child of the Parliament", the Government is not in a position to dictate how it proceeds. There are rules and procedures and we have brought in new legislation to supercede the Tribunals of Inquiry (Evidence) Act 1921 to look into matters of urgent public importance. We all agree the tribunal has taken a considerable length of time, partly because of the length of legal challenges, to a point that it is difficult to see it as being the most effective way of investigating such matters. There must be some other way of doing it. The Commissions of Investigations Act has proven to be a good method of investigation. It ensures there is a full investigative process, while ensuring it does not take as long as the tribunals have proven to take for various reasons.

It was probably in that context that I made my previous points to the Deputy. I do not have any personal knowledge of anyone not being prepared to serve on the basis of the remuneration they were being offered nor do I have files or correspondence on that. I do not deal with the tribunal personally and have only met the chairman of the tribunal, at his request, on one occasion since I became Taoiseach. I am anxious to ensure that the independence of the tribunal is respected and that there is no misinterpretation of any involvement I may have with it. It is the unanimous view that we would like to see the final report of the tribunal brought to the House as quickly as possible. We have had the cross-examination of Mr. Andersen and must now await and see what impact that has on the final conclusions.

Deputy Caoimhghín Ó Caoláin: It is on the record of the House that the Government feared that certain barristers would be driven away if the Government was to press acceptance of the reduced fees the previous Taoiseach announced during the 29th Dáil, but surely with hindsight that should have been pressed. Everyone welcomed the reduced fees at the time, yet for the Moriarty tribunal people were not only able to continue on the increased fees but because of

a mistake were able to exact even greater returns for their services. If this is not correctable in the current situation, I hope the Taoiseach agrees it is a lesson that needs to be learned for the future so that we never see such a repetition of both the Government and State backing down because of the threat of removal of services by any legal opinion, adviser or person employed to carry out a particular service. This situation was most unfortunate.

I take it from what the Taoiseach has said that he is not in a position to indicate a potential conclusion date or projected overall costs. Surely that is something the Government should have sought and established by this point.

The Taoiseach: The costs to end-October are of the order of €40.8 million, but third party costs have not yet been addressed. Therefore, the ultimate cost of the tribunal is not yet clear. The indications we have had from correspondence, which I brought to the notice of the House on a previous occasion when we discussed this matter, was that the chairman felt that the cross-examination of Mr. Andersen would be important. That cross-examination has now been completed and I understand the tribunal is now moving to finalise the report. Two weeks were spent taking evidence from Mr. Andersen and Mr. Justice Moriarty has since indicated to my Department that before the final stages of the tribunal's report can be mapped out, he must consider Mr. Andersen's evidence, both as a body of material in itself and in the context of the substantial volume of earlier evidence concerning the GSM-2 process. That is the current position and we hope the matter will be dealt with as expeditiously as possible.

Official Engagements

8. **Deputy Enda Kenny** asked the Taoiseach if he has received an agenda for the December meeting of the European Council; and if he will make a statement on the matter. [41189/10]

9. **Deputy Eamon Gilmore** asked the Taoiseach his priorities for the EU summit in December; and if he will make a statement on the matter. [42570/10]

10. **Deputy Eamon Gilmore** asked the Taoiseach if he has yet received an agenda for the EU summit in December; and if he will make a statement on the matter. [42571/10]

11. **Deputy Enda Kenny** asked the Taoiseach if he will report on his telephone conversation with the President of the European Commission on Friday 12 November; and if he will make a statement on the matter. [43747/10]

The Taoiseach: I propose to take Questions Nos. 8 to 11, inclusive, together.

I have received an agenda for the December European Council. Discussions at the Council will focus on economic policy, including the question of limited treaty change necessary to give effect to the question of a permanent crisis mechanism; progress in the Council on the Commission's legislative proposals on enhanced economic governance; and how to ensure that spending at European level can contribute to consolidation efforts by member states. The European Council will be also informed of ongoing work on the evaluation of the European Union's relations with its strategic partners.

My priority at the Council, on behalf of the Government, will be to ensure an outcome to the negotiations that successfully secures Ireland's interests. As agreed in October, Europe needs a crisis mechanism to safeguard the financial stability of the euro area as a whole. It is intended that at the European Council we will agree both on the outline of the mechanism and on an amendment to the treaty.

As the President of the European Council, Mr. Van Rompuy's team is currently consulting member states on a bilateral basis to pave the way for the December meeting, it is too early

[The Taoiseach.]

to say what will be the exact nature of any proposals. We will have to carefully examine whatever emerges from the process but it is clear that the European Council is looking for very limited change. When we have a proposal, we will have to assess carefully any implications for our Constitution and what steps are necessary to enable Ireland to ratify changes.

I received a telephone call from the President of the European Commission, Mr. Barroso, on Friday 12 November. We discussed the statement made that morning by the finance Ministers of France, Germany, Italy, Spain and the UK clarifying issues relating to private sector involvement in any future permanent crisis mechanism, including making it clear that any such involvement could come into effect only after mid-2013 and would have no impact whatsoever on the current arrangements.

Deputy Enda Kenny: Does the Taoiseach expect negotiations with the IMF, the ECB and the European Commission to be concluded by the date of the December Council meeting? Has the Attorney General or the Cabinet formed an opinion about the changes to the fiscal mechanism proposed by the German Chancellor, Angela Merkel? Does the Government take a view on how this can be achieved? In recognising that rules and regulations are needed, the Irish people on their second attempt gave the European Union and its institutions the Lisbon treaty, which allows the institutions to get on with their business. I would be concerned if a major change requiring a further referendum were proposed. The people signed up to allowing the EU to do its business by means of the Lisbon treaty. Has the Attorney General advised the Cabinet on the extent of change that might be necessary and whether it would be sufficiently limited that it would not warrant another referendum?

The Taoiseach: We will have to examine carefully whatever emerges from the process. It is clear that the European Council is seeking very limited change. We do not have a proposal before us at present. We have engaged in bilateral contacts with the President of the European Council, Mr. Van Rompuy, who continues to assess the situation. We will have to carefully assess what steps are necessary to enable Ireland to ratify any change should such a proposal emerge. Until specific proposals arise, it would be idle and unwise for me to speculate further.

Deputy Eamon Gilmore: I appreciate that a proposal has not yet been made but, in developing the proposal which I understand the Taoiseach will present at the December summit, has the President, Mr. Van Rompuy, or his cabinet made contact with the Government to explore what sort of amendment might be made and whether a constitutional referendum would be required?

The Taoiseach: Mr. Van Rompuy has not made personal contact with me on the matter. He continues to consider it but until a proposal emerges and is circulated, we are not in a position to speculate. I have emphasised at previous Council meetings the importance of considering any proposal that emerges. I am not in a position to suggest to anyone the means of ratification that should be applied by the Irish people until such time as a proposal is examined by our legal advisers.

Deputy Caoimhghín Ó Caoláin: What is the scheduled date for the December meeting?

The Taoiseach: I think it is 16 December but I will have to confirm that.

Deputy Caoimhghín Ó Caoláin: I understand that is likely to be the date on which the Dáil rises for the Christmas recess.

Deputy Arthur Morgan: If we are still here.

The Taoiseach: I did not set the date for the European Council meeting.

Deputy Caoimhghín Ó Caoláin: When will this House have an opportunity to debate the issues arising at the meeting? It is traditional that we take statements on European Council meetings and the import of the matter announced by the Taoiseach today will require to be addressed by the House. When will that be facilitated and will it be debated by the 30th Dáil?

The Taoiseach: I certainly hope so.

Deputy Caoimhghín Ó Caoláin: He might well hope so.

The Taoiseach: I assure the Deputy that I look forward to seeing him in 2011——

Deputy Caoimhghín Ó Caoláin: I thank the Taoiseach.

The Taoiseach: ——in whatever capacity.

Deputy Arthur Morgan: On the canvass trail.

The Taoiseach: I hope things go well for him.

Deputy Caoimhghín Ó Caoláin: That could apply to all of us.

The Taoiseach: Absolutely.

Deputy Arthur Morgan: He will be in Offaly canvassing

The Taoiseach: I always knew there was a sense of humour up there on the backbenches.

Deputy Kathleen Lynch: It takes a while to find it.

The Taoiseach: Clearly, we will have to take advice once a proposal is brought forward. It will be a matter for the House to discuss on its return. I expect that statements on the European Council can be taken after Christmas as we deal with the various legislative enactments, I hope, pertaining to the budget that will be passed on 7 December.

Deputy Bernard J. Durkan: To what extent has the Taoiseach given his opinion to his EU colleagues in regard to the wisdom of a referendum on European issues? Has he taken into consideration the timing of any such referendum and the extent of support that could be relied upon in the foreseeable future?

The Taoiseach: The question of whether a referendum is required can be determined only when a specific proposal is put to us. It is not the case that a referendum is automatically required in respect of any proposed amendment. It depends on compliance with the constitutional position, based on case law and the established principles set out in various important cases which indicated the position of the Supreme Court, the only court that can authoritatively interpret the Constitution. It is idle to speculate on the matter other than to note there is no automatic requirement. Certain matters will have to be considered and it is best to wait for a proposal before taking legal advice from the Attorney General.

Order of Business

The Taoiseach: It is proposed to take No. 6, motion re leave to introduce Supplementary Estimates [Votes 19, 20, 22, 26, 27, 28, 32, 34, 37 and 38]; No. 7, motion re referral of Supplementary Estimates [Votes 19, 20, 22, 26, 27, 28, 32, 34, 37 and 38] to select committee; and

[The Taoiseach.]

No. 3, Social Welfare (Miscellaneous Provisions) (No. 2) Bill 2010 — Order for Second Stage and Second Stage. It is proposed, notwithstanding anything in Standing Orders, that (1) No. 6 and, subject to the agreement of No. 6, No. 7 (referral to select committee) shall be decided without debate and any divisions demanded on Nos. 6 and 7 shall be taken forthwith; and (2) the suspension of sitting under Standing Order 23(1) shall take place at 1.30 p.m., or on the conclusion of the opening speeches of No. 3, whichever is the later, until 2.30 p.m. Private Members' business shall be No. 78 — motion re corporation tax rate (resumed) — to conclude at 8.30 p.m. tonight, if not previously concluded.

An Ceann Comhairle: There are two proposals to be put to the House. Is the proposal for dealing with Nos. 6 and No. 7 agreed to?

Deputy Caoimhghín Ó Caoláin: It is not agreed. The Sinn Féin Deputies do not agree to the proposition on the Order Paper today. The Taoiseach yesterday refused to agree to a real debate on the four year plan we have yet to see sight of. I understand we will have preliminary sight of it before the 2 p.m. announcement this afternoon.

An Ceann Comhairle: There will be an opportunity to raise that matter at some later stage.

Deputy Caoimhghín Ó Caoláin: I am talking about the Order of Business. I am explaining why I am objecting to it and I am entitled to have that say. I asked the Taoiseach yesterday if we would have an opportunity to discuss the detail of the four year plan in the Dáil Chamber, and have the opportunity to vote on it as the democratically elected representatives of the Irish people across the State. Clearly, that is not being provided for on the Order Paper and we have no indication if it will be provided for tomorrow or in the coming week. The opportunity to vote on it is critical, not only as the pattern for some considerable time has been to have only statements.

The Taoiseach referred in his earlier response to Deputy Kenny that the IMF bailout would not be a three——

An Ceann Comhairle: This is the Order of Business. We cannot have a broad brush approach to it where every issue under the sun is raised.

Deputy Caoimhghín Ó Caoláin: This is pertinent because it underscores the failure to grasp the enormity of the situation. The Taoiseach said today it would not be a three figure sum — those were the words he used in reply to Deputy Kenny. Let me remind the Taoiseach——

An Ceann Comhairle: Will the Deputy show respect for the Chair and recognise that the Order of Business——

Deputy Caoimhghín Ó Caoláin: ——that it is an 11 figure sum.

An Ceann Comhairle: ——does not accommodate the pursuance of this type of matter through this route?

Deputy Caoimhghín Ó Caoláin: The Ceann Comhairle always seeks to talk over me. I am entitled to make my point.

An Ceann Comhairle: There are appropriate times to do that. On the Order of Business, the Deputy cannot just come in and decide to raise a range of issues.

Deputy Caoimhghín Ó Caoláin: With respect, I will conclude with this point.

Deputy Arthur Morgan: A Cheann Comhairle, like yourself, he is a neighbour's child. Give him a few minutes.

Deputy Caoimhghín Ó Caoláin: I thank Deputy Morgan for his intervention. This is almost a 12 figure sum. The noughts are not noughts. They indicate the extent and scale of what the Irish people are facing. What we have is no opportunity in the House to address a four year plan being put together by a Government that has no mandate for same——

An Ceann Comhairle: Will the Deputy respect the arrangements for the Order of Business?

Deputy Caoimhghín Ó Caoláin: ——and the putting together of a budget for which it has no mandate after a series of austerity budgets, and the straitjacketing of the Irish people going forward.

An Ceann Comhairle: This is a technical motion. There is no provision for a full-scale debate on the issue.

Deputy Caoimhghín Ó Caoláin: There is not a full-scale debate. I am explaining why I cannot support the Order Paper as it is presented. I am saying very clearly that as the only party which has committed——

An Ceann Comhairle: I ask the Deputy to resume his seat. He is completely out of order on the Order of Business.

Deputy Caoimhghín Ó Caoláin: ——to oppose the budget, I am calling on all the Opposition parties to state clearly that they will oppose the budget——

An Ceann Comhairle: I ask the Deputy to resume his seat and let us get on with the Order of Business.

Deputy Caoimhghín Ó Caoláin: ——and on those voices on the Government benches to join with us in having the same rejected.

An Ceann Comhairle: I will put the question.

Deputy Caoimhghín Ó Caoláin: Will the Taoiseach indicate whether there will be an opportunity to address the four year plan? Will the Members of this House——

An Ceann Comhairle: The Deputy should resume his seat.

Deputy Caoimhghín Ó Caoláin: One moment. As the democratically elected representatives——

An Ceann Comhairle: Will the Deputy resume his seat? He is out of order and is disregarding the Chair.

Deputy Caoimhghín Ó Caoláin: ——will we get the right to vote on the plan?

An Ceann Comhairle: I am putting the question. Is the proposal for dealing with No. 6 and No. 7 agreed to?

Deputy Caoimhghín Ó Caoláin: With respect, the Ceann Comhairle can take the option to put me out or do whatever he wants——

An Ceann Comhairle: I will be exercising that option if the Deputy does not resume his seat quickly.

Deputy Caoimhghín Ó Caoláin: ——but the Taoiseach has the right to answer this question. He has the right. I am asking a question on the Order of Business.

An Ceann Comhairle: The Deputy does not have that type of right on the Order of Business. I have an obligation and a duty to enforce Standing Orders in the House; otherwise, order will break down in the House.

Deputy Caoimhghín Ó Caoláin: I have a responsibility to ask the question. Will we get the right to debate and vote on this four year plan? That is a question that deserves an answer.

The Taoiseach: I do not wish to cross the Ceann Comhairle in any way. The Ceann Comhairle has asked for order in the House and, unfortunately, it seems some Deputies refuse to give any respect to the Chair.

Deputy Caoimhghín Ó Caoláin: That is not the case. We only want an answer.

The Taoiseach: There is no problem but it has to be in order. There are ways of doing these things. Once the Order of Business is agreed, the Deputy can ask a question. That is the normal situation. We are just putting the Order of Business at the minute.

Deputy Caoimhghín Ó Caoláin: I am objecting to the Order of Business.

The Taoiseach: That is fine. If the Deputy is objecting to the Order of Business, he can vote on it and then ask the question. I will answer it anyway because I answered it yesterday. We are bringing forward a plan for this country and for recovery over the next four years. The first instalment of that plan will be on 7 December, when the decisions taken will be put to the House and we will see if this House will rise to the challenge to pass what is a necessary budget.

Deputy Caoimhghín Ó Caoláin: There is no debate and no vote on the four year plan. It is unacceptable.

Question put: “That the proposal for dealing with No. 6 and No. 7 be agreed to.”

Deputies: Vótáil.

An Ceann Comhairle: A division has been challenged on No. 1, that the proposal for dealing with Nos. 6 and 7, motions re leave to introduce, and referral of Supplementary Estimates in Select Committee without debate, be agreed to. Will the Deputies claiming a division please rise?

Deputies Caoimhghín Ó Caoláin, Aengus Ó Snodaigh, Arthur Morgan, Martin Ferris, Maureen O’Sullivan and Finian McGrath rose.

An Ceann Comhairle: As fewer than ten Members have risen I declare the question carried. In accordance with Standing Order 70 the names of the Deputies dissenting will be recorded in the Journal of the Proceedings of the Dáil.

We move to No. 2. Is the proposal relating to the suspension of sittings under Standing Order 23(1) agreed to?

Deputy Róisín Shortall: I wish to comment on the bringing forward of the Social Welfare (Miscellaneous Provisions) (No. 2) Bill which would have clashed with the committee meeting examining the Estimates for the Department of Social Protection. If business is rescheduled there should be consultation with the Whips and the party spokespersons. This is no way to do business. We should have been afforded the courtesy of a telephone call to ask if the meeting could be rescheduled. The Minister agreed to this arrangement, knowing it would mean the principal spokespersons on this side of the House would not be available to attend the committee meeting on the Estimates. He should not have agreed to that and I wish to make that point. The matter was sorted out after much disagreement at the committee this morning.

12 o'clock

Deputy Thomas Byrne: There was full agreement. Deputy O'Connor and I agreed to it.

Deputy Róisín Shortall: We should not have found ourselves in that situation, where there was such discourtesy to the Opposition spokespersons.

An Ceann Comhairle: Is the proposal agreed to? Agreed. We shall proceed with the Order of Business.

Deputy Enda Kenny: When is it expected that the Social Welfare (Miscellaneous Provisions) Bill will come before the House? Is it the intention of the Government to debate and deal with it before the House rises for the Christmas recess? I checked the calendar today and there are about ten working days left, if the number is not extended. If the Government sticks by 7 December for the budget does it intend to bring in the Social Welfare (Miscellaneous Provisions) Bill directly after it and finish it before the House rises for the Christmas recess?

I am glad to note the Minister for Tourism, Culture and Sport has taken credence of the Fine Gael proposal to abolish the travel tax and I hope the airlines respond to the request. It should be done. We have been advocating it for two years.

It seems as if the days of the Government are somewhat limited and it might be appropriate for the Taoiseach not to have any stuffing of State boards and other positions during the period between now and a general election, which I understand he expects to hold in mid-February. The two boys are absent again today. I am not sure whether they are still playing their full part as members of the Cabinet——

An Ceann Comhairle: We need to move on.

Deputy Enda Kenny: ——in view of the treachery which they felt was inflicted upon them. I ask the Taoiseach to restrain the Ministers from making loads of appointments or promising things they know they cannot deliver on.

The Taoiseach: In regard to the relevant matter——

Deputy Enda Kenny: The last matter is relevant as well.

The Taoiseach: ——we expect the Social Welfare (Miscellaneous Provisions) Bill to be enacted before rising for Christmas. Every time the Deputy gets up to speak he questions the mandate of this Government. It has the same mandate as any other Government and it has tested——

Deputy Enda Kenny: I never mentioned it. I said the Taoiseach was a caretaker.

The Taoiseach: It is not correct and the Deputy's knowledge of the Constitution appears to be very sketchy.

Deputy Enda Kenny: I never mentioned a mandate.

Deputy Eamon Gilmore: There continues to be uncertainty and instability in and from the Government. While we were in the House today Deputy Seán Power was on Kildare radio and said he understand the Taoiseach intends to resign——

An Ceann Comhairle: Deputy, on the Order of Business. What Deputies say outside is not appropriate for the Order of Business.

Deputy Simon Coveney: We need to know.

Deputy Eamon Gilmore: The Ceann Comhairle has not heard the question yet.

An Ceann Comhairle: We can anticipate the sentiment.

Deputy Eamon Gilmore: Deputy Power said he understands the Taoiseach will resign shortly after the budget is announced in December. The resignation of the Taoiseach would be a matter for the Order of Business. Deputy Power said he bases his view on views that have been expressed to him privately by many Ministers. Is it the intention of the Taoiseach to resign shortly after the budget?

An Ceann Comhairle: As a matter of clarification, queries on the Order of Business are about promised business. It is not just——

Deputy Simon Coveney: It is business.

(Interruptions).

An Ceann Comhairle: ——about what some Deputy says outside. We have to move on.

Deputy Eamon Gilmore: With the greatest of respect, the Ceann Comhairle is in danger of becoming quite ridiculous.

An Ceann Comhairle: I am advising you what the actual position is, as per Standing Orders.

Deputy Bernard J. Durkan: Deputy Seán Power promised that.

Deputy Eamon Gilmore: I asked the Taoiseach a question.

The Taoiseach: This is not on the Order of Business. There is no promised legislation. I stand as Taoiseach and I do not divest any authority in holding that office or in regard to any internal party matter. I stand as leader of Fianna Fáil and I want to make it very clear that, as far as I am concerned, there are democratic processes in our party. They are not relevant to the Deputy's situation; we deal with our business. I want to assure him that as I stand and do my business I do not divest my authority to anyone.

Deputy Eamon Gilmore: That is not the question I asked.

An Ceann Comhairle: Deputy, we cannot pursue this matter. It is not appropriate for the Order of Business. It is not promised business.

Deputy Caoimhghín Ó Caoláin: Answer the question.

The Taoiseach: I have given no such indication to anybody, including Deputy Power.

Deputy Bernard J. Durkan: Ouch.

Deputy Ciarán Lynch: The Local Government (Mayor and Regional Authority of Dublin) Bill 2010 which was due to be debated in the House yesterday and today has been removed from the Dáil schedule. When the Bill was introduced earlier this month it was associated with the Minister, Deputy Gormley, as being a legacy issue when the Green Party argued to get onto the programme for Government. However, given that the Bill has now been taken off this week's Dáil schedule, can it be taken that it has been scrapped, will not proceed and that the Stages which were laid out to be completed over the next number of months will not be arrived at because we will have a general election within the next couple of weeks, if not months? Can the Taoiseach clarify whether the Bill will be completed?

The Taoiseach: The Bill remains on the Order Paper and is being proceeded with through the House.

Deputy Ciarán Lynch: On that matter, the Bill is on Second Stage, which was not scheduled to conclude on this week's schedule but was rolling over. Given that it has to go to Committee Stage, Report Stage—

An Ceann Comhairle: Take the matter up with your Whip. I am sure he can advise.

Deputy Ciarán Lynch: —and the Seanad, and possibly have to come back to the Dáil, realistically this Bill, which we all agree is flawed and which Fianna Fáil Deputies have come out with mixed signals on, can the Taoiseach clarify—

An Ceann Comhairle: Deputy Stagg will know the position.

Deputy Ciarán Lynch: The Taoiseach did not answer the question. When will Second Stage resume, if that is the case? When can he give an indication as to when all Stages of the Bill will be completed?

An Ceann Comhairle: This is a matter for the Whips.

Deputy Ciarán Lynch: It is a matter for the House.

Deputy Ruairí Quinn: It is a matter for the managers.

The Taoiseach: The matter was scheduled for this week but other issues—

Deputy Ciarán Lynch: There will be other issues over the next couple of weeks.

The Taoiseach: I am sure there will be but these are matters for the Whips to schedule in due course.

Deputy Róisín Shortall: A legitimate question was asked. We have the Order Paper for this week.

An Ceann Comhairle: Deputy Shortall, you have not been called.

Deputy Róisín Shortall: I am asking why the Local Government (Mayor and Regional Authority of Dublin) Bill 2010 has been pulled. It had been on the schedule, we were due to debate it after the Order of Business but last night a decision was taken to pull it.

The Taoiseach: The Whip deals with the ordering of business and is well capable of doing his job in the appropriate way. Situations arose during the week regarding statements on the eurogroup etc., which took precedence. That can often happen on the Order of Business.

Deputy Róisín Shortall: That does not affect the business today. It could have been taken.

The Taoiseach: The Government——

Deputy Róisín Shortall: You have pulled it. You might do us all a favour.

An Ceann Comhairle: Deputy Ruairí Quinn, without interruption please.

Deputy Ruairí Quinn: I wish to ask about three items of educational legislative business. The first is the Education (Amendment) Bill, which gives a legal statutory basis for the community VEC primary schools which have now been in operation for three years. Second Stage of the Bill has been postponed indefinitely, as far as I can see. Second, we will debate the amendments, three years later, of the Student Support Bill. Third, the Bill promising the abolition of NUI and the merging of FETAC, HTAC and the NQA has been promised. Perhaps the Tánaiste could indicate where are in terms of timetables on the Bills. Is it the intention to have them completed before the general election?

The Taoiseach: We are waiting to give further time to deal with Second Stage of the Education (Amendment) Bill. I understand Committee Stage of the Student Support Bill will be taken imminently. The other matter is yet to be brought to Government.

Deputy Caoimhghín Ó Caoláin: On the eve of the Donegal South-West by-election, I take the opportunity to wish my party colleague, Senator Pearse Doherty, good luck in that campaign tomorrow.

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

The Tánaiste: There is a moratorium today.

Deputy Caoimhghín Ó Caoláin: Despite the appeal the Government is taking to the Supreme Court in regard to the High Court finding in the case taken by Senator Doherty, is it preparing proposals to address the need, either in legislation or constitutionally, for a stated time within which vacancies in the Dáil must be filled? Is the Government addressing the matter——

An Ceann Comhairle: Do we have promised business on this matter?

Deputy Caoimhghín Ó Caoláin: ——of the outrageous delay that was allowed take place in regard to the Donegal South-West by-election?

An Ceann Comhairle: The Deputy knows this matter is being appealed to the Supreme Court.

Deputy Caoimhghín Ó Caoláin: Three other by-elections have also——

An Ceann Comhairle: I am not aware of promised legislation.

Deputy Caoimhghín Ó Caoláin: —yet to be addressed. What measures are the Taoiseach and his Government pursuing to address this absolutely intolerable situation?

An Ceann Comhairle: We do not have any promised legislation.

The Taoiseach: We are awaiting clarification from the Supreme Court in the interests of bringing clarity for the future as to what way this matter is to be handled. An issue of substance of law has come up for clarification. It is important the Supreme Court brings clarity to the position. Once that is done, we can see what the situation is at that point.

Deputy Joe Costello: I raise the very serious issue of female genital mutilation, FGM. I am reliably informed by some of the new communities in my constituency that it is being practised here. It is an incredible abuse of human rights. We were promised legislation. I raised this three weeks ago with the Tánaiste and she indicated that it would come up approximately at the end of this month. Can I get some confirmation in the dying days of this Government that it will at least publish the legislation?

The Taoiseach: I understand it is the intention to publish that legislation when it is ready and that it is at an advanced stage.

Deputy Joe Costello: It is on the list to be published this session. Will it be published this session?

The Taoiseach: I understand that is the case.

Deputy Joe Costello: I thank the Taoiseach.

Deputy Joan Burton: At what time will the Government announce the four year plan? Where will the venue be? When will the Opposition receive an advance copy under embargo so that it can at least have a look at the 150 or 160 pages at roughly the same time as the journalists get them? It is not a big request.

The Taoiseach: I understand it will take place at 2 o'clock this afternoon in the Government press centre. I am sure the Minister for Finance will provide a copy under the usual arrangements probably an hour beforehand, which is usually the arrangement.

Deputy Joan Burton: I am a fast reader but it would take me perhaps an hour to read 160 pages. The Taoiseach surely does not want me to come to the press conference, or does he? He should not tempt me.

Deputy Bernard J. Durkan: Notwithstanding the competing issues besetting us, is there any intention to move forward with some of the legislative proposals to combat the activities of criminal gangs, which seem to go on and on? There is a number of proposed Bills, including the bail (amendment) Bill and the criminal justice Europol (amendment) Bill. We know there are competing issues but it is important something is done to bring an end to the kind of activities for which this country is also becoming famous?

An Ceann Comhairle: We will make some inquiries.

The Taoiseach: There is no date for the legislation.

Deputy Bernard J. Durkan: I will not delay the House but this is an important——

An Ceann Comhairle: We cannot have a debate on this matter on the Order of Business.

Deputy Bernard J. Durkan: This is a hugely important issue.

An Ceann Comhairle: I do not disagree but there are other ways to raise it.

Deputy Bernard J. Durkan: Another Deputy said a while ago that the Local Government (Mayor and Regional Authority of Dublin) Bill 2010 was deemed to be the most important legislation a couple of weeks ago.

An Ceann Comhairle: We will not have a debate on it on the Order of Business.

Deputy Bernard J. Durkan: Notwithstanding the other pressing issues, could I ask the Taoiseach——

An Ceann Comhairle: Deputy, please.

Deputy Bernard J. Durkan: ——to take some initiative——

An Ceann Comhairle: The Deputy should table a parliamentary question to the Minister and pursue it that way.

Deputy Bernard J. Durkan: I have done that already.

An Ceann Comhairle: Perhaps the Deputy could raise it on the Adjournment.

Deputy Bernard J. Durkan: Does the Ceann Comhairle think that would be a good way to go?

An Ceann Comhairle: Yes.

Deputy Bernard J. Durkan: Does the Ceann Comhairle think the Adjournment is a possibility?

An Ceann Comhairle: It is one way to raise it. It is an option.

Deputy Bernard J. Durkan: I refer to promised legislation relevant to the issues before us, namely, the Central Bank (Consolidation) Bill, the Central Bank (No. 2) Bill and the Financial Services (Miscellaneous Provisions) Bill. It is very important to give some indication to the international community that we are serious about these issues and bring this legislation before the House without delay. It is certainly more important than the Local Government (Mayor and Regional Authority of Dublin) Bill 2010.

An Ceann Comhairle: A brief query.

Deputy Bernard J. Durkan: I had hardly spoken when the Ceann Comhairle interrupted me.

An Ceann Comhairle: The Taoiseach is under time constraints and must leave——

Deputy Bernard J. Durkan: How could the Ceann Comhairle have understood what I was saying? He must be psychic——

An Ceann Comhairle: Yes.

Deputy Bernard J. Durkan: — because he could not have understood what I was saying until I finished.

An Ceann Comhairle: The difficulty is the preamble. The embellishment of the story is where the offence is given.

Deputy Bernard J. Durkan: I am asking a simple, important and relevant question on the Order of Business, which I am entitled to do.

The Taoiseach: The Central Bank (No. 2) Bill will be brought forward next year and the Central Bank (Consolidation) Bill will follow. I have to make an urgent telephone call at 12.30 p.m. so if it is possible, I would like to be excused. The Tánaiste will take the rest of the Order of Business.

Deputy Jan O'Sullivan: The reference pricing for drugs Bill, listed for publication in 2011, was originally put forward by Government as a way to save money for the health budget which could be used on front line services, such as keeping hospital beds open, on home helps and so on. Obviously, that will not be in time for the current budgetary process but when will it be published and why has it been delayed for so long?

I refer to the Electoral (Amendment) Bill banning corporate donations which is on the C list. Will the Government rush that Bill through so that it is enacted before the election?

The Tánaiste: The heads of the reference pricing for drugs Bill have not been signed off by Government but it is expected next year. The other legislation is being deliberated on by the Government.

Deputy Seymour Crawford: In light of the fact dairy farmers are only given 25% of what the consumer pays for milk, when will the consumer and competition Bill be brought in so that something can be done to regulate what Tesco and others are doing to that industry?

I have raised the following matter on numerous occasions. NAMA and all the inquiries are costing millions of euro and yet the legal costs Bill to regulate that has still not been made a priority. Will the Tánaiste consider bringing it forward in the dying days of this Government?

The Tánaiste: The heads of the first Bill are expected next year. The other legislation will also be brought forward next year.

Deputy Liz McManus: Earlier I asked the Taoiseach about the Climate Change Bill. I understood from Green Party sources that his Department held it up. He clarified that and said it was not the case. Since the Minister for the Environment, Heritage and Local Government tweeted that the heads of the Bill would be published on 16 November, although nothing happened subsequently, will the Government take the legislation on climate change—

An Ceann Comhairle: We spent considerable time on this matter on Taoiseach's Question Time.

Deputy Liz McManus: It is about the Climate Change Bill prepared by the all-party Oireachtas committee. Will the Government consider taking it in Government time so that we can make some progress?

The Tánaiste: We have no date for publication.

Deputy David Stanton: I refer to the Defence (Amendment) Bill and legislation linked to the Electoral (Amendment) Bill, namely, the legislation to establish an electoral commission. Is that being considered or drafted? Will we see it in time for the election?

The Tánaiste: The Defence (Amendment) Bill will be brought forward mid next year and, as I indicated earlier, it is anticipated that the heads of the other legislation will be available for next year.

Deputy Mary Upton: Seven of the oral parliamentary questions I tabled to the Minister for Tourism, Culture and Sport have been rejected. It was stated that the Minister had no official responsibility to Dáil Éireann for the matter. One of the questions, for example, relates to Tourism Ireland. I am at a complete loss as to how I will access much of the information I requested in the seven questions. Perhaps the Ceann Comhairle can advise me.

An Ceann Comhairle: If the Deputy contacts my office we will advise her.

Deputy Mary Upton: It creates a vacuum in accessing this information.

An Ceann Comhairle: The Deputy should contact the office and we will discuss the issue.

Deputy Mary Upton: Almost half the questions — seven from 19 — were returned. That puts me in a position where I am unable to get that information today.

Deputy Bernard J. Durkan: Hear, hear. It is a regular occurrence.

Supplementary Estimates for Public Services 2010: Leave to Introduce

Minister for Social Protection (Deputy Éamon Ó Cuív): I move:

That leave be given by the Dáil to introduce the following Supplementary Estimates for the service of the year ending on the 31st day of December, 2010:—

Vote 19 — Justice and Law Reform (*Supplementary Estimate*).

Vote 20 — Garda Síochána (*Supplementary Estimate*).

Vote 22 — Courts Service (*Supplementary Estimate*).

Vote 26 — Education and Skills (*Supplementary Estimate*).

Vote 27 — Community, Equality and Gaeltacht Affairs (*Supplementary Estimate*).

Vote 28 — Foreign Affairs (*Supplementary Estimate*).

Vote 32 — Transport (*Supplementary Estimate*).

Vote 34 — Enterprise, Trade and Innovation (*Supplementary Estimate*).

Vote 37 — Army Pensions (*Supplementary Estimate*).

Vote 38 — Social Protection (*Supplementary Estimate*).

Question put and agreed to.

Supplementary Estimates for Public Services 2010: Referral to Select Committee

Minister for Social Protection (Deputy Éamon Ó Cuív): Molaim:

That, subject to leave being given to introduce the following Supplementary Estimates for the service of the year ending on 31st December, 2010, the Supplementary Estimates be referred to the following Select Committees pursuant to Standing Order 154(3) and paragraph (1)(a)(ii) of the Committees' Orders of Reference, which shall report back to the Dáil by no later than 2nd December:—

Vote 19 — Justice and Law Reform (*Supplementary Estimate*) — Select Committee on Justice, Defence and Women's Rights.

Vote 20 — Garda Síochána (*Supplementary Estimate*) — Select Committee on Justice, Defence and Women's Rights.

Vote 22 — Courts Service (*Supplementary Estimate*) — Select Committee on Justice, Defence and Women's Rights.

Vote 26 — Education and Skills (*Supplementary Estimate*) — Select Committee on Education and Skills.

Vote 27 — Community, Equality and Gaeltacht Affairs (*Supplementary Estimate*) — Select Committee on Tourism, Culture, Sport, Community, Equality and Gaeltacht Affairs.

Vote 28 — Foreign Affairs (*Supplementary Estimate*) — Select Committee on Foreign Affairs.

Vote 32 — Transport (*Supplementary Estimate*) — Select Committee on Transport.

Vote 34 — Enterprise, Trade and Innovation (*Supplementary Estimate*) — Select Committee on Enterprise, Trade and Innovation.

Vote 37 — Army Pensions (*Supplementary Estimate*) — Select Committee on Justice, Defence and Women's Rights.

Vote 38 — Social Protection (*Supplementary Estimate*) — Select Committee on Social Protection.

Question put and agreed to.

Social Welfare (Miscellaneous Provisions) (No. 2) Bill 2010: Order for Second Stage

Bill entitled an Act to amend and extend the Social Welfare Acts, to confer certain functions relating to employment schemes and related schemes and programmes on the Minister for Social Protection; to amend the Labour Services Act 1987 and to provide for the transfer of certain assets, liabilities, property and employees of An Foras Áiseanna Saothair; to provide for the continuance of certain schemes provided by An Foras Áiseanna Saothair and their provision by the Minister for Social Protection; to amend the Social Welfare (Miscellaneous Provisions) Act 2010; to amend the Criminal Justice (Theft and Fraud Offences) Act 2001; and to provide for related matters.

Minister for Social Protection (Deputy Éamon Ó Cuív): Tairgim: “Go dtógfar an Dara Céim anois.”

Question put and agreed to.

Social Welfare (Miscellaneous Provisions) (No. 2) Bill 2010: Second Stage

Minister for Social Protection (Deputy Éamon Ó Cuív): Tairgim: “Go léifear an Bille an dara huair.”

In the current economic and financial crisis the Government’s main priorities must be to restore stability to the public finances and to deal with the jobs crisis. Tá an Rialtas bródúil as an méid atá curtha i gcríoch le dá bhliain déag anuas chun leibhéal na n-íocaíochtaí leasa shóisialaigh a mhéadú go mór, ar mhaithe na ndaoine. Le dá bhliain déag anuas, d’árdaigh muid na rátaí pinsean faoi 120%, mhéadaigh muid na híocaíochtaí dífhostaíochta 130% agus cuireadh feabhas de níos mó ná 330% ar na híocaíochtaí do shochar leanáí.

The Government is proud of its unrivalled record in increasing the level of social welfare payments. Over the last 12 years, we have increased pension rates by approximately 120%, unemployment benefits by almost 130% and child benefit payments by over 330%. The cost of living has increased by approximately 40% over the same period. We extended coverage, removed barriers and increased entitlements such that the level and extent of social support payments has been transformed beyond recognition. Continuing to reflect the trend of recent years and reaffirming Government’s commitment to all those in need of support, €20.9 billion will be spent by the Government in 2010 on social welfare provision — some €500 million or 2.45% more than 2009.

Social welfare expenditure for 2011 will be considered in the context of the forthcoming budget having regard to both the needs and to the resources available to meet those needs. In an uncertain economic environment, the priority will be to ensure that the Government strategy to stabilise the financial position is advanced in order to protect those most in need in a manner which is sustainable in the years ahead.

Nuair a thosaigh mé mo chuid oibre mar Aire Coimirce Sóisialaí, chuir mé in iúl go raibh i gceist agam a bheith i m’Aire a dhéanfadh athchóiriú ar an gcóras agus ar ndóigh bhí sé sin leagtha amach ag an Taoiseach dom ó thaobh na gcúraimí a bhaineann le tacaíocht ioncaim, seirbhísí fostaíochta agus gníornhachtú oibre uile a lonnú in aon Roinn amháin agus in aon sheirbhís uile-ghnéitheach amháin. Is céim eile chun cinn san obair seo é an Bille seo. When I started my work as Minister for Social Protection, I said that I intended to be a reforming Minister and that task was set out for me by An Taoiseach in terms of integrating the functions around income support, employment services and work activation together in the one Department and in one comprehensive service. This Bill marks another step forward in that direction. I would now like to outline some of the main provisions in the Bill.

This Bill provides for the full transfer of the employment services and community services programmes of FÁS from the Minister for Education and Skills to me as Minister for Social Protection. It also provides for the integration of FÁS staff with the Department of Social Protection. This process was initiated by the Social Welfare (Miscellaneous Provisions) Act 2010. As Members of the House will recall that Act provided for the transfer of policy and funding responsibility for the employment and community services of FÁS from the Minister for Education and Skills to my Department. The practical arrangements to support this transfer of functions are now largely in place and it is intended to commence the relevant provisions of that Act with effect from 1 January 2011. From that date, FÁS will continue to provide employment and community services as it does now but under my direction and reporting to my Department. I should say that FÁS and my Department are already working closely together and considerable progress has already been made on a number of measures to enhance the delivery of services to people on the live register.

This Bill provides for the transfer of the relevant staff and resources such as buildings from FÁS and their full integration with the staff and structure of my Department. FÁS will also

cease to have any role in the provision of employment and community employment programmes and will focus on the provision of training services. As a result the Bill will enable one of the most radical realignments of social welfare provision in the history of the State. The employment and community services of FÁS will not simply transfer but will be integrated fully with the Department to provide an end to end service to our customers. This will allow a transformational overhaul of service provision for people of working age. As well as income support, we will now focus our interventions on assisting people in finding employment and to prepare for entry into the labour market by accessing training, career advice, work experience and job placement.

My Department is already working closely with the senior management of FÁS and the Department of Education and Skills to develop a new service vision and model for the integrated Department. While still at an early stage of development the main outline of that vision is clear; it will be customer-centred and employment focused. The main objective will be to ensure that all people of working age are given the support they need to find employment as quickly as possible or to develop the skills and aptitudes required to progress towards employment by undertaking appropriate education, training or work experience. This objective will be supported by a case management approach allowing suitably trained staff to interact on a one-to-one basis with individuals on developing pathways to employment with clearly defined milestones and targets.

The integration of FÁS employment and community services with my Department marks an important step away from a passive model of income support to a proactive model which is clearly focused on progressing people to participation in the workforce. Such an approach not only makes economic sense but also allows our services to be tailored to meet the individual needs of each customer and to respect and enhance their dignity as individuals. The restructuring of these areas is part of the Taoiseach's plan to deal with job creation, work activation and income supports in a better and more cohesive way. This initiative is a tangible example of public sector reform facilitated by the Croke Park agreement.

Currently, in order to qualify for jobseeker's benefit or jobseeker's allowance, the jobseeker must fulfil a number of conditions, including being available for and genuinely seeking work. To fulfil these conditions, jobseekers must at regular intervals make a declaration that they are still unemployed, available for and actively seeking work. This is what is called the certification process or "signing on" and is currently carried out by the jobseeker going to their social welfare local office. One of the provisions I am including in this Bill will be allow certain people who receive jobseeker's allowance or jobseeker's benefit to complete the certification process by electronic means. We will be changing the current signing process in our local and branch offices to collect signatures via a digital signature pad and we are exploring the possibility of using electronic channels for certification such as online through the Internet or by using the mobile telephone. These new channels are being introduced to enable us to carry out the certification process more efficiently, while at the same time delivering better customer service and maintaining the necessary levels of control inherent in the current manual process. We are engaged in a project to examine the potential to develop an additional channel for jobseekers certification via the mobile telephone.

Before committing to full-scale deployment, the mobile telephone certification solution has to be evaluated by the Department from both a business process and technical perspective to test how it will work in practice to ensure necessary levels of security and control. Deployment will not proceed unless this solution offers a sufficient level of control in line with existing processes. The project is scheduled to conduct a live trial at end January 2011 in which a number of customers will be invited to participate. The selection of customers to be invited has not yet been finalised.

[Deputy Éamon Ó Cuív.]

This mobile telephone facility is intended to be made available on a risk assessment basis and will have high levels of control built into it. Customers will be invited to use the channel and it will not be generally available on request.

It is anticipated that cost savings will accrue from reducing the effort required to certify jobseekers at the Department's local offices. As a result, staff resources will be freed up and will enable the Department to concentrate on client, claim, payment and control issues. Further, it is expected to reduce pressure on local office facilities and accommodation.

I am also introducing a provision in the Bill which requires that from 1 January 2011, before rent supplement can be awarded to new claimants, the landlord's tax reference number must be supplied to the Health Service Executive. Landlords of existing claimants will be requested to supply their tax reference number at the time of their next rent supplement review.

The Government wants to ensure that where tenants are in receipt of the State's rent supplement, the landlords of the premises in question are fully tax compliant. If they are tax compliant they should have no difficulty providing the reference number. The new rent supplement provisions also provide that a landlord will be obliged to provide his or her tax reference number or confirmation that he or she does not have a tax reference number in respect of each tenancy for which a rent supplement is payable.

As I indicated, where rent supplement is in payment immediately before 1 January 2011 and this supplement continues to be claimed immediately after that date in respect of the same tenancy and where the landlord has not supplied his or her tax reference number before 1 January 2011, rent supplements will continue to be paid until the review date for the supplement. At that stage, the Health Service Executive will request the landlord to supply his or her tax reference number. To avoid unnecessary hardship the Bill also allows for the further continuation of the rent supplement beyond this date to allow a reasonable time for the landlord to respond to the HSE's request to provide his or her tax registration number and also to avoid tenants being penalised by having to break an existing tenancy agreement.

A rent supplement cannot be paid beyond 31 March 2012 in any case where the landlord has failed to provide his or her tax reference number. The Bill also makes it an offence for a landlord to fail to provide the information requested.

I will now outline the main provisions of the Bill. Section 3 clarifies the provisions for the calculation of the duration of payment of illness benefit claims. Section 4 provides for the use of electronic means of making and capturing the declarations of unemployment that are required for the purposes of claiming jobseeker's benefit and jobseeker's allowance.

Section 5 clarifies the calculation of entitlement to jobseeker's allowance where weekly means comprise earnings from insurable employment. In determining a week of unemployment — three days of unemployment consecutive or not in any six consecutive days — the practice is to include a day only once in any computation where that day is part of a week of unemployment in respect of which jobseeker's allowance is paid. This section, which amends section 141 of the Social Welfare Consolidation Act 2005, ensures the Act is not ambiguous as regards applying this practice.

Section 6 provides that the reduction in the basic rate of supplementary welfare allowance from 4 January 2010 for people under 25 years will not, of itself, lead to any reduction in rent or mortgage interest supplements payable to people receiving other social welfare payments.

Section 7 provides for a new condition for the rent supplement payable under the supplementary welfare allowance scheme which requires that from 1 January 2011, before a claim for rent supplement can be awarded, the landlord's tax reference number must be supplied to the

Health Service Executive. As certain landlords will not have such a tax reference number, for example, non-resident landlords, confirmation from the landlord to that effect is required to be supplied in such cases. This section also provides that a landlord will be obliged to provide his or her tax reference number or confirmation that he or she does not have a tax reference number in respect of each tenancy for which a rent supplement is payable.

Section 8 clarifies the position with regard to the information to be provided by or in respect of a customer registering for a personal public service, PPS, number. Section 262(3) of the Social Welfare Consolidation Act currently requires that a photograph and signature be submitted for any customer registering for a personal public service number. However, it is not practical to collect these items in all cases, for example, where the customer is non-resident or deceased or in probate cases. Section 8 clarifies the position by only requiring that these items be submitted when required. The section also provides that providing additional security information will become a compulsory part of the registration process for the purposes of allocating and issuing PPS numbers.

Section 9 is a technical amendment to change references in the Social Welfare Consolidation Act and in other enactments from “public service card” to “public services card” to reflect the *de facto* position. There is a reference to “public service card” in the Criminal Justice (Theft and Fraud Offences) Act 2001 and this section also provides for a textual amendment to change this reference to “public services card”.

Section 9 also makes a number of changes to the current provisions relating to the public service card under section 263 of the Consolidation Act and the social services payment card under section 264, including clarifying that both the social services card and the public services card can be used for the purposes of paying social welfare benefits.

Section 10 amends the rules relating to the means test for the carer’s allowance scheme so as to exempt any foreign social security payments, up to the appropriate level of the Irish State contributory pension, that are paid to the carer or spouse of the carer. This section also clarifies that a general income disregard for the purposes of carer’s allowance under Rule 1(5) for a single carer and Rule 4(3) for a couple will not apply to income from a social security payment, whether an Irish social welfare payment or a European Union or foreign social security payment.

Sections 11 to 19, inclusive, provide for the full transfer of the employment services and community services programmes of FÁS to the Minister for Social Protection and the integration of FÁS staffing, etc., into the Department of Social Protection and also provide for a consequential amendment to the Labour Services Act 1987.

I will table a number of amendments to the Bill on Committee Stage. I will introduce an amendment to provide for changes to social welfare legislation arising from the provisions of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010. I also intend to introduce an amendment on Committee Stage which will provide for the introduction of a partial capacity scheme. The purpose of introducing a partial capacity scheme is to begin to address a critical limitation of the current social welfare code which categorises people with long-term illnesses or disabilities as either “fit for work” or “unfit for work”. The focus within the welfare system on incapacity rather than capacity carries negative consequences for people with disabilities and their families who may be trapped in welfare dependency.

I will also introduce an amendment on Committee Stage to provide for the transfer to my Department of the community welfare service of the Health Service Executive, which currently administers the supplementary welfare allowance on my behalf. I will also bring forward consequential amendments to the Long Title, collective citation and commencement provisions.

[Deputy Éamon Ó Cuív.]

Molaim an Bille don Teach and tá mé ag súil le bhur gcuid tuaraimí a chloisteáil maidir leis na míreanna atá ann sa dá lá seo atá romhainn. Go raibh míle maith agat a Cheann Chomhairle agus a Theachtaí.

Deputy Michael Ring: I wish to share time with Deputy Timmins.

I welcome some aspects of the Bill and look forward to discussing certain other issues on Committee Stage. While I do not propose to oppose the legislation, I will oppose the proposal allow people to use mobile telephones to sign on for welfare payments. It would be a fraudster's paradise and I simply cannot support it, particularly given the existing levels of fraud. People are quite concerned and I have received an amazing number of letters this week from people nationwide who were surprised that such a proposal could be made at a time when savings of €460 million were made this year in respect of fraud. The Minister must convince me and other Members on Committee Stage that this can work and will not allow people to defraud the State any further.

Deputy Éamon Ó Cuív: Absolutely.

Deputy Michael Ring: I wish to make this point regarding the Bill first, because while Fine Gael supports many of the Bill's points, it will not support that proposal. I wish to make that clear from the outset.

As for the Minister's opening remarks on the amount of payments that have been paid to people in recent years, the Minister, Deputy Shortall and I, as well as everyone else in the House, have a job to do. The national four year plan will be announced today at 2 p.m. and all Members must ensure that those who are in need of social welfare payments will have such payments maintained to the best possible ability of the State. Many who are in need of social welfare payments are under severe pressure and are feeling the pain at present. In addition, if the Minister gets an opportunity at today's press conference, he and his colleagues should do two things. First, they might reassure people that the Government cares, because people are frightened. I have never encountered so many people in my clinic who have been upset because of such fear. Moreover, the media should note that elderly people in particular come to my clinic to ask whether their social welfare payments or pensions will be cut, whether they will be obliged to pay property tax or whether their savings will be safe. The second point I wish the Minister to put on the record today concerns the elderly people in particular who have contacted me in my office over the past 24 hours. Some people have some small savings in the post office and they seek reassurance from the Government that this money is safe because I have never received as many calls as I have within the past 24 hours. The Minister for Social Protection has an obligation to make a strong statement today to clarify this matter.

On the Bill itself, I will raise a few matters before finishing up on FÁS. First, I refer to the Minister's proposed change regarding illness benefit. In his response to the House, the Minister should state how many people will be affected and whether people will be at a loss or a gain. The Minister might confirm to the House what is the position in his response to this debate. In addition, I consider the proposal regarding rent supplement to be a good idea. Why should the taxpayer pay someone who does not pay tax? I acknowledge there will be cases whereby some people who live outside the State have property here but one must make provisions in this regard. I support fully the idea that people who draw down money from the State must have a tax clearance certificate.

However, I wish to sound a note of warning with regard to existing participants. While I acknowledge the Minister has stated that it will not apply to such people, if he continues with

this measure in order that everyone must provide such a certificate, the tenant must be protected. In particular, the Department of Social Protection should take note that if renegotiations must take place, tenants should not be told that they will be obliged to leave their tenancy in cases where they are unable to get a tax clearance certificate from whoever is providing the rented accommodation. People must be given time, assistance and support. The Minister should send out a strong message to community welfare officers that the tenant is not the person who must provide a tax clearance certificate. It must be the person who owns the property. This measure is good, welcome and needed because the black economy is starting again. This must be corrected because that takes money from everyone's pocket. We must avoid the re-establishment of a black economy. While that already is taking place, it must be corrected immediately.

A point I intend to raise on Committee Stage concerns carers who come from foreign destinations. What effect will the Minister's proposals have on such people? It has been the case that people who returned from America, England and other jurisdictions to look after their loved ones did not qualify for a carer's allowance because they could not produce evidence of their income. I hope the change in this regard will be positive because it is great to see family members returning from wherever to look after their loved ones. The Minister should be reasonable and decent about this because it is important.

I refer to the transfer of powers from FÁS to the Department of Social Protection. I welcome this and wish to put on the record of the Dáil that FÁS has been good, bad and indifferent. In its good parts, namely, at the bottom rung of the ladder, its staff did a good job in retraining people. They worked and helped and did not do too badly. Those in the middle ground, where decisions were not made by the management, did not do their job properly. However, the greatest scandal of all took place at the top rank of the agency. At a time when there was very little unemployment, the Government gave those people €1 billion in the budget of 2009. While everyone wondered why they needed this money everyone knows what they did with it when they went abroad on their holidays with their wives, families and everyone else. Although this inflicted further damage on both FÁS and Ireland, it should not detract from the overall purpose of FÁS or of retraining. While there are good people in FÁS, they are hurt. It is like politics in that there are both good and bad people in politics but one does not allow the bad to bring down the good and the same applies in respect of FÁS.

Ireland now faces an unemployment crisis and is in need of fresh thinking and new ideas but can FÁS deal with the crisis? The day has gone when someone who is unemployed is only brought in for an interview once every two years. Such people should be brought in on a regular basis every two to three weeks. Such people must be retrained, re-skilled and re-educated and work placements must be found for them. However, this is not what was happening. Instead, they were being brought in for interview. What really is needed is a one-stop shop, whereby an unemployed person can come into a social welfare office staffed by community welfare officers and FÁS staff who will train them and try to get them back into the workplace again. It is very important to do this and that as many people as possible are returned to the workplace.

At present, the drain game is on again. We are losing a generation of young people, which will have a negative effect on the economy over the next 20 years because those people will be gone. They will leave the country for America, Canada, Australia and all over the world and we will lose them. When, please God, Ireland returns to full employment and people are needed to fill vacancies, these people will have gone abroad. This brain drain must stop and we must try to create employment for them now, even in bad times. During previous bad times, new ideas and fresh thinking were developed and we need ways to try to retain, educate and procure work for people because unless that generation remains, who will look after the generation ahead of them? One must never forget this.

[Deputy Michael Ring.]

As for FÁS itself, new thinking and ideas are needed. New ways to do things are required but this has not happened over the past ten years. FÁS is coming under the aegis of the Department of Social Protection and the Minister now has a duty and an obligation to make sure that what happened over the past ten years will never happen again. He must ensure that every penny of taxpayers' money is spent wisely and that it is spent in an attempt to educate those who need to enter the workplace.

I refer to the staff who are being moved over to the Department. How many staff are coming from FÁS to the Department of Social Protection? Will their employment rights be protected in this regard? I note the Minister stated in his contribution that the buildings also would be transferred. In his response over the next 24 hours, the Minister might indicate to Members what is the value of the aforementioned property. I acknowledge it all is State property that will remain in the hands of the State but that will be transferred to the Department of Social Protection.

When young people have been trained, there must be a follow-on. There must be the capacity to monitor people who were registered as being unemployed and who went to the community welfare office and were trained by FÁS. Some placement work should be secured for such people as we must be job active. There are many good ideas in circulation and many people wish to employ people. However, over the past 13 years, two things have happened. Even though the Government forgot about the small employer, that is, the person who employed one, two or three people, we must return to them.

We will never again see multinational companies coming into the country and employing two and three thousand people. Those days are over. We must start thinking small and then work to get bigger. We need to train people. People with good ideas come to see me every day and write to the Minister and to the Government. What we need now is a stimulus package to help these young people. The banks are not supporting them and neither are the Government or the IDA. They are simply concerned with getting investment from Australia and America because they think our own cannot do it. Our own can do it, if they get some backup, support and training.

1 o'clock FÁS needs new ideas, new thinking and new training. We need to deal with the problems we have today. Change may be required. We do not want people in the FÁS office or a community welfare officer saying, "This is not in the legislation". If it is not in the legislation and it is right, we should do it anyway. We should come back to the House and change the legislation on any occasion that is needed. We need new ideas, new thinking and a new way of doing things.

What has happened in the last number of years cannot go on. FÁS did a good job training people. There were occasions when certification was not properly done and that must be dealt with in the courts. If people were being paid and were falsifying any kind of qualification they should be dealt with. The same is true of the banks. People are angry because they feel no one has paid for this situation. No one has borne the brunt of responsibility for it. The people who will bear the brunt in the budget are the people on low incomes and on social welfare. These people did not cause the problem but they are the ones who will have to correct it and pay for it. We want action taken against the people who did cause it.

FÁS schemes, such as the rural social scheme, worked very well for long-term unemployed people. We should look at ways to get more people trained and working to provide for the State. I hope that will happen. I hope the Minister will bring new ideas to the House to get people trained and working. The Minister referred to the workplace programme. He talked about it but we want action on it. We have had enough talk and media spin. What we want is

action and to get people trained and into the workplace doing valuable work for the community. There are people who want to do that. We do not want people to be degraded. We do not want to use our present difficulties as an excuse to take people off the social welfare system. We want people to be retrained and actively looking for work and the State helping them to get that work. People must be trained and ready to take up work when it becomes available. We need to do that quickly.

I welcome some aspects of the Bill. I know the Minister will introduce amendments on Committee Stage regarding same sex couples. Legislation in that regard will be introduced on 1 January and Fine Gael will play our part in getting that legislation over the bar before the election. We are anxious to have the election and to get into government, protect the people who need protection and get new ideas and thinking for the country. That is what is wanted.

On Committee Stage, we will go through many aspects of the Bill, particularly those relating to FÁS. There is concern about FÁS and the way it has been run for the last number of years. I hope the Minister has this issue in his grasp and that what went on for the last ten years will never happen again. It was a national scandal and it must be dealt with. People used money intended for the unemployed and for people who needed to be retrained and re-educated. People blew that money abroad and blew FÁS. I hope the Minister will put his mark on the retraining brief. It is now more important than at any time since the foundation of the State. We will go through the Bill and examine amendments on Committee Stage.

We need every protection possible against the people who are defrauding the State and taking badly needed money out of our pockets. We must encourage and help people. Yesterday, during Question Time, we talked about rent allowance. We should not discourage people in the social welfare system from going to work. They should be encouraged to seek work.

I believe the Minister has reassured people on community employment schemes that they will not suffer cutbacks in terms of double payments. I welcome that. FÁS schemes and CE schemes have done great good for communities when the HSE, the education system or local authorities were not able to provide badly needed services. People on CE schemes have visited people in their homes and organised meals-on-wheels. Many voluntary groups, particularly in rural and isolated areas, need FÁS schemes. These schemes should be retained and maintained.

We want to get people back into full employment. That is the most important aspect of the Bill. The more people are employed the more taxation will be collected and the fewer people will be drawing off State welfare. To protect the welfare state we need more people working.

We must have a one-stop shop for unemployed people. We must not have seven or eight different groups dealing with the unemployed. They must be dealt with in one building rather than going from Jack to Joe and from Mary to Kate. That is frustrating. The necessary management and team must be available in a single building.

Change for the better is what we want. We need positive change to help people in their hour of need. Many people who have worked all their lives have lost their jobs and want to work. We must stop the emigration drain. If we do not do that we will have made the biggest single mistake ever.

Deputy Billy Timmins: I agree with my colleague, Deputy Ring, about the importance of looking after the most vulnerable in our society. We talk about the elderly, the sick and many who will never be able to work again. It is also important to acknowledge that many people who receive payments from the €20.9 billion welfare budget are not vulnerable. It is important to realise that. I would like to see the Minister split the welfare budget between those who are vulnerable and those who are not in difficulty. That would be important from a political point

[Deputy Billy Timmins.]

of view. When one talks about cutbacks in the welfare budget one immediately thinks of carers and the elderly. There is a cohort of people who are not vulnerable.

I am also concerned about the amount of social welfare fraud. If we tackle this issue properly we could save several billion euro.

I want to deal with the issue of the high State dependency rate. In February 2001 at a time of virtually full employment there were still 137,400 people on the live register claiming State assistance. An analysis done by the OECD on the Irish labour force in 2009 concluded that Ireland had a disproportionate number of people claiming incapacity, unemployment, lone parent and safety net benefits, when compared to countries of similar labour markets and historical roots such as Australia, New Zealand and Britain. These countries made a determined effort to introduce new progressive employment and training policies to encourage benefit recipients into working during the years of high demand for employment. Ireland did nothing, and in 2007 still had 15.6% of the working age population claiming incapacity, unemployment, lone parent and safety-net benefits, up marginally from 15.2% in 2001. Considering our younger population, Ireland's rate of incapacity benefit should be lower than the other surveyed countries instead of higher.

The meaning of all this is that our high State dependency rate is making the current unemployment crisis worse and fostering a vicious circle of long-term unemployment as long-term benefit recipients lose touch with the labour market and become demoralised.

How Ireland responds to the current unemployment crisis will have a big impact on how long the crisis will last. Simply put, if the Government continues with its current policies and structures, we will face a prolonged period of high unemployment and all the social ills that it brings. The longer this spell of high unemployment lasts, the harder it will be to break out of it.

The OECD, when assessing the Irish labour market, claims it is not just a simple matter of lowering social welfare rates to encourage employment but actually about having proper activation measures or strategies to return people to work. This means having a hands-on approach with the unemployed involving constant attention and compulsory consultation from State employment bodies to move people back into the workplace. The OECD cites international experience of countries without such measures enduring many years of high unemployment rates following an employment shock. Ireland does not have such measures, which results in a hands-off approach to the unemployed.

The OECD describes what this will mean for Ireland:

Together with weaknesses in activation programmes for people out of work, there is a real risk that unemployment could indeed become permanently high unless policies adjust to provide stronger encouragement to return to work as the economy recovers.

Deputy Ring dealt very eloquently with the concept of the one-stop shop for getting people back to work. Fine Gael's policy document "Reinventing Government" sets out our vision for helping people back to work through the provision of a one-stop shop called the payments and entitlements service, PES. The service will become a one-stop-shop for getting the unemployed back to work. FÁS will be dismantled and the PES will become the unemployed person's pathway for re-entering the workforce. The PES will deal with the individual from start to finish, combining functions currently split between the Department of Social Protection and FÁS. When a person becomes unemployed, he will go to the PES one-stop shop to register and undergo assessment for his social welfare entitlements. He will then undergo a thorough skills assessment and will be given the opportunity to avail of recommended training in

accredited training providers, paid for by the PES. The PES will provide a range of employment services, carrying out regular face-to-face interviews with the unemployed.

Some services historically provided by FÁS will be devolved to other areas and some will be wound down. Community employment schemes will be devolved to local government, services to business and recruitment services will become the remit of Skillnets and the private sector and the State will comprise a trainer as a last resort. The FÁS training model will be replaced with a voucher system for training.

The one-stop-shop model will transform the approach to dealing with the spiralling unemployment problem. This is needed as there are too many agencies and bodies. People are confused and do not know where to go or what to do. Our proposal is about matching skills with needs in the labour market. One can only do this by establishing the skills people have in the first instance.

The main provision of this Bill involves the breaking up of FÁS. Deputy Ring dealt with some measures, including section 4, which pertains to electronic means of clocking in. I do not know how it will work. It seems very dubious.

Section 5 deals with the landlord tax reference number. During Question Time yesterday, Deputy Ring alluded to the question of rent supplement. Housing should be provided by the local authority, not the HSE or Department of Social Protection. There are many empty houses in the housing stock of local authorities. When local authorities assess people for housing needs, they tick off everybody and give them all rent supplement. There are many vulnerable people who need rent supplement and assistance but there are many who get it who do not necessarily need it. On our housing list, we must differentiate between housing need and housing desire. This has not been achieved. Only those with a housing need should receive a rent supplement.

With regard to my next point, Deputy Ring and I have some private debates. The vulnerable should be looked after but any euro spent, because of fraud, on those who are not vulnerable means the vulnerable lose out. The same applies in education. Free education does not mean free education for everybody. It means a certain proportion of people cannot get educated because, while they may have no fees to pay, they cannot get the grant they may need because there is only a limited amount of funding in the budget.

I do not support the concept of universality. It does not deal with the quality. It purports to have everybody equal but does not achieve this. The same applies in respect of rent supplement. Many lose out because money is being spent on accommodation for those who not need it. Consequently, there are many people on local authority housing lists who cannot obtain accommodation of good quality.

Many people are living in very substandard accommodation, be it in the private rental sector or the social housing sector. We need to consider this. There are only two ways to address inequality. One can never fully achieve equality but one can seek to address the problem through education and housing. The housing scheme should be such that everybody should be encouraged towards home ownership. Where there is home ownership in local authority estates as opposed to circumstances in which every home is rented, the standard of living and quality are higher. One sees this in certain local authority estates. We should aspire to this. It is the only way in which we can get people to break out of their poverty trap. The same applies to education. Early intervention and access to education are more desirable than free fees for everybody. Fine Gael has a very progressive graduate tax or PRSI proposal that I hope will be implemented in the months ahead.

Deputy Ring dealt with FÁS. It is a terrible tragedy that FÁS comprises a debased currency. Much good work is done on the ground, yet the failure of Ministers to address the shortcomings

[Deputy Billy Timmins.]

of management brought the whole organisation into disrepute. There are many fine examples of the excellent work that FÁS carried out.

The most startling point I heard in the Minister's speech reflects the difficulty the Government was in. I do not know whether the Minister prepared his own script or whether the Civil Service did so. I want to bury this item because it is reflective of why we are in the difficulty we are in. There is a reference to social welfare, which may not be the greatest example for an Opposition Member to pick, but it is reflective of the difficulties we are in. Let me quote the Minister:

The Government is proud of its unrivalled record in increasing social welfare payments. In the past 12 years, we have increased pension rates by about 120%, unemployment benefits by almost 130% and child benefits by 330%. The cost of living has increased by about 40% over the same period.

Over the period in question, the budget increased from €6.7 billion to €20.9 billion. In the 80 years since the foundation of the State, from 1918, 1921 or 1922 — I get confused——

Deputy Éamon Ó Cuív: January 1919.

Deputy Billy Timmins: I thank the Minister.

An Leas-Cheann Comhairle: The first Dáil.

Deputy Billy Timmins: In the 80 years up to the turn-of-the-century, there were 16 or 17 Governments. The Minister's grandfather was the head of many of them. The Minister's party was in Government for almost all the period in question. Did those Governments fail the people in that they did not give adequate resources to the people who were vulnerable, including pensioners, the unemployed and those requiring child benefit, such that dramatic increases were required between 2000 and 2010? Alternatively, was it the case that the Government bought the people with their own money and now must repay it in multiples? I believe the latter. This is a damning indictment of the policy of the Government. I can still hear the clapping ringing in my ears after the budget in which every benefit was increased. Money was spent as if by drunken sailors and as if there were no tomorrow. Unfortunately, tomorrow is here today and we are suffering because of this policy.

The phenomenon to which I refer is indicated by way of the stark welfare figures but probably more so by the startling figures right across the board. There was a 40% increase in the cost of living and there were increases in welfare. One should not tell me that the Governments in power since the foundation of the State, 12 or 13 of which were Fianna Fáil led, left the people in poverty for 80 years because I do not believe that. What actually happened was that the last few Governments sold the country down the Swanee with its policies.

Deputy Róisín Shortall: I am glad to have the opportunity to speak on this Bill, although we were given very short notice. The Bill could be described as a mixed bag. Overall, the Labour Party supports and welcomes it. However, we have reservations regarding certain aspects of the Bill and we will deal with these by way of the introduction of amendments.

The Minister referred to the level to which the cost of social welfare has increased in recent years. There is no doubt the current bill of €24 billion is massive. However, it is important to clearly outline why that amount is so high. The cost of social welfare is as it stands at present because the rate of unemployment has increased substantially. Every person who loses his or her job costs the State in the region of €21,000 per year. That is the real shame and indictment

of the Government, which in recent years completely ignored the importance of protecting existing employment and creating new jobs.

Most Cabinet Ministers have become fixated on tackling the huge issue relating to the banks. However, the Government took its eye off the ball in the context of ensuring that employment would be placed centre stage. No work has been done in this area and there was no consideration of the kind of supports to be put in place or of the work that needed to be done to protect the maximum number of existing jobs and to encourage the creation of new ones. That has been a huge failing of the Government in recent years and it is the reason the bill for social welfare is so high.

Deputy Éamon Ó Cuív: The Deputy should check the facts. She is wrong.

Deputy Róisín Shortall: It is because we have such a problem with unemployment that the cost of social welfare is so high. The massive numbers of people who have lost their jobs since this Government took office, the cost of retaining people on social welfare payments and the loss of tax revenue to which the increase in unemployment has given rise account for the huge gap of €6 billion in the public finances. The figures support my argument and the Minister cannot deny that. The Government's greatest shortcoming has been its failure to protect employment or to take action in respect of the loss of jobs.

Deputy Éamon Ó Cuív: No, it does not account for the increase in social welfare.

An Leas-Cheann Comhairle: The Minister should desist. He will have the opportunity to reply to the debate.

Deputy Róisín Shortall: Perhaps the Minister will allow me to continue. I did not interrupt him.

In the case of the promises that were made in the programme for Government to take action on the jobs front, the approach taken in respect of the relevant initiatives has been lacklustre. There has been no enthusiasm or energy regarding the initiatives to which I refer. For example, in the context of the Minister's area of responsibility, the PRSI incentive scheme was announced with great fanfare in last year's budget as an initiative that would encourage employers to take on new staff. The budget to which I refer was announced last December but the Minister sat on the scheme and took no action in respect of it until the middle of this year. It was only when he came under pressure in June that the Minister finally announced the scheme. As a result, there is no prospect of the targets that were set being met.

Funding was provided in the last budget in respect of this scheme to enable the Minister to provide support for a large number of jobs. However, he allowed time to slip by and waited until the middle of this year before taking concrete action. Even now, there is no enthusiasm in respect of promoting this scheme. As a result, by the end of the year we will fall far short of the targets for this scheme. Again, that is an indication of the lack of interest, enthusiasm and energy that is being displayed in respect of job creation.

We must also consider the huge damage that has been done to the SME sector, which is the backbone of job creation in this country. When the blanket guarantee for the banks was put in place, we were informed that the main justification for such a guarantee was to get credit flowing. That was the mantra every Minister uttered at the time. Two years have passed, however, and credit is still not flowing. The SME sector is being squeezed just as much now as was the case prior to September 2008. Again, consideration was not given to what this sector required to retain existing jobs and, ideally, to create new ones. The SME sector has been abandoned by the Government and the level of unemployment has soared as a result.

[Deputy Róisín Shortall.]

When the four year plan is announced today, people will be waiting to see whether the Minister, in the context of his area of responsibility, will protect the most vulnerable. Prior to the previous two budgets, members of the Government repeated another mantra in respect of this matter. However, that was a case of their saying one thing and doing another. Ministers and backbenchers were trotted out to say the Government's priority was to protect the weakest. They continued to state this but when it came to the budgets to which I refer, the Government took decisions which penalised the weakest and left great swathes of those who are either very or exceedingly wealthy untouched. How can anyone place any store in the undertakings the Minister is giving to protect the weakest when the Government's track record shows that while it says it will do this, it does the opposite.

Not only does the Minister have responsibility for the welfare system, he is also responsible for pension policy. We have discussed this matter on previous occasions but I am again obliged to state that the spotlight must be shone on what he has done in this area. When the four year plan is announced, I will examine it to see if any attempt will be made to rejig our tax and welfare systems in order to support and protect the weakest. The only way to do this is by ensuring those at the top end pay their share of tax.

Under the Minister's current policy, some €3 billion is being given to people by way of tax reliefs on pension contributions. We are aware that the bulk of this money goes to the top 20% of earners. If the Minister is serious about ensuring the system is fair and about protecting the weakest, I expect he will announce radical proposals to reform the pension tax relief system. He has an obligation — in the context of fairness and justice — to those who depend on him for protection to introduce the reforms to which I refer, to slash pension tax reliefs for the high rollers in this country and to take serious steps to introduce a measure of fairness into the policy areas for which he retains responsibility.

I will monitor the plan to identify the changes the Minister will make to the pension tax relief system to ensure fairness. We do not want the usual targets to be hit yet again. Neither do we want people who are struggling to survive on welfare payments to take the brunt of the cuts which the State must endure as a result of Fianna Fáil's mismanagement of the economy in recent years. There is an onus on the Minister to take a fair approach in respect of this matter and to defend those people who, in many ways, do not have a voice and who depend on him to protect them.

There is enough evidence available which shows that large numbers of people dependent on welfare payments are struggling to keep their heads above water. The most recent research carried out by the Vincentian Partnership in respect of minimum essential budgets refers to the difficulties for different categories of welfare recipients, particularly those who live in rural areas. The research to which I refer also shows that when one does the sums, it is evident that welfare payments are not sufficient to allow people to live with any kind of basic dignity. The case has been well made — particularly in the context of the Vincentian Partnership's research — that people who are dependent on welfare payments simply cannot afford to shoulder any more of a burden than that which the Government has already placed on their shoulders.

I hope the Minister will not support any further cuts in welfare payments for those who are on the lowest levels of income and who are dependent on him for their very survival. He has a number of options available to him in the context of making savings. There are opportunities to make savings in areas where persons are hoarding large amounts of non-productive capital. There are persons with multi-million euro pension pots that the Government has allowed to accumulate and I hope the Minister will dip into those pension pots. I hope the Government will slash the amount of tax relief millionaires are currently entitled to claim. If there is any

fairness, if there is any justice in the approach to the current problems in this country, the Minister has no choice but to tackle those areas before he contemplates further cuts to welfare payments. We will watch closely and unless the Minister does that, he will have no credibility as Minister for Social Protection.

The principal purpose of this Bill is to transfer some functions of FÁS in the employment services area to the Department of Social Protection, and I welcome that decision. There have been serious problems with FÁS in recent years. As an organisation, by and large it has not been doing the kind of work it should have been doing. It has not, by any means, used the funding available to it to best effect and the focus of that organisation has not been always on the client, the unemployed person.

We saw how those at the top of the organisation — Mr. Roddy Molloy, but many others, some of whom are retired and some of whom remain——

An Leas-Cheann Comhairle: To clarify the time, we will continue until Deputy Shortall has concluded her speech.

Deputy Róisín Shortall: How long more have I?

An Leas-Cheann Comhairle: Deputy Shortall has another 17 minutes.

Deputy Róisín Shortall: I thank the Leas-Cheann Comhairle.

FÁS, as an organisation, was let down by senior staff, such as Mr. Roddy Molloy and others, some of whom have left and some of whom remain in senior management positions. They discredited the organisation and were more interested in feathering their own nests, living a high lifestyle at the expense not only of the taxpayer but of unemployed persons who were looking to FÁS to help them access training and employment. That was the real mistake of those staff. Not only did they waste public money, but they did not serve their clients. For that reason, I welcome the proposal to split FÁS. There is much good work being done at local level by area managers with employment services and training services, but as a brand, FÁS has been tarnished and because of the discredited senior management in the organisation, FÁS needs a clear new focus. I welcome the fact that the functions are to be split between the Departments of Education and Skills and Social Protection.

Not only is responsibility for the organisation changing to another Department, but the employment services are being incorporated into the Department of Social Protection. That is a good move which I support, but I hope it will not be merely a matter of changing the name or status of those who work in FÁS. The Minister must avail of this opportunity to radically reform, modernise and streamline the employment services so they are fit for purpose and respond to the needs of the unemployed, in terms of identifying gaps in their skill levels, the kind of training they require, where that training is available and the work opportunities available to them. They must ensure the unemployed are best placed and best qualified to apply for employment opportunities that arise.

At present, the organisation is a mess. When people lose their jobs, they go to the social welfare office to get their payment which is their immediate concern, but that should be only one aspect of the welfare system. Welfare payments help people survive financially, but the other side of the coin must be to ensure people remain dependent on the dole for the shortest possible period and that they are aware of all of the available training, education and employment opportunities. That must be the responsibility of the Department of Social Protection. In the past, there has been tokenism in this area in terms of jobs facilitators — only 67 of them to deal with the considerable numbers of those unemployed — and what the Department of Social Protection was doing was completely disjointed from that which other agencies were

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doing. I welcome the fact that the employment services are coming under the Department of Social Protection but it must result in added value for everybody involved. This opportunity must be used by the Minister to transform the way the system operates.

On a regular basis persons who make contact with my office ask how they would be affected financially if they went on a training course, if they were to take up part-time work, temporary work or casual work, or if they were to go into work full time. They want to know how that would affect their take-home pay. I do not know if there is anybody within the Department who is qualified to do that kind of assessment or analysis for a person. That is what people want to know. There does not seem to be anybody in the Department who can do the sums, who knows fully how the tax system or the welfare system works. When I say “fully”, I mean it is not merely about getting the payments, but also about the secondary and in-work benefits. What we need are qualified staff who understand the welfare and tax systems and who can give that basic information to people.

We also need staff in the Department, whether they come from FÁS or are originally staff from the Department, who will meet on a regular basis persons who are unemployed to ask them about their needs and to ensure we have a good profile of all of the unemployed in terms of their skills level and gaps in training. We can then match those gaps with the courses being provided. That might sound like basic common sense, but that is not happening in many areas. FÁS sometimes provides certain courses for which there is no demand. Equally, there is a kind of overlap, and sometimes gaps, in services where FÁS might be doing one thing but the VEC is doing something else, or the local secondary school, the local partnership or the LES are providing other courses. The Minister needs to bring coherence to all of those services and agencies. There must be a one-stop-shop approach. That means that when a person signs on, he or she will be interviewed and provided with the basic information, advice, support and encouragement to get off jobseeker’s payment as soon as possible. I hope the Minister will use the opportunity to do that.

I also hope when the Department takes over the employment section of FÁS that we will have sound data on what is happening. This morning, at the Joint Committee on Social Protection, we were talking to SIPTU and OPEN about the question of progression from CE and there were no data available on the length of time persons remain on CE. There is much confusion about how long one is allowed remain on CE, but there is no information available on the level of training of CE participants, for example, how many CE participants would have a FETAC level 5 award by the end of their CE training. We need this basic information because the focus of CE — I accept many of the services provided are worthwhile — must be on progression from the point of view of the unemployed. They must enhance their skills so they can move out into the open labour market and get work. We have no data on this and I hope that under the new arrangements we will have up-to-date data on what is happening here.

The other major area is with regard to rent supplement. I am quite disappointed with the Minister’s proposals on this. They do not go anywhere near far enough in terms of what is required. In September 2008, the Committee of Public Accounts, having examined the entire area of taxation of rental income receipts, published a report. It found a hopelessly poor rate of matching PPS numbers. While the Department of Social Welfare, as it was at the time, asked for PPS numbers it matched less than half of them. Most of them were untraceable or bogus, which was incredible. The Committee of Public Accounts returned to the issue earlier this year when the Department came before the committee. We asked what was happening with regard to tax compliance of landlords in receipt of rent supplement given all the attention that was focused on it. We were told that PPS numbers could be traced for only 31,000 of the 96,000 tenancies.

I welcome the fact that the Minister is taking some steps but he is not going anywhere near far enough. His two predecessors used to state this had nothing to do with them as it had to do with the tax office. This approach is no longer acceptable. If €520 million of taxpayers' money is going to pay private landlords, the least we can expect is that the Department of Social Protection will play an active role in ensuring full tax compliance in the payment of this vast amount of public money. To date, the Department has been extremely lax in this area.

What the Minister proposes today is not enough. He has stated that the PPS number will be requested. Many landlords cannot be traced; nobody ever sees them or hears their names or addresses as agents are used. How will the Minister deal with the PPS number in such situations? A significant and growing number of landlords receiving rent supplement are non-resident. The minimum the Minister should do with regard to non-resident landlords is to introduce a withholding tax of 20%. There is no way this money should be paid without the State getting some tax clawback.

Overall, with regard to resident landlords, what the Minister needs to do is to ensure full tax compliance. A tax clearance certificate should be obtained before the State pays rent supplement. This happens in many other areas where grants are paid, for example grants to builders for bathroom conversions. A grant will not be paid unless a tax clearance certificate is produced, and the exact same should happen with regard to rent supplement. It is not enough even to do this. The area of rent supplement is crying out for major reform. In his speech, the Minister spoke about wanting to be a reforming Minister. This is probably the area in greatest need of reform.

Yesterday, we spoke about the perception that many people on welfare are better off staying on welfare rather than taking a job. This is not true; the vast majority of welfare recipients would be better off, and significantly better off, in employment. However, there is one category of welfare recipients for whom there is little or no incentive to go to work and this is people in receipt of rent supplement because of the way with the rent supplement system operates at present. The Labour Party proposes a number of reforms in this area. The ban on people working full-time receiving rent supplement must be removed. The withdrawal rate is far too drastic and this is the difficulty.

Yesterday, I gave the Minister the example of a married man with two children. If he moves from being on the dole to taking up a job he stands to lose €60 a week, not because welfare payments are too high or because the dole is too high but because of the way in which rent supplement operates. If there was a graduated withdrawal of rent supplement and if the automatic ban on receipt for anybody working 30 hours or more a week was removed a huge incentive would be provided for people to take up employment. This is the problem at present. Not only would this encourage people to take up rent supplement, it would result in significant savings for the State. A total of €19,000 or €20,000 a year would be saved if a member of a couple went back to work. It makes absolute sense to reform rent supplement and tackle it.

With regard to tax compliance, what the Minister should do is what several agencies have been imploring him to do for some time, which is to make local authorities responsible for rental support and pay rent supplements directly to the landlord. This is how abuse, tax evasion and social welfare fraud would be cut out. Significant issues are raised, such as some tenants not passing on the full rent supplement and landlords demanding top-up payments. There is much abuse in this area as the Minister well knows and the way to tackle it is to make the payments directly to landlords and not to catch the tenants in the middle. Every year, we lose millions of euro through deposits going astray because they are not given back by the landlord or because the tenant does not return them.

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The Labour Party has calculated that if these reforms are introduced along with reform of the deposit system there is potential to save at least €100 million a year. If the Minister wants to make savings in welfare there are ways to do so that do not hit the most vulnerable. We are stating that €100 million could be saved in rent supplement in the coming year and €400 million could be saved over the next five years if the Minister were to introduce the reforms suggested by the Labour Party. Not only would this be a saving to the State, it would mean there would be incentives for people on welfare to go out and work. It would be worthwhile to do so, which it is not at present for many of them.

With regard to fraud, I want to express serious scepticism about the Minister's proposals for electronic certification, which are contained in the Bill. The system needs to be modernised in many ways, but what the Minister proposes with regard to people signing on by way of mobile phone concerns me. Given the level of fraud that already exists in the Department, I urge the Minister to tread very carefully in this area. He should start with a very small pilot scheme and rigorously analyse its findings. I am concerned it would open up the potential for further fraud. I am disappointed at the conservative targets for tackling fraud which the Minister is setting in the Department. It has been some time since the Minister has come anywhere close to meeting those targets.

I hope the public service card is available and is used widely in the coming months. I am disappointed there has been slow progress on it. I certainly hope the public service card will provide for biometric information. People who defraud the social welfare system are the enemies of those who genuinely depend on it. The Minister has a serious responsibility to ensure that he deals with budgetary pressures by eliminating fraud. This can be done on several fronts and we have given him ideas on it.

I look forward to a more detailed briefing on the amendments signalled by the Minister today. I hope we have it prior to Committee Stage.

Debate adjourned.

Sitting suspended at 1.50 p.m. and resumed at 2.30 p.m.

Ceisteanna — Questions (Resumed)

Priority Questions.

Tourism Promotion

21. **Deputy Jimmy Deenihan** asked the Minister for Tourism; Culture and Sport the action she is taking to alleviate the downward trend in tourism figures with nearly 900,000 fewer visitors to Ireland to date this year; and if she will make a statement on the matter. [44378/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): The most recent published figures from the CSO show a reduction of 15.7% in the number of overseas visitors to Ireland in the first three quarters of 2010 compared to the corresponding period of 2009. Figures for the third quarter of this year show that the fall-off is slowing down, at just over 8% compared to the corresponding period of 2009.

While any decrease is disappointing, the figures must be viewed in context. Tourism world-wide has been deeply affected by global economic difficulties and loss of consumer confidence. Furthermore, the exceptional weather conditions in the early part of the year and the closure

of airports due to the volcanic ash cloud meant that it was inevitable that a fall-off in the numbers travelling, particularly in northwest Europe, would be experienced in the first half of 2010. At the same time it is important to recognise that more than 4.6 million overseas visitors came to Ireland in the first nine months of the year with hugely positive benefits for the Irish economy. The Government recognises the opportunities to grow this figure further and ensure that tourism plays a key part in Ireland's economic recovery.

Based on my recent experience in supporting the international marketing effort, I know that the industry and the tourism agencies are fighting hard for every bit of available business for the remainder of this year and into 2011. Tourism Ireland is finalising its 2011 business plan and next week I will launch its marketing plans for 2011. The main focus of the plans will be on those markets offering the best real prospects of growth in 2011, namely, Great Britain, the United States, Germany and France. The marketing campaigns will emphasise that there has never been a better time to holiday in Ireland in terms of the value available and the quality of the tourism product on offer.

On the business tourism front, the new Convention Centre, Dublin will be highlighted and further enhance our capacity to attract international events. Other significant events next year such as the Solheim Cup at Killeen Castle, the start of the tall ships race series in Waterford, Dublin Contemporary, Imagine Ireland, and the UEFA cup final at the Aviva Stadium will also provide significant opportunities to boost our international profile and the tourism agencies will work to maximise the tourism benefits of these events.

In terms of the broader policy environment, the report of the tourism renewal group set out a clear plan for the survival, recovery and growth of Irish tourism. I established the new tourism renewal implementation group in July 2010 to oversee and further drive actions on measures, based on the wide-ranging framework for action, that support tourism in Ireland, increase competitiveness and ensure that the sector is ready for recovery and growth. Good progress has been made with regard to the survival actions recommended by the renewal group and the implementation group will continue to meet to pursue outstanding measures that can ensure that Irish tourism returns to growth next year and plays a major role in Ireland's economic recovery.

Deputy Jimmy Deenihan: I remind the Minister that there will be almost 1 million fewer tourists visiting the country this year than in the previous year, with a possible loss of €1 billion in revenue. The Minister has outlined some of the measures she has taken but what further measures does she intend to take? It is agreed right across the industry that the travel tax is having a detrimental effect on visitors. Yesterday at the Bord Fáilte annual conference the Minister said she is against the tax and, as reflected in The Irish Times today, that she would more or less scrap it. Will she confirm she is in favour of scrapping this tax?

An Leas-Cheann Comhairle: I call the Minister to reply.

Deputy Jimmy Deenihan: May I finish?

An Leas-Cheann Comhairle: Please get in a question.

Deputy Jimmy Deenihan: Of course. I am asking questions.

An Leas-Cheann Comhairle: Can I explain to the Deputy that —

Deputy Jimmy Deenihan: There is no need to explain.

An Leas-Cheann Comhairle: The Deputy should have some respect for the Chair.

Deputy Jimmy Deenihan: Could I complete —

An Leas-Cheann Comhairle: No Deputy, the Deputy should have some respect for the Chair. The Deputy should take his seat when the Chair is on his feet. The Deputy should sit down.

Deputy Jimmy Deenihan: Can I ask —

An Leas-Cheann Comhairle: No, not until I explain. The Chair will be respected and will not be shouted down.

Deputy Jimmy Deenihan: Absolutely.

An Leas-Cheann Comhairle: The Deputy has one minute to ask a question, otherwise he is eating into other Deputies' time.

Deputy Jimmy Deenihan: This is new procedure.

An Leas-Cheann Comhairle: No, it is standard procedure.

Deputy Jimmy Deenihan: Tourism Ireland said it is impossible to plan without regular CSO figures. Has the Minister done anything to address the staffing problem at the CSO so that we can get the monthly figures as we did in the past?

Deputy Mary Hanafin: The Deputy has asked about three distinct issues. I agree, we would rather have the CSO figures on a monthly basis than on a quarterly basis because that would allow us to plan. The CSO has said it is not in a position to do that at the moment, but at least every time we get the figures they assist us in our targeted marketing. We now do our marketing on a seasonal basis rather than an annual basis so the quarterly figures are helpful.

On the question of what measures we are taking to promote tourism, we are targeting each of our four major markets in a different way. The World Travel Market last week was very successful and the agencies supporting the industry are very involved. This is a successful way of promoting tourism because the people involved are the best people to promote Ireland. We are also improving marketing through promotions such as television campaigns in Germany. These are critical. In Great Britain we are focusing on coach tour operators, retail travel agents and the Internet agencies. For example, at the World Travel Market I met people from Expedia through which many visitors book their trips. We also have an extensive marketing programme in North America and work with tour operators there on specific promotional activities. We do the same in France.

Investment in the capital programme is also important because people come to Ireland to attend iconic events. We try to ensure that special events like those I mentioned in my response, Imagine Ireland and Dublin Contemporary are part of our plan.

Deputy Jimmy Deenihan: What about the travel tax?

Deputy Mary Hanafin: I will come to that. The industry has been telling me that the travel tax goes against the spirit of trying to attract tourism and while it was originally targeted at bringing in approximately €125 million, it looks like it may only bring in approximately €80 million this year. However, €80 million is very hard to find. I have asked the airlines to indicate to me what they could give me in return for the removal of the tax. Ryanair has indicated what it would provide if the travel tax and the increased charges at Dublin Airport, Shannon Airport and Cork Airport were reversed, but has not indicated what it would provide if only the travel tax was involved. This is part of our negotiation platform.

Deputy Jimmy Deenihan: I am rather surprised, despite the indication yesterday that the Minister is in favour of scrapping this tax, that this is not mentioned in the national recovery plan. Obviously, the tax and the revenue from it is very much part of the programme for the next four years. Will the Minister clarify that position? Is it factored into the plan?

Deputy Mary Hanafin: It is part of our discussions for the budget and that is the reason it is not in the plan. Individual taxes are specifically part of the budget. No decision has been made on the issue yet. Discussions are taking place with the industry and we are looking at the overall financial context to see whether it is possible to remove or reduce it or to see how we can replace the €80 million otherwise. The issue is on the table and I am very open to specific proposals on that.

Expenditure Programme

22. **Deputy Mary Upton** asked the Minister for Tourism; Culture and Sport in view of the implications of the recommendations of the Report on the Special Group on Public Service Numbers and Expenditure Programme regarding her Department, the actions she has taken to evaluate the recommendations of the report; if she has identified ways by which similar efficiencies or savings could be made without resorting to the actions in the report; and if she will make a statement on the matter. [44227/10]

Deputy Mary Hanafin: The Report of the Special Group on Public Service Numbers and Expenditure Programmes, published in July 2009, made a number of recommendations, including, to reduce or discontinue expenditure programmes, to reduce the numbers employed in each area of the public service, to re-allocate staffing or expenditure resources between public service organisations as appropriate and to rationalise State agencies.

The work of the special group resulted in the identification of potential expenditure savings of €5.3 billion in a full year, with associated reductions of more than 17,300 in public service numbers. This was far in excess of what was then envisaged for budget 2010, so the special group's report was viewed as a suite of potential savings from which the Government could choose on the basis of its own assessment of the area of spending involved. In evaluating the recommendations of the report, Ministers and the Government necessarily had regard to the fact that all expenditure programmes confer benefits on various stakeholders and that no proposals for reductions are painless. With particular regard to my Department, it was noted that all three sectors, tourism, culture and sport, make major contributions to Irish society and to the real economy. The recommendations of the special group for my Department included proposals to reduce programme expenditure by almost €105 million in 2010 and to structurally reduce 170 staff across the Department and its agencies. The special group's report also proposed that consideration should be given to the discontinuation of the then Department of Arts, Sport and Tourism as a Department in its own right. In responding to these challenging proposals, savings of more than €35 million were achieved in the Revised Estimates for 2010 for the Department's Vote group compared to 2009. In addition, the Government's moratorium on staff recruitment and promotion and its incentivised early retirement scheme continue to achieve reductions in staff numbers across my Department and its agencies.

In March 2010, the Government made structural re-alignments to a number of Departments. As part of these re-alignments, the former Department of Arts, Sport and Tourism was restructured as the current Department of Tourism, Culture and Sport, with an enhanced focus on maximising the benefits to Ireland in financial and other terms of both our tourism product

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and our cultural and sporting heritage. In addition, responsibility for the horse and greyhound racing industries was transferred to the Department of Agriculture, Fisheries and Food.

In preparing for budget 2011, all possible measures are being considered to ensure that the proposed budget adjustment of €6 billion is achieved, including the outstanding recommendations of the report of the special group. In addition, the ongoing implementation of the Croke Park agreement in my Department and across the public service has led to the identification of a range of potential savings. While it is clearly not possible for me to reveal the details of what may be announced in budget 2011, my objective is to ensure that an appropriate level of resources is provided to ensure the continued and successful development of the three important sectors for which I have responsibility.

Deputy Mary Upton: I am pleased to hear that changes are to be proposed. Correspondence I received in August stated that the Department then employed 156 staff, of whom 77, or 48 full-time equivalents, had responsibilities in the arts and culture section. Given the number of staff employed by the Department, why do several quangos continue to exist? The replies to seven parliamentary questions I submitted today state that the Minister has no responsibility to Dáil Éireann for these matters. It is extraordinary that my questions cannot be answered. Why is there such a need for consultancy given the number of staff employed by the Department?

Deputy Mary Hanafin: Having gotten rid of other bodies while serving in previous Departments, I genuinely believe that the agencies attached to the Department of Tourism, Culture and Sports are best served for supporting areas such as international and national marketing. The fact that Tourism Ireland is a North-South body should also be considered. The Arts Council is not only able to allocate grants, but it also enjoys a direct relationship with cultural and arts groups all over the country. The same can be said for the Sports Council.

In regard to staffing levels in my Department, 44 staff work in the National Archives, which has a specific remit. Given that type of allocation, the Deputy can see where the rest of the work is done.

Deputy Mary Upton: My main concern is the lack of accountability. I have raised this issue in a recent policy document in respect of sporting organisations. Direct ministerial responsibility is the way to proceed and significantly greater accountability is required.

Deputy Mary Hanafin: I accept the Deputy's point about accountability. Significant sums of money continue to be spent in the three areas under my remit.

Deputy Mary Upton: That is my point.

Deputy Mary Hanafin: The expertise we require does not rest within any Department. The marketing skills needed in the United States are entirely different from those needed in Germany and France. The agencies must employ people who are based in these countries. That would not be possible for a Department unless new embassies were established. It is our responsibility to determine the budget for these employees and to ensure they are accountable. If we can develop ways to ensure greater accountability, I would be happy to do so, but we would not serve the needs of the country by subsuming these four agencies into the Department.

Company Closures

23. **Deputy Jimmy Deenihan** asked the Minister for Tourism; Culture and Sport her views on the suggestion that one restaurant is closing every day; her plans to combat this collapse in our restaurant sector; and if she will make a statement on the matter. [44379/10]

Deputy Mary Hanafin: Neither Fáilte Ireland nor I can substantiate the suggestion that one restaurant per day is closing because restaurants are not obliged to officially register under existing tourism legislation. However, I am aware that there is a high level of turnover in restaurant establishments internationally.

It is Government policy to develop and support the tourism and hospitality industry through an appropriate range of policies and programmes in partnership with key representative bodies, including the Restaurants Association of Ireland, the Irish Hotels Federation and the Irish Tourist Industry Confederation. Since becoming Minister I have taken the opportunity to meet each of these representative bodies individually in order to hear their concerns and to see how the businesses they represent may be supported and made more competitive.

The State tourism agencies are maintaining their marketing drives to attract overseas and domestic tourists to holiday in Ireland, thereby boosting demand for tourism businesses, including restaurants. In 2010, the Restaurants Association of Ireland was approved grant funding of €44,250 by Fáilte Ireland towards its marketing activities under the market access support scheme. Fáilte Ireland is also offering a number of business supports to individual restaurant establishments, for example, business tools for kitchen management and food cost control, business mentoring, e-business support and advice on promoting and marketing.

Fáilte Ireland has established a food and hospitality innovation office which, in partnership with key stakeholders, has the ultimate goal of having Ireland recognised by domestic and international visitors alike for the accessibility, quality and value of our food experiences. To achieve this goal the State tourism agencies must work in partnership with the industry to grow and develop the restaurant sector. This is the approach that has been taken through the food tourism industry working group, which was established by Fáilte Ireland and includes key industry stakeholders such as the Restaurants Association of Ireland, Good Food Ireland, Eurotoque Ireland and sectoral entrepreneurs such as Darina Allen. It will shortly finalise a national food in tourism implementation framework which it plans to launch over the coming months. The focus of the implementation framework is to increase the availability and accessibility of local food and to capitalise on Ireland's potential to expand our reputation for good food and to become a destination for international and domestic food lovers.

Deputy Jimmy Deenihan: The Restaurants Association of Ireland claims that one restaurant closes per day and the evidence for this can be seen in towns and cities all over Ireland. It has also reported that eight in ten restaurants operate at a loss and that 21,000 jobs are at risk. I ask the Minister how she proposes to address the issues it has raised. Food costs are 24% above the EU average and the joint labour committee structure needs to be examined. Restaurant operators have to contend with 27 different statutory and other regulatory bodies. Fine Gael has proposed a number of measures to deal with these issues. Restaurateurs have limited access to credit and are required to pay excessive rates. Can the Minister indicate whether she will introduce budgetary measures to address the challenges facing the restaurant industry?

Deputy Mary Hanafin: I suspect that the majority of the bodies with which restaurant operators must deal come under the auspices of the Department of Agriculture, Fisheries and Food. Obviously, health and safety issues are not in my Department's remit. The programme being

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launched today takes account of the costs faced by businesses, including those involved in the tourism industry, and refers to joint labour committees and the minimum wage. Tourism, including the restaurant sector, is among the areas covered by the Credit Review Office to which people can appeal if they are refused credit.

The food strategy group and Good Food Ireland are investigating the issue of food costs. The best way of reducing food costs is to ensure we have good quality local food. If we are going to promote Ireland as a food destination, we should also be promoting Irish food.

Deputy Jimmy Deenihan: Would the Minister agree with the Restaurants Association of Ireland's claim that jobs are at risk? Does she accept this is an urgent matter and that unless something is done at Government level to protect these jobs, they will be lost?

Finally, the Minister indicated that restaurants are very much part of our tourism infrastructure. An increasing number of visitors to Ireland enjoy not only our landscape and meeting our people but more particularly they enjoy eating locally produced produce. If these restaurants are taken out of the infrastructure, it will weak our tourism product.

Deputy Mary Hanafin: I accept the importance of restaurants as part of our tourism industry. This is why Fáilte Ireland has established a food and hospitality office to specifically deal with issues that are relevant to them. Organisations such as Good Food Ireland and the Restaurants Association of Ireland serve their members very well. A number of issues have been raised by them with me, on which we are working. I have already referred to the JLCs and the cost of labour, which is one of the issues, but there is also the cost of rates. Everybody in the industry is seeking that the revaluations be progressed quickly to ensure they are fairer, which was also referred to in the plan. However, where the revaluations took place for south Dublin and Fingal, the hotel valuations came down but those for restaurants actually increased. A fair and speedy system of revaluation is something we have set out in the plan. These are issues that can be addressed to support the industry over and above what I have said already.

Arts Funding

24. **Deputy Mary Upton** asked the Minister for Tourism; Culture and Sport if she will detail in tabular form the annual percentage change in funding in real terms, taking account of inflation, of the Arts Council for each year from 2000 to date in 2010; and if she will make a statement on the matter. [44228/10]

Deputy Mary Hanafin: I am supplying the Deputy with a table that sets out the following details in regard to the Arts Council for each year from 2000 to 2010: total grant in aid; the nominal percentage change in funding compared with the previous year; the rate of inflation as measured by the consumer price index; and the real percentage change in funding compared with the previous year, taking inflation into account. The overall position is that total Arts Council funding has increased from €45 million in 2000 to more than €68 million in 2010, which is an increase of 52.3% in the ten year period. This is equivalent to a real increase of 19.2% over inflation for the 10 year period, as measured by the CPI. It also represents an average real increase of 1.8% each year over the 10 year period.

The Government appreciates the economic and social importance of the arts and culture sector. The economic value of the arts and creative industries, and their role in supporting enterprise and innovation in the economy as a whole, was highlighted at the Global Irish Economic Forum at Farmleigh and at the follow-up group of the Global Irish Network, which

I chaired in New York. The value of our unique cultural assets in helping to distinguish Ireland from other tourism destinations has been also stressed as an increasing focus has been put on cultural tourism in recent years.

At the same time, while our arts, culture and heritage are important contributors to sustainable economic recovery, we appreciate that their contribution should never be measured in financial terms alone. Rather, they should be appreciated also for the social, cultural and educative benefits they bring to communities large and small around the country. The Government directed major increases in funding at the arts when resources were available. The unprecedented level of capital investment in arts facilities in particular will stand to the sector in the coming years. The challenge in the coming years will be to assist the arts in working smarter within the limited public financial resources available, building on our strengths and seizing new opportunities. Despite the undoubted challenges that will face the sector over the next few years, I am confident it can come through these difficulties stronger and in a position to achieve greater success in the years ahead.

The table below shows the annual grant-in-aid to the Arts Council from 2000 to 2010 inclusive together with the nominal changes and real changes in those years. Real changes are calculated by reference to the Consumer Price Index or CPI from 2001 to 2009 as published by the Central Statistics Office. The CPI for 2010 is taken from the most recent Department of Finance forecast.

Arts Council

Total Grant-in-Aid — Nominal and Real Increase 2000 to 2010

Year	Total Grant-in-aid	Nominal Change	Inflation Consumer Price Index	Real Change
	€000s	%	%	%
2000	45,080			
2001	48,140	6.8	4.9	1.8
2002	47,669	-1.0	4.6	-5.3
2003	44,101	-7.5	3.5	-10.6
2004	54,500	23.6	2.2	20.9
2005	66,233	21.5	2.5	18.6
2006	82,310	24.3	4.0	19.5
2007	83,000	0.8	4.9	-3.9
2008	81,620	-1.7	4.1	-5.5
2009	73,350	-10.1	-4.5	-5.9
2010	68,649	-6.4	-1.0	-5.5
Total change 2010/2000		52.3		19.2

Deputy Mary Upton: I thank the Minister. I appreciate that my question related to the period from 2000-10. However, if we move to 2005 and consider the relative changes between 2005, when we were still in Celtic tiger mode, and 2010, there was a decrease in real terms when corrected for inflation. While there was still an option for increasing the relative amounts, taking account of inflation, the figure was actually reducing. My fear is that the arts will become a soft option, so to speak, in terms of budgetary considerations. We recognise very much the contribution of the arts to society, and it is hugely important to make that recognition. However, there is also a major economic value. If the funding is cut, it is certain small groups

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throughout the country will become the victims. Theatres will close down and there will be a knock-on effect in terms of jobs. I want an assurance that this will not be allowed to happen and that the arts will be protected.

Deputy Mary Hanafin: Deputy Upton is being a bit disingenuous in regard to specific areas and figures. The figure she refers to for 2005 was €66 million but that had jumped 21% from the previous year and was only €54 million in 2004. On the question I was asked, the figure was €45 million in 2000 and €68 million in 2010. The key point made by the Deputy was on the need to ensure the arts are not a soft option. I assure her the arts and culture sector is not a soft option for cuts in the coming budget or for the next four budgets. The figures in today's plan will outline this. We accept the importance of the arts sector, particularly at a time of difficulties for communities throughout the country. Whereas the sector will of course have to take a cut, like everybody else, it is not a disproportionate one.

Deputy Mary Upton: One of my concerns is in regard to the small theatre companies throughout the country. Although these are not high profile nationally, they are very high profile locally and are extremely important. I am aware of some small theatre groups and companies that are already in a difficult situation and are very concerned about funding for next year. Some of this relates to local government support, and it is very important we make a strong connection between local government, arts support and the national slice of cake in terms of budgetary input into the small theatre groups. There is genuine concern that there will be a significant local knock-on effect if those theatres and companies are allowed to disappear.

Deputy Mary Hanafin: Looking back at the funding that has been paid out for capital projects and in current funding in recent years, we can see that a huge number of very small groups has benefited. While I do not have the day-to-day decision making in regard to the expenditure by the Arts Council, I will suggest to the council that it needs to be considerate of this in making its allocations for next year because there are many jobs involved and much good work is carried out throughout the country.

National Aquatic Centre

25. **Deputy John O'Mahony** asked the Minister for Tourism; Culture and Sport when she expects the full legal costs of the VAT case involving the National Aquatic Centre will be determined; if she expects the Exchequer will as a consequence need to provide levels of funding to the National Aquatic Centre to meet its liabilities; and if she will make a statement on the matter. [44380/10]

Deputy Mary Hanafin: The matter of Campus and Stadium Ireland Limited and Dublin Waterworld Limited came before the Supreme Court in November 2009, and the judgment of the court was issued on 30 April 2010. In a further hearing on 11 May, the Supreme Court ordered, *inter alia*, that the costs of the High Court and Supreme Court hearings be awarded to Dublin Waterworld Limited. The level of such costs has yet to be determined. Any such costs will fall to be met by the National Sports Campus Development Authority, which in turn receives its funding from this Department.

Deputy John O'Mahony: I wish to clarify several points. Has the Minister asked for a report from the national sports campus with a view to the costs involved? There have been various media reports suggesting the costs could be up to €4 million and some of my sources suggest they could be up to €7.5 million. If this is the case, will the Department have to pay an extra subvention to the sports campus to make up for these costs? Will this impact on the amount

of money available for sport in Ireland? Does the Minister believe it is fair that the taxpayer has to pick up the tab for this case when all of the advice from the Attorney General and the Comptroller and Auditor General was that it would be lost?

Deputy Mary Hanafin: No agreement has been reached in regard to the costs. I know the sports campus has been in contact with its legal advisers but they are not able to predict what the cost claim is likely to be at this stage. If agreement is not reached on that, it obviously will be referred to the Taxing Master. There is obviously correspondence between the legal advisers on both sides. Whatever that figure is, the national sports campus will have to pay it. As matters stand, it is dependent on a subvention from the Department and although the aquatic centre is very successful and is the fourth most popular paid visitor attraction in the country, it still needs a subvention every year, as would every facility of its type internationally. That money would have to come by way of a subvention from the Department.

Deputy John O'Mahony: Effectively, the Minister is saying the taxpayer will have to pick up the tab for this and there will be less money to spend on sport as a result of the allocation. Might the money come from the funding allocated to sport?

In a reply to Deputy Enright on 14 October, the Minister stated the VAT invoice was issued and provided for under legislation at the time. In view of the Supreme Court judgment which took an entirely different view, does the Minister wish to withdraw that statement? In addition, the Attorney General mentioned highly paid advisers. Are these advisers being held to account for the mistake they made in pursuing this case and thereto advising the Minister? Can the Minister confirm whether she has sought a refund of €3.5 million paid to the executive services team which got the VAT wrong by more than €10 million and made so many other wrong calls?

Deputy Mary Hanafin: A number of issues were raised by Dublin Waterworld Limited which has been in contact with me and with all Deputies present in the Chamber. As this case has been before the courts, including the Supreme Court where it was determined upon, I do not think it appropriate to reopen all the issues which precede my time in this position. However, I have replied to Dublin Waterworld Limited on the issues it raised in its letter.

Deputy John O'Mahony: Does the Minister agree that the VAT bill issued at the time was a mistake, as the Supreme Court has ruled?

Deputy Mary Hanafin: I reiterate I will not reopen issues determined by the Supreme Court. This case went to the High Court and the Supreme Court and was returned to the Supreme Court in regard to costings. I do not think it is appropriate to discuss it again because a final decision has been made. It preceded my time and relates to 2004.

Deputy John O'Mahony: I understand the Committee of Public Accounts is examining it.

Other Questions.

Departmental Staff

26. **Deputy Joan Burton** asked the Minister for Tourism; Culture and Sport the number of persons working in her Department, the number with express responsibility for culture and the arts; and if she will make a statement on the matter. [44014/10]

Deputy Mary Hanafin: A total of 154 staff are currently working in my Department. Of this figure, 44 staff are working in the National Archives which is part of my Department and a further 30 work in the divisions with responsibility for arts, culture and the film sectors. In 2010, these divisions manage a budget of €153 million and undertake functions in regard to ongoing policy formation, financial supports, staffing and oversight to achieve these objectives.

The areas managed include the eight major national cultural institutions, as well as provision of ongoing support to a number of smaller cultural organisations. The divisions also have an oversight and management role in relation to the Arts Council and the Irish Film Board, Culture Ireland as well as EU-related aspects of these areas.

Under its arts capital schemes, including ACCESS, the Department manages funding allocated for the capital development of more than 120 high standard facilities throughout the State, including integrated arts centres, theatres, galleries, studios, and creative and performance spaces. In this manner the Department provides the bulk of capital funding for building and refurbishing arts facilities, while the Arts Council provides the ongoing revenue support for many of the facilities. Staff are also engaged in a number of specific projects, including support for the National Archives in its introduction of the highly successful on-line census for 1901 and 1911. Culture Ireland continues to ensure the ongoing promotion of Irish artists worldwide with the aim of generating goodwill and influence for Ireland and highlighting the strength of Irish culture and creativity.

In the year since the Farmleigh global forum took place there has been a recognition of the central role Ireland's artistic and cultural strengths play in building our reputation globally, and on the benefits that flow for Irish trade and investment.

I believe in the role which the arts, culture and creative sectors can play in the development of society and assure the House that I will do everything I can to support them.

Deputy Mary Upton: I thank the Minister. I believe this question was answered, more or less, in the answer to the first priority question. I emphasise that I do not, in any way, question the importance of the arts in terms of the number of people working to support them. My key question remains the same regarding accountability and policy formulation. If I may reflect on the previous question, it relates to the number of organisations and the various quangos set up over the years. I acknowledge that the Arts Council is the one substantial and significant body relating to the arts. It is very important that the arts are protected but, at the same time, when I see a figure such as 48 full-time equivalents of a staff of 154 working in the arts, I must question the value for money in terms of accountability.

Deputy Mary Hanafin: I would be interested to hear from the Deputy exactly which of the quangos in my Department she feels should be removed. When we talk about any one of them on an individual basis all of us can appreciate the value of what they do. The Arts Council does what it does as does the Irish Film Board. For its size the Irish Film Board generates enormous interest in film in this country and brings a great deal of money here. I have met with producers the board has brought in from abroad. The board provides a superb programme and does superb work in promoting young Irish and independent filmmakers and attracting investment into Ireland. The same is true of Culture Ireland which is under the Department, as it were, but is separate in all the international work it does. It has outlined a programme for the United States for next year which I believe will have a significant knock-on effect, not only for culture and the arts here but in profiling a very positive image of Ireland at a time when we need to get that positive message out.

Deputy Mary Upton: I did not refer in particular to the arts when I referred to quangos but as the Minister raised the issue of the Irish Film Board I give the example of the gaming industry as one area in which we should take much greater interest. There is considerable potential in it and perhaps there should be a place for it. Incidentally, I do not suggest setting up another quango but if I may refer back to previous quangos there is scope, as discussed in the first priority question. I realise I am moving backwards instead of forwards on this point. In regard to tourism, for example, I will return to the Minister on this point. There is scope for reviewing exactly what is happening within the tourist industry and in the number of agencies that have responsibility for it.

An Leas-Cheann Comhairle: A final reply from the Minister.

Deputy Mary Hanafin: We are going over the point again but in reality there are only the two agencies. There are sensitivities given that one agency is a North-South body which has the international remit to market Ireland as an island. There is a great deal to be said for being able to go to the United States and promote Ireland as an island at peace which can attract tourists. There are particular sensitivities but the agency works very well. There is a lot to be said for being able to stand with a banner behind one showing the rickety bridge or the Giant's Causeway on the top and the cliffs of Moher on the bottom. It shows an Ireland we want to show at this stage.

Concerning film, the other issue the Deputy mentioned, the five year strategy for film and the audio-visual content sector is currently being developed. It has the potential to double the income to the country to €1 billion per annum and to employ up to 15,000 people. We are working now to finalise that and it will include all the type of work the Deputy mentioned.

Deputy Mary Upton: There is an urgency about the audio-visual gaming industry. There is an opportunity here which is likely to be lost if we do not grasp it and move forward very quickly.

An Leas-Cheann Comhairle: That is a separate question.

Deputy Mary Hanafin: We are finalising that strategy at present. With all the IT industries we have in the country, coupled to our imagination and the traditions we have of storytelling, art, drawing and creativity, there can be a very successful industry. There is great potential for it and that is why we are working on that strategy.

Tourism Industry

27. **Deputy Dan Neville** asked the Minister for Tourism; Culture and Sport if she has held discussions with the Minister for Environment, Heritage and Local Government with regard to the burden of rates on the tourism industry; and if she will make a statement on the matter. [44129/10]

Deputy Mary Hanafin: I am aware of the difficulties that many hotels, restaurants and other tourism businesses face in meeting the cost of local authority charges and have written to the Minister for the Environment, Heritage and Local Government regarding these costs. The issue has also been discussed and considered at the Cabinet Committee on Economic Renewal, of which I and the Minister for Environment, Heritage and Local Government are members.

I understand from the Minister that local authorities have taken a number of steps to reduce their own cost bases in order to minimise the charges they must pass on to customers, including businesses. These include reductions in staff numbers and payroll costs. Further reductions are

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to be made in the context of the report of the local government efficiency review group and the Government's four year plan.

I also understand that the Commissioner of Valuation is actively reviewing options which might hold potential for delivery of the national revaluation programme in a shorter timeframe than originally intended. Where they have taken place, revaluations have resulted in significant reductions in rates for hotels although other categories of premises have experienced increases. In any event, it is important that valuations are as up to date as possible.

It is vital that local authorities do their best to support jobs in their local area and to avoid putting unnecessary financial pressure on existing businesses through excessive charges. At the same time, I appreciate their funding is under considerable pressure in the current economic environment. I believe it is in everybody's interest that local authorities should have a broader and more sustainable income base from which to fund vital local services. The introduction of water charges, as signalled in last year's budget, will help to ensure that this is the case, as will other local charges.

A broadening of the revenue base at local level, will help to relieve some of the burden on tourism and other businesses. At the same time, given that the Deputy's party has a large proportion of members on the city and county councils I urge him to do everything in his power to ensure that his party councillors consider the needs of employers when setting their annual budgets, with a view to supporting jobs for local people.

Deputy Jimmy Deenihan: One restaurant a day is closing in this country and 82% of hotels will shed jobs before Christmas because of their financial position. Given that the Valuation Act 2001 envisaged that every rateable property would have its valuation revised every five to ten years and that to date the Commissioner of Valuation has only carried out revisions in three out of 88 rating areas around the country, the Minister must agree that is not acceptable. It has been found that where revision has been completed local authority rates are reduced by an average of 30% for hotels. Did the Minister have any discussions with the Minister for the Environment, Heritage and Local Government? I do not know if the two strands of Government are talking to each other. The issue is critical at this stage.

Deputy Mary Hanafin: I accept it is an important issue and that is why we have put into the plan that we will expedite the revaluation of the whole country. It is quite a heavy burden, particularly on hotels. Where revaluation has taken place hotels' rates have been reduced. I understand rates account for nearly 7.6% of the operating costs for hotels whereas for other retailers it is between 1% and 4%. It seems to be disproportionate and that is why within the plan we have accepted that this is something that needs to be expedited and we will do it.

Deputy Mary Upton: Many hotels in the current climate will only be open for a portion of the year. Is it possible to give some consideration to basing rates on the length of time for which hotels remain open? It seems very unfair that they continue to pay rates for 12 months when they may be operational for seven or eight months of the year.

Deputy Mary Hanafin: That is one issue hotels have raised with me. In other cases, many of them shut down bedrooms and keep a bar open. There are various ways of operating. If there was a more up to date and equitable revaluation then it would be within their power to be able to pay because they would be able to see it was fair. Another issue to which I referred briefly in my answer is that all of the burden falls on businesses. When water rates and additional local contributions — another word for property tax — included in the plan are implemented

that will balance out the payments being made to local authorities and should help businesses generally.

Deputy Jimmy Deenihan: I have asked the Minister this question before and called upon her to do something about it. Has she addressed the issue of hotels controlled by NAMA and those run by banks? I understand some 120 hotels are now being run by banks. They are providing very unfair competition to hotels that are still performing legitimately and paying their staff, taxes and so on. It is becoming more of an issue every day with the registered guest house sector and hotels in the country. I understand the issue is not being addressed.

An Leas-Cheann Comhairle: That is broadening the scope of the question.

Deputy Jimmy Deenihan: It is not.

Deputy Mary Hanafin: As the Deputy will know I met NAMA and senior officials in my Department and from Fáilte Ireland to discuss the issue of hotels generally. They have assured me that they are not in the business of propping up hotels, but at the same time they have to take an economic valuation to ensure there is not a fire sale because that would not be in the best interests of the industry. They are very open to working with the national policy guidelines which I believe are very helpful. There is speculation about the numbers of hotels held by banks and NAMA. NAMA currently has some 30 hotels based in Ireland and it anticipates that by the end of its dealings it will have 60 or 65 hotels. It is not the huge numbers people thought. It is considering a geographic spread to determine its current position.

What we need, because we have set out a target to increase the number of tourists visiting Ireland to 8 million people over the next four to five years, is to have a range of quality hotels available so that there are three to five star hotels, guest houses and bed and breakfasts. We also we need to ensure that we do not get rid of hotels and then find that we do not have sufficient capacity. I have no doubt that the market will determine that.

28. **Deputy Alan Shatter** asked the Minister for Tourism; Culture and Sport if she has received representations from the car hire industry; and if she will make a statement on the matter. [44158/10]

Deputy Mary Hanafin: As I informed the House previously, I received a number of representations from the car rental industry throughout 2010 seeking support on the basis that it was required to provide additional car hire capacity for tourists. The matter was also raised with me at meetings with other tourism interests in the early part of the year. The concerns expressed to me related mainly to the availability of automatic transmission cars in the traditional summer peak season, chiefly with the North American market in mind.

From a tourism perspective our main concern is the availability of cars and the price consumers have to pay. In that regard, my Department and the tourism agencies monitored the situation closely with regard to its possible impact on visitors from overseas. Although I received representations urging Government intervention during 2010, I also received a number of approaches, both from within the car hire industry and the wider tourism sector, against such a course of action. In these cases, the view was that the potential shortages would not be as extensive as suggested and the market should take its course.

As part of our monitoring exercise, my Department conducted a number of web-based surveys of car hire throughout the year. Our conclusion and that of the tourism agencies was that the availability of cars in 2010 was such that it did not warrant a Government intervention to ensure an adequate supply for tourists and I am happy to advise the House that this proved to

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be the case. The tourism agencies have since advised me that there were very few shortages in 2010. There was some pressure during the peak two weeks of the 2010 season leading to increased prices but these were not enough to cause major concern and intervention during the year could not have been justified.

I am planning to meet the Car Rental Council of Ireland to discuss the sector and its budget submission to the Minister for Finance in the near future. I will continue to consult the Minister for Finance regarding the options open to Government if State intervention is considered necessary. For State intervention to be warranted there would have to be clear evidence of market failure and the prospect that any intervention would result in incremental hire vehicles coming on to the market, and remaining in place, to deal with potential peak demand in 2011 and later years. It is too early yet to say if shortages might arise in 2011 but I will continue to engage with the sector and monitor developments closely.

Deputy Jimmy Deenihan: It is fair to acknowledge that there was not a problem because there was such a fall-off in tourists coming to the country. They come in different ways but most tourists who come here need a car. The fact that we will be down about 1 million tourists this year would have decreased demand on our car rental fleet. If the Minister expects to build up tourism figures to eight million she must have adequate current supply available. I am sure she would agree that for rural tourism especially, car-rental is essential.

The requirements of the tourism car rental sector and the car industry are not compatible because the car industry has to ramp up the number of cars available from May to July and then there is a surplus available in the winter. Will the Minister consider making a proposal to the Minister for Finance that the car scrappage scheme be extended for 2010 car rentals? It would provide an incentive. I ask her to consider other measures to encourage the availability of more automatic cars, especially for American tourists.

Deputy Mary Hanafin: I accept that over the next few years with the aim to increase tourism there will obviously be increased demand. It is interesting that the Irish Tourism Industry Confederation, of which the Car Rental Council is a member, did not look for support for the car rental sector for next year in the budget. It did last year.

There is also a certain sense of annoyance that the Car Rental Council of Ireland perhaps underestimated the number of cars it had available in 2010. There was significant pressure, under which we all came here and elsewhere, that there would be not be enough cars and yet the size of the fleet was perhaps larger than it had anticipated or indicated when it came to the summer months. The first thing that must change is the model the car rental companies have been using. The VRT element has been changed in previous budgets but it needs to look at the model it is using. I am not satisfied extending the scrappage scheme to it is the way to do it.

Deputy Jimmy Deenihan: The reason we did not have a problem this summer was the fall off in the number of tourists. I am aware of people who were coming to Ireland and who telephoned ahead to see if cars were available. I do not exaggerate but they were told cars were not available when they needed them, whether mid-week for a few days. That is the reason they did not come to Ireland. As the Minister knows, the whole nature of tourism has changed. People come here for shorter periods, perhaps for three or four days mid-week. The demand that existed was, in some way, disguised by the overall view of the industry last year. It is more complicated than that. Given the fall off in tourist numbers this year, it may not have manifested itself as clearly. We want a vibrant tourism industry going forward and we need car hire availability similar to that in France, Italy, Spain and elsewhere.

Deputy Mary Hanafin: The car rental industry should look to see what works well in other countries. I accept car hire is an important part of the rural tourism trade. It is the means people use to get around the country. When the industry looked to have the scrappage scheme extended, the Department of Finance was anxious not to do so because by extending it to used cars, which is effectively what the rental car would be at the end of a few months, the scheme would cost much more and there would be no corresponding increase in VRT or VAT coming back to the State. The millions of euro required for it were simply not there. We anticipate an increase in tourists next year. I have no evidence to suggest there will be major pressure for car rentals. I was due to meet the Car Rental Council of Ireland last week but unfortunately I had to cancel due to a Cabinet meeting. However, I will reschedule that meeting to hear its views.

London 2012 Olympics

29. **Deputy Mary Upton** asked the Minister for Tourism; Culture and Sport in view of the expenditure of €114,000 on a consultants report on the potential economic benefits of the London 2012 Olympics, the number of times the high level coordinating group chaired by her Department met; when did the first meeting take place; the specific targets the group set for tourist visitor numbers, utilisation of sports facilities by foreign Olympic athletes and other quantifiable targets; and if she will make a statement on the matter. [44051/10]

Deputy Mary Hanafin: As the Deputy is aware, a high-level co-ordinating group, chaired by my Department, is identifying the opportunities that may arise for Ireland across the sports, tourism and cultural sectors from the London 2012 Olympic and Paralympic Games. The group was established in November 2009 and has met five times to date. The sixth meeting of the group is scheduled to take place before the end of the year.

The task force report referred to in the Deputy's question made a number of recommendations arising from an audit carried out of high quality sports facilities in Ireland and the findings of a report by Indecon International Economic Consultants on the economic evaluation of the benefit to the island of Ireland of the London 2012 Olympic and Paralympic Games. The Indecon Report concluded that the largest potential benefits of the London 2012 Olympic Games were on the business side and Enterprise Ireland is actively pursuing opportunities for Irish business.

Given our proximity to London and the many accessible routes to and from the United Kingdom, we can also benefit from a sporting, tourism and culture perspective. The American Olympic synchronised swimming squad has chosen the National Aquatic Centre as its pre-Olympic training base. The Department and various sports facilities are working on attracting other teams to train here.

The tourism agencies are also working hard to maximise the potential benefits to Irish tourism of having the Olympics in London. For example, they are targeting tourists from London who may wish to get away from the city during the games. They are also working with UK inbound tour operators to divert people to Ireland who cannot be accommodated in London during the games given the reduced accommodation and carrier capacity that will be available there.

The Arts Council and Culture Ireland are developing proposals for a cultural programme which would include participation in the cultural olympiad that will be held at the same time as the games.

Given the many factors which may have an impact and are as yet uncertain, it is too early to set specific targets for visitor numbers or associated revenue arising from the Olympics at

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this stage. The high-level co-ordinating group will continue to meet on an ongoing basis to maximise opportunities and, obviously, this will influence the benefits to Ireland. The outcome of this work will be reflected in the visitor number and revenue targets contained in Tourism Ireland's 2012 business plan which will be prepared next year.

Deputy Mary Upton: I suppose we should all be delighted about the synchronised swimming team coming to Ireland. It is a hugely popular sport here. We are talking about a huge international event. I am quite surprised there have not been formal bookings at this stage. A number of proposals have been put forward and the Minister identified a list of them. Having spent €114,000 on a consultants' report, I wonder about the return on that since we do not have a commitment for anything other than synchronised swimming team.

Even on the business side, it is a very nice prospect but when can we firm up on what will happen? What kind of returns can we expect since we are talking about the Olympic Games and the impact it should have? As far as I can see, or as far as the Minister has identified, there have been no confirmations for anything other than a synchronised swimming team and I cannot imagine that will bring an influx of tourists to observe it, although it is an interesting sport to watch.

Deputy Mary Hanafin: I suspect the Deputy might be surprised. What was interesting was that a nation such as the United States would choose the National Aquatic Centre and state it was one of the best facilities it had seen anywhere in the world. We have been very quick to knock and condemn it and yet the United States acknowledged it was one of the best facilities available. I suspect there will be a huge amount of interest in going to watch the synchronised swimming team.

Use of the sports facilities is just one aspect. UCD and UL have made bids in an effort to try to attract not the large countries but some of the smaller countries and the individual sports from other countries which may yet be successful.

It is too early to tie down tourism. As we know, people book later and it is still only the end of 2010 and the Olympics will not take place for 20 months. It will probably only be towards the end of next year before we will see what the tourism impact will be but we are very much focusing on it. Even when I was in London for the day at the World Travel Market meeting with the various industry groups, we discussed this and they reckoned quite a number of people will want to get out of London at that time and that there may be potential there.

Enterprise Ireland is pursuing the business area because there is great potential there for people to be involved not only in construction but at the time of the games.

Deputy Jimmy Deenihan: Is the Minister aware that while we are trying to attract Olympic teams to Ireland, many of our Olympic teams are leaving the country to go to training camps elsewhere? Will she indicate if any of the Irish teams are using Ireland as a training camp? I am aware of a number of teams going to other parts of Europe. Does she believe that sends a very negative message to other countries? If our facilities are not good enough for our athletes, how does she expect their competitors to come to Ireland?

Deputy Mary Hanafin: It depends on the sport. Where we have top class facilities, people are using them. I am aware that the athletes all have to travel and participate in training camps abroad because we do not have the facilities. The facilities have not yet been developed in the Campus and Stadium Ireland.

Deputy Jimmy Deenihan: How does the Minister expect people to come here?

Deputy Mary Hanafin: We would not aim to attract those athletes but perhaps individual sports. Our boxers are perhaps our best prospect for medals in the Olympics. Of the 24 Olympic medals we have, I believe boxing accounts for 12 of them. The boxers are all training in Ireland. It depends on the sport.

Deputy Jimmy Deenihan: The most successful Olympics we ever had were those held in Los Angeles in 1932 and the participants trained in Ballybunion in County Kerry. That was when we won most Olympic medals on track.

Deputy Mary Upton: It was not synchronised swimming.

Deputy Jimmy Deenihan: It was not.

Deputy Mary Hanafin: As they say, *res ipsa loquitur*.

An Leas-Cheann Comhairle: Very profound.

Deputy Mary Upton: Earlier, the Minister referred to the tourism opportunities. I would have thought that if key media contacts were coming, there would be a commitment at this stage. Do we have an update on that? I am also concerned about the business side and the Minister mentioned Enterprise Ireland. There is a knock-on effect from the Olympics and it will be a long time until we will be as near to the staging of the games again. We must capitalise on the issue. A great deal of money has been spent on the report.

Deputy Mary Hanafin: Enterprise Ireland earlier this year organised a two-day visit for a delegation from the Olympics to discuss business opportunities. In October, the Minister for Enterprise, Trade and Innovation, Deputy Batt O’Keeffe, went to pitch on behalf of Irish firms such as building contractors, and Enterprise Ireland has held information evenings with the Olympics organisers. Up to 50 Irish firms are involved in that so all that is happening through Enterprise Ireland working with Irish firms.

With regard to the tourism sector, all the contacts have been made but contracts have not yet been signed; that will happen next year. There will be a positive spin-off, as we are also trying to work with other countries to add Ireland to the visit to London. The issue is being worked at through different levels.

Film Industry Development

30. **Deputy Catherine Byrne** asked the Minister for Tourism; Culture and Sport if she has received representations from the film industry regarding the extension of Section 481 of the Taxes Consolidation Act, 1997; her views in relation to this proposal; and if she will make a statement on the matter. [44102/10]

Deputy Mary Hanafin: As Deputies will be aware, the benefits of film and television production in Ireland include not only job creation in the industry but positive spin-off effects for promoting Ireland as a tourist destination and as an industrial location for all aspects of creative endeavours. The Irish audiovisual sector was valued at €557.3 million in 2008, equivalent to 0.3% of GDP, and it employs almost 7,000 people in about 570 companies.

Government support for the industry through section 481 tax relief and the Irish Film Board has helped to attract major productions to Ireland and give the Irish film industry invaluable experience. For its own part, the industry has demonstrated consistently high quality standards of work, earned several prestigious international awards and developed valuable connections. In 2008 the section 481 scheme was extended for a further four years until the end of 2012.

[Deputy Mary Hanafin.]

Improvements were also made to the scheme by increasing the overall ceiling on qualifying expenditure, raising the cap that applies to individual investors and increasing the relief available on that investment from 80% to 100%. These changes gave the Irish audiovisual sector a major boost in challenging times and resulted in 44 film projects being approved in 2009, up from 38 in 2008, with a total Irish spend of €106.7 million.

In 2010, the film industry has attracted 46 productions to Ireland so far with accompanying expenditure of €135 million. These projects will support employment for crew, cast and extras of more than 10,000 individuals and will maintain and create jobs in a very difficult climate, while at the same time producing a product that will help to sell Ireland abroad. Significant projects this year include “Camelot” and “This Must Be The Place”, starring Oscar winning actors Sean Penn and Frances McDormand.

I have received representations from the audiovisual sector regarding extending section 481 beyond its current deadline of the end of 2012. The Irish film industry has the potential to sustain and increase employment in the coming years and make a far greater contribution to the economy than the cost of the tax relief. I consider the existence of section 481 to be vital to the future of the industry and have made representations to the Minister for Finance regarding the need to retain it. The four year plan unveiled today does not indicate removal of section 481. Given the sensitivity of budgetary matters, the Deputy will understand that I cannot provide any more detail.

Deputy Jimmy Deenihan: We must stimulate our economy and this is one stimulant proven to work. The net gain to the Exchequer in 2009, for example, was more than €25 million; the gross gain was approximately €58 million, with tax foregone at approximately €32 million. The tax incentive has been very successful and without the incentive we would not have major film productions coming to the country.

The Minister has given a very positive reply but she knows that productions are planned two or three years ahead of time, which means people are now considering Ireland for productions in 2013. Certainty would be provided to the film industry if a statement could be made in the budget, and there are very good reasons for the Minister to state in the budget that we intend to continue the incentive for the length of the four year plan. That would bring us to 2014 and perhaps it could apply for even longer.

Deputy Mary Hanafin: Any discussion we will have on this tax relief would be similar to that on the 12.5% corporation tax rate as we would all agree on the matter. It is an essential relief, not only because of its economic value but also because of the number of people it facilitates employment for and the way it supports the creative sector and not just the technical side. There is also a knock-on effect for tourism and people working here, as well as the image portrayed of Ireland abroad. On at least four different counts it is critical.

I visited the set of Sean Penn’s film and that of “Neverland”, which is being filmed on Killiney hill. Every person from a wide geographical area with any skill or talent in the film sector was employed in the project, and Killiney Castle was full because actors and other personnel were staying there. There was much activity. In the plan there is a list of reliefs to be removed but the film relief is not one of those.

Deputy Mary Upton: We would all find ourselves in agreement with the very positive responses to this question. Has anybody considered the video game sector and is there an equivalent to section 481 that should apply to the industry? The potential is enormous and there are similar prospects for spinning off, albeit in a slightly different way. There is a major

element of intellectual property associated with video games — more than would exist with films — and the sector should be considered.

Deputy Mary Hanafin: If only all questions were like this. The Deputy is absolutely correct and the issues will be addressed in the strategy, which I should publish quickly.

Tourism Industry

31. **Deputy Michael Noonan** asked the Minister for Tourism; Culture and Sport the progress made on the implementation of the Tourism Renewal Group report recommendations since the last meeting of the group; and if she will make a statement on the matter. [44135/10]

42. **Deputy David Stanton** asked the Minister for Tourism; Culture and Sport if she has initiated any policy proposals to enhance Ireland's attraction as a tourist destination; and if she will make a statement on the matter. [44073/10]

46. **Deputy Bernard J. Durkan** asked the Minister for Tourism; Culture and Sport the steps she has taken to enable the tourist industry to contribute towards the economic recovery of the country; the way this is likely to manifest itself over the various aspects of the industry; and if she will make a statement on the matter. [44089/10]

47. **Deputy Jim O'Keeffe** asked the Minister for Tourism; Culture and Sport in view of recent figures which showed a 16% drop in the number of visitors to Ireland in the first nine months of 2010, the plans she will be put in place to reverse this trend; and if she will make a statement on the matter. [43944/10]

Deputy Mary Hanafin: I proposed to take Questions Nos. 31, 42, 46 and 47 together.

As I said in my response to the earlier priority question, the tourism figures to date for 2010 reflect very difficult conditions, including global economic difficulties, loss of consumer confidence, exceptionally bad weather in the early part of the year and the negative impacts of the Icelandic volcanic ash on air travel. However, and as outlined in the same reply, it is important to note that more than 4.6 million overseas visitors came to Ireland in the first nine months of the year with positive benefits for the Irish economy. The Government recognises the opportunities to grow this figure further and ensure that tourism plays a key part in Ireland's economic recovery.

Since the tourism renewal group completed its work and published its report in October 2009, my Department has been driving progress on key measures in line with those in the framework for action, focusing initially on the survival actions, in conjunction with the tourism agencies and other relevant Departments and bodies. For example, building on the renewal group's framework for action along with the Government's wider strategy for economic renewal, the 2010 budget recognised the tourism sector as a critical, labour-intensive sector and provided for a 3% increase to more than €153 million in the overall tourism services budget. This included maintaining the real level of investment in overseas marketing, as well as a significantly increased capital allocation for tourism product. The tourism sector was also included in several cross-cutting measures to support enterprises and jobs, including the employment subsidy scheme and the credit review system.

In July 2010, I established the new tourism renewal implementation group to oversee and further drive actions on measures, based on the wide-ranging framework for action, that support tourism in Ireland, increase competitiveness and ensure that the sector is ready for recovery and growth. The group has already met three times under my chairmanship, on 6 and 20 September and on 27 October, and it is scheduled to meet again next month. Its first progress

[Deputy Mary Hanafin.]

report, summarising progress on measures under the framework for action has been published on the home page of my Department's website.

With regard to progress made on implementing the recommended survival actions, the implementation group reports that we have either implemented or are making good progress on four of the five survival actions recommended by the renewal group. The sole exception relates to the recommended abolition of the air travel tax, which has to be considered within the context of the overall fiscal framework. As regards the recovery actions, the group notes good initial progress against each of these nine actions. In particular, Fáilte Ireland and Tourism Ireland are progressing the actions for which they are the lead or significant actors across a wide range of fronts through their business plans and day-to-day operations.

For its part, the implementation group has now identified the following matters as the priority issues to be pursued in public policy. These are the restoration of sustainable levels of business lending, in particular to ensure availability of working capital for viable tourism enterprises; measures to restore and enhance access to overseas markets; continued investment in overseas marketing; and measures to address and reduce enterprise costs. The tourism renewal implementation group is also holding bilateral meetings with those organisations identified as having a key role under the various actions recommended to review and ensure progress, for example, we recently met officials of the Office of Public Works.

The Government's new strategy and action plan for Irish trade, tourism and investment to 2015, *Trading and Investing in a Smart Economy*, which was launched on 28 September last, contains targets for job creation, exports, tourist numbers and inward investment projects by 2015 and details how the Government and its agencies will achieve these priorities and targets. The tourism related elements of the new strategy draw on the robust analysis already carried out by the tourism renewal group in its report and framework for action.

The report recognises that in the short to medium term, Ireland's best prospects from a tourism perspective are in the United States, Great Britain and the major European markets. These priorities will be reflected in Tourism Ireland's marketing plan for 2011, which I will launch next week.

On the domestic front, Fáilte Ireland will continue its significant investment in tourism product and services and continue to support local festivals and events. These measures, together with Fáilte Ireland's highly successful "holiday at home" marketing campaign, are playing a key role in boosting tourist revenues and employment. Fáilte Ireland also continues to work closely with businesses all over Ireland to increase their customer base, better manage costs, improve overall performance and sustain employment.

Overall, the Government is pursuing the right programmes and measures to support the continued development of tourism, working with the industry and the tourism agencies to position the sector for recovery and growth as part of the Government's wider strategy for economic renewal. This work is being greatly assisted by the tourism renewal implementation group, which will continue to oversee and drive further action on measures to support the competitiveness and sustainability of tourism in Ireland.

Deputy Jimmy Deenihan: It took one year from the publication of the tourism renewal group's report to establish the tourism renewal implementation group. The most important of the recommendations produced by the former group was to abolish the air travel tax. Does the Minister consider it important to implement this recommendation given that it was produced by a group she established?

Deputy Mary Hanafin: The tourism renewal group, tourism renewal implementation group and forum of major tourism businesses, which was attended by all the major airlines and was organised by me, all recommended the abolition of the air travel tax. This view must, therefore, be taken seriously. I am concerned that the tax is having a serious impact on tourism. In light of the many other factors which came into play this year, it is not possible to ascertain whether the air travel tax was a particular disincentive to people travelling to Ireland. What worries me more is that the airlines have indicated that the tax affects their choice of routes. If we do not have international access, we cannot expect to attract tourists. For these reasons, an argument can be made for the abolition of the air travel tax.

On the other hand, the air travel tax is a source of significant income and will generate even greater income if the projected increase in tourism numbers materialises. Whether the figure is €80 million, €100 million or €120 million, it is very difficult to find sums of this magnitude by other means. This is the reason a debate is taking place on how the abolition of the tax would further contribute to the tourism industry.

Deputy Jimmy Deenihan: Is it too late to have the Minister reply to Question No. 32?

An Leas-Cheann Comhairle: We are about to run out of time.

Deputy Mary Hanafin: I assure the Deputy that the issues he raises are being discussed in the context of the forthcoming budget. The industry is the one element that will ensure the strategy is implemented for the benefit of the tourism sector. I have never encountered as enthusiastic and resilient a group as those involved in tourism. The industry is determined to ensure it is a success and the Government is working closely with it to achieve this objective.

Deputy Jimmy Deenihan: Will the Minister ask the implementation group to review the role of the organisations which manage tourism, focusing specifically on the obvious overlap and tensions between Tourism Ireland and Fáilte Ireland, with a view to ensuring these agencies function effectively on behalf of the tourism industry?

Deputy Mary Hanafin: Tourism Ireland and Fáilte Ireland are two distinct agencies and both work well. One could ask the reason any country needs to have two tourism agencies. Tourism Ireland has a particular remit by virtue of the fact that it markets Ireland internationally as an island. Fáilte Ireland, on the other hand, is responsible for the domestic market. While the marketing of Ireland internationally is going very well, the domestic market saved the tourism industry this summer. One change that should be made is to make the chief executive of Fáilte Ireland an ex officio member of the board of Tourism Ireland and vice versa. A change in legislation may be necessary to do this.

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 James Bannon — the need for the Minister for Health and Children to explain the reason a teenage girl should suffer and her health deteriorate while essential funding to allow vital spinal surgery is not available, although timely surgical treatment is essential; (2) Deputy Kieran O'Donnell — to call on the Minister to make a statement on what plans he has to remove the airport travel tax in light of the serious decline in passenger numbers through Shannon Airport; and (3) Deputy Finian McGrath — the crisis at the Irish Red Cross.

[An Leas-Cheann Comhairle.]

The matters raised by the Deputies have been selected for discussion.

Social Welfare (Miscellaneous Provisions) (No. 2) Bill 2010: Second Stage (Resumed)

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

Deputy Mary O’Rourke: I am pleased to speak to the Bill on Second Stage. This debate was commenced early this afternoon by the Minister for Social Protection, Deputy Éamon Ó Cuív. I was interested in the contributions made by the Minister and the spokespersons for Fine Gael and the Labour Party. The Minister referred to the level of increases in social welfare payments, noting, for instance, that the pension rate has increased by 120%, unemployment benefit by 130% and child benefit by 330% in the past 12 years. In the same period, the increase in the cost of living was approximately 40%. These are astonishing statistics. I was amazed, therefore, to hear the spokesperson for the Labour Party, Deputy Shortall, describe the figures as reprehensible. While she may not have used that word, that was the effect of her comments. She also stated the Minister should be ashamed of them. I was very pleased to learn of these increases as they demonstrate that when money was available we gave it to those who needed it.

When, as is often the case in interviews, the accusation is made that the Government squandered money, I always ask whether less money should have been allocated to pensioners, the National Roads Authority, special needs assistants or teachers. The figures I have cited show what we tried to do.

To be fair to Deputy Shortall, she later stated that this money could have been spent on job creation. We must first have regard to those who need State assistance or benefits of one kind or another. While we hope the forthcoming budget and four year plan will allow a much greater focus on jobs and growth in the economy, it is wrong to argue that it this money should not have been spent. It was good that those who were in need received.

I recall reading in *The Sunday Times* on the Sunday after the Minister’s appointment that he wished to be a reforming Minister. I welcome his statement at the time because social welfare, or social protection as it is now known, has never been associated with reform. Various Ministers, including some who are in the Chamber at present, sought to make changes but it always was difficult to move along colossus of a Department, the job of which is to pay out and to ensure that no one is left without receiving his or her payment.

The Minister hopes that the moving of the employment and community services units of FÁS will not be a simple transfer to him but that they will be integrated fully within his Department to provide an end to end service to its customers. In other words, labour activation and the other measures will have a positive focus and an end result, in that those who wish to avail of social protection payments also will bring with them the responsibility of seeking jobs and of being actively in the market place to seek a job. It will be the remit of the Department to ensure that they will so do. There will be a new case by case management approach allowing trained staff to interact on a one-to-one basis with individuals on developing pathways to employment with clearly defined milestones and targets.

This is a very good idea and will be focused on progressing people to participation in the workforce. For decades, I have felt that no matter how much the money or the payments were needed, one should not simply hand them out without ever trying actively to help that person in a focused, integrated way. Such a person should be helped to get training and employment in order that he or she would not be caught in the trap of dependency but that he or she would have a chance to emerge from it. The Minister stated, “Such an approach not only makes economic sense but also allows our services to be tailored to meet the individual needs of each

customer and to respect and enhance their dignity as individuals". This is correct and must be one of the stronger points of this approach. I believe people's dignity will be enhanced if their chances of getting a job are enhanced, because true dignity lies in being able to earn one's living and bring home something at the end of the week.

It has become fashionable to bewail FÁS and everything it did. I wish to emphasise the good that FÁS has done over the years. I do not stand over events in the latter years. All Members are familiar with them and there is no need to enumerate names or lay out where they went or what they did as that has been well done in the various reports. However, in so doing, one overlooks the great work FÁS did. Between 1992 and 1994 I worked with Deputy Quinn in the then Department of Industry and Commerce — renamed the Department of Enterprise and Employment — as Minister of State with responsibility for labour affairs. While travelling around the country, I learned of the work FÁS did in enhancing villages and towns, as well as people's capabilities for work, through the very good training it gave participants on its community employment schemes. Moreover, many of those participants then left and were able to take up full-time meaningful paid employment. I acknowledge they were also paid while engaged in community employment schemes and later on in the farm assist and social employment schemes.

However, I pay tribute to Deputy Quinn in this regard because he gave participants a gold stamp. They were not just doing a scheme but were carrying out proper work with proper training and proper payment. Many people went through those programmes and in so doing contributed to the physical enhancement of Ireland. I recall doing a video for the agency at one of its anniversaries at which I was asked to think up a slogan about community employment. I stated that FÁS has changed the face of Ireland. It had done so because there was a period when one could not go through a town or village in Ireland without seeing its red sign, as well as the work that had been done by the participants on a FÁS scheme.

These FÁS units will bring many skills to the new integrated Department of Social Protection. I am sure the Minister will look into the matter but I hope the employment rights of those who have transferred will be kept as they were and there will be no diminution in their rights as they move over. However, cometh the hour, cometh the man and I believe the Minister, Deputy Ó Cuív will be well able to complete that integration and to ensure the position of those who enter this new Department.

During the summer, the Minister stated there would be 10,000 new employment opportunities on the new integrated community and social employment schemes. While I am sure it was coincidental, he again announced this in *The Sunday Times*. While that is a positive development, I would like to see such jobs coming about. People should begin to be employed on these schemes. I acknowledge that those who work on schemes that have access to children or with children must get vetting permission, which must issue from Thurles through the Garda vetting bureau. This can occasion some delay from time to time. However, the Minister should speed up his ambitious target of 10,000 places on a new enhanced scheme. In so doing and in so bringing people's minds to bear on the opportunity they might have to get into employment, he should not neglect the training aspect of the employment scheme on which they are placed. It is all very well to state that one must show one is willing to work for one's protection payment, which is quite correct. However, this should not be to the effect of waylaying or failing to fulfil their training opportunities because these should also be available. This is what will make a better person and will produce the better outcome.

The Minister stated that a rent supplement cannot be paid beyond 31 March 2012 in any case where the landlord has failed to provide his or her tax reference number. In addition, the Bill makes it an offence if a landlord does not so do. This is right and will do away with what

[Deputy Mary O'Rourke.]

was an ongoing mini-scandal of one kind and another, whereby people with houses to rent could offer such houses in very poor condition and could impose whatever rents they wished. This is a correct way in which to put a shape on this issue. Moreover, the introduction of electronic means of making and capturing declarations of unemployment that are required for the purpose of claiming jobseeker's benefit and jobseeker's allowance also is a very good thing.

Given that times are difficult for everyone, it now is impossible to attend a residents' association meeting, a focus group meeting or a meeting of any kind without the talk turning to fraud. People instance occasions about which they have heard, although much of this is a case of "dúirt bean liom go ndúirt bean léi" or hearsay. People gain some kind of relief in giving out about what they have heard in respect of particular rates. People will tell one they know of someone who received a twin buggy and who, only two weeks later, got another twin buggy.

Deputy Bernard J. Durkan: That is right.

Deputy Mary O'Rourke: The person concerned must be very fertile if she did, because I do not know how she could have twins twice within a month. However, these are the kind of urban myths which, once promulgated, tend to fly everywhere. Moreover, the community welfare officers and social welfare staff are always blamed. Much of this is tosh, hearsay and incorrect but it gives people a good feeling to think they are pointing out, as they perceive it, shortcomings in the system. My response to people is that they should try to live on what one gets from a non-contributory old-age pension.

It is a sad feature of the difficult times in which people are living that they want to cast stones at others. When I spoke publicly about the non-contributory old age pension, which is basic income, and said people should be left with it, I was amazed at the number of e-mails I received from people who said, "Why should you lift that benefit out and talk about it?". I wrote back to each one and said, "You try living on that some time",
4 o'clock to parody a very well-known person. I will not give his name here; that would not be right. It is a sad fact that people want, in an atavistic way, to probe and shout at people who they think are getting more than they are. These stories excite people, who then want to cut, cut, cut. That is wrong.

I am interested in what the Minister said about section 8. Current legislation requires a person registering for a PPS number to submit a photograph and signature. However, the Minister said, "it is not practical to collect these items in all cases, for example where the customer is non-resident or deceased and in probate cases. Section 8 clarifies the position by only requiring that these items be submitted when required". There was a time when I thought the public service card represented big brother looming in on us and requiring too much information. Carrying one's card and zapping it in to gain access to many services now has a very modern connotation and would be a very good thing, in itself. It would augur well.

I am interested in this legislation. I know this might be a catch-all Bill because it is a miscellaneous provisions Bill. Miscellaneous measures usually gather up things that have fallen through the cracks since the last miscellaneous or genuine Bill. I note that the Minister has said he will bring forward a number of amendments. That is very refreshing. He is not even waiting for us to put forward amendments. He will bring them forward himself. They will deal with the provisions of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010. They will follow up civil partnership legislation. Instead of sitting back and saying, "Weren't we great to bring in that Bill?", there are now outfalls of that legislation which must be finalised, and the Minister is going to do that.

I am interested in the introduction of a partial capacity scheme, which will begin to address a critical limitation of the current social welfare code which categorises people with long-term illnesses or disabilities as either fit for work or unfit for work. The focus within the welfare system on incapacity rather than capacity carries negative consequences for people with disabilities and their families, who may be trapped in welfare dependency. The Minister will also introduce an amendment to provide for the transfer of community welfare officers from the HSE to the Department of Social Protection. That is very good. The Department will also take responsibility for the supplementary welfare allowance, which is currently administered by the HSE.

When Deputies meet people who are unable to get supplementary welfare benefit and put down a parliamentary question on their behalf, the Minister is reliant on the information coming to him from the HSE. We then go round and round the mulberry bush. Officials of the HSE, with responsibility for hospitals, waiting lists and all the rest of it crowding in on them, are very slow to get at supplementary welfare benefit, and particularly slow to get at the real cause of what is wrong.

I did not hear the Minister refer to the habitual residency clause, HRC, but I would like to speak about it myself. When people come back from England they do not look at a map and decide to live in Athlone or Mullingar, for example. Why would they? A couple often decide to settle where one of them has roots. I had such a case recently. A husband and wife came back from the United Kingdom where the husband had worked for many years — he was not work shy — and they settled in a rural town in County Westmeath. The lady of the couple was a native of the town and all her sisters and brothers lived there. They had grown-up children in the United Kingdom and one son of 17, who had started an apprenticeship course in the UK and quickly enrolled and was taken on in FÁS. So far, so good. They then wished to apply for various benefits, but they were told they did not qualify because they did not meet the requirements of the HRC.

I think that is wrong. It is different when people who have no links with an area or were never heard of before suddenly appear there. This couple had strong familial links with the rural town in which they wished to settle. I thought we had protocol arrangements between the Department of Social Protection and the equivalent agency in the United Kingdom, through the office in Newcastle-on-Tyne. The husband in this case had paid national insurance contributions for 41 years. He was not a work shy individual trying to run to Ireland to pick up benefits. Neither was his wife; she was native to the town. As they were not habitual residents they did not qualify for benefit, or so said the supplementary welfare officer on behalf of the HSE.

Supplementary welfare officers are the most dogged people. I am sure they will read what I am saying in the Official Report, and I hope they do. There are hierarchies of supplementary welfare officers. There is the ordinary officer one meets in one's local office. There then appears to be an officer who is a step above that. Then there is a superintendent, who is like God. He — and it is mostly he — will decide whether people are eligible for whatever benefit they are applying for.

I ask the Minister of State, Deputy Áine Brady, and her officials, who are in the Chamber, to take a note and have a keen look at the habitual residency clause, which is militating against genuine applicants for social welfare benefit.

While I am on my feet I will make another observation based on clinic work. I often think what Deputies hear in their clinics can permeate what they say on legislation. It is a wonderful way of combining two aspects of a Deputy's work.

[Deputy Mary O'Rourke.]

I know you have an impatient face on you, a Cheann Comhairle, but I simply have to tell this story.

An Ceann Comhairle: I am loth to ask you to conclude, Deputy. We are all listening to you with great attention.

Deputy Mary O'Rourke: Thank you, a Cheann Comhairle. You are very nice. Never mind what some other women say to you. I think you are very good.

Deputy Bernard J. Durkan: As well.

Deputy Mary O'Rourke: Of course, I do not cross you, so there you are.

Deputy Bernard J. Durkan: Not as much as I do.

Deputy Mary O'Rourke: The second case is of a man whose business went belly-up. He and his brother both lost a sight of money. They have no money. This man is a widower. He is getting his widower's pension and only for that he would be crucified. He is looking for mortgage relief but they keep saying he is part owner of a demolished building. It has no monetary value, land value or building value. His application has been refused by supplementary welfare officers, who feed information to the Minister's office for his replies to my parliamentary questions. Finally, and to give the Minister his due, when I put down a fifth written question on the matter last week, I got a telephone call from Deputy Ó Cuív. He said, "You know that case you keep referring to in parliamentary questions?" I said, "Yes", and I trotted out the man's name. He said, "Well, you get him to do the following". He told me to tell the man to go to a solicitor, get a letter saying he had no interest in a demolished building or money in the bank and send it to the HSE.

I cite this case as an example of the dog-in-the-mangerish way some supplementary welfare officers work to their agenda. They will be far better off under the ambit of the Department of Social Protection.

Thank you for you leniency, a Cheann Comhairle. I am finished.

Deputy Bernard J. Durkan: I am delighted to have an opportunity to speak after my colleague and fellow member of the Joint Committee on European Affairs, Deputy Mary O'Rourke. I will certainly draw inspiration from many of her remarks. She referred to information gleaned at clinics. That is coalface information that can be obtained nowhere else.

Deputy Mary O'Rourke: Exactly.

Deputy Bernard J. Durkan: Nobody can obtain it except one who deals with people on the coalface on a one-to-one basis.

Deputy Mary O'Rourke: Absolutely.

Deputy Bernard J. Durkan: One obtains an understanding of circumstances at that level that one cannot read about or research. One cannot have the information imparted to one in any other way.

I had a quick glance through the four year plan and noticed that many of the provisions of a punitive nature are to come into effect in 2012 and the year thereafter. It is like a boomerang

in that it comes back and hits one more than once. I was wondering why the Opposition was being encouraged to vote for the budget and year one of the four year plan. I now know. It could have implications for all of us.

The Minister stated, “In the past 12 years, we have increased pension rates by about 120%, unemployment benefits by almost 130% and child benefit by 330%”, the theory being that when we had the money we spent it. I am not so sure what the Minister was trying to say. Was he saying that while the Government gave the people money in the good days, it will take it back from them in the bad days? That is what it sounds like and what it means to the people who are facing this dubious prospect. It is not in the good days that people need money but in the bad days. We will soon find out the truth when we start knocking on doors around the country. Knock on doors we will do.

The Minister stated: “In a continuation of the trend of recent years, and as a re-affirmation of the Government’s commitment to all those in need of support, €20.9 billion will be spent by the Government in 2010 on social welfare provision — €500 million or 2.45% more than 2009.” That does not address in any way the fact that the demand on the Department is much higher than it was heretofore. The Minister continually says, in reply to parliamentary questions, that the number of social welfare appeals of one kind or another has increased by 45%. This is the case simply because there are more people unemployed. While it is understandable that more people are unemployed, how could it be that more appellants are ill? It could not be possible that there is more illness; the only conclusion one can come to is that the manner in which the cases are being processed is such that more regard is had to the availability of funds than to the actual needs of the people concerned. That is a very dangerous place to go and I have said so to the Minister at meetings of the committee.

The Minister stated recently that many pensioners are very wealthy. I do not know how he came to that conclusion. Anybody working at the coalface will know that, in recent years, many people who retired and who had invested their savings in what turned out to be very dubious investment products, lost everything. I do not know whether people realise this but it is a fact. My constituency colleague, the Minister of State, Deputy Áine Brady, who is sitting opposite me, knows this full well. I cannot understand why the Minister made his comment on pensioners. Was it to aggravate them? It certainly was not to reassure them. It caused them great anxiety at a time when they feel vulnerable.

The theory is that there will be no cuts to the old age pension in the current year. From what I can gather from the hidden agenda in the four year plan, the plan will not expire without a negative visitation upon pensioners. When the Minister concluded that pensioners are rich, he made no reference whatsoever to the fact that, some years ago before a general election, the then Government, which was 95% the same as the current one, decided to award free medical cards to all those over 70, whether they were rich, poor or otherwise. I do not know why. Was this a sweetener for election purposes? Irrespective of what it meant, the measure was withdrawn afterwards. Not only do pensioners no longer have free medical cards, in many cases they do not qualify for a medical card at all. Many others are in a similar position.

It is all very fine to talk about what the Government did in the good times and to claim credit for it. We must realise we are no longer in the good times. The reason for social protection — the term “social protection” implies this — is to have a stable payment upon which people can rely in bad times, when circumstances are not so secure, when the horizon is not so bright and when a vision of the future is not so stable.

[Deputy Bernard J. Durkan.]

I have noted all the payments that will be targeted. They include child benefit, which has been open to attack for years. Everybody asks about millionaires. What have they to do with it? There is no need for a millionaire to draw child benefit in the first instance but there is a very genuine need for those who depend on the benefit to draw it. Many households in this country depend on child benefit to pay the mortgage. If we believe circumstances are bad now, we must realise that after three of the four years encompassed in the four year plan have expired, we will recognise the need for child benefit in a big way. I predict that before the period encompassed by the four year plan has expired, somebody will have to revisit the social welfare code and increase child benefit to a level not seen before. Otherwise, as I know from my constituency work, it will not be possible for some families to survive.

Punitive elements, as anticipated at all levels, multiply the negative impact on the household. For example, many unemployed people are living in houses that are in negative equity. They have cantilevered mortgages. After six months, or a year or more in some cases, these unemployed people fall behind significantly in their repayments. Those unfortunate people are very concerned. We are dealing with them now and, if not, we should be. It is not a question of how they got into such circumstances or of saying it was their fault because it was not their fault. They were encouraged to go down the road they went down and told to get on the property ladder. They were told to do something for themselves and they did so. Now they are paying for it.

Prior to an election some years ago, there was a headline in one of the newspapers stating that it was payback time. Unfortunately, it is payback time for many of the people to whom I refer who are suffering. It is very easy for us to say funds and resources are limited and that we must cut the cloth according to measure. The fact of the matter is that it is no consolation to those people.

When we try to intervene with the mortgage providers, we do not receive a very positive response. In the past week, I experienced a case in which a mortgage provider asked the mortgage holder whether his house was in negative equity and whether it could be sold. In other words, he was told that if he could not pay, if his house was not in negative equity and if the bank could get its money back, he should sell it and get out on the road. That is harsh reality of life as it is now unfolding. We, as public representatives elected to the national Parliament, have a duty to ensure people are not pushed to the wayside. If we do not do this duty, we are letting society down. The Minister responsible for social welfare, whoever he may be, irrespective of whether he calls himself “the Minister for Social Protection” or “the Minister for Social Destruction”,—

(Interruptions).

Deputy Bernard J. Durkan: Deputy O’Connor would make a good Minister for social reconstruction. It is very important that we recognise that, by ignoring the circumstances I have described, there is a price to be paid. It may be a much bigger price than we anticipate.

Let me refer to the transfer to FÁS. Some people see this in different ways. I am of the view that it could be a good development, provided it improves — by way of the provision of training, the creation of job opportunities and the administration of local schemes — the quality and level of services available to communities.

In recent times, a notion has developed that everyone wants to become unemployed because the rates relating to jobseeker’s benefit and allowance are high. That is utter rubbish. Nobody

deliberately becomes unemployed. Families enjoy a greater level of satisfaction when the adults in the home are in employment. The difficulty is that many individuals can no longer obtain employment. There have been many statements to the effect that people should go out and get jobs. Of course they should do so, and it would be great if everyone had a job. Unfortunately, however, the current economic situation, which has been developing for the past three years or more, provides no encouragement in this regard. In light of current events, it does not appear that people's prospects will be all that great in the near future.

A person will always try to obtain employment if he or she can do so. If, however, someone has a mortgage to pay, he or she will be given some degree of support to pay it but if he or she is working in low-paid employment, this will not be the case. The reality is that this is what we have inherited from the good times to which the Minister referred earlier.

The Minister made reference to the partial capacity scheme. This scheme may be a good development or it may be a bad one. As a former Minister of State in the then Department of Social Welfare——

Deputy Tom Hayes: And a future Minister of State.

Deputy Bernard J. Durkan: I am not sure about the future. I might not be here after the general election. One just never can tell.

Deputy Charlie O'Connor: The Deputy is bound to be here.

Deputy Bernard J. Durkan: I am hoping that I and my colleague, the Minister of State, Deputy Áine Brady, will be back, possibly on different sides of the House. The Minister of State and I have a good relationship with each other. I hope Deputy O'Connor will also be back because I want to be in a position to slag him.

I wish to comment on a particular notion which has developed about people with perceived disabilities. To say that someone has such a disability suggests that the person with the perception is making a judgment call on the former. That is a very dangerous route to take. There are those who are incapable of holding down employment because they lack either the physical or mental ability to do so. The Minister's proposal that such people should be accommodated may be a good thing. Under the relevant provision, people in this category cannot be forced to work but they will be in a position to engage in light work that will be within their capacity. People with perceived disabilities will certainly welcome this development.

The fact that persons such as these will only be engaging in light work should not mean that they should receive reduced incomes. These individuals will require particular care and attention, otherwise they will be obliged to remain on disability payments of one kind or another. As I have stated on previous occasions, there are some individuals who have the mental and physical capacity and strength to overcome even major disabilities and find their own way in the workplace. However, not everyone is blessed in this way and that must be borne in mind. In that context, therefore, we must ensure that any guidelines put in place will deal fairly with people across the board.

In recent times, a great deal of attention has been paid to the elimination of fraud. Deputy O'Rourke's comments on this matter are extremely valid. I do as much work in my constituency as any other Member of the House and I continually hear urban myths in respect of people who are obtaining social welfare and supplementary welfare payments on a daily basis. It is a case of dúirt bean liom go ndúirt bean léi. I am continually informed by people that individuals

[Deputy Bernard J. Durkan.]

from other jurisdictions are using the social welfare system here to rake in money on a daily basis. Some 95% of these stories are rubbish.

I accept that there have always been isolated cases of fraud. It is stated that the level of fraud or attempted fraud can be up to 5%. There are some cases where, for one reason or another, a person may have inadvertently failed to supply information or where the Department did not take action in order to update its records. We must be aware that punishing people for perceived fraud is a dangerous route to take, particularly in the circumstances in which we currently find ourselves.

The Minister complained about the number of cases that were submitted for appeal in recent years. He indicated that the level of appeals increased by 45% or thereabouts in the past couple of years. That is the case because we are in the midst of a recession and there are huge numbers of people who are unemployed. There are those who, even though they have disabilities or are ill, have sought out employment. These individuals sought special concessions, permission and exemption from the relevant schemes to seek employment. However, it is not always the case that they can do so in the current, extremely competitive labour market. There is a need to monitor the position of such people.

As stated on many previous occasions, the habitual residency clause is an appalling and, in my opinion, unconstitutional method of refusing a payment to someone who would ordinarily be entitled to it. Irish citizens, regardless of whether they were born here, continue to come to this country to care for their relatives. The fact that they do so saves the State a considerable amount of money in the context of its not being obliged to provide institutional care. However, such individuals are informed that their place of habitual residency is not in Ireland and that, as such, they are not entitled to payment. Some of these people were here or were born before those in the Department who make the relevant decisions. Many of them lived through hard times and made a contribution to the economy of this country. However, the Minister and his Department have the cheek to inform them that they do not qualify for payment.

These people have made their contribution. They may not live here now, they may have lived in another jurisdiction for the past five or ten years or they may have left during a previous recession. There is no doubt that they have paid the price and have returned to care for their relatives. There are numerous cases of this kind. It does not matter from where these people come. If a person has a major disability, is in need of care and is legitimately living in this country and has a right to be here and if one of his or her relatives offers to care for him or her, it is far more cost beneficial to the State to facilitate this arrangement rather than to place that individual in an institution. That is a fact. Anyone who wants to challenge my argument in this regard may do so but there is no possibility that I will be proven wrong.

At a recent meeting of the relevant committee, the Minister requested suggestions on this matter. I suggest that those who return here from abroad to care for their relatives should be given the relevant payment. One does not need to be a rocket scientist to devise a way for people in such circumstances to qualify for payment. I return to my original point that if a lack of available resources becomes the determining factor in assessing whether people qualify for payment, then the cause is lost.

There is one final matter to which I wish to refer before the Ceann Comhairle calls time on my contribution.

An Ceann Comhairle: The Deputy has one minute remaining.

Deputy Bernard J. Durkan: There is no way that I could complete my contribution in that amount of time.

Deputy Charlie O'Connor: The Deputy will find a way.

Deputy Bernard J. Durkan: It should never be forgotten that people who paid contributions — regardless of whether these relate to sickness benefits, pensions or whatever — during their working lives were obliged to make huge sacrifices in order to pay them. They often raised large families and sometimes found themselves on the bread line, but they survived. When they had finished paying their contributions, they supported their sons and daughters who could not raise the deposit necessary to allow them to purchase houses. The houses that were then bought are now in negative equity and they must try to assist their sons and daughters once again. It is unfortunate to suggest to them that some of them might be wealthy and perhaps we might find ways or means of screwing something out of them once again. It would be unfortunate at any time and it is particularly so at this time.

I note that the State pension is the new name given to the old age pension. The term State pension suggests that the State is paying for it but in fact the contributors themselves paid for it. All that money over their working lives was invested in various funds, such as the social insurance fund, the welfare fund, the pensions fund, etc., and it now should be coming to fruition for them, and we are not so sure about that.

In conclusion, I would say the following to those who now must rely on a payment. Incidentally, Deputy O'Rourke is obviously a very experienced politician and I must compliment her on this. The simple fact of the matter is that when one meets the people face to face in their particular circumstances and they tell you what their circumstances are, it is very easy for those who condemn the unemployed, and state they are being paid too much, those pensions are being paid too much and those who made contributions on sick benefit of one kind or another are being paid too much, to state that they should not be getting that because if they were not getting that much they themselves would feel a little bit better. That is the way society always was. Read about the 1930s. That is what people felt then as well. John Steinbeck wrote eloquently about it at the time and I would recommend it as reading to every Member of this House.

I hope that we have the resolve, determination and strength to come through what lies ahead of us. I hope we do not take it out on the vulnerable in society, own up to what we are going to do and tell the people honestly before, during and after election campaigns. If we do that, we will be doing ourselves a great justice and the nation a great and fair service as well.

Deputy Charlie O'Connor: I welcome the opportunity to make this brief contribution to the Social Welfare (Miscellaneous Provisions) (No. 2) Bill. I note that the provisions include transferring the employment services and community services programme of FÁS to the Department of Social Protection, provisions on rent supplement, electronic certification for jobseekers and changes to current provision on the public services card.

The Ceann Comhairle will understand that it is demanding for me, a humble Dublin man, to follow such an esteemed speaker as Deputy Durkan. By the way, I am cheered up by the fact that his Fine Gael colleague, Senator McFadden, appears to have come into the House just to hear me speak. That really encourages me.

Deputy Frank Feighan: Do your best.

Deputy Bernard J. Durkan: Senator McFadden is keeping an eye on Deputy O'Connor.

Deputy Charlie O'Connor: That is good.

I was interested in Deputy Durkan's reference to the election, which, let us all admit, is fast approaching. I hope he is correct about who will and who will not be returned, but I hope everybody in the Chamber will be returned, although I note from previous experience that the only person in this House sure of coming back is the Ceann Comhairle because of his esteemed position, but I wish everybody well.

I note that there is a fairly good attendance in the Gallery and Members will be interested to know that some of them are from Tallaght.

Deputy Bernard J. Durkan: That could not possibly be.

Deputy Charlie O'Connor: I am really pleased that a group of young people from St. Dominic's parish centre and community centre in Tallaght have come in. They heard Deputy Durkan was speaking and they came in to hear him, and I hope they enjoyed it.

Deputy Bernard J. Durkan: I doubt they came in to hear me.

Deputy Charlie O'Connor: It is important on a day like this, with everything that is going on, that we go about our normal business and I am really pleased now that the Minister, Deputy Ó Cuív, has come in just to hear me speak.

I look forward to supporting the Minister. I hope I can speak for everybody in the House when I say that he has a difficult job. Politics are politics and the election is on, but the Minister has a difficult task between now and whenever the budget is published, and we need to get a message across to him in that regard.

By the way, I have no hesitation in stating from the Government benches that it is always my belief — this is why I joined Fianna Fáil — that the Government and its successor must continue to protect the vulnerable, and I am not a bit afraid to say that because it is important we would do that.

I come from a humble Dublin background. I remember difficult times in Dublin all those years ago. I still live in Dublin, in Tallaght, and I am aware of the difficulties. Often I say that I bring to my politics my own life experiences. I have had many good experiences but I have also had many challenging experiences, including being made redundant on three occasions. I know exactly what it is like to go to the nice staff in the local social welfare office. By the way, not to be flippant, some of them have told me — I hope I do not get them into trouble — in recent days that if I am going back to them, they will look after me and do their best to facilitate me.

I listened carefully to all of the previous speakers. A previous speaker from the Opposition stated that this Government bought the people with their own money over the past decade. That is an opinion and one can say that.

Deputy Bernard J. Durkan: It is fair enough.

Deputy Charlie O'Connor: I believe genuinely that this is not a time for party politics as usual but, for the sake of the record, I want to make the point that when there were budget surpluses, the Government acted to greatly improve the range of services in schools and in hospitals, to increase the numbers in the Garda Síochána and to improve the support for carers,

for one-parent families and for older persons, as well as ensuring that we kept many vulnerable unemployed persons out of poverty by improving social welfare payments.

I am proud that the Government also invested in a new motorway network that has increased the competitiveness of the Dublin region and of all the regions in the global market. The Government also invested in a light rail system for Dublin and we should not be ashamed that there is a Luas line serving the communities, in my case, in Tallaght, with easy access to the city centre. These infrastructural developments have not gone out with the economic tsunami.

It is a day where we must reflect on where we are as a country. I note that the national recovery plan has been published in recent hours and I believe that it is about putting the country back on the road to recovery. The plan is about giving people hope by showing the way ahead and giving certainty about the next four years. I believe it is the duty of the Government to do more straight talking to the people about where we are as a country economically and how we get out of here. Put simply, a big cut in Government spending is required to stabilise the public finances and to turn the economy around.

At the same time, we should continue to support the Minister, Deputy Ó Cuív, and his successor to ensure that the more vulnerable in the community continue to be supported, and I hope that the Minister would clearly take that message back to Cabinet. I believe strongly that it should not be merely a matter of talking about looking after the vulnerable; we should do it. While we all will be worried about what the national plan states about social protection, the Minister must continue to fight his corner and get the job done.

Many will speak in this debate of the transfer of services relating to FÁS to the Department. Here, I have been impressed, if I can admit that, since Deputy Ó Cuív became Minister in the manner in which he has gone about his business, listening to people and making a strong case for getting people back to work and for labour activation. The Minister accepted an invitation from me in the early days of his new position to come to Tallaght — I am not a bit afraid to talk about Tallaght — and I brought him to Fettercairn community centre. We gathered around him people who were involved in CE schemes, people who were involved in JI, people who wanted to get back to work and people who had issues to discuss. I was accused on a radio programme recently of being president of the Deputy Ó Cuív fan club. If that is what people want to taunt me about, that is okay. I am not a bit afraid to say that I was glad that the Minister came to my community, and he has been out to it a number of times since. He listened to what people were saying and I believe that he is trying to implement a number of the suggestions people made. Indeed, the Minister, if I can be parochial again, since came out to Killinarden and Jobstown at the invitation of the local committees to launch their enhancement programmes, where, again, he had the opportunity to hear what people were saying and to hear what the challenges are for those on community employment. This morning, we had a very interesting meeting of the Joint Oireachtas Committee on Social Protection, of which I am Vice Chairman. Deputy Durkan and Senator McFadden were in attendance. A delegation came before the committee to discuss the “Your Right Your Fight” campaign of community employment workers. SIPTU and OPEN were also present as were a number of lone parents and other interested parties. The Minister will be glad to know, on the difficult day he might be having today, that the delegation put on record its appreciation of the response he has already made to it. I understand the Minister met the representatives last week. They were very impressed with his attitude towards them and they understand he has undertaken to ensure the campaign is successful. This is very important. Given the all-party approach we took at the joint Oireachtas committee it is important that I record this.

[Deputy Charlie O'Connor.]

It is important to stress to the Minister that people are making a point about labour activation. They are anxious that the community employment scheme would continue. I can talk all day, as can other colleagues, about my community. I stated at today's committee meeting that my community has a number of very successful community employment schemes. I am a member of the board of Trust Us, which was the Tallaght Welfare Society. I was involved in Get Tallaght Working, which is now known as Partas. At present, I am on the board of the Tallaght rehabilitation project, the Tallaght drugs task force, the Tallaght centre for the unemployed and the Tallaght homeless advice unit, all of which have supported community employment schemes in very strong way over the years.

I have already mentioned the presence in the Dáil today of representatives of St. Dominic's community centre. It is one of the more successful community employment schemes. The Minister has been to St. Dominic's where he was welcomed by the fine board and by the manager, Deirdre Cleary. All of the young people know the type of centre which operates there. The worth of community employment and job initiative schemes can be seen in such centres where people have an opportunity, at a time when they need to be boosted, to get some confidence back. They can get involved in these projects and do good. Not only do these schemes give an unemployed person something very positive and meaningful to do which will boost his or her confidence, it also helps in a very positive way the local community. Tallaght, Firhouse, Templeogue, Greenhills, Brittas and Bohernabreena are no different from anywhere in Louth, Galway, Kildare, Tipperary or Roscommon. People are given an opportunity to go on schemes at a time when, let us be honest, jobs are not plentiful and getting people back to work is a challenge. It has to be about jobs. Whatever about everything that is going on and everything that we will read about tonight and tomorrow, solving the country's difficult situation is about getting people back to work, job activation and creating employment.

I hope, and I state this from the Fianna Fáil benches, that whatever else is in the budget, and there is much doom and gloom about this at present, the Government will understand that whatever about the clear need to stabilise the economy we must also give people confidence. We cannot cancel Christmas. We cannot tell the unemployed, the new poor and people under pressure that there is no future. We must allow people to get about their business, to continue to have confidence and to continue to be able to invest.

In my local social welfare office almost 11,000 unemployed people are signing on. This is the challenge. The Minister, Deputy Ó Cuív, has visited my community and many others throughout the country. In whatever time is left to the Government I hope the Minister will continue to do what he is good at, which is listening to people, caring about people and trying to do something in a very positive way for those who are less well off. He continues to have my support in this regard and I wish him well.

I am not despondent. Whatever happens to me in the future and whatever happens in the election is okay by me because I am a democrat. I did not come into politics for selfish reasons. I never set out to be a politician; I was a happy community worker living in my community and people encouraged me. I came to the Dáil at an interesting time in my life and I was happy to come here. I am still a happy Deputy despite all of the difficulties that are going on. All I am doing is getting up every morning, working for my community and listening to what people in my community are saying. Not everybody is happy and, let us say quietly, there is some abuse flying and that is fair enough. As I see it, my job when I come to the Dáil on Tuesdays, Wednesdays and Thursdays is to represent what people say to me and to appeal to the Government to continue to look after the vulnerable, and I will not be distracted from that.

I expect the Bill will continue to get various reactions. It would please people if the Minister took control of those elements of FÁS handed over to the Department of Social Protection. Other colleagues have spoken about FÁS and we all know the challenges and the difficulties faced by FÁS in this regard. I also heard colleagues, including spokespersons, paying tribute to local centres and local offices. The old AnCO centre in Cookstown industrial estate was first opened all those years ago by that good man from Cork, Gene Fitzgerald. I attended that opening; I was much younger then but I remember the day very well. I remember the boost it gave to my community. This was in the days when Tallaght did not have the facilities the community enjoys now. The FÁS centre in Cookstown industrial estate has become very important but it is used less than it should be. On behalf of my community, I hope the Minister will speak to the FÁS management about this. Let us use these centres. Let us get people in and help to retrain them. Let us give them confidence and help them invest in their future. FÁS has challenges but it still has a job to do. If FÁS had a job to do in the good times when there was no real unemployment, it certainly has a job to do now when there is major unemployment. My community has suffered from unemployment in recent times and this has to be tackled.

In the midst of all the gloom, I was present on the Airton Road in Tallaght last Wednesday when the Minister, Deputy Batt O’Keeffe, visited for the announcement by Paddy Power book-makers of 500 top-quality jobs. One would be amazed at the boost this gave to our community. All of the other local Deputies, namely, the Minister of State, Deputy Conor Lenihan, and Deputies Pat Rabbitte and Brian Hayes also attended. It was a great day for Tallaght and the media made the point that we all seemed to have a smile on our face. It is important that we have more such days and other Deputies can speak about their constituencies. As we go forward and tackle the crisis in which we find ourselves, it is important that more jobs are created. This will put less pressure on the social protection budget and it will also, in a real sense, cheer up people and give people an opportunity to be confident and do something about their own situation.

If I were the Minister I would reflect on what has been stated by Deputies throughout the Chamber about FÁS. There is a job to be done. I believe the management of FÁS by the Department will be positive and welcome. The Minister needs to consider the future of community employment and job initiative schemes. There is much talk about the future of these schemes and how they will be developed. We have already had good news in that regard today from the Minister at the Oireachtas Joint Committee on Social Protection. It is important the Minister understands there is work to be done.

I remember listening to the Minister one evening at a meeting in Tallaght and hearing him speak about what needs to be done in communities. The recession has added to that. I mentioned the St. Dominic’s community centre earlier. When the Minister visited that centre he saw computer groups and young people, a group of whom have come to visit the Dáil today through the courtesy of the local Garda Síochána to listen to this debate. These young people would tell the Minister how positive that centre is on any given day, as a result of the work done through the schemes mentioned. We could all bring the Minister to centres in our constituencies that are not quite utilised as much. It is important that where the opportunity arises, the Minister continues to ensure these centres are properly used. I suspect the Minister has had some talks with FÁS management already, but I hope that before the passage of this Bill, he will talk seriously to them and make it clear that we are now in a situation where with the challenges facing the country real employment challenges face communities. FÁS has a job to do in local areas and the need of my constituency is no different in that regard.

[Deputy Charlie O'Connor.]

The Minister will understand that representations are being made to all Deputies by lone parents and others who are concerned about all the reports they are reading in the newspapers. As I said recently, when I emigrated all those years ago, I went because I could not find a job. I did not know, because the media had not informed me, that the country was in dire straits at the time. I do not suggest information should not be available, but many people have told me that they are almost afraid to read the papers. Somebody advised me recently that I should read the paper once a week and listen to the media once a day. I do not wish to blame or pick on the media. They have a job to do and they do it. However, people are getting so much information that it adds to their fears. They are angry. For the past three or four weeks, every Sunday paper has been telling us what will be in the budget. Perhaps, with the publication of the national plan today, we will have some idea of the truth. There are clear suggestions in the plan about the shape of social welfare in the future. Nevertheless, the Minister for Finance, Deputy Brian Lenihan, made the point last night that he will not anticipate the budget until the day. However, we will continue to get speculation that will upset people.

The situation affects people who are in difficulties and challenged by poverty, people who are unemployed and the so-called new poor. Many people who were well off a year or two ago are now challenged. They can no longer take a holiday or buy a new car and, more seriously, are under pressure with their mortgages. I do not want to deviate from the issues, but —

An Ceann Comhairle: The Deputy has run out of time.

Deputy Charlie O'Connor: The Chair did not stop me.

An Ceann Comhairle: I do not like stopping Deputies in full flow.

Deputy Charlie O'Connor: Allow me a few more seconds. I hope somebody in Government is telling the banks that the State support depends on them looking after people into the future. I challenge the new Government, when it comes, on this also. The banks have a job to do — to look after people and I hope they continue to do that. I look forward to supporting this Bill.

Deputy Tom Hayes: I wish to share my time with Deputy Frank Feighan.

I am pleased to have the opportunity to speak on the Social Welfare (Miscellaneous Provisions) (No. 2) Bill. The amalgamation of FÁS employment services with the Department of Social Protection is a welcome and timely development and is something that is long overdue. I have concerns and questions with regard to certain aspects of the Bill, but will get to those later.

I refer first to the important point made by Deputy Durkan when he stated that people on social welfare payments should be looked after in these difficult times. As a country, we owe this help to the underprivileged. We also owe it to pensioners and older people. In that regard, Fianna Fáil Deputies should stop putting it out that they are in negotiation with the Minister. Some of them have issued newsletters, while others have issued photographs of themselves in negotiation. They suggest they are trying to persuade the Minister to stop making a reduction in pensions. However, they know in their hearts and souls that there will be no reduction in the pension. We all know that and that news has been broadcast on the airwaves. I understand that at the Fianna Fáil parliamentary meeting last night some people stated they were fighting to protect the old age pension. It is high time people stopped using and abusing the pensioners in this regard. It is nonsense. People should be ashamed of themselves for using our older

generation in this way. This should not happen again and I hope the Minister will clarify the issue here. I know pensioners will not be affected, but there are other vulnerable people in society, such as people who are genuinely unemployed. These people, people on carer's allowance and those entitled to other social welfare payments must be protected as possible.

I am glad the Minister is present for this discussion and hope he will address in his response the significant concern among the public about fraud in the social welfare system. I believe there is not as much fraud as is suspected, but the taxpayers need to be assured of this. We have a serious difficulty with this issue. After today's announcement, some people will pay more than 50% of their income back to the Government. These people work hard, but on a daily basis they hear about fraud in the system. I urge the Minister to make a special effort to get the truth to the public and prove to it that significant fraud does not take place. He should also clarify the entitlements of non-nationals and the new Europeans and others who have come to Ireland. Rumour and speculation abound that these people are on the take constantly. The Minister needs to address this issue. I understand this may be difficult to explain, but when people are paying high taxes, they must be assured that their taxes are not being wasted. That is only fair. Irish people are supportive and helpful; they want to help the underprivileged, pensioners and provide child benefit. We are in this together and that is one of the messages coming from this recession. However, they cannot understand how fraud can be tolerated. We need clarity on that. We need to get over the hurdle of the notion of wholesale fraud.

The Minister has a duty to explain that and restore the confidence of the people. I do not have an answer to the problem but some sort of effort is required in terms of publicity or figures to reassure us that people are being checked and looked after.

The Bill's provisions on text, voice and Internet declarations on social welfare are daft. If people are unemployed and have nothing else to do, there is nothing wrong in asking them to make the trip into town to sign on.

Deputy Éamon Ó Cuív: What does it prove?

Deputy Tom Hayes: It brings them in and proves they are there. It would be wrong to go down the road of text messages because that is not the way to build confidence. I will not be supporting this section of the Bill and I hope my party opposes it, unless the Minister can persuade us otherwise. I had major concerns about the measure when it was first announced.

Deputy Éamon Ó Cuív: If claimants know in advance when they have to sign on, it is easy to turn up. This system can catch them at any time. That is the difference.

Deputy Tom Hayes: I am concerned about the perception that claimants can send texts from County Donegal.

Deputy Éamon Ó Cuív: I apologise for interrupting the Deputy but we like to debate issues. It was reported in the media that the Bill provides for a text system when in fact the system calls claimants to speak to them. Claimants have to be in the country and near a telephone because otherwise they will receive a text message asking them to visit the office. We can debate the issue further on Committee Stage.

Deputy Tom Hayes: We will agree to differ. I fear the Minister is sending the wrong message.

Deputy Éamon Ó Cuív: We will have a good debate on Committee Stage because we need to investigate all these issues.

Deputy Tom Hayes: I am merely raising my concerns.

Deputy Éamon Ó Cuív: I apologise for interrupting the Deputy, who is a gentleman.

Deputy Tom Hayes: FÁS has received appalling publicity in recent years. The allegations made against it have done irreparable damage to the entire organisation but we should not neglect the huge contribution FÁS schemes have made to improving sports fields, recreational facilities and schools around the country. My constituency of Tipperary South benefited hugely from community employment schemes. My county was the first to link with FÁS schemes and, as our numbers are higher, there is threat that some of them will be let go. I am aware that representations on this issue have been made to the Minister and a campaign has been started by the people concerned. They want to help their communities and local authorities but they need jobs.

I welcome the announcement that people would be asked to work in return for payments and I understand the measure is included in the four year plan. There is great potential for creating jobs from this measure. Many of the 450,000 people on the live register want to contribute to their communities.

FÁS schemes have helped out various mental health services around my county. Particular mention should be made of Cashel, where considerable support has been offered through FÁS schemes. That work needs to continue.

Deputy Frank Feighan: It is ironic that we are debating the integration of parts of FÁS into the Department of Social Protection given the way in which this Government took its eye of the ball and allowed senior officials in the organisation to waste thousands of euro. FÁS's culture of waste and its abuse of taxpayers' money appeared acceptable to the higher echelons of the public sector. This is why we are consigning the organisation to the past.

Details emerged in the Committee of Public Accounts about the €5.7 million spent on travel and other expenses in 2007. Senior executives and their wives took first class flights, played expensive rounds of golf and ran up bills at beauty and hair salons. When the committee finally received the internal report on these activities, large sections of it were blacked out. This is not a democracy or open government; it is a secret society. While FÁS has done good work, the actions of its senior executives have brought it into disrepute. Fine Gael has proposed that FÁS should be replaced by a better and more cost-effective alternative.

Seven years ago, nobody took FÁS training courses because there was full employment. Despite this fact, FÁS continued to spend millions of euro to promote its courses in local newspapers and radio stations. Was a value for money calculation ever done on this expenditure? The question of whether the money was used by the Government to ensure that people who were in positions of power in newspapers and radio stations knew who buttered their bread has never been answered. I have a sneaking suspicion that the managing director of FÁS and others had a budget for greasing the machinery of information so that when push came to shove at the next election, these people knew who was good for their organisations.

We need a strategy to bring the country back from the brink. I have great respect for the Minister and the work he has done over the years. The rural social scheme he introduced has been a great success for the small farmers who can continue to work while also farming their land. That scheme could be expanded. Coillte owns thousands of acres of land and it is open to partnership with the Government. If funding was available, a bicycle track could be opened in a forest in Donegal or walking routes could be developed throughout the country. Most importantly, as in the Obama stimulus plan, it would get people back to work. For a mere €20

million, 1,000 people could be got back to work providing amenity areas and credible alternatives for leisure. It is an issue the Minister should consider.

We are not thinking outside the box. I spoke to Mr. Jim White, the former Fine Gael Deputy, while I was in Donegal. He owns the Abbey Hotel in Donegal and various other hotels and is finding it very difficult to survive in business, as is the case with most businesses. We know Germany is the home of the thermal spa. Mr. White was able to bring 5,000 German tourists to Lisdoonvarna last September, which helped to keep his hotels going. He was one who thought outside the box. As an example, the travel tax is causing huge difficulty. Under Fine Gael, we will go to the two airline companies, Ryanair and Aer Lingus, with the proposal to abolish the travel tax if they agree to bring in hundreds of thousands of visitors. It will be a *quid pro quo* which is good for tourism, in particular the hotels. That is thinking outside the box.

I would not dismiss the Minister's idea of using texts. It is right to use technology and the issue is worth exploring further. The Minister has explained that it makes sense. However, there is a strong perception that people have been on the take for the past ten or 15 years and that the recession is not affecting them. At the same time, there are those who worked all their lives and the current situation is a huge challenge for them — Deputy O'Connor pointed out he has been unemployed three times. People do not know where to go or what to do. In particular, there seems to be no back-up for the self-employed. The public perceive that such people have a nest egg. Most businesses and the self-employed have dug in with their life savings to protect their company and their employees and now they have nothing. After creating so many jobs, the State does not seem to have made provision for them. It is a difficult and disappointing situation.

I sat on a doorstep in Donegal two weeks ago with a lady who cried because her three children have gone to Australia. All she wants is hope and a future for those children. We will work together to create a spirit that will ensure a future for young, innovative, educated children who do not have an opportunity at present.

We need to establish an independent fiscal council to advise Parliament on issues such as borrowing levels, debt reduction and taxation planning. A colleague of mine said this Dáil has been a doss house for the past ten years. He is probably correct. No decisions were made here by the Opposition; they were made by the Government and the social partners. I find it strange to see trade union leaders wagging their fingers and saying "You got it wrong". They had more power than Deputy Enda Kenny or I, yet they are abdicating their responsibility by saying it is everyone else's fault. While some good deals were done, we priced ourselves out of the jobs market with the deals that were done in social partnership.

I spoke to a man recently who told me of young plumbers working for him who were getting €600 per week but were told that they should be getting €1,200 under new provisions. The man had to tell them he could not afford to run his business at that cost, or to send them to a house at €170 per hour because people would not pay it. We priced ourselves out of the market. We killed the golden goose through regulations, red tape and greed.

I wish the Minister well in what he is doing. We have crossed paths on numerous occasions and I have the height of regard for him. I hope he does well.

Deputy Thomas Byrne: I wish to share time with Deputy Cyprian Brady.

An Ceann Comhairle: Is that agreed? Agreed.

Deputy Thomas Byrne: I am delighted to discuss the Bill, which is generally designed in line with the Minister's thinking. Reference was made to transferring responsibility for FÁS from the Minister for Education and Skills to the Minister for Social Protection, which is a radical

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and positive step. None of us will resile from the criticisms of FÁS, which were eloquently detailed by Deputy Feighan. While I do not agree with all he says, what has happened in FÁS must never happen again in any institution in the State. It was a disgrace and took away from the good name of those many staff members working at the front line in FÁS over the years, who have been under particular pressure in the past two years. It is welcome that it will move Department. While it is a technical change, it is very important nonetheless.

The Bill also provides for FÁS staff to be integrated into the Department of Social Protection, which is necessary. The restructuring guarantees that all the services will be under one roof and delivered more efficiently. Integrating the staff into the Department also has the impact of combining all the knowledge so people will not just go to the Department of Social Protection seeking money or a handout but seeking a hand up and help in regard to training and education. That is the best way forward.

Despite all the criticism of the Government's activation plans in regard to training schemes, many have done very well out of them and received an excellent education in recent years through training schemes such as the back to education scheme. There are, of course, others who are not satisfied, of whom we have certainly heard. However, the Minister will use all of his skills to ensure as many people as possible are brought into that system, thereby ensuring a satisfactory outcome for them and the wider economy by ultimately making them better prepared for jobs.

People ask where are the jobs. The point is that we must train workers in new skills. We must forget the building industry for many of those who used to work in it because, unfortunately, they will never work in it again because we will never again build houses at the rate we were doing so. I hate to say this. It is an issue I raised at a joint meeting of the Committee on Social and Family Affairs and the Committee on Enterprise, Trade and Employment in the summer of 2008, as the crisis began to hit. FÁS was telling us all about the great schemes it had to get people back to work in the building trade and I made the point that a huge proportion of those people will never work in the building trade again. It is very important that they are given excellent opportunities to train in areas that employers will find attractive, particularly foreign investors coming into the country who should find a trained workforce that is fit for purpose.

The rent supplement changes made under the Bill might be described as technical but they are necessary to ensure that landlords claiming rent supplement are tax compliant. It is just another way of bringing them into the net. The HSE must now be provided with the tax reference number of the landlord. There is an interesting provision whereby the landlord is allowed to say he or she is non-resident for tax purposes. My understanding is that if a tenant is paying rent to a landlord in that circumstance, the tenant is liable to return a certain amount of money to the Revenue Commissioners. Perhaps the Minister could check to see if this has any wider implications. It is an onerous obligation on tenants as well as on estate agents who deal with non-resident landlords. I hope nothing in the Bill will add to the burden on tenants. If the house is rented through an agent, I understand the responsibility for the landlord is with the agent. While I do not claim to be an expert in this field, it is an issue I have come across and it is worth investigating.

I would like to see more radical changes in the rent supplement system, as would the Minister. I accept it is difficult in current financial circumstances but I must agree with the criticisms, not of the Minister, but of the policy in that it is a disincentive to employment. There are no two ways about it. If someone wants to enter work and faces the prospect of losing rent supplement, it is a tremendous disincentive. The issue must be dealt with in a fair way. This idea

of time-limiting the supplement also creates difficulty. At a fundamental level, we need to keep food on the table and ensure shelter, and the rent supplement certainly keeps many people sheltered in nice homes, by and large, though there are some problems. It is an issue, but making landlords more tax compliant will result in more money for the Revenue Commissioners. There will be more efficient services in the Department of Social Protection, including the electronic signature process for certification of some of those on jobseeker's allowance and jobseeker's benefit. Much work is being done to tackle fraud. Only this week my wife received a letter regarding child benefit. I do not know why she was targeted for review but we signed the form——

Deputy Éamon Ó Cuív: Everybody is to be reviewed, without exception.

Deputy Thomas Byrne: ——and sent it back. She lived in the United Kingdom where she trained as a nurse many years ago. I wonder if——

Deputy Éamon Ó Cuív: Everybody will get a letter.

Deputy Thomas Byrne: We did not say we had had another child in the past ten days so we will have to send a separate form for that.

That is good. I have received complaints from people who have been subject to random checking, delays and so forth, but I explained to them it is necessary. There is considerable public disquiet about social welfare fraud, in particular, child benefit, on the part of people who do not live in the State and may not have an entitlement to the benefit. The work the Department does to check claims is absolutely necessary. The remaining measures in the Bill are technical. I support it.

I look forward to what may be called the urban social scheme, the equivalent of the rural social scheme, which is an excellent one. My father-in-law is to retire from the rural social scheme next week. I believe the Minister is to visit Gorteen next week on the day after he retires so the Minister might give my father-in-law his best regards. The scheme is an excellent one in rural Ireland and the scheme the Minister is introducing will extend the provision around the country. I hope it will answer the prayers of all the community groups that seek CE or FÁS workers, and those of people who want to get involved. There is an enormous demand for this scheme and the sooner it happens the better.

An Ceann Comhairle: Deputy Cyprian Brady has 13 minutes.

Deputy Cyprian Brady: I welcome the opportunity to contribute on Second Stage of this Bill on the day the Government published the national recovery plan. This Department will play a significant role in the success of that plan in the coming three years. I got only a brief glance of the Minister's statement but am delighted to see that the three areas on which he and his Department will concentrate are activation measures, structural reform and fraud control. Those are three areas this Minister has taken on in a way no previous incumbent tackled the matter. For many years, as public representatives, we have listened to people who come to us claiming that other people have payments and privileges to which they are not entitled. There is enormous scope for reform in this area and I understand that at least €500 million has been saved. I know the Minister has great interest in the activation measures. There is a great opportunity for the Department to ensure that numbers are reduced and that alternatives are provided for people in order to take them off the live register and get them back to work.

I very much welcome the opportunity to speak on this important piece of legislation which contains a number of important provisions. These include the full transfer of the employment

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services and community services programmes of FÁS to the Department of Social Protection. There will be a change to the current provisions by means of the public services card which is due to be rolled out in 2011. Electronic certification for jobseeker's allowance and jobseeker's benefit are to be provided as are provisions requiring that a landlord's tax reference number be supplied before a rent supplement can be awarded to new claimants.

One of the most important elements of the Bill is probably the full transfer of the employment services and community services programmes of FÁS to the Department. In addition, FÁS staff will be integrated into the Department of Social Protection. As other speakers noted, the vast majority of front line staff in FÁS had no hand, act or part in the difficulties in which the organisation found itself in recent times. A very small minority of people in very powerful positions abused their positions and tainted the brilliant name FÁS had. From my constituency I know that without the FÁS centres and programmes and the CE schemes a great number of people would have found themselves in great difficulty and without any alternative. I know that front line staff such as centre managers and those who deal with people looking for employment had no part in the way FÁS went. The organisation still has an enormous role to play in the future of this country. Its integration into the Department of Social Protection is logical and makes great sense. The vast majority of front line staff are hugely committed to what they do.

The integration of FÁS will provide a more streamlined response to the needs of unemployed people by integrating income support through the social welfare system, with supports for activation and preparation for returning to work. As the Minister is aware, groups have recently been in touch with us to voice their concerns about the future of some of the schemes, including the CE schemes. However, the employment and community services programmes play an integral part in sustaining communities and in these difficult times are probably even more important in ensuring that people have an alternative to staying at home with nothing to do. Even when jobs are harder to come by training and further education provide opportunities for people and their families. I see this on a daily and weekly basis in my constituency. People are looking for alternatives and opportunities and they seek support. This Department and the various organs attached to it play a significant role in that.

I very much welcome the changes in the rent supplement scheme. For too long some landlords have abused the system although the vast majority are conscientious, fair, business people. In my constituency I have had first-hand experience of the dire conditions some tenants are forced to endure. It is not only the tenant who suffers in this situation; so does the surrounding community. There is a large knock-on effect when an unscrupulous landlord neglects to look after his business. We are paying more than €500 million in rent supplement. For that investment we need to ensure, first, that there is no abuse of the system and second, that we get value for money and that the 95,000 people in the rent supplement system are treated fairly. The changes being made in this regard will ensure landlords are registered. For some time there has been difficulty in this regard. My area has large tracts of flat-land where older dilapidated buildings are used on a regular basis to accommodate people. It is not fair, to either the tenant or the system. The State is investing vast sums of money in these premises. I reiterate the vast majority of landlords are compliant and provide a great service for their tenants. However, the changes envisaged in this legislation will ensure there are improvements.

Provision is also provided in the Bill for the introduction of electronic certification for jobseeker's allowance and jobseeker's benefit which will allow certain people who receive jobseeker's allowance and benefit to complete their signing on process by electronic means. I welcome the cost savings that should derive from this as the efforts and attention of staff are

refocused. Staff resources will be freed up to concentrate on the client, the claim, the payment and control issues. As other speakers noted, the Department is examining the possibility of using mobile telephones for jobseeker certification. That plan is at a very early stage and much work needs to be done on it. If anybody had said five, seven or ten years ago that we would have electronic banking that would enable a person to sit at home and do all his or her banking business over the Internet, or shop via the Internet, placing an order to be delivered to the house, people would have said this could never happen. I happen to have experience of the Department of Social Welfare in the 1980s. At that time it was one of the most progressive Departments in terms of the use of technology. It was one of the first Departments to have all its records in electronic form and it made a huge difference even though it is very costly at the time. It made it easier for the staff to administer the different payments and also made it easier for the client.

Electronic signing is a step forward and the use of a digital signature pad will prove very popular, in particular in areas where the nearest local office might be some distance from a person's home. The savings from these advances will help to maintain payments to those who need them most. However, reasonable control has to be kept on electronic signing on and it is essential that the system is not open to abuse or fraud. The fact that huge savings have been made so far through control measures means it is the way to go. One only gets so much out of it and it can be costly to follow up on every individual case but it is a lot of opportunity.

While most of the stories are anecdotal, the Department follows up on each case and ensures that money is not being wasted very seriously. In a very difficult time, such as we have at the moment, where the Minister is required to cut its budget by hundreds of millions of euro, any opportunity should be taken to tackle those problems and ensure that the people who have to avail of social protection payments and are the most vulnerable people are those who benefit most from a reducing pot of resources. As we said earlier, one of the biggest problems facing the people in this country is the lack of work opportunities and the money difficulties for households which come from that.

This Bill is a welcome step forward in reforming and improving the range of services across Government which assist and support people when they lose their jobs. They need income support and support to get back into employment. There are opportunities for people to retrain, change the direction they have been in for a very long time, reskill, look at a different area and take advantage of whatever changes are coming along. The workforce is very fluid and changing pool of people and people have to adapt to that.

It makes good practical sense to locate all the services for unemployed people in one office. People can access all the services which may be available to them, have all their entitlements are accessible in the one centre and are not travelling from office to office, as has been the case for many years, filling out form after form in order to claim their entitlements. They would also not have to chase around trying to do the best they can to look for whatever opportunities may be available to them. If we can centralise that and make it more efficient and streamlined it will be cost effective which is hugely important in the current climate. It would also encourage people to take advantage of whatever is available to them.

In a particularly difficult economic climate we must make sure that any changes which are made, whether through legislation or whatever other measure, ensure that the resources we have as a country are spent properly, efficiently and targeted at people who need support most. Any changes that are made to encourage and support that are to be welcomed. I look forward to the speedy passage of this Bill through the House.

Deputy Mary Upton: I wish to share time with Deputies Costello and Ó Snodaigh.

Acting Chairman: Is that agreed ? Agreed.

Deputy Mary Upton: I welcome the opportunity to speak on this Bill and a number of developments within it which are intended to reform and streamline the Department which deals with the most vulnerable and those most at risk in society. I have some concerns but it has taken so long to implement some of what I would consider to be very obvious reforms.

There is huge expenditure on rent supplement and it is totally unacceptable that there are still some landlords who may not be tax compliant and who are not owning up to their responsibilities in this area. Further to that, I sympathise fully with what Deputy Brady said about landlords, in regard to their behaviour, attitude and quality of provision they make for what are very often vulnerable people . I have a number of examples in my constituency where that is the case.

I spoke to the Minister of State, Deputy Finneran about this. It is a cross-departmental issue in many ways. It has been very difficult to get any resolution to it. I am not sure whether some landlords are tax compliant; all I know for certain is that the quality of the housing they provide to very vulnerable people is appalling, disgraceful and should not be tolerated in any civilised society. I cannot understand why they are allowed to continue as landlords. There must be some system whereby they are brought to book and made to be responsible. I hope the Minister takes that on board. I accept his reference to it but it is unacceptable that they are not tax compliant and taking advantage of people who simply cannot look out for themselves.

I welcome the proposal to sign on by electronic means. If this goes some way towards taking account of social welfare fraud it is very welcome. Another issue which I do not think anybody else has referred to but which is important are the very sad circumstances where one sees people queueing up for many hours outside social welfare offices. Their dignity is being put at risk. People who have been employed for most of their lives and now find themselves unemployed have to suffer the indignity of queueing for many hours. I am very conscious of that in my constituency. On Thomas Street and Bishop Street one sees photo shots of people queueing up. It is very sad that happens to be the case.

If the electronic system was introduced it would free up staff which would be very welcome. On the timeframe which is involved in dealing with applications and appeals, it is totally unacceptable that people have to wait so long. I am aware of a number of very sad cases. I am conscious of one lady who is waiting on the domiciliary care allowance and has been waiting for weeks on end for a very sensitive and delicate case which has not been addressed. It is an appalling state of affairs. If staff can be relocated that is to be welcomed.

While the vast majority of staff who are delivering front-line services in social welfare offices are hugely positive in their approach and very courteous and efficient, I unfortunately am aware of a recent case where one of my constituents was very badly treated, which is totally unacceptable. As far as I am aware this is not widespread but it is not acceptable that it should never happen. Given the current climate we are living in and the sensitivities surrounding people who are queueing up for social welfare, whatever pressures people are under — I am conscious of them — a client who has to queue up and wait for attention must be treated with courtesy and dignity.

The area of habitual residency is one where courtesy and common sense might be very welcome. I want to refer in some detail to a particular case I encountered recently. A gentleman who was abroad for a number of years came back to live in Ireland. I understand the rules regarding habitual residency and the regulations that apply but there is a time when bureaucracy and red tape must be set aside. When the man returned to Ireland he was diagnosed as having a serious mental condition and clearly was not in a position to look out for himself.

He was able to return to live with his elderly parents who are both pensioners. I suppose he is in the fortunate situation that they are able to support him. He has been told he has no entitlements whatsoever. The situation gets worse in that he has now been diagnosed with cancer and he has not been able to get a medical card. I find that totally unacceptable and it should not be allowed to happen. I would like to think those kinds of cases could be treated with respect and that such an individual, where there are very particular circumstances surrounding the case, would be given the support he needs. His parents, who are elderly pensioners, are extremely worried about him and are very concerned for his future. He is a gentleman in his late 30s.

We need to look at the background to all of this, namely, the problem of unemployment. Serious efforts must be made to sustain and create jobs. We must examine how that can be done. Barriers to job creation must be removed. Many of our young graduates are booking their tickets to leave the country. Unfortunately, this country again faces the famous brain drain we witnessed in the 1980s. It seems such a waste. Services must be provided to encourage them to stay. We must give them the opportunity to stay in productive environments where their skills will not be lost. It is all very well to put in place training or retraining programmes but if one is a chef, does one want to be retrained as an architect? Some of the offers made to people are ridiculous and do not make sense. There must be co-ordination between the retraining programmes and the opportunities that might exist for people in the workplace at a later stage.

I am reluctant to mention the air travel tax again but it is one my party has addressed on a number of occasions. We are trying to encourage people to visit the country. If this tax were removed, it would have a significant impact on job creation and on improving tourism.

I refer to guaranteeing work experience for people under 25 years on further education courses. In recent days I met a person aged approximately 21 years who is living on his own and is paying rent. He has been on a Youthreach programme but cannot get on to another training programme. His total income is €100. Individual cases are not being looked at in the way they should be. It is all very well to have this blanket requirement but there is a strong case for looking outside the box in some cases to see the impact on the individual. As a society, that is what we need to do.

Deputy Joe Costello: I, too, welcome the opportunity to speak on this legislation, certain aspects of which I welcome. Undoubtedly, there is a need to consolidate the areas of employment, training, the social welfare system and job creation. Too often we forget what training is about. There should be something at the end of the training programme. Too many of the programmes in operation currently are short term, temporary programmes and do not have a defined function at the end of the road. Linking job creation to the end of a training or education programme is very important as is linking it to the social welfare system.

I welcome the consolidation proposal but I am not sure how it will work in practice with the Department of Education and Science and the Department of Social Protection in terms of staff and the various programmes.

Electronic certification for jobseeker's allowance and jobseeker's benefit is a welcome move to bring us into the 21st century. Appropriate protective mechanisms will be a welcome development.

Rent supplement is the most interesting area of the Bill and the Minister could have gone a good deal further in this regard, although what he has done is extremely welcome. At last, landlords will have to provide tax references. That should have been done by the Minister's

[Deputy Joe Costello.]

predecessors a long time ago. It is incredible that landlords in receipt of State money did not have to give any evidence that they were tax compliant. I cannot envisage a situation where a landlord, absentee or otherwise, would not have to be tax compliant. If money is going to the landlord, surely he or she should have a reference number if this money is provided by the State. There should be no exceptions. The Minister must find a mechanism to ensure even non-resident landlords have a tax number and pay some level of tax if they are taking money out of the State. I am not too happy that landlords will not have to take any real action for another 15 months. The requirement will not be automatic until March 2012. That breaking-in period is far too long and should be changed. It is not the Minister's responsibility, but if a landlord is in receipt of State money for rent supplement, why should he or she not be registered with the Private Residential Tenancies Board? That is obligatory under the legislation. That may be the mechanism the Minister is using but it is obligatory.

Deputy Éamon Ó Cuív: The Deputy is absolutely right. A number of people referred to this. The problem is that under the Private Residential Tenancies Board legislation, one gets the tenant first, something which I find strange, and then one registers with the Private Residential Tenancies Board. When one takes a tenancy, we inform the Private Residential Tenancies Board and it should enforce registration. If standards are not up to speed, it should go to the local authority.

I have spoken to the Minister of State with responsibility for housing, Deputy Finneran, and he is seeking to make people pre-register not the tenancy but the fact they have a property to let. That change must take place because that would ensure——

Deputy Joe Costello: That is the way it is currently. People are supposed to pre-register with the Private Residential Tenancies Board.

Deputy Éamon Ó Cuív: No, they are not.

Deputy Joe Costello: Yes, they are. Under the legislation, every landlord is obliged to register as a landlord before he or she does any business with anybody, private or otherwise. Whether the landlord takes public or private money, he or she is expected to register as a landlord under the Private Residential Tenancies Board legislation. I am quite satisfied that is the case. If it is not the case——

Deputy Éamon Ó Cuív: Unfortunately, it is not the case. If the Deputy is right, a problem I am told exists does not exist.

Acting Chairman (Deputy Johnny Brady): The Minister is taking up Deputy Costello's time.

Deputy Éamon Ó Cuív: I am trying to be helpful.

Deputy Joe Costello: I presume it is the Minister's time and that my time continues. I understand there is a statutory obligation on every landlord, whether getting public money from rent supplement or private money from a private tenant, to register every unit of accommodation and that he or she must pay a registration fee, and that must be done before he or she seeks business.

Deputy Éamon Ó Cuív: As was explained to me, the law requires one to register tenancies. Ergo, one must have the tenant first and then register. I agree it should be the way Deputy Costello says it is.

Deputy Joe Costello: We agree that every landlord should be registered and that is the key. I hope the mechanism in the Bill effects that purpose because it is very important that happens.

Rent supplement should not be paid directly to the tenant but to the landlord. That should be done by the local authority. That is the way it is done under the rental accommodation scheme and I do not see why it should not be done in all cases in order that we know precisely what happens. In many cases, the landlord requires a top-up from the tenant's social welfare payment and it puts him or her in penury. Another poverty trap is being imposed by rent supplement. The whole area needs to be examined. I compliment the Minister on what he has done, but we now have a situation where the Department of Social Protection will be responsible for tax. Local authorities, under the auspices of the Department of the Environment, Heritage and Local Government, are responsible for the housing side of it, with the Department of Health and Children's community welfare officers responsible for rent supplement payments. Needs assessment is done by local authorities. We now have three Departments involved in the area.

Acting Chairman (Deputy Johnny Brady): The Deputy has gone way beyond his time.

Deputy Joe Costello: We have touched a hornet's nest with regard to the role of landlords and tenants in the rent supplement. There would be much extra savings to the Exchequer, which could be usefully obtained, if we ensure landlords are brought properly into the system, registered and made tax-compliant.

Deputy Aengus Ó Snodaigh: Is trua go bhfuil an t-am chomh gearr mar bhí sé i gceist agam píosa maith cainte a dhéanamh ar an Bhille seo. Tá loighic leis an méid atá sa Bhille seo agus níl mé chun cur ina choinne. Is trua gur thóg sé an oiread sin ama ar na cinntí atá sa Bhille seo teacht chun cinn, ach go háirithe an loighic leis na seirbhísí comhphobail a bhíodh faoi FÁS a aistriú chuig a Roinn, ionnas go mbeadh leanúnachas ó thús agus daoine ag déanamh iarrachta dul ar ais ag obair agus na tacaíochtaí uilig a bhíonn ag teastáil uathu ar fáil. Tá sin an-mhaith.

Is trua go bhfuil daoine laistigh d'Fhine Gael agus de Pháirtí an Lucht Oibre atá ag rá gur cóir FÁS a dhúnadh ina iomláine. Níl aon loighic leis sin mar tá gá le heagraíocht éigin ann a dhéanfaidh an obair chéanna agus a rinne FÁS ó thaobh apprenticeships agus a leithéid. Gan sin ní bheadh aon bhunús le pleanáil don todhchaí. D'oibrigh foireann FÁS go han-mhaith in ainneoin fadhbanna móra ó thaobh airgid de atá léirithe le tamall anuas. Sa chuid is mó den obair a rinne FÁS, bhain an Stát tairbhe as. Is trua gur bhain tíortha eile tairbhe eile as nuair a d'imigh daoine ar imirce, gur chuir muid daoine thar lear leis na scileanna is fearr ar domhan.

Ceist eile lena raibh an Teachta Costello ag déileáil ná an rent supplement. Tá an ceart aige ó thaobh an t-airgead a íoc go díreach leis an tiarna talúin. Níl mise ag tabhairt tacaíochta ar bith do thiarnaí talúin ach sa deireadh thiar thall, cothaítear fadhbanna nuair a íoctar an t-airgead leis an tionónta. Má tá sé le híoc go díreach isteach i gcúntas bainc an thiarna talúin, tá níos mó smachta ag an Stát. Déanfaimid déileáil leis seo nuair a bheimid ar Chéim an Choiste.

Ardaíodh an cheist an é seo an t-am ceart chun €25 milliúin a chaitheamh ar chártaí aitheantais do leasa shóisialta. Tá an ceart ag an Aire go mbeimid ag déileáil le haon chaimiléireacht sa chóras leasa shóisialta, tá sé thar am go mbeimis tar éis déileáil leis seo i gceart, ach go minic caitear amach an figiúr mór millteach go bhfuil caimiléireacht nó fraud i gceist ann agus ní fíor sin. Go minic, i bhfolach san fhiigiúr sin tá thar-íocaíochtaí, overpayments, i gceist chomh maith. Tá sé tábhachtach go ndéanfar déileáil leis sin.

Cá seasann an tAire leis an méid a dúirt an Teachta Mary O'Rourke nuair a labhair sí faoin phinsean a chosaint agus, mar a dúirt sise, young people can do a nixer. Sin ag admháil gur chóir go mbrisfeadh daoine an dlí. B'fhiú labhairt léi le rá nach sin atá á rá ag an pháirtí.

[Deputy Aengus Ó Snodaigh.]

Tá a lán ceisteanna agus beimid ag déileáil le gach uile rud a fograíodh inniu. Beidh impact acu ar an méid atá sa Bhille seo agus tuigim go raibh deifir ar an Aire an Bille seo a fhoilsiú. Is trua nár fhoilsigh sé go luath cinn an Bhille. Gabhaim buíochas leis as an ofráil go mbeadh duine ón Roinn ag tabhairt comhairle dom ar an Bhille. Ní raibh mé thart chun an chomhairle sin a ghlacadh ach tuigim cad atá sa Bhille anois toisc gur foilsíodh é ach is trua go ndearnadh faoi deifir é mar bheimis in ann déileáil leis i bhfad níos fearr agus níos cuimsithe.

Tugaim tacaíocht don Bhille agus tá súil agam déileáil leis ar Chéim ar Choiste. [IRISH]

Deputy Éamon Ó Cuív: Má theastaíonn ón Teachta go dtabharfar eolas dó faoin Bhille roimh Chéim an Choiste, socróidh mé sin má dhéanann sé teagmháil liom.

Deputy Aengus Ó Snodaigh: Ceart go leor.

Deputy Mattie McGrath: I wish to share time with Deputy Niall Blaney. I am delighted to speak on the Bill this evening and I welcome the Minister for Social Protection, whom I compliment for his reforms and understanding attitude in the provisions of this Bill. He has also been understanding in interacting with backbenchers and the committee responsible for social welfare. We have had many engagements, some of which have been robust, but he knows what he wants to do and sees the need for change.

The Bill will provide for a full transfer of the employment and community services programme of FÁS to the Minister for Social Protection. The uncertainties relating to FÁS over the past number of months have aggravated the already difficult positions facing communities and individuals; I cannot say enough about that. The Minister believed that results could be garnered without changes to the Bill but we have had to do it properly. The process has been too slow but cannot happen fast enough.

It has been very frustrating to be faced with cuts in FÁS services, especially in my area of south Tipperary. There have been cuts to community employment schemes at a time when these services are needed more than ever and more people are unemployed who need to take on these places. Part of the difficulty has been a lack of clarity around which Department has responsibility for employment aspects of the service and who is accountable for the service. This has been a significant problem in my constituency, and I have been in daily contact with FÁS officials. We lost a good official recently when Mr. Liam O'Brien retired, and I compliment him for his outstanding work in south Tipperary.

We are being penalised in south Tipperary because we have been told that in the south east we have too many FÁS participants. I cast that out of hand and I have had many robust debates on the matter. We have many active community sponsor groups who saw a need in communities for services. The setting up of sponsor groups is an onerous task and I thank all those who helped to do so. When the groups applied for schemes, each participant was assigned a one-year contract. The subtle allegation that we have too many participants in south Tipperary, which has been made by senior FÁS officials, is very regrettable. Those involved should desist from the allegation as it is not fair to the sponsors, participants or community groups. An attitude prevailed where up to 150 participants were to be cut but those involved have backed off somewhat. These are uncertain times and the behaviour is not very nice.

I am looking forward to such issues being resolved under this Bill. It is necessary for us to work with the Minister for Social Protection and the committee to develop services needed by unemployed people. We must also look at the need to build sustainable community services. I have long called for an audit of the social value of FÁS schemes, particularly as they relate to the participants, communities and the people they serve, especially where social services are

involved. There are many such services but an audit has never been carried out. It would prove the value of such services.

The Minister, Deputy Ó Cuív, has ambitious plans for the labour market activation scheme. As well as these projects there will also be a need to stimulate job creation in both private and public services. However, the schemes from the Minister are most welcome and cannot come too soon. A community scheme has been long promised.

Members of Muintir na Tíre in south Tipperary and nationally invested much work in developing the scheme. The scheme cannot commence soon enough.

The hundreds of thousands of people who are unemployed have a wide range of skills and are interested in supporting and giving to their community. It is a pity this welcome scheme will not be introduced until 2011, even if it is late 2010, because the work needs to be done, people are eager to do it, the numbers required will be found and the community will benefit. It is a no brainer because communities need all types of work to be done, not only shovel and spade labour, but delicate and sensitive work. People could support social services while those with skills or degrees and other qualifications could help develop their communities or sustain voluntary community driven businesses. We need a new framework. Many unemployed professionals, including architects, are willing and able to help people to apply for funding available under various grant schemes or through county enterprise boards, LEADER groups and so forth.

The labour market activation scheme must address a broad range of issues. I do not mind who manages it provided the work is done. People are available; all they want are the tools of the trade. Among the greatest problems facing the country are the lack of work opportunities and the financial difficulties facing households. Being made unemployed or redundant, in some cases after 20, 30 or 40 years in the same job, causes shock and turmoil. People are left uncertain and fear for their families. I welcome the provision to transfer community employment services to the Department of Social Protection. This long overdue measure will create a one-stop-shop.

I compliment departmental officials in south Tipperary who run social welfare offices in the various towns in my constituency. They have done sterling work in the past two years as the number of people unemployed climbed and face difficult challenges. Social welfare customers must be facilitated. Those who have lost their jobs are traumatised, uncertain and anxious when they visit their local social welfare office. I compliment social welfare staff in south Tipperary and elsewhere on the dedication they have shown.

In welcoming many of the provisions of the Bill, I appeal to the Minister to examine the issue of domiciliary allowance. It is unfair and traumatic for people to find they are not entitled to social welfare benefits when they return from abroad to look after relatives, including their parents. It costs the State thousands of euro per week to have people cared for in hospital or a nursing home. This issue, which has been raised previously and which the Minister is examining, must be addressed. I thank the Minister for taking a proactive approach and addressing the case of miners who have suffered serious illness. He has shown an ability to see around corners by examining and addressing the issue in a frank and open manner.

Greater use of technology is needed in the social welfare code. It is unfair to have people queueing outside social welfare offices with no cover in all types of weather. I was informed recently of the cost of providing an awning to shelter people queuing to receive payments in County Donegal. I assume the Office of Public Works completed these works. Electronic signing on will facilitate people with disabilities, those who must travel abroad, people who have had an accident and so forth and should proceed speedily.

[Deputy Mattie McGrath.]

The unemployed need to avail of social welfare assistance. They are at their lowest ebb and must be dealt with efficiently and treated with courtesy, respect and clarity. They also need to be informed about the schemes available which would enable them to upskill or re-skill. Education is a lifelong process. The unemployed need and want clarity about the training and educational opportunities available to them.

Social welfare offices are very receptive towards facilitating unemployed people who wish to avail of the back to work enterprise allowance scheme for the self-employed. Many people are availing of the scheme and are doing so with the assistance of social welfare officials. The scheme is designed to encourage people in receipt of certain social welfare payments to become self-employed. Successful applicants continue to receive their full social welfare payment for the first year, at which point the payment is reduced gradually. Job activation is essential. We need to be more proactive, engaging and visionary.

Fraud must be addressed, although many of the anecdotes about social welfare fraud are probably untrue. The system of payments to landlords must be modernised. Every landlord with a tenancy must register. Local authorities should have responsibility for administering rent allowance because they are primarily responsible, alongside voluntary housing associations, for providing housing for those in need. I compliment voluntary housing organisations on the work they do in this area.

I wish the Bill speedy passage and look forward to debating it in committee. I also look forward to helping people return to work in order that they will have the dignity of doing a job.

Deputy Niall Blaney: I thank my colleague, Deputy Mattie McGrath, for sharing time and affording me an opportunity to speak on the Social Welfare (Miscellaneous Provisions) Bill 2010. The past few days have left no doubt about the difficulties that face the nation. It is clear these difficulties will affect everyone but however difficult are the decisions that face us, we must look forward and work through them.

We have found ourselves in an unfortunate position and have faced numerous tough budgets in the past two years. While many people have been adversely affected by the decisions taken in recent budgets, we must remember that our job is to put the country back on its feet. We are making the right decisions and working towards a brighter future with a more stable economy. While some choose to knock everything, the economy has certain strong fundamentals which suggest a bright future lies ahead. For example, we have had many job announcements this year while growth predictions for the eurozone, including Ireland, for next year and beyond are positive. We also have a flexible workforce. These factors indicate we have a bright future but we must take the correct decisions now if the country is to prosper.

The changes in our economic and financial position have left us with no choice but to reform the social welfare system. I commend the Minister on taking the necessary action and showing a willingness to do what is required and make appropriate adjustments to reflect changed times.

As I have stated previously, our priority must be to ensure the review supports those in need. We must not lose sight of the most vulnerable and needy in our system. We are all aware of how generous our welfare system has been in the past 12 years and the significant variation in welfare payments between Ireland, the United Kingdom and beyond. There is no doubt that amendments must be made to the social welfare system. In the past, the generosity of the system has resulted in people from across the Border unlawfully claiming welfare in Border counties such as Donegal.

I welcome the changes proposed in the Bill. They will result in a social welfare system that is more efficient and will clamp down on unwanted activity, while providing necessary support

and services for those who are on the live register. With the unemployment figure standing at 13.7%, improvements need to be made to address the problem. Unemployment among the young and those able to work is addressed in the Bill.

I commend the Minister on taking measures to fully integrate the employment and community services of FÁS with the Department of Social Protection. This move can only help provide those on unemployment welfare with the services and advice they need. The integration of these services, which should be completed by 1 January 2011, is being done at the right time. Young people have an enormous ability to learn new skills and this must be encouraged. The current labour market demands flexibility of skills and one can never learn enough. The integration of FÁS with the Department of Social Protection will enable this area to be appropriately addressed.

The issue of youth unemployment is highly relevant in my constituency. Becoming unemployed as a young person can have a negative impact on one's general outlook on life. It is vital that young people are encouraged to stay close to the labour market. Idleness amongst young people is hazardous, therefore providing a solid service focusing on assisting them to find employment and to prepare themselves for entry into the labour market by accessing training or providing career advice, work experience or job placement is a welcome development.

The restructuring of these areas provides a more streamlined response to the needs of the unemployed and offers the necessary support to re-enter the job market. Given the job crisis, placing importance on training, development and finding employment will further strengthen our already resilient work force in Ireland. I look forward to seeing a more focused service aimed at those searching for employment. This is a major step forward for this Department, which will move away from being an income support service to providing a more proactive response, which clearly is targeting those who wish to re-enter the workforce.

I believe that necessary changes must be made to the social welfare system to cope with the higher number of people on the live register. The introduction of electronic certification is helping to create a more efficient service that will benefit those on the live register. Not only will it free up resources in order that they are more able to concentrate on client, claim payment and control issues, it also will reduce pressure on local offices and will mean a saving in costs to the Department. Given the current figures on unemployment and increased pressure on social welfare offices nationwide, it is of great importance that the system be assessed and changes made to improve work flow and how claims are processed. These improvements will benefit those on the live register through a more efficient service and will help to strengthen the social welfare service as a whole.

Clarifying the calculation of entitlement to jobseeker's allowance where weekly means comprise earnings from insurable employment in section 5, ensures the Social Welfare Consolidation Act 2005 is not ambiguous when applying this practice. Changes and amendments such as this will help to ensure there is clarity throughout the system and can provide a concise framework of reference. Section 6 provides that the reduction in the basic rate of supplementary welfare allowance from 4 January 2010 for people under 25 years will not lead to any reduction in rent or mortgage interest supplements payable to people getting other social welfare payments. Given that reductions to social welfare are necessary, this Bill is focused on being fair and is aimed at protecting the most vulnerable.

Through the introduction of a provision which will allow for certain people who receive jobseeker's allowance and jobseeker's benefit to complete their certification or signing-on process by electronic means, the entire service can become more productive and can ensure a more up-to-date method of dealing with unemployment claims. This Bill highlights how the

[Deputy Niall Blaney.]

Government is taking the necessary steps to reform and create a comprehensive service by integrating the functions of income support, employment services and work function through the one Department.

I refer to the introduction of an amendment to the Bill on Committee Stage which will provide for the introduction of a partial capacity scheme. By making such a change, the Bill will address a critical limitation of the current social welfare code, which categorises people with long-term illnesses or disabilities as being either “fit for work” or “unfit for work”. As Members are aware, the focus within the welfare system on incapacity rather than capacity carries negative consequences for people with disabilities and their families who may be trapped in welfare dependency. Therefore, the amendment will have a positive impact on those dependent on welfare and will provide a clear, more effective method of dealing with claims. I know from my own constituency experience that this is an important issue and I am relieved that changes are being made to ensure a more positive response and understanding of this situation.

Similarly, section 7, which provides a new condition requiring that from 1 January 2011, the landlord’s tax reference number must be supplied to the HSE before rent supplement can be awarded to new claimants, will also help to make the Department of Social Protection more efficient and will ensure that where tenants are in receipt of the State’s rent supplement, the landlords of those premises are fully tax-compliant. I believe the social welfare system can be strengthened by these amendments and that by providing a more focused, streamlined service that sets out clear guidelines for both the public and those working in the service, one can move forward and help those in need of the social welfare service.

This Bill is thorough, fair and forward thinking. As we are going through changing times, it is vital to ensure that social welfare provisions are adapted appropriately. I am relieved to see the amendments set out in this Bill and have every faith that these changes will ensure that the Government is taking the necessary steps to ensure a more integrated social welfare service that clearly focuses on those in need. In particular, given that over the past six months there has been much criticism regarding unemployment and the Government’s commitment to helping those on the live register, this is a most welcome development.

I again note the Minister’s intention to table a number of amendments to the Bill on Committee Stage. These will include changes to social welfare legislation arising from the provisions of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010. In addition, as mentioned previously, an amendment will provide for the introduction of a partial capacity scheme and another will provide for the transfer of the community welfare service of the Health Service Executive to the Department of Social Protection. These measures, when taken together, will help to foster a stronger social welfare service focusing on helping those in need and providing a more efficient service to them, which has proven to be a priority for the Government.

Deputy Seymour Crawford: I welcome the opportunity to say a few words on this legislation. I was a member of the Joint Committee on Social Protection and its predecessors for many years and have some understanding of the difficulties in this regard. The introduction to the explanatory memorandum states: “This Bill provides for a reduced rate of Jobseeker’s Allowance and Supplementary Welfare Allowance for claimants who refuse to participate in an appropriate course of training or to participate in a programme under the National Employment Action Plan.” I do not have a problem with this as to be blunt, if a job is available for someone, he or she should be encouraged to take it up in every possible way. However, I seek assurances that fairness will obtain in this regard because I often have seen instances whereby

people have actively sought jobs but the documentation they received was not acceptable to some social welfare officers.

I understand what the Minister seeks to achieve and it is important to move forward in that direction but one should be cognisant of the different areas in which people live. It may not be as easy to get jobs in some areas as in others. For instance, people who live in small villages who are obliged to travel long distances in the absence of proper transport may not find it as easy as would someone who lives in a more major town.

The earlier Social Welfare Bill dealt with many other issues. For example, the explanatory memorandum states that it “sets out the rules to determine with whom a child normally resides for the purposes of social welfare payments with the exception of Child Benefit.” The issue of child benefit has annoyed me for quite some time. While I do not mind someone who lives in this country being in receipt of it, we must be extremely careful about giving it to someone who lives outside the country in the present difficult economic situation. The explanatory memorandum to the earlier Bill also states that it provides for an amendment to the definition of spouse to include different sex cohabiting couples. I presume this pertains to the legislation already mentioned by Deputy Blaney but it represents a changed situation within an Irish structure.

In the Minister’s contribution, he made some interesting comments in the light of the present situation where one does not know from day to day how we will finance ourselves whether we will be able to so do. He stated, “The Government is proud of its unrivalled record in increasing the level of social welfare payments”. What worries most people at present is what will happen in the future. They are scared stiff because of the Government’s record and the manner in which it has handled the economy. This is what is causing such an explosion in the need for social welfare payments to young people who either cannot get jobs or who are obliged to emigrate. The language used by the Minister and the issues he raises are interesting at this time, because the State must pay €20.9 billion in social welfare payments this year and an unknown amount next year. This is an indication of how well the country was run. If 450,000 or perhaps somewhat fewer people are in receipt of unemployment benefit, it means this figure is much higher than it otherwise should be.

The Minister has said social welfare expenditure for 2011 will be considered in the context of the forthcoming budget, having regard to needs and to the resources available to meet them. It is vital that those in need are safeguarded in the budget, in spite of all the difficulties. I think of the blind, disabled and others whose benefits were cut in the last budget.

I remember when Deputy Ó Cuív began his work as Minister for Social and Family Affairs. He referred to that time in his speech this afternoon. I looked forward to a new beginning and new hope. Unfortunately, in some areas that has not happened.

However, I welcome the fact that the Minister will be in charge of FÁS. The record of that organisation is abysmal although its record at local level is outstanding. The red tape local FÁS employees have to deal with is ridiculous. Often someone who could have stayed on a FÁS scheme was unable to do so because of a discrepancy in dates. If a public representative tried to get something done, the person concerned had to explain how tight his financial situation was. Later, we discovered that the Minister for Enterprise, Trade and Employment, Deputy Mary Harney, and others could spend money like chaff.

We saw how money was spent and mismanaged at the top. One has to hope the Minister, for whatever length of time he is in office, will see that never happens again. Part of what got the country into the state we are in was the complete mismanagement and abuse of taxpayers’ money. I make no apology for saying that. To read through what happened during that period

[Deputy Seymour Crawford.]

is frightening. In my own area, people received certificates from FÁS that were not worth what they should have been. We have to look at the management structure of FÁS. With Deputy Ó Cuív as Minister, I believe there will be tight scrutiny and tight management. This is vital at the present time.

With so many people unemployed, the more people we can get into FÁS type structures — whether for education, community welfare or whatever — the better. People will have a better chance of permanent employment with FÁS experience on their CV. Members from all sides of the House must work towards ensuring that young people especially get a chance to put something on their CV.

The other day I came across a case of two young lads. One of them had made an effort and gone out and worked in a local filling station and supermarket. He had also worked on his family farm. His father told me about him looking for and getting a job where he was studying away from home. His father said he had looked at the CV before the young man sent it away. He had written that he had worked in a filling station and had also said, “I helped my dad on the farm and, mind you, that was hard work”. The CV worked and got him his job, which he badly needed to remain in college. He has the job every week-end. It will be tough for him but it is important for young people like him to get into the system and on the job process.

I look forward to the Minister moving forward his ideas for ensuring that as many people as possible get into structures like FÁS. To that end, I do not object to the fact that he is attaching strings to those who gain access to those structures.

The Minister has stated that he is working with the different structures to devise a service regime and a model for the integration of FÁS with his Department. It is important that there is new thinking and new work going on. The integration of FÁS and the community service programme within the Department of Social Protection marks an important step towards ensuring that more people are put into jobs. There is much work that could be done around the country. Money could be saved if people, young and older, were put to work and paid for working 19 or 20 hours per week rather than getting money for nothing. We must work towards that.

The Minister mentioned electronic certification. I welcome any improvement of any kind. However, I hope this will be better than the electronic voting system or the effort to get electronics working in the HSE.

Deputy Éamon Ó Cuív: Would the Deputy fly in an aeroplane?

Deputy Seymour Crawford: Yes.

Deputy Éamon Ó Cuív: They are landed by electronics.

Deputy Seymour Crawford: I am well aware of that. If it is properly overseen and worked it is valuable. I have no objection to using electronics so long as it is done properly.

The Minister mentioned rent supplement charges and the fact that someone should have a tax certificate. This should have been part of legislation long ago. It is ridiculous that someone could have an income, through rent allowance, from the State and not have to show he is tax compliant. If someone applies to a local authority for a grant of €6,000 to add a bathroom to his house he must produce a tax clearance certificate for himself and a C2 for his builder. I completely support the Minister in introducing this measure. It is ridiculous that someone could take in €100 or more per week and not put it through the taxation system. That is unforgivable and unsustainable in the present situation. I was worried to hear the Minister say rent sup-

plements would continue to be paid until the review date for the supplement. I would have thought the rent supplement should be stopped from the hour a person looks for a certificate. I accept that a balance must be maintained but the sooner these people are grappled with and dealt with the better. We cannot afford blackguarding of the tax system at present. I feel very strongly about this.

The Minister said the Bill will clarify the provisions for the calculation of the duration of payment of illness benefit claims. I am worried about this area. I know of a number of individuals with genuine medical problems who were asked to go for medical assessments and who were not even looked at by the doctor in charge. I know of a young girl who had been the victim of a bad accident. When she went with her mother for the assessment she was told the room was too cold and she should not take off her coat. She was later told she did not pass the examination. Who paid for that examination? Why was that girl not given the opportunity to show the damage she had suffered and what she had gone through for the previous 18 months? I know things are tight and people may be given to exaggeration, but that is not the only example I have come across where people were not given an examination of any kind by a doctor who was paid to do the job. There are other cases of refusals in which doctors letters are not even looked at. I am fully behind the Minister in trying to get rid of fraud but we must not take matters for granted and abuse the rights of people. People are entitled to care and fair play.

This leads me to the issue of appeals. The appeals system is completely unworkable. I tabled questions on two cases last week but was asked to withdraw them. One of the cases was referred to an appeals officer, who proposed to hold an oral appeal hearing. The officer stated, "Unfortunately, it is not possible to give a date and venue for the hearing but every effort is being made to have the appeal determined as quickly as possible". The individual in question, a young farmer with a wife and two infant children, sought help in June 2009. He was assessed and the Department refused to take into account the actual milk price at the time of the assessment. It insisted on taking into account his income from the previous year. I have in writing from the Minister's predecessor, Deputy Hanafin, former Minister of Social and Family affairs, documentation stating the Department was taking into account the incomes that were being earned at the time of assessment. In the case in question, however, this was ignored completely. The price of milk had fallen by 50% in 2009.

The average national farm income in that year showed a drop of 40% according to Teagasc. In Cavan-Monaghan and such areas, which have heavy, wet land and have extremely heavy rainfall at times, cattle had to be kept indoors during the months of May and June. As I still have a slight interest in the farm I live on, I know that meal bills were atrocious in 2009. The price of milk was unforgivable, yet this was not taken into account. I have encountered several cases similar to the one in question. The appeal in the case in question was submitted in December. We tried to proceed by way of review but reviews did not work. Still no date can be given for the appeal. The same applies to another case I have to hand.

Members are not tabling parliamentary questions on such matters for the sake of being awkward but because families are experiencing very real difficulties. Some are under more pressure than others from banks and their circumstances are extremely serious.

With regard to a case I was dealing with some days ago, the young lady of the house does some work outside the home. The calculations done in respect of her show that her income will increase massively due to what is describes as "the possible improvement" in the economy. The officers are not taking into account the factual position as it exists today. While this may not relate to the Bill, the Bill does refer to miscellaneous social welfare provisions. What I describe is not a joke.

[Deputy Seymour Crawford.]

Another case on my books concerns a man whose father dropped dead at the age of 50. The case had to go through the inheritance system. The Minister has some idea what it is like to deal with this. As a result of the man's circumstances, none of the farm grants, area aid payments or other benefits were paid to the family. The lump sum the man received helped to pay off the debt he had incurred but that was then considered as his actual income for the year in question. Arrears in payments from previous years were not taken into account. The list goes on. All I want is some common sense and reason. I fully believe the Minister wants to do his best but he must realise some control must be taken in this area.

I pay tribute to community welfare officers, who do an excellent job and do their very best in very difficult circumstances. They are under enormous pressure from all sides. They can help out in circumstances where people must wait for jobseeker's allowance or other such benefits but, in the cases to which I refer, it is much more difficult. They are asked to assess everything themselves. They must engage in the same assessment process as the social welfare officers.

I ask that some structure be put in place to deal with these cases in a reasonable manner that takes the facts into account. I could refer to non-farmers, including builders, who have lost their jobs. I genuinely believe the Minister means well but he must deal with the structural problems if ordinary people are to secure their rights.

When I meet IFA members from all over the country, they agree with me that the problems to which I refer exist but they do not seem to be prepared to raise them themselves. I do not know why this is the case.

Deputy Éamon Ó Cuív: That is right.

Deputy Frank Fahey: I compliment the Minister on the introduction of this Bill. He set out to be a reforming Minister and succeeded. This Bill is an example of a very important and significant reform that should have taken place long ago. It is very welcome that FÁS functions are to be transferred under this Bill. I refer to the transfer of functions under the employment services and community services programmes from the Minister for Education and Skills to the Minister for Social Protection. It is best to integrate the services because it allows for an important step to be taken away from a passive model of income support to a more proactive model focused on getting people back to work. The customer-focused and job-focused design of the scheme represents an important and significant development.

Creating jobs for the unemployed has been very difficult because of the recession in recent years. I recall the job search programmes and other major initiatives that were taken during the last recession in the late 1980s and early 1990s. We will now see similar types of programmes, which are more focused on giving the unemployed an opportunity to obtain work and improve their income supports. Directly linking social welfare payments and the finding of a job is an important and significant step forward.

I welcome the introduction of electronic certification. It is past time that we moved into the modern era and used new technologies. I welcome the use of such technologies because they will ensure that the certification process will be more efficient and will assist in delivering a better service to customers and that the important checks and balances which form part of the manual process will be retained.

The use of mobile telephone certification, which is currently being explored by the Minister and his Department, represents a novel approach. It is now possible to obtain a great deal of information — including that relating to bus schedules, etc. — on one's mobile telephone. In such circumstances, I hope that the results of the review into the use of this type of certification

will prove to be positive. I accept that examinations must take place in the context of ensuring authenticity. I am of the opinion that the use of this type of certification would be a good development, particularly in circumstances where people from outside the country might be coming here from time to time to claim jobseeker's allowance. The latter type of behaviour must be brought to an end.

The changes to the rent supplement scheme are also welcome. In the future, landlords will be required to make available their tax reference numbers and tax clearance certificates on an ongoing basis. That is a significant development.

I wish to comment on two programmes with which the Bill does not deal directly but which are dealt with in the national recovery plan that was published earlier today. I refer to the community work placement programme — to which the Minister has referred on a number of occasions — and the skills development and internship programme, which it is intended to introduce. The former is an excellent initiative. It is somewhat ironic that when I served as Minister of State with responsibility for labour affairs, I tried to introduce a similar initiative whereby people in receipt of social welfare who wanted to work would be permitted to do so. I recall that I was ridiculed by the Labour Party when I proposed this initiative.

I am firmly of the view that those who are in receipt of social welfare and who want to work should be allowed to do so. I would not force anyone to take up this option and I am of the view that what is envisaged should be facilitated through a voluntary programme. There is so much good work which could be done in communities by people who are on community employment or other schemes. A great deal of good work has been done in the past — in sports clubs, community organisations and local authorities — by those on community employment schemes. However, there is much more work to be done. I have no doubt that when the community work placement programme is introduced, it will prove to be a significant success.

There is also much work to be done in the areas of caring and social services and a great deal of potential exists in this regard. At present, public health nurses are run off their feet trying to care for old people. They are doing a wonderful job in keeping many of the elderly out of nursing homes. People should consider the significant support and care that could be provided by those on community employment schemes while working alongside local public health nurses, GPs, etc. I urge the Minister to implement this programme as soon as possible. I accept that it does not relate directly to the legislation before the House but I welcome the fact that it is included in the national recovery plan. There is no doubt that the worst situation in which one can find oneself is to be at home all day with nothing to do, to be anxious to become involved in doing some work and to not have an outlet in this regard. The community work placement programme is undoubtedly the mechanism by means of which we can assist people who are in receipt of social welfare payments to return to the workforce.

I suggest that the Minister be bold enough to take this programme a step further by seeking to discover if labour-intensive private sector businesses which are under pressure and which are not able to pay their bills as a result of the recession might be allowed some leeway in respect of taking people into employment for a limited period each week. This would bring individuals back into the workforce and provide them with an opportunity to prove themselves. If a person spends one day each week working for a particular company and gets the opportunity to prove his or her worth, when that company's situation improves those who run it will be familiar with the individual in question and might give him or her an opportunity to work perhaps three or five days per week.

The types of initiatives to which I refer are required in order to try to restart the process of employment creation. There is no better man than the Minister, Deputy Ó Cuív, to run prog-

[Deputy Frank Fahey.]

rammes of this nature. In light of the climate that obtains at present, I am sure he will receive widespread support from Members on all sides of the House in this regard.

There is no question that difficulties have arisen with regard to people who are currently working for three days per week and who simply do not want to return to working five days each week. Many employers will inform one that people do not want to return to working a five-day week because it is more advantageous to work three days per week. This type of behaviour must be curtailed. It should never be the position that it is more attractive to be in receipt of social welfare rather than in employment. Some of the measures contained in the national recovery plan will address this issue and the reduction in the minimum wage will be of assistance.

Good employees should not be limited to receiving the minimum wage. While it was necessary to reduce the rate of the minimum wage in order to correspondingly reduce the cost of production, etc., I hope employers will continue to pay good employees what they deserve and will encourage them to work harder in order to earn that bit more. The reduction in the minimum wage should not prove to be a disincentive. We are all aware that businesses in the hospitality sector, the retail sector and some of the labour-intensive sectors are finding it extremely difficult to retain employees as a result of the current level of the minimum wage. I hope that the relevant provision in the national recovery plan will prove to be of assistance in this regard.

I endorse the Bill and I give it my full support. The sooner it is enacted and the sooner the Minister can put in place the other initiatives contained in the national recovery plan, the better it will be.

Deputy John Browne: I thank Deputy Fahey for sharing time. I welcome the Bill and I also welcome the opportunity to offer some suggestions and ideas to the Minister. Deputy Ó Cuív is one of the few Ministers who is always prepared to listen to new ideas.

The full transfer of the employment services and community services programmes of FÁS from the Minister for Education and Skills to me as Minister for Social Protection is a good idea. FÁS has been the subject of some very bad comments and criticism in recent months, not because of the actions of its ordinary employees but because of the shenanigans in which people at the highest level in the organisation engaged. I deal with ordinary FÁS employees in Wexford and Enniscorthy on a daily basis. I find them to be excellent individuals who work very diligently on behalf of people who wish to avail of training courses, upskill themselves or create opportunities to allow themselves to return to the work environment.

In view of the fact that the transfer to which I refer is taking place, I suggest that the Minister get out and about in order to meet those who work in FÁS offices. I am sure he has already visited certain offices in parts of the country. Those who work in these offices and who operate in our communities have some excellent ideas with regard to the way forward for the organisation. They are of the view that many of the diktats which come from on high in respect of training schemes, upskilling and the preparation of programmes are not relevant to the day-to-day operation of FÁS.

I wish to provide the Minister with an example of the work done by FÁS employees in my constituency. These individuals are of the view that at times they are not listened to and are not involved in the development of the new schemes that are required within communities. The green agenda and the development of wind energy have been very much to the fore in the work programme of the current Government and many wind turbines have been erected throughout the country. However, the amazing fact relating to the erection of such turbines is

that, because they lack either the necessary skills or training, very few Irish people are employed during the construction phase.

Recently, where turbines were being erected in Wexford there was a number of job opportunities but when the people applied, the first question they were asked was whether they had a climbing certificate. A climbing certificate is essential for the erection of turbines. I followed up the matter on behalf of four persons in my area and I was told by FÁS that it has no training facility in Ireland for the climbing certificate and it would have to send trainees to the UK which would cost between €1,500 and €2,000 per person, with additional funding for bed and breakfast accommodation or whatever accommodation would be required. I raised this with the new chairman of FÁS and I asked him to initiate a scheme because wind energy and wave energy will be very much part and parcel of the future of this country.

This is one area in which FÁS should be involved at the coalface in Ireland. We should not need to send people to be trained in England, which takes time and money. It is an idea for a new scheme within FÁS. There are other areas where there are opportunities for upskilling and training in our communities where there is not the necessary facility within FÁS and I am sure the Minister will look at all of them.

Another issue I wish to raise is that of job facilitators with Youthreach. I discovered this week that the job facilitator with Youthreach in Enniscorthy who is funded by FÁS, at a time when young people are finding it difficult to acquire work, is being withdrawn from March next. As the Minister will be aware, Youthreach is run through the VEC in the Department of Education and Skills. Perhaps it is because of the break-up, but there is widespread anger in my constituency that the job facilitator is being withdrawn and the young people must fend for themselves in getting work experience and job opportunities. The person involved in Enniscorthy in Youthreach has a 70% or 80% record on placement. He is there for the past 15 years. He will be paid a considerable sum in redundancy and all of the experience he has built up over the years will be gone. That is another issue that needs to be looked at. Given that there is a break-up between the Departments of Education and Skills and Social Protection, there should be some cross-over from time to time.

The social employment schemes and the farm assist schemes are worthwhile. Many people are anxious to get on to such schemes because they want to be in a position to get involved with community groups, with GAA clubs and with care facilities, and I welcome in the plan announced today that the Minister is moving in that direction. However, it is important that the Minister would speed up the process. I am not blaming him personally, but there seems to be a dragged-out system of getting people on CE schemes and on farm assist schemes. People are anxious to get on them and I hope that would happen as quickly as possible.

I refer to the new technology in electronic certification. It is a good idea. However, the problem is not with people signing on but with people getting the decision. It can take many weeks to process, particularly in respect of jobseeker's benefit which can take months. I am sure the Minister will agree with me that if genuine young people make an application having lost their jobs, perhaps without enough stamps to qualify, they should not need to have all of these inspections carried out. It should be taken in good faith. There should be periodic inspections carried out subsequently and if it is discovered that they are working and signing on, then action should be taken. Many genuine people aged 18 or 19 are applying having lost their jobs, but the Department has all of these inspections being carried out involving months of delay. People are finding it difficult to get decisions. It is an area where there should be much more trust in applicants. I am totally opposed to any fraud and I would encourage the Minister to wipe out fraud, but there are many genuine cases waiting an inordinate amount of time to have their applications fully dealt with.

[Deputy John Browne.]

Another issue the Minister has heard me raise at my parliamentary party on a number of occasions is the pre-retirement scheme. There used to be a pre-retirement scheme in social welfare when the late Séamus Brennan was Minister, where people when they reached approximately 60 years of age did not have to sign on anymore. They got their book, they went to their post office and they claimed their money. The Minister should look at reintroducing that. A person in his or her 60s should not have to make a claim every month. The person has served his or her time. It is important that such a pre-retirement scheme would be considered. I would ask the Minister to look at that.

Rent supplement has been mentioned. Some community welfare officers are good on rent supplement and some are very tough on it, but we all know the genuine cases. There is an area that causes some concern where a person who gets the rent supplement usually must pay the landlord a deposit upfront. If the tenant wants to leave that landlord and go somewhere else, more often than not the landlord will not give back the deposit. There are some genuine landlords but there are some unscrupulous ones who will not give back the deposit. On behalf of students here in Dublin, I received a letter in the past week from the students' union asking for this deposit retention to be brought into some kind of legal framework because students are finding it difficult to get back their deposits. It is an area the Minister should look at. There should be a quicker response.

The breaking up of FÁS is, to a certain extent, to be welcomed. The break-up is one matter but how relevant FÁS will be in future because of the high unemployment rates is another. There is new thinking and ideas required. The Minister is driving on with the new thinking and the new ideas, but he needs to implement them as quickly as possible. There is a considerable number of GAA clubs in my county who say to me that they are even prepared to pay the difference or give a top-up if they get people on community employment schemes or under the new scheme of which the Minister speaks, the community work placement programme. As Deputy Fahey stated, there are many care facilities also.

As the Minister and Deputy Ring will be aware, every half-parish and parish in this country has a GAA club, a rugby club or a soccer club, and FÁS is not tapping in to the wonderful facilities in community sporting organisations throughout the country. There are many community sporting organisations willing to play their part in helping young people to get off the dole to give them job placement opportunities. Recently there was an excellent article, written by Eugene McGee in the *Irish Independent*, suggesting that there should be far more co-ordination between GAA clubs and the Departments of Education and Skills and Social Protection to set up new work schemes involving the sporting organisations. I would ask the Minister to look at how we can tap in to the sporting organisations for the future.

I welcome the changes contained in the Bill. The Minister, in the different Departments he was in down the years, has been innovative and has been involved in coming up with new ways and new thinking. We are going in the right direction but there are a few areas I raised where the Minister needs to get his officials to speed matters up and ensure that they are implemented as quickly as possible.

Debate adjourned.

Messages from Select Committees

Acting Chairman (Deputy Johnny Brady): The Select Committee on Justice, Defence and Women's Rights has completed its consideration of the Criminal Justice (Public Order) Bill 2010 and has made amendments thereto.

Supplementary Estimates for Public Services 2010: Messages from Select Committees

Acting Chairman: The Select Committee on Tourism, Culture, Sport, Community, Equality and Gaeltacht Affairs has completed its consideration of the following Supplementary Estimates for Public Services for the service of the year ending 31 December 2010: Vote 27; and the Select Committee on Justice, Defence and Women's Rights has completed its consideration of the following Supplementary Estimate for Public Services for the service of the year ending 31 December 2010: Vote 37.

Private Members' Business

Corporation Tax: Motion (Resumed)

The following motion was moved by Deputy Michael Noonan on Tuesday, 23 November 2010:

That Dáil Éireann confirm its commitment to the maintenance of the 12.5% rate of corporation tax as an indispensable tool for growth, job creation and economic recovery.

Debate resumed on amendment No. 1:

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

"recognises that:

- Ireland, like many other small open peripheral economies, has for many years used its corporate tax policy to encourage economic growth;
- the Irish economy now more than ever has to grow its way out of its present difficulties;
- the 12.5% corporate tax rate will support Irish economic recovery and employment growth by attracting in particular foreign direct investment;
- an increase in the corporate tax rate would reduce foreign direct investment into Ireland and Europe;
- if foreign direct investment was lost to Ireland, much of it would flow out of the European Union altogether to other parts of the world, and would inhibit our capacity to grow during the four year plan period and thus reduce our deficit; and reasserts its absolute commitment to the maintenance of the 12.5% rate of corporation tax."

—(Minister for Enterprise, Trade and Innovation, Batt O'Keeffe).

Deputy Willie Penrose: I thank Fine Gael for tabling this motion on the corporation tax regime. It is extremely important to send out a clear and unified signal from the House on the fundamental importance of the corporation tax rate to the country and the economy. It is important that industry finds this a very hospitable and attractive area in which to locate. I was glad to see the retention and non-disturbance of the 12.5% tax rate embedded in the midst of all the documentation furnished on the four year plan.

The maintenance of this rate is of fundamental importance to the country in the context of our overall industrial policy as it has been developed since the 1950s, in particular in the context of inward investment, especially foreign direct investment. It serves as a key magnet. It must be stated that it is not the most important factor but it is one of a number of important factors in terms of focusing on our attractiveness when overseas corporations make decisions on, and

[Deputy Willie Penrose.]

evaluate whether, to locate here. Various IDA executives and others from Enterprise Ireland and Forfás always advocate it as a key aspect of Government support for industry and research and development. It is extremely important in the context of an attractive and continually enhanced tax system, particularly the fact that the corporation tax rate of 12.5% applies to all corporate trading profits. This puts us at an advantage against some countries, although countries such as Sweden and Singapore are becoming extremely competitive in this area. Therefore, it is important that we maintain this advantage.

To facilitate international business, Ireland has signed double taxation agreements with more than 60 countries, including a recent agreement with Singapore, which allows the elimination or mitigation of double taxation. Because of our attractive tax rate and well-established regulatory and legal regime, combined with our open and accommodating business environment, Ireland's status as a world-class location for international business is well-established. Approximately 130,000 jobs are IDA backed and more than 200,000 jobs can find their origins in foreign multinational companies. The implementation of this corporation tax regime came into being under the rainbow Government when my colleague, Deputy Ruairí Quinn, was Minister for Finance and John Bruton was Taoiseach. They successfully concluded negotiations on the rate with their European counterparts and subsequently it was introduced by Charlie McCreevy in 1999.

7 o'clock
One issue that arises is the fact that many multinationals have established regional or global headquarters here for the purpose of managing their profits and shareholdings and other functions associated with their international business. They derive significant tax advantage from this but people wonder whether many jobs are created in this fashion. It is no use having a generous taxation rate, which we all advocate, without a jobs element attached thereto, and this is extremely important.

During the course of both Lisbon treaty debates, I was assured of our competence as a sovereign state and that issues of taxation rates and incentives were clearly matters for the Irish Government. Therefore, any attempts, which have been mostly of a verbal nature, to indicate that as part of the conditionality attached to the recent discussions at EU and IMF level Ireland might have to address its low corporation tax are ineffectual and ineffective and should be treated as such. Whatever the size of the other member states making such observations, they have no legal right to do so. It is an important issue in the context of our competitiveness and we must send a clear, unified and undiluted message to outsiders to keep their nose out of our business, particularly when various European treaties have asserted our independence and sovereignty in this area.

Combined with our education system are our continued investment in research and development, innovation, entrepreneurship and our science and technology focus. Yesterday, Professor Frank Gannon, the director general of Science Foundation Ireland came before the Oireachtas Joint Committee on Enterprise, Trade and Innovation. Science Foundation Ireland funds fundamental world-class research in strategic areas and the output from this research is likely to have a significant ongoing economic impact. In particular, funding is made available for research for Ireland's future and for research with consequences. SFI works closely with the IDA, Enterprise Ireland and Forfás to build new sources of competitive advantage for our companies. This is important as there are a number of aspects to competitiveness. The taxation rate is one such aspect but continual investment in research and development, entrepreneurship, innovation and science and technology must also be facilitated and promoted.

As Professor Gannon stated, innovation is a term that is increasingly used to describe the generation of novelty in the sphere of activities of individuals and companies. However, a

characteristic of innovation is that it is not truly predictable. Therefore, one can get surprise outcomes and Professor Gannon pointed to this on a number of occasions yesterday. The committee also had a presentation from the Tyndall National Institute, UCC, which was equally informative and illuminating in this context. It plays an extremely important and worthwhile role in the following areas: the development of human capital; attracting and working with IDA clients; conducting research and development partnerships with industry; generating licences to industry; leveraging EU funds; creating start-up companies; providing assistance to business; and academic excellence. The delegation before the committee went through all of this in great detail. The institute also indicated that the identification, protection and management of intellectual property is the key to the development of innovative companies and that Enterprise Ireland funding for patent protection is very important. The delegation implored that this funding be reinstated as it is an important aspect of our competitiveness and attractiveness in ensuring that companies locate here.

More than 80% of our exports originate from the multinational sector, and the Labour Party freely acknowledges the importance of foreign direct investment and its continued investment in this country. As the Minister stated last night, it is a vote of confidence in this nation and our people. The BRIC countries, namely, Brazil, Russia, India and China, represent new areas of potential opportunities for us to explore. The IDA has opened offices in these areas in recent times and they have also spoken to Enterprise Ireland. However, there is a significant dearth in numbers and there should be a significant redeployment of personnel to these areas, particularly in the context of the Croke Park agreement. Enterprise Ireland and the IDA should focus on these areas and put more people into the BRIC economy areas. There is tremendous potential there and we have the personnel and the educated people to do so. Not enough people are being deployed in these markets.

The recent report of the Commission on Taxation recognised the importance of a low and stable corporation tax rate, as did the OECD, as being the cornerstone of Irish tax policy. It is fundamental in the context of attracting investment and investors. Any signals to transfer or tamper with our corporation tax rate are unsettling and damaging in the short and medium term. Therefore, we wish to join our colleagues in reaffirming in unambiguous fashion the Labour Party's commitment to the retention of the 12.5% rate. There should be no attempt to erode in any way our Irish tax competitiveness or our corporate strategy. We see it in the number of jobs generated by IDA supported companies, which is more than 130,000. The importance of retaining the 12.5% tax rate is fundamental in the context of recovery, which undoubtedly will come.

I was glad to hear the German Chancellor, Angela Merkel, indicate quite clearly that she does not wish to meddle with our corporation tax rate of 12.5% and that it will not be related in any way to the ongoing discussions. Our indigenous industries are also important, particularly the agricultural and food processing areas, and we see the success of Glanbia, Kerrygold and the great work of Bord Bia under its chief executive, Aidan Cotter. There is still tremendous untapped potential. We are an island country with approximately 150,000 people directly employed in primary agriculture and agri-food processing, with an estimated total of 250,000 people employed in agriculture. Agri-food processing and related services account for approximately one in five people employed outside of Dublin and there is a projected export growth rate of approximately 12% in this sector with another €750 million this year. We should not forget the importance of the indigenous sector, micro industries and enterprise, along with foreign direct investment, in the context of the corporation tax.

Acting Chairman (Deputy Charlie O'Connor): Deputy Áine Brady is the next speaker. I understand she wishes to share her time with Deputies Michael McGrath and Timmy Dooley,

[Deputy Charlie O'Connor.]

Minister of State, Deputy Billy Kelleher and Deputies Mary O'Rourke and Beverley Flynn. Is that agreed? Agreed.

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Áine Brady): I welcome the opportunity to contribute to the motion on our corporation tax policy.

As a member of the Government party and as a Kildare Deputy, I, as many others in the House, clearly understand the benefits of our corporation tax policy. Despite the difficult economic challenges we face, one of the key successes of our taxation policy is our corporation tax. While fully recognising the contribution of our flexible and educated workforce, our improving competitiveness and our greatly improved Infrastructure in attracting foreign direct investment, our 12.5% corporation tax has been a key incentive in attracting inward investment to Ireland. We have the youngest population in Europe, with one in three under 25. We have the highest proportion of graduates among the 25 to 34 age cohort in the European Union and we have the third highest proportion of maths, science and computer graduates in the 20 to 29 age cohort in the Union. Taken together with the investment in our infrastructure, our roads, rail, airports, research, innovation and our educational facilities, this gives us an ideal opportunity to maximise the benefits of our corporation tax policy.

It is important, as many other Members have said, that we send out a clear and united message from this House that all parties support the current corporation tax rate of 12.5%. My county of Kildare is home to many world renowned companies, such as Intel, Hewlett Packard and Wyeth, which have successfully built their businesses from their Irish base. Our tax policy and our people have been successful in attracting leading multinational companies to Ireland and in the process have created hundreds of thousands of jobs that would otherwise have been lost, not just to Ireland but to the European Union as a whole. Ireland is home to eight of the top ten global technology companies and 15 of the top 25 medical devices firms. Foreign direct investment accounts for €110 billion, or over 70%, of total exports in the Irish economy. So far this year alone, the IDA has secured over 70 new investments into Ireland, with 20 of these from companies setting up operations in Ireland for the first time. Our corporation tax policy was key to ensuring that these investments came to Ireland.

In debating the merits of our corporation tax policy, it is important that we realise that Ireland's corporate tax rate is not the most competitive in the world. When Ireland competes for jobs and investment, we are not competing against the European Union. We are competing against countries such as Israel, Singapore, China and India. When we are successful in attracting inward investment and win jobs, the entire European Union benefits. When we lose investment to countries outside the European Union, the investment is lost to the European Union, not just Ireland.

Intel is one example of a successful multinational company based in Ireland. Kildare is home to one of the largest Intel manufacturing sites outside the United States and this site is now a hub for some of the most exciting technology and manufacturing research currently taking place in Europe. Intel has established a partnership with NUI Maynooth, as it appointed NUI Maynooth as its first ever global education partner. It has built on the already strong relationship between NUI Maynooth and Intel through the Innovation Value Institute. The building of such links, whether with NUI Maynooth or the community, are further examples of how, once companies are established here, we can strengthen the links with Ireland.

The publication today of the four year plan includes a firm commitment to maintaining the current corporation tax rate. While the rate in itself is not the most competitive in the world,

it gives security and comfort to foreign companies based here, that there is consistency in our policy. Our export market will be the key element in a return to growth in our economy. It is important that we send out a strong signal to existing companies based here and potential future investors on our strong and long-standing commitment to the 12.5% rate. Our position on our corporate tax is unambiguous. It is protected in an EU context by the principle of unanimity in taxation matters and is further protected by the legal guarantee in the Lisbon treaty.

As a Deputy who represents a constituency where successful foreign direct investments are based, I am delighted that the Government and this House reaffirms Ireland's long-term commitment to the 12.5% corporate tax rate. I know from talking to companies based in Kildare that our corporation tax rate has helped us build the credibility of Ireland as a business-friendly country and it is important that we protect this reputation as we build for the future.

Deputy Michael McGrath: I welcome the opportunity to support the Government amendment to this motion. It is rare to have such agreement across the House and it is essential Members speak with one voice on this critical issue for the economy. I welcome the National Recovery Plan 2011-14 which was published today and which reaffirms the Government's commitment to retaining the 12.5% corporation tax rate as the cornerstone of our industrial policy and our wider economic strategy. It was clarified beyond doubt during the Lisbon II discussions and campaign and by various Heads of State across the European Union since the referendum, that setting the corporation tax rate is entirely a matter for domestic law. While many of our European partners may not like the fact that we have such a low rate, which gives us a competitive advantage in terms of attracting inward investment, it is exclusively a national competence and will remain so. It is important we are clear and definitive on this point.

As a country which is geographically peripheral and an island nation, a low corporation tax rate gives us a critical advantage. It is an essential tool for attracting inward investment as has been reaffirmed by the IDA, the American Chamber of Commerce and the various multinational companies that operate in Ireland and support up to 240,000 jobs. The importance of these jobs to our economy cannot be overstated. The front page of my local newspaper the *Evening Echo* today states that the Apple workforce is set to hit 3,000. Apple Computers has a major base on the northside of Cork city and currently employs 2,665 people. It now plans to take on at least another 300 employees over the next 12 months, which will bring the total number of employees to over 3,000. This is a remarkable success story. If we were to send out any kind of uncertain or mixed message about the corporation tax rate here, investments such as that and the future of companies such as Apple in Cork might be open to question. It is essential we are crystal clear on the issue of our tax rate.

When I look at the other companies in my constituency, I note they form the bedrock of the economy and the employment base in Cork. These are pharmaceutical, medical device and technology companies, like Pfizer, Novartis, Centocor, GlaxoSmithKline, Johnson & Johnson, Eli Lilly and Schering-Plough. All these companies have bases in Cork and strongly support the need for the corporation tax rate to be kept at 12.5%. For that reason, I support it wholeheartedly. Even though some of these companies have had to reduce the number of employees because of a reduction in global demand for various products, all of them have reaffirmed their commitment to remaining in Cork and in Ireland. We should not miss that crucial point in this debate. If there was a question mark around the future of the corporation tax rate, much of that investment would move to find a more attractive home internationally. We need to end any speculation about the future of the corporation tax rate and stand united in support of the Government's commitment to retaining the 12.5% rate.

[Deputy Michael McGrath.]

In the context of the funding package that is to be agreed with the IMF and the European Union, it is inevitable that there will be some diplomatic and political pressure brought to bear on the Government on this issue. That pressure must be resisted at all costs. I know the Government is resolutely determined to resist pressure and to ensure our corporation tax rate remains the cornerstone of our economic strategy.

Deputy Timmy Dooley: As Deputy Michael McGrath has noted, it is vital that we collectively speak in favour of this motion and I am happy to support the amendment. The contributions from both sides of the House clearly indicate that any future Government will retain the 12.5% corporation tax rate, which emerged from the old manufacturing tax rate of 10%. I am familiar with the latter tax because it was part of a suite of measures used to attract foreign direct investment to my constituency of Clare. Government policy in those days was to attract overseas investment into the west and, in particular, the Shannon Free Zone. The tax was later amended to a 12.5% corporation tax rate to meet the requirement that our tax base be made uniform.

It is a significant plank of our policies for increasing employment and investment. Deputy Michael McGrath outlined the companies located in his constituency that benefit from the tax and, more importantly, the number of citizens who have jobs as a result. In my constituency, more than 7,000 people are employed in the Shannon Free Zone. Much of the investment there is by multinational companies, including over 100 US companies. A number of these companies have communicated to me, either directly or through the chief executive of Shannon Development, Mr. Vincent Cunnane, the importance of retaining the 12.5% rate.

The national recovery plan published today emphasises the necessity of broadening our tax base. I welcome that the Government recognises the importance of retaining the 12.5% corporation tax because getting people back to work is central to national recovery. Regardless of the other tax measures required to bridge the gap between what we spend and what we generate, the economy will only recover when people enter the active labour market. The only way jobs will be protected or created is through the retention of that policy.

We have come under pressure from certain countries in Europe which have indicated an interest in reducing our competitive advantage but I am sure the Government will resist. While the EU hierarchy may not be excited about the policy, there is little it can do about it. The Treaty of Rome ensures that taxation matters are the competence of national governments and Parliaments and this was reaffirmed in a declaration to the Lisbon treaty on foot of concerns that had arisen among the Irish public. I do not doubt the rate will be preserved whatever administration is in power. Other European countries should figure out how they can manage their own tax affairs rather than seek to erode our competitive advantage.

However, it is not the only reason we are able to attract foreign direct investment and international employers. We have an English speaking population, a good education system and a highly qualified and flexible workforce. Dell moved to Poland in the belief it could improve its circumstances but I understand that despite the grants it received from the Polish Government to relocate, the labour market in that country is not as flexible. Ultimately, the company will move on to another jurisdiction. This debate should not distract us from the quality of our people.

Minister of State at the Department of Enterprise, Trade and Innovation (Deputy Billy Kelleher): I welcome the opportunity to speak on this motion, which allows the House to reaffirm its support for the 12.5% corporation tax rate as a central plank in Ireland's economic development in recent years. We must send a clear message that it can only be changed by a

decision of the Irish Government and the Oireachtas. The former President of the European Parliament, Pat Cox, has stated:

The consent of the governed in Ireland for the Lisbon treaty was informed by the guarantees, including the tax guarantee. Its nullification without their consent would be an act of duplicity unworthy of any law abiding and self-respecting institution.

Every political party represented in this House supports the 12.5% corporation tax rate policy.

The policy attracts significant foreign direct investment and supports job creation both directly and in spin-off companies servicing multinational companies. More importantly, it facilitates the expansion of indigenous expertise across all sectors, from medical devices and life sciences to software and computing. Our own people have worked in multinational companies before starting up their own small enterprises. Several indigenous companies in the medical devices and software sectors have enjoyed significant growth.

Alongside our corporation tax rate, we must also maintain a competitive marketplace. Multinationals consider several factors before deciding on a location. These factors include the education of the workforce and investment in innovation and research and development. The Government will have to target investment in science, engineering and technology if we are to ensure we produce the best graduates who can serve these multinationals and, more importantly, become leaders in their own disciplines.

With the IFSC, Ireland is recognised as a hub for financial services. Despite the current difficulties in our banking sector, Ireland's international reputation for financial services has not been damaged to the extent that some in this House would allege. We are recognised for strong regulation and governance in this area. The difficulties we experienced primarily arose in the context of indigenous banks.

The hare of corporation tax has been flushed by various individuals in the context of the Lisbon treaty referendum and, more recently, with the visit of the European Commissioner for Economic and Monetary Affairs, Mr. Ollie Rehn and officials from the IMF and the European Commission. It is stated in the Treaty of Rome and reaffirmed in the Lisbon treaty that our corporation tax rate is a competency of the Government and Parliament. This debate has been positive in every way and sends out a strong message to the many foreign direct investment companies that are looking around the world to see where they will locate. We have a lot to offer and this is a central plank in that offering.

Deputy Mary O'Rourke: I am glad to speak on the motion put down by Fine Gael. As the Minister of State, Deputy Kelleher, was speaking, I thought how appropriate the motion is for the times we are living in. It is also suitable to give a clear signal that the country, the Government, no matter what its make-up, and all sides concur on this very important measure, namely, the 12.5% corporation tax rate.

It is extraordinary that, whenever things get difficult, we hear siren songs and voices, particularly from the larger countries of Europe, saying that this will have to be looked at and that Ireland will have to get its "wings clipped" or words to that effect. It is said we should not be allowed to "get away" with this corporation tax rate for much longer. What is often forgotten, and it often struck me when I used to attend the Council of Ministers, is that it is very easy for people in the countries of continental Europe, such as France and Germany, to get to Brussels, Strasbourg or Luxembourg. In geographic terms, we are an island off an island off Europe. When that is considered, if the 12.5% rate gives us some advantage, that is fine by me.

The corporation tax rate is long established and underpinned by our ratification of the Lisbon treaty. It was noted in documentation I received that we were given cast iron legal guarantees

[Deputy Mary O'Rourke.]

prior to the Lisbon treaty referendum that our corporation tax rate would be protected. While it took a while to do so, we passed the Lisbon treaty and we should hold fast and be quite determined in this regard.

The corporation tax rate is a major attraction. When I think of Athlone, I think of the firms located there such as Elan, Covidien, a great firm which has gone through several changes, and LM Ericsson, which has been in Athlone since the early 1970s. While I am not sure what the corporation tax rate was at that time, I am sure these companies continue to avail of it. These are three of the major firms and other new firms are coming in. For example, Georgia Tech, which is small but will grow, involves the concept of industry on a university campus and does fine work. All of these companies are benefiting from our corporation tax rate.

The companies are not just coming for tax reasons but for the quality of people in Ireland. One cannot separate a firm or business from the people who run it and who come to work there with their qualifications, whether they are graduates, at technical level or otherwise. This is another good reason we should continue our rate of investment in education and in research and development in particular. If a company keeps on making and sending out the one product, it will never succeed. Companies must always look around the corner and over the next hill so they know what is coming.

I was invited to Covidien to see what it is producing and supplying. I was fascinated by a statistic I was given, namely, at any minute of any of the 24 hours, somebody in the world is using a Covidien product, which surely says something. The companies are nestled in well, and this is one of the benefits of having built the main roads. When people say "You squandered the money. What did you spend the money on?", I ask how long it took them to come from Dublin, and the answer is one hour and five minutes.

Deputy Damien English: There are plenty of tolls too.

Deputy Mary O'Rourke: The network of main highways is remarkable. We in Athlone and Mullingar, to which there are main highways, look forward to welcoming many fresh new industries which will be attracted in the beginning by the corporation tax rate and later by the quality of the people who wish to work in them.

Deputy Beverley Flynn: I welcome the opportunity speak on the motion. With the publication of the four year plan today, I am delighted the Government has reconfirmed its commitment to the 12.5% corporation tax rate, which is central to our employment policy, growth policy and the total growth of our economy. One need look no further than the comments of the president of the American Chamber of Commerce in Ireland for an indication of how important this tax rate is to Ireland's economy. The president said foreign direct investment accounts for €110 billion, 70% of total exports in the Irish economy, 240,000 jobs, 55% of corporation tax, €19 billion in direct expenditure, €7 billion in payroll costs and 73% of the business spend on research, development and innovation.

I am fortunate to come from a county that has benefited in a major way from foreign direct investment in the shape of four major companies, Baxter, Hollister, Ballina Beverages, known as Coca Cola, and Allergan. Only recently, Hollister, with the announcement of an additional 250 jobs in my county, stated that the key reason for its locating those jobs in Ireland was the 12.5% corporation tax rate. If we need any further recent indication of just how important and influential the rate is, we see it there. The benefits are seen not just in my county. The spin-offs from these companies in terms of the benefit to indigenous companies is very significant and everything possible must be done to retain it.

The four year plan is based on average annual growth of 2.75% over the four years and that growth will only be achieved through the development of exports. When we see that foreign direct investment accounts for 70% of our exports, it shows how significant international companies will be in the development of this economy for the years ahead. It is great that all Members of the House are at one on this matter. It is highly important that, as a country, we would resist any attempts, whether from Europe or anywhere else, to in any way interfere with our corporation tax rate.

When we passed the Lisbon treaty, we went to the Irish people. In the course of the first Lisbon campaign, one of the key concerns was the fact corporation tax might be interfered with so we got legal guarantees which made it very clear that this was a matter for Ireland itself to decide. Considering some of the comments from Ms Angela Merkel and Mr. Sarkozy in the past days and weeks, we see clearly that this remains the position. It is important that we reiterate and preserve this into the future as it is so significant for our economy.

The corporation tax rate is the key plank in the policy of IDA Ireland and Enterprise Ireland in trying to attract investment into Ireland. It has come about over a number of years. Corporation tax was as high as 50% in 1986 and 40% in 1996, so we can see how significant the low rate has been in the period since then. While we are fortunate enough to have the benefit of these companies locating here, it is important that any capital programme, although slightly reduced as it will be under the four year plan, would be focused on areas where we have companies like Baxter, Hollister, Allergan and Coca Cola, particularly in regard to roads and infrastructure development.

It is important we do everything we can to retain jobs given the significant input these companies have in our economy. I want to put on the record of the House, as I have done on many occasions, that a 40 km portion of the N5, the main artery between Dublin and County Mayo, needs to be upgraded to safeguard such companies, some of which have had a base in this country for 38 years. These are not fly by night companies but have been here as long as 38 years, as in the case of Baxter in my town. They have been encouraged to stay, are investing in research and development and are committed to the future. A large part of that is because of the 12.5% corporation tax.

Acting Chairman (Deputy Charlie O'Connor): The next speaker is Deputy Damien English. There are 30 minutes in the slot and I understand the Deputy is to take five, as is Deputy John O'Mahony, with four minutes each for Deputies Pat Breen, Michael D'Arcy, John Deasy, Kieran O'Donnell and P.J. Sheehan.

Deputy Damien English: Did the Acting Chairman mention Deputy Deasy?

Acting Chairman (Deputy Charlie O'Connor): I did. I would not leave out the Deputy.

Deputy Damien English: The Acting Chairman has saved me from reading out all the names. The 30 minutes start now.

Acting Chairman (Deputy Charlie O'Connor): I appeal to all Deputies to stick to the time because otherwise their colleagues will suffer.

Deputy Damien English: The Acting Chairman might let me know the time at four minutes because I have a tendency to ramble a little towards the end. I am sure he will sort that out.

I am glad we are having this debate. Like many in my party, I never believed the 12.5% corporation tax was at risk. Sometimes Ministers like to show off, claiming they are saving things and getting things done. They dream up events and potential disasters, everybody panics

[Deputy Damien English.]

and then they say everything is grand, they sorted it out. However, because Ministers have done that or allowed it to happen over time — not only in the past week — it is important to have this debate so that every Member can clarify his or her intention with regard to this tax and where its position will lie in the future.

Many foreign direct investment companies locate in Ireland. They cater for almost 70% of our exports and massive employment, direct and indirect, is generated by them. It is very important, therefore, to send out a clear message to them. It must be totally clear and contain no doubt. The Minister has tabled an amendment and expressed his agreement about the rate in the plan which was launched today. I would like him to clarify and confirm that in addition to our maintaining the headline corporation tax of 12.5%, there will be no requirement, explicit or otherwise, for this country to introduce or agree to any measures in regard to its corporation tax regime as part of the financial assistance package from the EU and the IMF. I hope he will do that in his wrapping-up speech and put beyond any doubt that, the tax apart, the regime will not be touched in any other way. Business leaders want to see that because they make decisions for ten or 15 years ahead. They are not like governments which try to bring in a budget and plans for the coming year. I am thankful we now have a four year plan. I called for one two years ago because people need to see exactly what is going to happen. Business people make long-term decisions and they need to know whether there is any doubt about the tax regime. I do not believe there is but we need total clarity. That is why we are having this discussion tonight about this matter and other issues. I hope the motion will be accepted and the message will go out very clearly.

This sector is very important. We know the business generates approximately €110 billion. The expenditure in the Irish economy is about €19 billion but the number of jobs created and the money created by the job payroll is about €7.1 billion. A great deal of money comes into the country, with nearly €3 billion in corporation tax also contributing to the State. This is an area we cannot let go and must protect as much as we can.

Other countries in Europe may be concerned about our tax regime and may think they are losing out because of us. It must be made clear to them they do not lose out. The companies that choose to locate here do so for many reasons but if they did not come here they would probably go elsewhere and not to mainland Europe. The Minister for Enterprise, Trade and Innovation, Deputy O’Keeffe, stated that last night. I agree with him but the message must be made clear to people and leaders in other countries who are concerned and look with envious eyes at us. Ministers must get that message across and use their positions at various meetings in Europe to explain this situation is unique to Ireland and no other country in the European project is losing out because of it. Now more than ever we need this tax rate because we have a massive amount of money to pay back. Whether we will ever manage to repay it is one thing but we certainly have to pay the interest due which on its own might cost €10 billion, if not €11 billion, per year by 2014.

We need serious growth and job creation plans in order to create jobs. That means we must attract more business from abroad and cannot take the situation for granted. The tax rate is one area but we must chase after other areas too. The cost of labour here is enormous having jumped that way because of the cost of property. That needs to be addressed but I do not agree it should be done by cutting the minimum rate of pay. That is not what it is about. There are other ways in which labour costs too much. I call on unions to be part of this and have a proper discussion about it because when wages in certain areas are too high, that is a big issue. The cost of doing business here is affected and most of the Government-regulated costs are too high — insurance, banking charges, energy and so on. We must drive down these costs.

We cannot take the international businesses for granted but must work with them and drive down their costs. We must also work with them on planning matters, driving down delays and speeding up decision making. Reference was made to Maynooth, Intel and Photex. There was a very worthwhile project in that area which was shot down by the planning authorities, stupidly so to my mind. I am all for proper planning but common sense is also required. We must work with and keep new businesses in this country.

Deputy John O'Mahony: I am glad to contribute to this debate and I strongly support the Fine Gael motion. It is great to hear the positivity regarding this motion from every side of the House. Along with Deputy Noonan last night and many of my colleagues during this debate, I express total exasperation at the Government's attitude to my party's proposal. I would like the Minister to explain in his contribution why it was necessary to bring in an amendment when our motion is very simple. Every one of the 166 Deputies in the House supports this motion, as, I assume, does every person in Ireland. Why could it not be a simple process with the Government supporting the motion rather than bringing in its own amendment? Twenty-four hours ago the Taoiseach appealed to this side of the House making it responsible for ensuring that four year plans and budgets would be passed. The Government wants consensus from us but it does not give consensus to us. This is an example of that attitude. The time for playing games is over. The Government has played games with the taxpayers' money for the past 15 years. I wish to leave that aside and move on but I am interested in hearing the Minister's explanation as to why an amendment was included.

The maintenance of the 12.5% corporation tax is crucial to the economic recovery of the country and the continuance of inward investment from outside, particularly from the United States. Multinational companies from the US employ 3,000 people directly in my constituency of Mayo. Allergan of Westport, Baxter Healthcare in Castlebar, Hollister and Coca-Cola in Ballina are the main employers. They provide 3,000 jobs with probably another 3,000 in back-up or spin-off jobs, if the truth were known. They want to be in Ireland because it is a gateway to the rest of Europe, with an efficient and well-educated workforce. However, we cannot take these things for granted. We need this pillar of corporation tax at 12.5%. If this rate was vital in attracting investment in the first place during the good years, it is even more critical now at a time when we need to protect what we have and encourage more business.

In recent weeks my constituency has witnessed the knife edge on which many of these jobs lie. Two hundred and fifty jobs were welcomed with great euphoria in Ballina by the Government. A week later 200 jobs were lost in Baxter in Ballina. The corporation tax is vital and a clear message must be sent out about it. There are certain incentives which are non-negotiable, whether it is the Government, the IMF or the ECB which is making the decisions. If the tax was needed during the boom it is needed thousands of times more now. There is another aspect to the debate on raising the corporation tax. During the Lisbon treaty debate when Members went around the country talking to the people we were assured by Europe that tax rates were to be decided upon by the individual country. There were no ifs, buts, provisos or opt-out clauses. Now is the time, in our hour of need, to deliver on the clarification given at that time. The Lisbon treaty would not have passed if that guarantee had not been given and therefore a different view is not acceptable now and cannot be contemplated.

Corporation tax affects and influences the mobility of investment. In Ireland we depend more on this mobility to attract jobs than most other countries do because of our peripheral location and because we are a gateway to the core countries of Europe.

A four year plan was published today. Many multinational companies are planning ten years ahead and we cannot afford to send out any other signal other than that the corporation tax

rates will be capped at 12.5% now, into the future and ten years ahead. I commend the motion to the House.

Deputy Pat Breen: I welcome the opportunity to speak on this important motion on the tabling of which I commend my colleague, Deputy Noonan. Today in Government Buildings we saw the pain which generations of Irish people will have to carry for the sins of the Government and its banker friends. Like Deputy O'Mahony, I am angry at the fact that the Government added an amendment to our motion. It has been preaching consensus for some time but unfortunately there was no consensus on this occasion. The Minister for Finance knew last night that corporation tax would be protected in the four year plan and he should have agreed with the Fine Gael motion. I am disappointed with that and it is very shortsighted.

Nevertheless, I welcome the commitment to maintain our corporation tax rate at 12.5%. It is hugely important for our country and critical for our economic recovery. Foreign direct investment accounts for €110 billion or 70% of total exports. Multinationals are the one bright spark we have in driving export growth in this country. According to a recent survey by the IMI 47% of multinationals located here expect their turnover to increase in 2011 and 26% expect to increase the number of people they employ.

Today our party leader met the new boss of Intel in Ireland who was very concerned about corporation tax. He informed Deputy Kenny that he commended Fine Gael on tabling the motion and will send the transcripts of the debate to the company headquarters in the United States. That is how strongly it felt about corporation tax. It employs 4,500 people here in Dublin and Shannon, which is my constituency. The Intel projections for the future are quite good. I have been to Intel in Shannon and visited its research and development plant. The future technology which is being developed in Shannon is super. It is very important to have an industry like it in the region.

The IDA has a very ambitious target for developing foreign direct investment in its strategy document, Horizon 2020. As part of that strategy it is committed to developing 50% of the projects to locations outside Dublin and Cork. The mid-west region, for example, has preclearance available in Shannon for scheduled transit and general aviation traffic. That is very important and I understand negotiations are ongoing with the DAA regarding the Lynx Cargo group which I hope will be successful. The agreement would pave the way for the development of a cargo hub at Shannon Airport which in turn would create more than 5,000 jobs throughout the region.

Another area which I want to promote is the Shannon estuary. It is an area which could potentially be attractive to multinational industries and retaining the corporation tax rate of 12.5% is very important. We have a deep sea port and the airport and it is an ideal location for alternative energy or manufacturing. Multinationals will be attracted to the area once our economic situation is rectified. I commend the motion to the House. I thank the Government for getting it right on this occasion. It was the only course to take and was the Fine Gael position.

Deputy Michael D'Arcy: It is crucial for the future development of our country that we have certainty regarding the 12.5% corporation tax rate. The rate should be considered in the context of our European partners. Many of the 27 member states have lower rates than ours. They have had a good look at our rate and the amount of foreign direct investment which comes in, based purely upon the amount of corporation tax to be paid by the corporate entity. I understand two of the 27 member states have a corporation tax rate of 0% but they get the benefit of employment and other taxes which swell the coffers in their countries.

Something which might be considered is the Swiss position, where there are different rates of corporation tax based upon where the company establishes itself. Some are located in the outer cantons of Switzerland which have a corporation tax rate of 0%. The companies based in the capital pay a standard country rate. The benefit of this is that it is not a version of aid coming from anywhere, rather, it is a tax reduction. It is something which we should consider.

As someone who is from Wexford, unlike my colleagues who have just spoken, including Deputy Breen who spoke about the benefits of Clare which has an airport and a deep sea port, I know transport hubs will always have the benefit of companies establishing in those areas. We do not have those companies and therefore do not have the benefit of the employment and cash in the local economy.

The tax growth will be approximately 1.75%. That cannot happen without a clear and unequivocal message to companies which are established or establishing. The value of their products has been mentioned but I want to put it into context. A neighbour of mine has a trucking company and was taking a lorry load of product from Intel to the Continent. He had to increase his insurance on his cargo by a multiple of millions. One lorry load of high value added product costs millions. We have the benefit of that for the country. We also have the benefit of many of the internationally recognised global companies which have decided to establish the European base here and some have even establish their world bases here because there is one benefit, corporation tax.

An amendment which was not required is merely another example of business as usual. Even though the Government applied for funds from the IMF and the European financial stabilisation fund on Sunday night we had business as usual here. There was no attempt to recall the Dáil in emergency session. How this Chamber can continue to operate with a business as usual mentality when fiscal and financial emergencies are happening is beyond me. It is no wonder the public are angry and vexed with everybody in this Chamber when those circumstances prevail.

Deputy John Deasy: I want to refer to the role of the IDA as the primary development authority with responsibility for attracting foreign direct investment. Parts of my constituency of Waterford have been treated as an afterthought by the IDA for many years, in particular west Waterford and Dungarvan. They stand out as being the worst affected. Last week I received figure is detailed in the number of visits to Dungarvan by potential investors over the past four years. There were five visits by potential investors which is not an impressive number.

At this point in time we need to consider the relationship of the Dáil with the IDA and Enterprise Ireland and determine how to maximise the effectiveness of our inward investment strategy as a whole. I have a background in international trade; it is one of the areas I worked in when I lived in the United States. I have come to the conclusion that the level of interaction between legislators in our national Legislature and the IDA needs to be more frequent and far more comprehensive.

I have found the IDA to be attentive and responsive when contacts have been made by my office. I have found it to be very professional and skilled at what it does. However, the effectiveness of agencies like the IDA and the other development authorities will be one of the key determinants as to whether this country can recover economically.

In any new Administration next year, I propose that the workings and deliberations of the IDA are reported to every Member of Parliament on a regular basis. In other words, the Legislature and the development agency need to work more closely and more frequently

together. If we are to achieve reasonable growth in the coming years, this Parliament needs to take a hands-on approach to international trade and inward investment matters. That would mean regular briefings and meetings with these agencies on a regional and national level. That would increase scrutiny of their strategies and would make the Dáil a little more relevant as it relates to where we are now and where we need to be in a few years time.

Ultimately, as we found out over the past five years, there are too many ways not to answer a parliamentary questions and this area is no different. As a matter of course, the Dáil, this Assembly, needs to be a more active element of oversight as it relates to potential foreign markets and foreign investment.

Deputy Kieran O'Donnell: I am pleased to support this motion. The Government amendment is an amendment for the sake of it. It comprises a lot of words but says very little. The Government is looking for co-operation and yet our motion is very direct and is committed to the maintenance of the 12.5% rate of corporation tax as an indispensable tool for growth, job creation and economic recovery. There was no need for the amendment. The Government could have agreed with what we put forward — a commitment to the maintenance of the 12.5% rate of corporation tax.

This rate was introduced by the rainbow coalition Government in 1997. I know was in practice at the time and saw the benefits of it. Companies in the indigenous sector were paying a 40% rate of corporation tax which was suddenly reduced to 12.5%. It was a major growth tool for small companies which were able to reinvest in their businesses and provide much needed jobs. It is critical to the multinational sector. Currently, more than 70% of our exports come from the multinational sector.

In terms of the ongoing negotiations and the European Commission, the European Central Bank and the IMF looking at Ireland, this is a fundamental tool to our industrial base, in particular to the multinational sector. If they are looking for repayment of funds extended, why take away the great tool we have in the form of the 12.5% rate of corporation tax? What also needs to be explained is that if we remove it, many of the companies here will not go elsewhere in Europe where the rates are higher. Therefore, it would be a loss for Europe. That is something which needs to be put forward with great force.

The constituency from which I come, Limerick East, and the mid-west region, including Shannon, has an enormous cluster of multinational companies. It is probably the largest cluster outside Dublin. The multinational companies are great providers of employment.

The 12.5% rate of corporation tax is enshrined in the Lisbon treaty and it must be a bottom line issue. For me as a Deputy from Limerick, it is a vital component in terms of our industrial base, in particular for providing jobs. In terms of driving the indigenous industry, we must provide a climate which encourages entrepreneurship. The 12.5% rate of corporation tax leads to companies reinvesting in their businesses and, above all, to job creation.

The private sector will bring this economy out of recession. That is why I am so disappointed in the four year plan produced by the Government. We have a plan but it is not much of a plan. It lacks the measures to enable the self-employed sector to grow. However, I welcome the retention of the 12.5% rate of corporation tax. I hope the Government will not press its amendment and will support the motion in the interests of unity.

Deputy P. J. Sheehan: We are discussing a vital interest to our nation's economic prosperity which has been ruined because of the reckless policies of the party opposite which has once again brought this country to its knees with a begging bowl out to our neighbours.

I was first elected to this House in June 1981 and immediately on entering it as a Government backbencher, we faced an economic crisis as a result of the most corrupt political document ever produced, the 1977 Fianna Fáil Party general election manifesto. Fine Gael, the Labour Party and even the former party, Democratic Left, have a proud history of putting the nation's interests before the political interests of their parties, often to their political cost. However, that will not stop us from again giving our best to sort out the economic well-being of all our people to rebuild a strong independent nation in the European family. We have done so four times in the past four decades and we are willing and able to do so again.

Fine Gael has always put the truth before spin. Fianna Fáil has always put out spin instead of the truth. A friend once described it to me as follows. There is the right way, the wrong way and the Fianna Fáil way. In other words, even when the truth jumps up and bites it, it blames all those around it, including the Opposition, the media, Lehman Brothers, the credit crisis and conspiracies. It is now blaming the euro crisis. Has one ever heard a word from one of them saying they had made a mistake?

Fine Gael has led the Governments which have rescued this country in the 1970s, 1980s and 1990s by turning around the economy from a crisis to a very healthy position on leaving office. The 1973-77 Government led by Liam Cosgrave had to take tough measures to restore our economic well-being. They were fair measures and by the election of 1977, the economy had been turned around and was on a steady upward trend. We then had the irresponsible actions of Fianna Fáil in a desperate grab for power. It produced the famous 1977 general election manifesto for which we have all been paying since. There was no rates on houses or tax on cars.

When the Fine Gael Government, led by Dr. Garrett FitzGerald, came to power in June 1981, Fianna Fáil had once again recklessly brought the economy close to the brink with the IMF almost knocking on the door on that occasion. Along with its coalition partner, Fine Gael set about creating a path to economic recovery to create employment and sustainable growth. Fianna Fáil fought against every proposal tooth and nail.

By 1987 the economy had been returned to a healthy economic position with positive growth rates, increasing employment and reducing unemployment. It took Fianna Fáil two years to again bring the country to its knees.

Deputy Martin Mansergh: I would love to discuss economic history with the Deputy.

Deputy P. J. Sheehan: In 1989, Fine Gael put the country first with the Tallaght strategy. It is widely acknowledged that the outgoing rainbow Government led by John Bruton from 1994 to 1997 left the country in a very sound economic position. The economic health of the nation was so good that it took Fianna Fáil over two terms of government to wreck it again. Fianna Fáil has always gambled with the economy to save the party and its gambling has never paid off. The Irish taxpayer has always paid a high price for the high-risk bets put down with the taxpayer's hard-earned money. For the good of the country Fianna Fáil cannot be returned to power for at least a decade and possibly longer.

Acting Chairman (Deputy Charlie O'Connor): I thank the Deputy.

Deputy P. J. Sheehan: Fine Gael has had to repair damage done to this nation by Fianna Fáil on each occasion it was elected to office over the past 40 years, and we are ready to do so again. We are ready to put our shoulder to the wheel to rebuild this nation from the current economic disaster that Fianna Fáil has once again brought upon us.

Acting Chairman (Deputy Charlie O'Connor): I thank the Deputy.

Deputy P. J. Sheehan: Fine Gael has the team and the policies to address the issues facing the nation. Fine Gael has always put the interests of the nation before the party. We have never left the economy in a mess like Fianna Fáil. We have always left Government with the economy in a healthy state, built on a strong foundation for future growth. We have never tried to build a tower of Babel.

Acting Chairman (Deputy Charlie O'Connor): I thank the Deputy.

Deputy P. J. Sheehan: When the Minister is on this side of the House after the election, he should try to act for the good of the country rather than the good of Fianna Fáil.

Deputy Brian Lenihan: I am glad the Deputy is promising me my seat.

Deputy Damien English: He might not have a seat.

Deputy P. J. Sheehan: The Minister should remember he has much penance to do.

Minister for Finance (Deputy Brian Lenihan): I thank Deputy Sheehan for his kind wishes on the general election. It is useful to have a debate on the motion before the House and I thank Fine Gael for tabling it. It is not every day we have consensus across the floor of the House on a Private Members' motion.

Deputy Terence Flanagan: Why change it?

Deputy Brian Lenihan: The consensus and agreement we have will send a clear signal to the outside world on the strategic importance of the issue for Ireland.

Deputy Damien English: There is an amendment tabled.

Deputy Brian Lenihan: I have no particular problem with the motion as drafted, although there is an amendment in our name which can be considered. It was prepared with the advice of officials in my Department. It makes a case——

Deputy Damien English: Who is in charge?

Deputy Brian Lenihan: There is no point in being contentious.

Deputy Damien English: The Minister should not blame somebody else for his policies.

Acting Chairman (Deputy Charlie O'Connor): Deputy, please.

Deputy Damien English: He is blaming somebody else.

Acting Chairman (Deputy Charlie O'Connor): We are running out of time.

Deputy Brian Lenihan: I am not blaming anybody but simply making the point that the alternative motion presents the case rather better than Fine Gael. If the party wishes to press the issue, I will not cause a vote when there is agreement on it. I thank all Members across all parties for their contribution over the past two nights. My colleague, the Minister of State at the Department of Finance, Deputy Martin Mansergh, was correct when he reminded us that we are in essence talking about a successful 50 year old strategy which has been upheld by various Governments over the years.

I assure Deputies that the threat to the corporate tax rate is not an invention of mine or this Government. Far from scaremongering about the threat to our corporate tax rate, I have used

every available occasion to reassure the international investment community of the absolute commitment of this Government to the continuation of this rate. The Government has once again restated a commitment to the 12.5% rate in the national recovery plan published today, which has secured very broad acceptance and support from the European Commission. Deputies should put their minds at rest on this issue.

Deputy P. J. Sheehan: When will the Government put the people back to work?

Deputy Brian Lenihan: There is a difficulty in the context of external funding, with the idea that any of the relevant organisations might have a negative view about our corporate tax regime. They do not have such a difficulty. One of the facilities is contingent not just on support from the European Commission, but from the different member states of the eurozone. Both President Sarkozy and Chancellor Merkel have made the position clear that they do not see this as an issue in these negotiations; it has not been an issue in the negotiations for international and external assistance and it will not be an issue. It does not arise and we would be better occupied devising the strong arguments that exist and developing cases for Ireland having the 12.5% rate.

There are individuals, economists and commentators in some member states who feel this is some form of predatory advantage for Ireland to enjoy this corporation tax rate. It is important to put on record that various states have hidden subsidies for their industrial systems. For example, very large countries often have arms industries which play a very significant part, through public procurement, in the relevant member state of building up the economy. Happily, we do not have any arms industry in this country but that is an example of how industrial growth can be procured in larger countries through an industrial policy that is unavailable to us.

We are a peripheral eurozone member state and we must use all the tools and weapons at our disposal to attract inward investment. We have had a consistent policy for the past 50 years, as the Minister of State, Deputy Mansergh, pointed out and we intend to continue with the policy. I thank Deputy Noonan for his contribution and I agree with his view that economic recovery is not about cutting and taxing, but above all about growth. He pointed to our well-established export-oriented services industries, including the IFSC, and the contribution they can make to our revival.

There is a good story we must tell about our export markets. Our exports have increased by 6% this year and although we have real difficulties with our budgets and in our banking sector, our exports have increased dramatically. Our unemployment levels stabilised in October and November, with a month-on-month decrease in the live register for the first time since 2007.

Deputy P. J. Sheehan: People are emigrating.

Deputy Brian Lenihan: There are positive signals in our economy and we should build on those positive elements. We should conclude our discussions on the external negotiations and above all we should send a clear signal to the world on 7 December about how we manage our budgets.

Acting Chairman (Deputy Charlie O'Connor): The final slot will be shared by Deputies Terence Flanagan, Tom Hayes and Brian Hayes.

Deputy Terence Flanagan: I welcome the comments of the Minister and I am delighted that there is full consensus in the House on the corporation tax rate. That is to be welcomed. I thank Deputy Noonan for bringing forward this important motion, which reaffirms the commitment of Dáil Éireann to the 12.5% rate for corporation tax.

[Deputy Terence Flanagan.]

This rate has been a great success for Ireland and much of the international investment in this country would not have occurred if the corporation tax rate had not been introduced. I am delighted that a Fine Gael-led Government introduced the rate in the mid-1990s. The objective should be for the tax rate to continue for the foreseeable future and there should be negotiation on it in the talks with the IMF. For that reason, the Minister's comments this evening are welcome and will put people's minds at rest.

Unfortunately, our economy is in serious trouble and our ship has hit rocks. There is much money leaving the country and that has to be made up with tax increases in the coming years. This is one area we cannot tinker with. The tax rate is a key ingredient for the export sector and the success of that industrial area. The quality of education is another issue and the Minister must consider that in greater detail at budget time to ensure the fewest number possible of cuts in education.

The last thing this country needs is bad news for the 1,000 multinational companies active in Ireland. Foreign direct investment creates thousands of jobs and it is a key factor. Businesses will leave the country if we do not protect what we have. IDA Ireland is charged with selling Ireland abroad and this is a key element on which this country is being sold on an international basis. We are the envy of Europe in this regard and we are under pressure from other European countries, such as Germany and France, which want the rate to be increased. We must be strong in this case in avoiding such action.

The United Kingdom has a corporation tax rate of 38%, China has a rate of 25%, Germany has a rate of 30% and the United States has a rate of 39%. We have a competitive advantage with this low tax rate. We must ensure it remains in place.

A recent statement by German Members of the European Parliament that Ireland's rate of corporation tax should double if the country borrows from an IMF-EU fund was unhelpful. It is the last thing the country needs. I am pleased the Minister has put to bed speculation in some newspapers today that a special bank levy would be imposed on foreign banks located in the International Financial Services Centre. Such a move would undermine the great work being done in the IFSC and result in a haemorrhage of jobs. We must not introduce a bank levy.

Commissioner Olli Rehn's recent statement that taxation rates are a matter for each sovereign government and the Commission will not put countries under pressure in this regard is reassuring. Nevertheless, we must avoid complacency if we are to ensure our low rate of corporation tax continues for the foreseeable future. Notwithstanding the proposed increases in income tax rates and the fact that everyone will be hammered because the country has been run into the ground, I welcome the consensus in the House on our corporation tax rate.

Deputy Tom Hayes: I am glad to have an opportunity to say a few words in this worthwhile and important debate, and pleased the Minister indicated the House would not divide on the motion. I have never seen so many people unite behind an issue as they have in recent weeks with regard to need to retain the corporation tax rate of 12.5% which Ireland has enjoyed for many years. The current rate has delivered significant benefits to constituencies, counties and individuals. Every constituency has examples of companies which have located there as a result of the success of the 12.5% rate.

Ireland's corporation tax rate has been discussed in boardrooms across the world and is one of the determining factors in companies' decisions to locate here. We have reaped considerable benefits from foreign direct investment, FDI. Enterprise Ireland has recorded that FDI companies are responsible for exports of €110 billion, contributions of €19 billion of direct expenditure in the economy and a total payroll of €7.1 billion. These companies employ 136,000 people

directly and a further 100,000 people indirectly, and most of their employees are looked after well.

In my constituency, FDI companies are located in Cashel, Clonmel, Carrick-on-Suir and, to a lesser extent, Tipperary Town. Certain towns are crying out for foreign direct investment. Tipperary Town, for instance, where the Minister of State, Deputy Martin Mansergh, and I live, has been waiting for a long time for such investment. I hope a company will avail of the opportunity to establish itself in the advance factory constructed in the town. This would deliver major benefits to Tipperary which has been crying out for industry for many years.

We must examine how we do business in areas other than corporation tax. Local authorities need to speed up their procedures on planning applications. While some local authorities are good at welcoming foreign direct investment and roll out the red carpet for foreign companies, many such companies face planning delays. We should do everything possible to accommodate foreign companies.

Many young people are leaving our shores because they no longer have employment opportunities. Facilitating multinationals which are considering Ireland as a location for investment would help address this problem. We have an educated population which is keen to work. Many of our young people are departing for the United States and Australia and will bring benefit to the economies of those countries. We should leave no stone unturned at local authority and national level in our efforts to accommodate multinational companies.

While we all support the 12.5% corporate tax rate, we need to continue our efforts to encourage as many companies as possible to locate operations here. Ireland has a clean environment and is one of the best places in the world to live. We must take up the challenge to encourage companies in the United States, Canada and elsewhere to locate here. People will work hard and give a lifetime commitment to their place of employment. Foreign companies have a great future here.

Deputy Brian Hayes: I thank colleagues on all sides for their contributions to this debate both last night and tonight. In a week when the international reputation of this country has been sullied as a result of the fiscal and economic crisis in which we find ourselves, this debate is crucial to our international standing.

I am convinced — I have information to this effect — that senior CEOs and executives of companies in the United States and other parts of the world which have considerable investments in Ireland are reading and watching this debate. What businesses which invest in this country want more than anything else is stability. They want to know their investment is effectively guaranteed and that third countries such as Ireland to which they relocate plants and businesses are stable. The debate on this motion will send out a positive signal to the international business community that this country is still open for business. The only way out of the crisis is to expand business, increase exports and ensure we improve our trade through domestic industries and multinational companies based here.

I do not underestimate the importance of this debate for those who take an interest in whether Ireland is open for business. I am completely indifferent on the amendment because the House is speaking with one voice tonight in a most difficult week for this country. Ireland's corporation tax rate is a sovereign matter for the House and Governments of every complexion to determine policy on business profit tax.

Deputy Brian Lenihan: That sovereignty extends to all forms of taxation.

Deputy Brian Hayes: Yes, it is a sovereign matter, as has been confirmed by a number of EU treaties which have been formally ratified by Irish people. Once such an agreement is

[Deputy Brian Hayes.]

made, our EU partners are duty-bound to respect it, not only because it has the *imprimatur* of the House but also because it has the sovereign *imprimatur* of the Irish people.

Businesses do not choose to invest in Ireland solely and exclusively for the purpose of availing of the 12.5% tax rate. They come here because of the skills of the population, the proximity of our market to the European mainland, the fact that we speak English and because it is a good place to base their business.

Our future strategy is not only about creating new jobs as these must come about as a result of some spark in the economy. We must have a dual strategy of protecting every single job in this country.

Ireland is not Greece. We have 1.8 million people at work in this economy and despite the enormous increase in unemployment, we still have a much lower rate of unemployment than Spain, Portugal and Greece. We need to adopt a twin-track approach in that while building new jobs and creating the environment to get new industries working, we also must protect every single existing job both in this sector and elsewhere in the economy.

Each action we take must have this as a sharp focus. Any proposal on tax, on red tape or which could clog up the planning system, could all be to the detriment of the 1.8 million people who currently are at work. We face a huge task in trying to create an environment for new jobs, while also trying to protect those people who remain at work at present. I believe the consensus position arrived at last night and this evening on this matter will send out that strong signal.

Amendment, by leave, withdrawn.

Motion put and agreed to.

Adjournment Debate

Fiscal Policy

Deputy Kieran O'Donnell: I thank the Acting Chairman and welcome the Minister for Defence, Deputy Killeen, to the Chamber. The Minister is from County Clare and this issue is of specific relevance and importance to Shannon Airport and the wider mid-west region. The reason I raised this matter is Shannon Airport Authority launched its five-year plan today. It projects that it will increase its passenger numbers to 2.5 million by 2015. One factor that may be instrumental in achieving this target would be the removal of the punitive €10 travel tax. It made no sense at the time of its introduction and many other countries have removed similar measures. I heard the Minister for Tourism, Culture and Sport, Deputy Hanafin, mention this morning that the travel tax was up for discussion in the budget. I seek confirmation from the Minister, Deputy Killeen, that this €10 travel tax will be removed. As a Deputy for County Clare and a Minister from the mid-west region, I do not doubt that the Minister, Deputy Killeen, will do everything possible at Cabinet level to ensure the removal of the travel tax.

If one considers this issue from the perspective of Ryanair, its passenger numbers next year are projected to be approximately 400,000. In 2009, the equivalent figure was just short of 2 million passengers. Moreover, Michael O'Leary has stated that a major factor in the reduction in the number of flight routes, which have fallen from a peak of 35 to six, is the travel tax. There must be an element of common sense in government and it makes no sense to introduce a tax that brings in only approximately €100 million but that takes from an airport and a region

by driving away tourist activity. This is short-sighted and a key feature of the Government has been that it has made decisions that are purely about short-term revenue collection but which have enormous consequences in the long term for employment and the number of flights arriving at Shannon in particular. The Minister is aware that passenger numbers are well down. The passenger numbers in 2010 are expected to fall by 800,000 from the equivalent figure of 2.8 million passengers last year to 2 million passengers this year.

One must ensure the measures in place do not discourage people from coming to Ireland. The Limerick and mid-west region have terrific amenities, a fantastic array of hotels and golf courses. Limerick city boasts such amenities as Thomond Park, the Hunt Museum, the city itself and the River Shannon. People should be encouraged to enter the region and the €10 tax constitutes a major impediment. The national plan produced by the Government today is 150 pages long. While I may have missed some of the small print, I did not see a reference to the removal of the aforementioned travel tax. The Minister should confirm either that this is mentioned somewhere in the document or, if it is not, that its abolition will be brought forward in the budget to enable Shannon Airport to increase its passenger numbers.

As the Minister is in the Chamber tonight, I will refer to another key element that will enable Shannon Airport and the region to drive forward, as the airport is a driver of tourism industry in the mid-west region and people in Limerick city are closely associated with it. Shannon Airport must be made independent, which always was the intention under the original legislation. The Minister should indicate when a review will get under way to ensure that Shannon Airport can be a stand-alone entity. However, on becoming independent to make decisions, it must be independent in a debt free way. It should not be laden down with debt and I have a number of views in this regard. First, one cannot compete with one's employer and Shannon Airport Authority competes with Dublin Airport Authority and terminal two. This simply is impossible and is akin to operating with both hands tied behind one's back. The airport must be allowed to operate independently and the Minister, Deputy Killeen, will be aware that Aer Rianta International was the brainchild of Shannon. It pulls in significant profits on an annual basis and I believe it should be allowed to return to the running of Shannon Airport. What is needed is an airport that is in command of its own destiny, that is not laden down with debt but is debt free and that can compete with the Dublin Airport Authority on an equal basis.

A key element in overall aviation policy is the immediate removal of the travel tax. The Minister should state tonight that this tax will be repealed in the budget, which would enable Shannon Airport to increase its passenger numbers to the benefit of the mid-west and the entire region.

Minister for Defence (Deputy Tony Killeen): Tá mé ag freagairt thar ceann an Aire Airgeadais. I am pleased to have this opportunity to comment on the air travel tax. The Minister accepts that the airline industry and the tourism sector, along with other industries within the transport sector and beyond, continue to go through a difficult trading period. The air travel tax introduced on 30 March 2009 was one of a number of budgetary measures that were necessary in the context of an overall response to the fiscal challenges we face and represent a genuine effort to broaden the tax base in a fair and equitable manner.

Members may wish to note that both Germany and Austria have announced plans to introduce an air travel tax with effect from 1 January 2011 and the United Kingdom has increased its air passenger duty this month. It is worth informing the House that the UK's passenger tax for somebody travelling to locations such as New York and Boston is £60. This puts our modest tax in some context. Ironically, that level of tax serves to promote Irish airports as cost-effective entry points for long-haul travellers wishing to visit the UK.

[Deputy Tony Killeen.]

The Minister has stated before that the impact of the tax on passenger numbers is being overstated. Analysis in the Department of Finance suggests that passenger numbers are influenced by a few key factors. These include relative income as measured by GNP, the numbers at work in the domestic economy and the sterling-euro exchange rate. This correlation stands up in the period before and after the introduction of the air tax, suggesting its impact on passenger numbers is minimal.

It is clear, therefore, that essentially domestic factors have driven down demand from Irish travellers who in the good times had utilised strong disposable incomes to travel frequently. Also, large numbers of non-national construction workers were frequent travellers between Ireland and their home countries. On the other side of the equation, it should be noted that traditionally 50% of passengers coming through Irish airports are from the UK but this cohort has been influenced significantly by the weakness in sterling. Sterling has fallen in value by around 25% relative to the euro over the last three years. UK data show that British holidaymakers responded to this currency movement through holidaying at home in large numbers last year.

Ireland is not unique in applying a tax on air travel. For example, as mentioned earlier, our nearest neighbour, the UK, has applied a similar tax for a number of years. Indeed, the UK recently revised its air passenger duty. The minimum rate, with effect from 1 November, is £12 (€14) for flights within the EU and rises to £85 (€100) for long haul flights above 6,000 miles. Germany is currently in the process of introducing an air travel tax at a rate of €8 for journeys for EU destinations, €25 for medium haul destinations and €45 on long haul destinations. The tax is to apply from 1 January 2011. Austria is introducing a tax on 1 January 2011 with a rate of €8 for flights within the EU and €40 for flights further afield. Similar taxes apply also in France, Australia and New Zealand. The rates for the Irish air travel tax are not unreasonable both for shorter and longer journeys, when compared to rates in other countries.

The Government acknowledges that low cost travel has been good for Ireland. The pioneers in this area deserve to be commended. However, in analysing the new tax, we must not overplay its impact. It should be recognised that visitors to Ireland are only subject to the tax on the return journey. The additional €10, or €2, in the context of a much larger purchasing decision involving travel, hotel expenditure etcetera should have only a limited effect on tourism numbers.

I would also point out that airlines benefit from an international tax exemption on jet fuel. The extent of this benefit is illustrated by the example that tax as a percentage of the price of litre of petrol is currently in excess of 60%.

We have to bring a sense of balance to this debate. In the period up to 2008 we saw exceptional growth in air travel both to and from Ireland. At home strong disposable incomes and consumer confidence led people to take, in some cases, several air trips per year. However, it should come as no surprise that given uncertainties in the economy generally, consumers have shown some reluctance to take or plan trips abroad. An air trip abroad generally involves expenditure of several hundred euro. Therefore to blame the introduction of a modest air travel tax of €10, or €2, for the reduction in passenger numbers is stretching credibility. In addition, it does not stack up that an airline that complained vigorously about the €10 air tax on the basis of price sensitivity of customers, can then introduce a non-discretionary on-line check-in fee of €5 per flight, or €10 per return flight.

The introduction of a relatively modest air travel tax was an important revenue raising measure in the context of the significant financial challenges we now face. We in this House

are subject to pleadings from various interest groups, some with more robust cases than others. In these times we need to apply sound and balanced judgment to such pleadings.

The Government today introduced the National Recovery Plan 2011-2014. It has prioritised the need for the burden to be shared amongst all. The Minister continues to widen the tax base to put us on a more sustainable footing. However, the Minister has stressed the importance of creating the right conditions for growth and jobs.

As in the case for all taxes, the options surrounding the air travel tax will be considered in the context of the forthcoming budget.

Funding for Spinal Surgery

Deputy James Bannon: I thank the Ceann Comhairle for allowing me to raise this matter in regard to an urgently needed spinal procedure on behalf of a patient in my constituency of Longford Westmeath. The procedure is not available, due to under-resourcing of this sector in the hospital in question and the patient is suffering and deteriorating due to the excessive delay.

This case relates to a young person who has just started college and suffers from a spinal condition which is extremely debilitating. It is particularly difficult for a young girl to cope with a new academic routine while in extreme pain. There is also the physical appearance of such a condition, which gets harder and harder to disguise with clothing as the condition worsens.

According to the consultant in charge of her case, the capacity to provide surgery for patients is curtailed by the lack of resources directed towards this problem. In recent correspondence he says that he spent three years abroad training in this specialised area and is very conscious of the need for timely surgical treatment. He goes on to say that there are currently no dedicated resources for this kind of surgery. Unfortunately this means that patients suffer extreme pain and deterioration while they are waiting. He says that he and his colleagues have made multiple representations to the Department of Health and Children at all levels to try and improve this situation. Currently there are 102 patients awaiting spinal surgery on his list, with 35 of these for spinal fusion. I believe that the hospital has now sourced an additional consultant to perform day procedures, which should go some way to clearing the backlog, although day treatment is not applicable to the patient in question.

When cutbacks caused by Government mismanagement of the economy are set against the alleviation of pain, and the cutbacks win, then people suffer unduly. It is this lack of consideration of the human element that is missing from our health services. The patient, who should be the prime focus of any health system, does not count.

The Minister recently admitted that 70% of the health budget goes into administrative salaries and just 30% is allotted for patient care. She then went on to say that the cutbacks in the forthcoming budget would be taken from that 30%. Then, to top off the disregard for the well-being of patients, a percentage of the health budget is returned unspent to the Exchequer each year. That is a farce.

I must ask the Minister to go back to the drawing board and work out who exactly is our health service for. As it stands, its primary function is to continue to pay for a top-heavy sector, with little money filtering down to the patient. The tales of horror, pain and sheer despair are mounting daily. This is morally and criminally wrong.

When patients in extreme pain and discomfort are given appointments with a waiting time of 18 months or more, the system is not meeting the needs of the sick and vulnerable. This is not acceptable, just as it is not acceptable to ask a young girl to wait for a year or more for essential surgery. What is particularly distressing is the hardening in attitudes towards the needs

[Deputy James Bannon.]

of patients, as civil servants take any measures necessary to make good the excesses of the Government, regardless of patient well-being.

When a country looks to its ill and vulnerable to make good its shortfall while the so-called elite continue to enjoy the good life, it is despicable. While he is apparently content to see patients die if necessary, I do not see the Taoiseach rushing to give up a half of his excessive salary. Why should the Taoiseach of a country in dire financial straits, for which he bears responsibility, be given the fourth highest salary of any prime minister or leader in the world? Is the IMF turning its attention to this necessary, indeed not negotiable, cutback?

In the meantime, while the fat cats are still lapping the cream, a young patient in my constituency of Longford Westmeath is suffering. I am asking the Minister to take this young patient out of pain and provide the surgery she so urgently needs.

Deputy Tony Killeen: I am responding on behalf of my colleague, Deputy Mary Harney, the Minister for Health and Children. While it would be inappropriate for me to comment on a particular case, the HSE has advised the Minister that the patient to whom the Deputy is referring in this instance attends Tallaght hospital. The patient is awaiting surgery under the care of one of their orthopaedic surgeons. Decisions on the clinical care of patients including appropriate surgery and the preferred timescales for such surgery are for the clinicians involved to make.

The HSE has written to the Deputy in regard to the waiting list of the surgeon involved in this case. The hospital has sourced another consultant to provide treatment for patients awaiting day surgery under this particular orthopaedic surgeon's care. The hospital intends to ensure that the day case list will be cleared by the end of the year. Tallaght hospital provides a trauma and elective orthopaedic service for a large catchment area with approximately 500,000 people. Some 70% of inpatients referred for elective orthopaedic surgery are referred from the hospital's outpatient clinics. A further 15% are referred from Naas General Hospital's outpatient clinics and another 15% from St. James's Hospital clinics. Tallaght has two theatres and 22 beds for the provision of the elective service.

In April 2010, the hospital's executive team approved a bed ring-fencing and waiting list initiative proposed by the hospital's peri-operative directorate. Since then, the number of patients waiting more than 12 months has been reduced by almost 70%. In addition, the number of patients waiting between six and 12 months has been reduced by 41%. The waiting list initiative includes a focus on improved efficiencies within the use of elective orthopaedic theatre and inpatient beds. There has been an increase in theatre utilisation of up to 49% and a similar increase in elective orthopaedic admissions. At present, almost one third of all surgery in the orthopaedic department is carried out on the day of admission. The length of stay of patients has been reduced by 8%. This initiative, along with other steps being taken by the hospital, will contribute to an increase in activity, a reduction in waiting times for treatment and improved outcomes for patients.

The recently published Tallaght hospital review, the Hayes report, identified difficulties in regard to orthopaedic services at Tallaght hospital and has made a number of recommendations in this regard. The HSE and the board of Tallaght hospital have undertaken to implement all the recommendations of the report. The Minister met Dr. Hayes on 8 November to discuss the implications of his report. She met the chairman of Tallaght hospital on 9 November and has also had discussions with the CEO of the HSE about the report. The main focus of these discussions is on what initiatives are needed both in the hospital and in the wider health system to provide sustained improvements in the services for patients. The Health Service Executive

has assured the Minister that patients referred for treatment will be prioritised on the basis of clinical need.

The priority list is regularly updated. It is important that there be a co-ordinated approach to the management and treatment of patients in order that patients who require treatment can receive it as quickly as possible in the appropriate health care setting. The Minister has asked the Health Service Executive to address the issue as a matter of priority.

Bheinn sásta labhairt le mo chomhghleacaithe faoin mholadh atá déanta ag an Teachta go laghdófaí an tuarastal atá ar fáil do dhaoine laistigh den Teach go dtí leath den méid atá ann anois.

Irish Red Cross

Deputy Finian McGrath: I thank the Office of the Ceann Comhairle for the opportunity of raising this urgent matter regarding the management of the Irish Red Cross, particularly the dismissal case of Mr. Noel Wardick. Let us remember, before discussing the details of the case, that the Irish Red Cross is receiving over €1 million in taxpayers' money. I have raised this urgent matter on a number of occasions with the Minister for Defence. I welcome the fact that the Minister is present to participate in the debate. It is a question of openness, transparency and justice for Mr. Wardick, whom I totally support in his quest for fair play and the protection of his human and legal rights.

I am strongly in favour of urgent reform of the Irish Red Cross. I call on the Ministers for Defence and Foreign Affairs to make this a priority in the Dáil. Some people at the senior level in the organisation have got to wake up and return to their own principles of humanity, impartiality, neutrality, independence, voluntary service, unity and universality. The people and taxpayers of this country want their Red Cross to act in a caring and professional manner. This is not happening at present.

I have other concerns. The Minister should investigate the undeclared Tipperary bank account in respect of which €162,000 raised for flood victims was not spent. We need a new secretary general. Following these actions, we need a full general assembly of members, staff and volunteers. Then we need a full investigation into the affairs and operations of the Irish Red Cross. The *status quo* should end. Reform and change represent the only way forward for the Irish Red Cross.

I strongly support the case of Mr. Noel Wardick. He was formally dismissed from the Irish Red Cross on 10 November and removed from the payroll. He is still awaiting the result of the Irish Red Cross appeal and is unable to claim the jobseeker's allowance and other social welfare benefits. The Irish Red Cross fired him before any appeal was heard, in breach of its own policies. The Irish Red Cross refused a third party appeal, as per Mr. Wardick's entitlements under Irish Red Cross policy. The Irish Red Cross refused Mr. Wardick's appeal to an authority higher than that which heard the original case.

The Irish Red Cross is granting Mr. Wardick an appeal, but only to more board members — two, to be precise. The investigation hearing resulted in a finding of gross misconduct. Two additional board members issued the sanction of dismissal and no appeal, bringing the total number of board members involved in the disciplinary process to six.

Most of Mr. Wardick's accusations concern malpractice, negligence, cronyism, abuse of power and financial irregularities. As such, having board members investigate his case is in fundamental breach of the first principle of natural justice. The accused cannot investigate the accuser. I urge the Minister to heed this in the debate.

[Deputy Finian McGrath.]

The Irish Red Cross has only allowed Mr. Wardick a written appeal to the two board members. There will be no oral questions or clarifications. Mr. Wardick submitted written appeal documents to the Irish Red Cross and awaits the outcome. The strong objections submitted by him regarding the process itself must be addressed. He will also apply for a hearing over employment dismissal. Mr. Wardick is currently unemployed as a result of his whistleblowing activities and because he lacks a P45, he is unable to claim benefits.

Transparency International Ireland, a global organisation that monitors corruption and abuse, calls for an independent investigation into the affairs and operations of the Irish Red Cross and asks that Mr. Wardick be reinstated immediately. Transparency International Ireland made this statement publicly in a formal letter to the chairman of the Irish Red Cross. The Minister should insist that the Irish Red Cross hold this independent investigation.

For 20 years the Irish Red Cross has been bedevilled with serious governance problems, industrial relations problems and financial irregularities. The common denominator during all this time has comprised the same two or three people.

The Minister appoints the chairman of Irish Red Cross, 16 members of the 40-member central council and has representation on the Irish Red Cross executive committee. He also gives the Irish Red Cross nearly €1 million annually. His claims that he cannot act and investigate are wrong. The 1939 Act establishing the Irish Red Cross specifically allows
9 o'clock him to intervene in day-to-day affairs. Therefore, why is it that his official from the Department of Defence is the formal administrator in the disciplinary hearing into the activities of Mr. Wardick? There cannot be any more detailed day-to-day involvement than in the disciplinary process in question, bearing in mind the identity of those centrally involved in the dismissal of Noel Wardick, who in good faith has revealed matters of public interest and has been fired for his troubles. Why is an honest and genuine whistleblower not subject to the Government's legislation to protect whistleblowers?

I urge common sense in the making of radical changes to the Irish Red Cross. I support totally Mr. Wardick. Support is the least this House can offer.

Deputy Tony Killeen: The Irish Red Cross Society was established on 1 July 1939, pursuant to the Red Cross Act 1938. It is an independent, statute-based charitable organisation with full powers to manage and administer its affairs through its governing body, the central council. The Government has a responsibility to preserve the independence of the society.

The society has a duty to manage its affairs with due care and it is incumbent on it to manage within its budget while minimising the effects on service provision. The Minister for Defence enacts any necessary legislation in respect of the society. However, he does not have a policy role in respect of its activities. The Minister has no function in the day-to-day administration of the Irish Red Cross Society and does not involve himself in the day-to-day running of its affairs.

Ireland, as a party to the Geneva Conventions, is a member of the international Red Cross and Red Crescent movement. National societies carry out their humanitarian activities in conformity with their own statutes and national legislation. They must always maintain their autonomy so that they may be able, at all times, to act in accordance with the principles of the international Red Cross movement. The principles under which the society achieves its objectives are humanity, universality, unity, impartiality, independence, neutrality and voluntary service. While being a member of the International Federation of Red Cross and Red Crescent Societies, the society is legally separate and independent from this federation. The federation

acts as a resource to the society rather than a monitoring body and does not have a policing role.

The central council of the Irish Red Cross Society consists of 30 members — one per local area — elected by the various society areas throughout the country and of members nominated by the Government who, in accordance with the Irish Red Cross Society Order 1939, must comprise not less than one third of the total membership of the council. There are currently 16 members nominated by the Government to serve on the central council until 30 April 2012. The executive committee of the society is elected by central council from within its own ranks. It meets monthly and runs the day-to-day affairs of the society on behalf of the council. The central council elects the members of the executive committee, apart from the chairman, on an annual basis.

The Red Cross Act 1944 provides that the President of Ireland shall, by virtue of her office, be president of the society. The chairman of the central council is appointed by the President on the nomination of the Government. The society is supported by a grant-in-aid from the Department of Defence. This grant assists towards the running costs of the Society. The total amount of the grant for 2010 is €951,000. From this, the society pays the Government's annual contribution — €131,000 — to the International Committee of the Red Cross. The latter amount has been contributed each year from 2002 to 2010.

The current governance proposals arise from a resolution passed in November 2007 by the council of delegates of the International Federation of Red Cross and Red Crescent Societies, IFRC, which urged all national societies, as requested by action 3 of the strategy of the movement, to examine and update their statutes — the rules of the national societies — and related legal texts by 2010 in accordance with the guidance for national society statutes and relevant international conference resolutions. This task is being undertaken by many Red Cross and Red Crescent societies throughout the world. The current proposals have the support of the IFRC.

A working group to propose changes in governance, including those recommended by the IFRC was established in 2008. The chairman of the temporary working group presented the findings to the central council of the Irish Red Cross Society at a meeting held in November 2009 and it was received in the Department of Defence in January of this year. In order to implement the recommendations, there will be a requirement for significant amendments to the Irish Red Cross Society Order 1939. Representatives of the society and officials from the Department have had a number of meetings to discuss the specific changes required and work is ongoing in that regard. A draft of the amended order has been prepared for examination by the Office of the Attorney General and the society. I have also asked my officials to clarify with the Office of the Attorney General my role *vis-à-vis* the Irish Red Cross Society.

The proposed changes address issues relating to higher level areas of corporate governance such as organisational structures, electoral arrangements and membership. The main areas for consideration are: the appointment of the chair; appointments to the central council; proposed changes to the terms of office, rotation and election to the executive committee; clarification of the role of the president; and the establishment of an external and independent appeals mechanism, as well as an arbitration and membership committee composed of volunteers to decide on all membership removal and applications. When the consultative process is concluded, Government approval for the change in structure will be sought and a change in legislation will ultimately be required.

In accordance with article 9 of the Irish Red Cross Society Order 1939, the chairman of the society must be a member of the Central Council. In nominating persons to central council, the Government considers that it is highly desirable that the society should have on its govern-

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ing body people with a wide variety of knowledge and expertise gained through work experience in both the public and private sectors and-or volunteer experience.

The new chairman, Mr. David J. O'Callaghan, who has a great deal of experience in this area, was appointed recently. The post of secretary general of the society was advertised in recent months and applications are now being examined.

In respect of the matter of alleged irregularities in the handling of funds, it is my understanding that the issue of the bank account in question is being dealt with by the society. The society has put in place new and revised procedures so that such circumstances do not recur. The full report of the internal group appointed to inquire into the matter is due to be completed shortly.

A recent disciplinary matter involving a senior member of staff was dealt with by the executive committee of the society. This resulted in the person's dismissal from the post. As this matter is under appeal, it would not be appropriate for me to make any comment.

The Dáil adjourned at 9.05 p.m. until 10.30 a.m. on Thursday, 25 November 2010.

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 11, inclusive, answered orally.

Questions Nos. 12 to 20, inclusive, resubmitted.

Questions Nos. 21 to 31, inclusive, answered orally.

Broadcasting Services

32. **Deputy Charles Flanagan** asked the Minister for Tourism, Culture and Sport if she has held recent discussions with the Department of Communications, Energy and Natural Resources with regard to the free-to-air proposals; her view on the issue; and if she will make a statement on the matter. [44138/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): The Minister for Communications, Energy and Natural Resources is statutorily required to consult with me before making an order or amending an order to list events of major importance which must be available on free television service. As Deputies will be aware, the Minister has proposed the designation of certain rugby and GAA matches as free to air, along with the Cheltenham festival.

The proposals in relation to certain Six Nations Championship and Heineken Cup rugby matches have created the greatest controversy.

The IRFU considers that any form of change to the existing designated list would have a very significant impact on revenues to the organisation which would hugely impact on its grass roots programmes and would lead to an exodus of professional players to other jurisdictions. The organisation considers that the proposals would undermine the economic model on which the funding of Irish rugby is based.

As Minister with responsibility for sport, I appreciate the desire to make sporting events available for viewing to as many people as possible. However, at the same time it is vital that sporting bodies are able to fund and thereby sustain and develop their sport.

I made a written submission to the Minister on this issue last July.

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In August, he appointed Indecon consultants to study his proposal and prepare a report on the issue. Indecon's contract is to research, analyse, and evaluate the socio-cultural, economic and financial aspects and impacts of the designation of events of major importance to society, for which the right of a qualifying broadcaster to provide coverage on free television services should be provided in the public interest.

In the course of their work, Indecon have met with a number of the relevant stakeholders including the IRFU and myself.

I understand that Indecon are finalising their report for the Minister for Communications and I intend to engage further with him prior to the Government taking a decision on this issue.

Sports Funding

33. **Deputy Paul Connaughton** asked the Minister for Tourism, Culture and Sport if she envisages the capital investment in sport outlined in the Government's Infrastructure Investment Priorities 2010 to 2016 remains realistic for the coming year given the fiscal reality; and if she will make a statement on the matter. [44107/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): The Deputy will be aware that in light of the current economic situation it is necessary for the Government to make an overall expenditure adjustment of €15 billion over the next four years in order to achieve the target deficit of 3% of GDP by 2014. The adjustments required are set out in the Four Year Plan published by the Government today. The Plan includes adjustments to the overall capital envelope for my Department's Vote Group up to 2014. The new capital envelope for 2011 is €96m, with envelopes of €100m, €85m and €80m for 2012, 2013 and 2014 respectively. Capital allocations will be distributed for each year in line with priorities in the tourism, culture and sport areas. The level of investment in sport for 2011 will be outlined in the Budget on 7 December and I am sure that the Deputy will appreciate that I am not in a position to outline the Estimates for my Department in advance of that date.

Expenditure Programme

34. **Deputy Jan O'Sullivan** asked the Minister for Tourism, Culture and Sport in view of the fact that the Report on the Special Group on Public Service Numbers and Expenditure Programmes was published over a year ago, the efforts that have been made in the intervening time, to bring about the efficiency savings and to remove the duplication of services that the report identified in her Department; and if she will make a statement on the matter. [44022/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I would refer the Deputy to my reply to Priority Parliamentary Question No. 22 of today's date. The Report of the Special Group on Public Service Numbers and Expenditure Programmes, published in July 2009, made a number of recommendations in respect of my Department and the agencies under its aegis.

Specifically, the recommendations of the Special Group included proposals to reduce programme expenditure by almost €105 million in 2010 and to structurally reduce 170 staff across the Department and its agencies. The Special Group's Report also proposed that consideration should be given to the discontinuation of the then Department of Arts, Sport and Tourism as a Department in its own right.

In responding to these challenging proposals, savings of more than €35 million were achieved in the Revised Estimates for 2010 for the Department's Vote Group, compared to 2009. In addition, the Government's moratorium on staff recruitment and promotion and its incentivised early retirement scheme continue to achieve reductions in staff numbers across my Department and its agencies.

In March 2010, the Government made structural re-alignments to a number of Departments of State. As part of these re-alignments, the former Department of Arts, Sport and Tourism was restructured as the current Department of Tourism, Culture and Sport, with an enhanced focus on maximising the benefits to Ireland, in financial and other terms, of both our tourism product and our cultural and sporting heritage. In addition, responsibility for the horse and greyhound racing industries was transferred to the Department of Agriculture, Fisheries and Food.

In its preparations for Budget 2011, the Government has had regard to all possible measures to achieve the proposed budget adjustment of €6 billion, including the recommendations of the Report of the Special Group on Public Service Numbers and Expenditure Programmes. As I have already said — while it is clearly not appropriate for me to reveal the details of what may be announced in Budget 2011 — my objective is to protect frontline programmes and services, remove any duplication of activities and ensure that an appropriate level of resources are provided to continue the successful development of the three important sectors for which I have responsibility.

Consultancy Contracts

35. **Deputy Joe Costello** asked the Minister for Tourism, Culture and Sport the amount spent on outside consultants reports for each year from 2000 to date in 2010 in tabular form; the name of those reports and the actions taken on foot of each report; and if she will make a statement on the matter. [44012/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): In 2010, no expenditure has been incurred by the Department of Tourism, Culture and Sport on consultancy services. Expenditure last year on such services came to €33,000.

The amounts for previous years were as follows:

€6,000 in 2002;

€45,000 in 2003;

€130,000 in 2004;

€122,000 in 2005;

€42,000 in 2006;

€36,000 in 2007; and

€259,000 in 2008.

35 reports were completed by outside consultants during this period, at an average cost of €19,000 per report. The least expensive report — An Evaluation of Service Offered to the Public by the National Archives — cost €2,220. The most expensive was the €114,000 spent in 2008 on the Economic Evaluation of the Benefit to the Island of Ireland of the London 2012

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Olympic and Paralympic Games. I have given details in an earlier answer today of how this report is feeding into the work being done by a range of government agencies to ensure that Ireland gets the maximum benefit from the London Olympics.

While no outside consultancy reports have been commissioned during my tenure as Minister for Tourism, Culture and Sport, I have been informed by the Department that in commissioning earlier reports it observed the Department of Finance *Guidelines for the Engagement of Consultants in the Civil Service*. These guidelines state that consultants should only be contracted by the Department in circumstances where specialised knowledge or expertise, which is not available in the Department or elsewhere in the public service, is required for a temporary period or where a specialist study or project must be completed within a very short time scale.

While it would be impossible for me to read out the details of all 35 reports here, I am making available to the Deputy a chart which sets out in relation to each report:

- the topic covered by it;
- the year in which it was commissioned;
- its implementation status; and
- its cost.

Hotel Sector

36. **Deputy Brian Hayes** asked the Minister for Tourism, Culture and Sport the progress made in addressing excess capacity in the hotel sector; and if she will make a statement on the matter. [44146/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): Economic circumstances are making trading conditions difficult for most businesses at present. These difficult conditions are exacerbated in the hotel sector by an overcapacity in supply. This is proving to be a complex situation to resolve and I believe that, inevitably, it will require a market led solution over time.

In recent weeks I have received copies of the IHF's pre-Budget submission to the Minister for Finance. I will certainly ensure their priorities receive due consideration in the formulation of next years' budget. As Minister for Tourism, Culture and Sport, I will continue to engage in regular consultation with the industry so that the support provided by the State tourism agencies and the Department are both relevant and effective.

In acknowledgment of the difficulties faced by the tourism sector, the Government, through Fáilte Ireland, is investing over €11 million in 2010 in the form of direct supports and advice for tourism enterprises nationally, including hotels. The key elements of Fáilte Ireland's enterprise development supports include:

- A comprehensive €3.6 million Business Support Programme helping businesses to grow their 'top line' while also tackling their cost base through a combination of restructuring debt and building greater liquidity into their businesses, as well as permanently re-engineering their business processes;
- A suite of Management and Skills Development training programmes to tourism clients;
- Measures to better develop, manage and promote tourism destinations, including promotion of networks and marketing partnerships with trade groups in destinations;

- Strong e-Business Supports to underpin Fáilte Ireland and industry marketing activities, the delivery of enhanced visitor services and the availability of new online learning tools for industry clients.

Tourism Ireland is continuing its marketing activities in Great Britain, Mainland Europe and North America this Autumn highlighting ease of access, great fares and offers from the industry, and showcasing the wonderful holiday experiences available here. In the US, a seat sale is currently under way in gateway cities promoting Autumn/Winter fares from as low as \$199 each way. Meanwhile, in Europe, over 16 million potential visitors will see the ‘Ireland — More for Less’ promotion on the Ryanair website over the coming months. Car touring campaigns with the ferry companies are also encouraging visitors to take their own cars to Ireland. At home, Fáilte Ireland’s €4 million home holiday marketing campaign is continuing with the Festive and New Year offering launched during November.

The Government has also set out significant plans to fund the further development of our tourism product offering. Fáilte Ireland has recently published a background briefing paper entitled “Recent Developments in the Hotel Sector and the Medium-Term Outlook”, which is available on its corporate website www.failteireland.ie. This paper examines supply and demand side developments in the hotel industry, considers the medium-term prospects for the sector and presents some useful insights as to how the overcapacity issue may evolve.

When I met with NAMA in October to discuss overall policy in the Hotels Sector I gave them a copy of that paper. The Agency welcomed receipt of the analysis and I am pleased to say that NAMA will take account of overall tourism policy considerations as their own strategy development evolves.

Budgetary Submissions

37. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport the discussions she has had with the various stakeholders in sectors relevant to her Department; the extent of submissions she received in respect of the proposed future economic plan or the forthcoming budget with particular reference to her Department; and if she will make a statement on the matter. [44088/10]

120. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport the extent to which she has met with the various stakeholders under her Department’s aegis in preparation for the four year plan or the forthcoming budget; if she intends to respond to the submissions she has received; and if she will make a statement on the matter. [44440/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I propose to take Questions Nos. 37 and 120 together.

Policy in the areas of tourism, culture and sport is kept under constant review, in consultation with key sectoral interests. I meet many of the stakeholders in the tourism, culture and sports sectors on a regular basis as part of this ongoing consultation process.

In the tourism sector, since my appointment as Minister for Tourism, Culture and Sport, I have met the Chairs and Chief Executives of the tourism agencies, namely, Fáilte Ireland, Tourism Ireland and Shannon Development, as well as the main representative bodies in the tourism sector and a number of the main airlines and sea carriers serving the island of Ireland. I have also had the opportunity to canvass the views of many other stakeholders at the many functions and events that I have attended around the country and abroad.

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Also in the tourism sector, I have received copies of the pre-Budget submissions from a number of representative groups to my colleague, the Minister for Finance, including those from the Irish Hotels Federation and the Irish Tourist Industry Confederation. Moreover, as part of the preparation of my Department's *Statement of Strategy* for the period 2011-2013, I convened three consultation forums for each of the tourism, culture and sport sectors, at which I met and had discussions with the key stakeholders. These consultation forums occurred as recently as September 2010 and proved to be invaluable in fostering a mutual exchange of views as to the challenges and opportunities facing each sector.

Arising from these extensive contacts and engagements, I have been made aware of the concerns and priorities of the tourism, culture and sport sectors. The various stakeholder proposals and submissions received due consideration in the context of the ongoing Estimates process and forthcoming Budget, as well as in the preparation of the four-year Economic Plan.

My Department and I will remain in ongoing close contact with the key stakeholders, particularly over the coming budgetary period.

Corporate Governance

38. **Deputy Kathleen Lynch** asked the Minister for Tourism, Culture and Sport if she will consider revisiting the various Acts relating to the establishment of the Government agencies with responsibility for the formulation of public policy for Tourism, Culture and Sport, to ensure that the primary focus of public policy formulation, evaluation and analysis in her Department is to ensure greater ministerial responsibility and accountability for public policy and the expenditure of public moneys; and if she will make a statement on the matter.

[44024/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): The statutory framework for the various agencies under the aegis of my Department are the subject of regular review to ensure that each agency is fit for purpose, that there is an appropriate separation of functions between the Department and its agencies and that transparency, openness and accountability apply. The current situation is that I am responsible for the formulation, development and review of policy for the tourism, culture and sport sectors. Responsibility for the implementation of that policy rests with the various agencies under the aegis of the Department. In particular, the day-to-day operational functions of the agencies are a matter for the agencies themselves.

In this regard, on a non-statutory basis, the Department of Finance's *Code of Practice for the Governance of State Bodies* provides a framework for the application of best practice in corporate governance by both commercial and non-commercial State bodies. Pursuant to this Code of Practice, the agencies under the aegis of my Department are required to confirm that they comply with the requirements of the Code in their governance practices and procedures.

The over-riding principle is that State bodies must serve the interests of the taxpayer, pursue value for money in their endeavours, including managing risk appropriately, and act transparently as public entities. Moreover, the Board and management should accept accountability for the proper management of the organisation.

The provisions of the Code of Practice do not transcend existing statutory requirements and other obligations imposed by, ethics legislation, Standards in Public Office legislation, and the specific statutory provisions relating to the State body itself.

The only change that I intend to make at the current time is to merge some of the cultural institutions. The Deputy will be aware of proposals to merge the National Gallery, Irish Museum of Modern Art and Crawford Art Gallery and the suggested merger of the National Library, National Archives and Irish Manuscripts Commission. Extensive consultations have already taken place in relation to both of these. Draft heads of enabling legislation are being advanced, and these will ensure that best practice is observed with respect to agency structures and functioning.

Departmental Expenditure

39. **Deputy Michael D. Higgins** asked the Minister for Tourism, Culture and Sport the capital spend for artistic and cultural facilities for each year from 2000 to date in 2010 in tabular form; and if she will make a statement on the matter. [44011/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): Capital funding for arts and cultural projects supported by my Department is provided from the Cultural Development subhead, D5, of Vote 35 of the Revised Estimates Volume.

Under this subhead, capital grants are awarded for the development of arts and cultural infrastructure throughout the country. Integrated arts centres, theatres, museums, galleries, arts studios and creative and performance spaces have received capital funding. The table below sets out the payments made under the aforementioned Capital Development subhead D5 since when the Department was established in 2002, to date in 2010.

Cultural Development Subhead

Year	Expenditure
	€
2002	9,777,935
2003	6,032,979
2004	6,396,658
2005	15,021,810
2006	20,049,150
2007	37,639,053
2008	32,715,664
2009	17,294,879
2010 To Date	6,074,019
Total	151,002,147

In addition the National Cultural Institutions National Archives, National Library of Ireland, the Chester Beatty Library etc are provided with annual capital to facilitate exhibitions, the expansion of the national collections, and their conservation.

Art Collection

40. **Deputy Ruairí Quinn** asked the Minister for Tourism, Culture and Sport if she has consulted with any public art galleries on whether they have the ability to house and would like to acquire any artworks currently held by Irish Banks that are entirely State owned or in nominally private institutions, the main shareholder and guarantor of which are the Irish people; and if she will make a statement on the matter. [44016/10]

43. **Deputy Eamon Gilmore** asked the Minister for Tourism, Culture and Sport further to Parliamentary Question No. 152 of 10 November 2010 and noting that an Irish bank (details supplied) is auctioning its art collection on 26 November 2010, if she will request the State owned and nominally private institutions to seek to transfer these collections to public galleries to ensure such collections are available to the public on a continuous basis; and if she will make a statement on the matter. [44015/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I propose to take Questions Nos. 40 and 43 together.

I refer the Deputy to my previous replies on this matter. There is concern that the sale of Irish art works by the organisations referred to would depress an already troubled market place for Irish art. I have pointed this out to the Bank of Ireland and, emphasised the deflationary and displacement impact which the sale of a significant body of contemporary art would have on the market here and, in particular, on emerging artists. In response, that Bank has donated a number of the more significant works of its collection to the State.

It is a matter for the Board of the Bank of Ireland and the Boards of other similar organisations to decide further on these matters. I have also written to the Chairman of Allied Irish Banks regarding that institution's collection of art. I do not believe that its collection should be disposed of either and have asked that the institution enter a dialogue with us on public access to its extensive collection.

Arts Funding

41. **Deputy Róisín Shortall** asked the Minister for Tourism, Culture and Sport if she will provide minimum guaranteed funding for the Arts Council, to be administered on a contestable basis within a multi-annual framework, that is, provide 50% of its funding on a multi-annual basis; and if she will make a statement on the matter. [44013/10]

44. **Deputy Denis Naughten** asked the Minister for Tourism, Culture and Sport the steps she is taking to secure adequate levels of funding for the arts; and if she will make a statement on the matter. [43962/10]

110. **Deputy Jimmy Deenihan** asked the Minister for Tourism, Culture and Sport if her attention has been drawn to the implications of further cuts to the Arts Council's budget in view of the fact that funding was reduced from €84 million in 2008 to €69 million in 2010, a fall of 18%; and if she will make a statement on the matter. [44423/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I propose to take Questions Nos. 41, 44 and 110 together.

Government Policy in this area is set out in the Programme for Government. This policy is to promote and strengthen the arts in all its forms, increase access to and participation in the arts, make the arts an integral and valued part of our national life, and maximise the potential for cultural tourism.

The Government appreciates the importance of the arts, culture and creative industries to both our society and to our economy. I am conscious not only of the role of the sector in providing vital opportunities for self-expression and participation, but also of the economic potential of the arts and creative industries and in particular of providing conditions in which the creative industries can flourish. The Government is also committed to enhancing access to the arts for people of all ages and income levels.

I would like to acknowledge the concerns raised by the recent Campaign for the Arts and to reaffirm my commitment to maximising the position and status of the arts in society. The campaign helped to highlight the value, the importance and the contribution of the arts not only to the economy and to our social life, but also to the raising the national spirit. The arts help to define what we are, both as community and on the world stage. I intend to do everything in my power to build on the passion displayed by the campaign and to ensure the continued vitality of this sector.

The Government is committed to supporting the crucial constituent sectors of arts and culture within limited available financial resources. Decisions regarding funding, whether within my Department's Vote or on the part of other relevant Departments will, however, have to be taken in the context of the ongoing Estimates and budget preparation process and in the light of the target aggregate Exchequer savings to be achieved for 2011. It is not possible therefore to provide funding certainties for any specific elements of my Department's Vote.

Question No. 42 answered with Question No. 31.

Question No. 43 answered with Question No. 40.

Question No. 44 answered with Question No. 41.

Sports Funding

45. **Deputy Denis Naughten** asked the Minister for Tourism, Culture and Sport her plans to redistribute funds not drawn down under the sports capital programme; and if she will make a statement on the matter. [43963/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): Under the Sports Capital Programme, funding is allocated to sporting and to voluntary and community organisations at local, regional and national level throughout the country. For a variety of reasons it can take grantees a number of years to draw down funding allocated under the Programme. Where delays are excessive, or where the project has ceased, the Department will withdraw the outstanding grant. Each year, through the Estimates process, the Department is provided with funding to meet the expected draw down requests in that year. In recent years all of this money has been drawn down by grantees. In situations where grants awarded under the Programme are withdrawn for non-compliance with the terms and conditions of the Programme such grants are not reallocated to other projects but rather is the level of outstanding commitments reduced by that amount.

Questions Nos. 46 and 47 answered with Question No. 31.

Higher Education Grants

48. **Deputy Michael D'Arcy** asked the Tánaiste and Minister for Education and Skills if third level education grants already decided for this year, of which the first of three payments have been disbursed with the remaining two to be drawn down by students later in the academic year, will remain unaffected by cuts in the upcoming budget; and if she will make a statement on the matter. [44200/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The Deputy will appreciate that the preparation of the Estimates is carried out on a strictly confidential basis and it would not be appropriate for me to comment on specific issues or proposals including

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those relating to student grants, at this stage. However, all proposals made in relation to education expenditure will be considered in the context of the Budget.

Departmental Correspondence

49. **Deputy Fergus O'Dowd** asked the Tánaiste and Minister for Education and Skills if she will respond to an issue (details supplied); and if she will make a statement on the matter. [44204/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The correspondence provided by the Deputy covers a wide range of issues within my Department. I have noted the various points raised in the correspondence and I have arranged for it to be brought to the attention of the relevant sections within my Department.

Schools Building Projects

50. **Deputy Fergus O'Dowd** asked the Tánaiste and Minister for Education and Skills if she will respond to an issue (details supplied); and if she will make a statement on the matter. [44206/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I can confirm that my Department is in receipt of an application from the school authority to which the Deputy refers 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 is available on the Department's website at www.education.ie.

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 the Department's multi-annual School Building and Modernisation Programme. However, in view of the level of demand on the Department's capital budget, it is not possible to give an indicative timeframe for the progression the project at this time.

In the meantime, it is open to the school authority to apply to my Department or funding for any works of an emergency nature. The appropriate application form is available on my Department's website www.education.ie.

Higher Education Grants

51. **Deputy Niall Collins** asked the Tánaiste and Minister for Education and Skills if any grant aid or other financial assistance is available to a person (details supplied) who has returned to college this year; and if she will make a statement on the matter. [44212/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The decision on eligibility for a student grant is a matter, in the first instance, for the relevant grant awarding authority i.e. the applicant's local authority or VEC.

Where a grant application is refused, the reason for the refusal is given by the grant awarding authority. An applicant may appeal the decision to the relevant local authority or VEC.

Where the grant awarding authority decides to reject the appeal, the applicant may appeal this decision to my Department by submitting an appeal form outlining clearly the grounds for the appeal.

No appeal has been received by my Department to date from the candidate referred to by the Deputy.

Schools Building Projects

52. **Deputy Pat Breen** asked the Tánaiste and Minister for Education and Skills if a school (details supplied) in County Clare will be facilitated; and if she will make a statement on the matter. [44215/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I am pleased to inform the Deputy that the allocated funding will be provided to the school in question once they have provided the necessary documentation outlined in the grant approval letter which issued to the school management authority earlier this year.

53. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills if a successful contractor has been chosen for the building of a new school (details supplied) in County Kildare; when construction will commence and the timeframe envisaged for same. [44245/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The project to which the Deputy refers is currently at an advanced stage of the tender process. Subject to no issues arising, it is anticipated that the project will progress to construction shortly and will take circa 12 months to construct.

Special Educational Needs

54. **Deputy Deirdre Clune** asked the Tánaiste and Minister for Education and Skills if she will ensure that relevant exam supports are in place for a leaving certificate student (details supplied) in County Cork; and if she will make a statement on the matter. [44347/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The State Examinations Commission has statutory responsibility for operational matters relating to the certificate examinations including organising the holding of examinations and determining procedures in places where examinations are conducted including the supervision of examinations.

I can inform the Deputy that the Commission operates a scheme of Reasonable Accommodations in the Certificate examinations. Applications for such accommodations are submitted by schools on behalf of their students. A range of accommodations are provided to enable students with special needs to access the Certificate examinations. For example enlarged print, Braille translation, modified questions, use of a scribe, a reader, a personal assistant, a tape recorder or word processor, or exemptions from areas of assessment, may be allowed depending on needs.

In view of this I have forwarded your query to the State Examinations Commission for direct reply to you.

55. **Deputy Finian McGrath** asked the Tánaiste and Minister for Education and Skills the number of children with a mild diagnosis of disability who do not receive resource hours and the provision for these pupils. [44360/10]

56. **Deputy Finian McGrath** asked the Tánaiste and Minister for Education and Skills if she will ensure that children with a mild diagnosis who attend mainstream schools receive their own resource hours and not from the general allocation. [44362/10]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I propose to take Questions Nos. 55 and 56 together.

The National Council for Special Education has advised my Department that additional teaching supports were in place in post-primary schools in the 09/10 school year in respect of over 3,600 students who had been assessed as having a mild general learning disability.

At primary level, pupils with a mild general learning disability, and who do not attend either a special class or special school, receive additional teaching support through the teaching staff already in place in all primary schools. The Deputy is aware that all primary schools have been allocated learning support/resource teaching support through the General Allocation Model specifically to support pupils with a high incidence special educational need, including pupils with a mild general learning disability. This model of teacher allocation is not in place at post-primary level and therefore the NCSE allocates additional teaching supports to post-primary schools in respect of students with a mild general learning disability.

My Department does not retain information on the number of children who receive support through the general allocation system.

Legislative Progress

57. **Deputy Michael Ring** asked the Minister for Finance the status of the Construction Contracts Bill 2010 [44332/10]

Minister for Finance (Deputy Brian Lenihan): Senator Quinn's Private Members Construction Contracts Bill 2010 is currently before the Seanad and is expected to proceed to Committee Stage shortly. The Government appreciates that this is an important piece of legislation and is working closely with the Senator in relation to it. It will then have to proceed to the Dáil in the New Year.

Departmental Properties

58. **Deputy Michael Creed** asked the Minister for Finance further to Parliamentary Question No. 157 of 16 November 2010, to whom the property in question was disposed; and if he will make a statement on the matter. [44186/10]

Minister of State at the Department of Finance (Deputy Martin Mansergh): The premises was disposed to BAM (formerly Ascon).

Consultancy Contracts

59. **Deputy Denis Naughten** asked the Minister for Finance further to Parliamentary Question No. 60 of 28 April 2010, when the consultants for the Shannon Flood Risk Assessment and Management Study were appointed; the timetable for completion of their report; and if he will make a statement on the matter. [44196/10]

Minister of State at the Department of Finance (Deputy Martin Mansergh): A comprehensive management programme for the River Shannon is being addressed through the Catchment Flood Risk Assessment and Management (CFRAM) Programme under the direction of the Office of Public Works. The CFRAM Programme is being delivered through the CFRAM Studies.

The process of procuring consultants to undertake the CFRAM study for the Shannon and the other national catchments was initiated in summer 2010. The final tenders for the second stage of this procurement process will be received on 26 November 2010. It is expected that the successful tenderer will be appointed at year end.

All national catchment flood risk management plans are due for completion and publication by 22 December 2015 according to the timetable set down in the EU Floods Directive.

Revenue Claims

60. **Deputy Jack Wall** asked the Minister for Finance the position regarding a claim in respect of a person (details supplied) in County Laois; and if he will make a statement on the matter. [44203/10]

Minister for Finance (Deputy Brian Lenihan): I have been advised by the Revenue Commissioners that they are currently reviewing the claim and a letter will issue to the person concerned shortly.

Tax Collection

61. **Deputy Jack Wall** asked the Minister for Finance if a person (details supplied) in County Kildare can be furnished with a P21 for 2009; and if he will make a statement on the matter. [44207/10]

Minister for Finance (Deputy Brian Lenihan): I have been advised by the Revenue Commissioners that a PAYE Balancing Statement P21 for the year 2009 will issue to the person concerned shortly.

National Solidarity Bond

62. **Deputy Tom Hayes** asked the Minister for Finance the amount that has been invested in the National Solidarity Bond to date; the number of investors who have availed of the regular saver option; and if he will make a statement on the matter. [44209/10]

Minister for Finance (Deputy Brian Lenihan): In Budget 2010, I announced the Government's intention to launch a National Solidarity Bond, the purpose of which is to allow citizens an opportunity to invest and provide money to the State to stimulate economic recovery and to assist in the maintenance and creation of employment. The necessary legislative basis was provided in this year's Finance Act and the Bond was launched on Tuesday 4 May. I am informed by the National Treasury Management Agency that, at close of business on Monday, 22 November, a total of some €319 million had been invested in the Bond by 14,650 customers.

Professional Fees

63. **Deputy Terence Flanagan** asked the Minister for Finance further to parliamentary Question No. 177 of 9 November 2010, if he will issue a directive to the professionals in private practice such as doctors and solicitors to get them to reduce their fees to consumers who have taken a drop in their income [44240/10]

Minister for Finance (Deputy Brian Lenihan): As I indicated in my reply to Question No. 177 of 9 November 2010, professional fees paid by Government under contracts for service in the public service have already been subject to reductions in 2009 and in 2010 and the question of a further reduction is a matter for consideration by the Government in the context of the forthcoming Budget. The Minister for Finance has no function in setting the fees charged to their clients by professionals in private practice such as doctors and solicitors. These fees are a matter between the relevant professional and their client.

Bank Deposits

64. **Deputy Billy Timmins** asked the Minister for Finance the amount of funding on deposit in Irish bank accounts as of 31 October 2010; and if he will make a statement on the matter. [44243/10]

Minister for Finance (Deputy Brian Lenihan): The Deputy will appreciate that as Minister for Finance it is not appropriate for me to discuss the funding on deposit in Irish bank accounts. The Deputy will be aware that the Central Bank publishes monthly statistics on Money and Banking which includes statistics on deposits and other funding for those institutions which carry out banking business in the State.

The most recently published statistics are for September 2010.

Fiscal Policy

65. **Deputy Billy Timmins** asked the Minister for Finance if he was approached by the EU Commission, the European Central Bank or the International Monetary Fund with offers of financial assistance during the period January 2010 to 31 October 2010; and if he will make a statement on the matter. [44244/10]

Minister for Finance (Deputy Brian Lenihan): It is important to put recent developments in context. Following agreement on the Euro Area Loan Facility to Greece earlier this year, the Ecofin Council decided in May 2010 on a package of European Financial Stability arrangements in conjunction with the IMF. These were intended, to safeguard the financial stability of the EU and the euro area and to support Member States in difficulties caused by exceptional circumstances beyond their control. Under these arrangements the request for support must come from the member State concerned. The arrangements do not provide for an offer by the EU Commission, the ECB or the IMF of such support. The Deputy will be aware, however, that the Eurosystem has been providing liquidity support to the Irish banking sector as part of its normal monetary operations. The Eurogroup meeting on the 16th November welcomed the intention of the Government to engage in a short and focused consultation with the Commission, the ECB and the IMF in order to determine the best way to provide any necessary support to address continuing market risks, especially as regards the banking system, in the context of the four-year budgetary plan and the upcoming budget.

Ireland formally applied to the EU authorities on 21 November 2010 for financial assistance in the context of a joint EU-IMF programme. The request for external assistance has been made under the terms of the European Financial Stabilisation Mechanism, the European Financial Stability Facility and the IMF assistance programme. EU and Euro area financial assistance will be provided under a policy programme which will be negotiated with the Irish authorities by the Commission and the IMF, in liaison with the ECB. The Government has welcomed the agreement reached at the Eurogroup meeting on 21 November that assistance to Ireland is warranted to safeguard financial stability in the EU and in the Euro Area. This assistance may possibly be supplemented by bilateral loans to be provided by EU Member States. Since the Eurogroup meeting on 16 November, there has been very constructive and positive engagement with the bodies mentioned.

Civil Service Staff

66. **Deputy Brendan Kenneally** asked the Minister for Finance the number of public servants, including those in semi-State companies, employed in Waterford city, Cork city, Galway city and Limerick city; and if he will make a statement on the matter. [44348/10]

Minister for Finance (Deputy Brian Lenihan): The number of civil servants serving in the locations requested by the Deputy is set out in the following table.

Non Industrial Civil Servants October 2010

	Headcount
Cork City	1,714
Galway City	624
Limerick City	1,083
Waterford	681

My Department does not collate data in relation to the location of other categories of public servants. The Deputy will have to approach individual Departments separately for this information.

Departmental Correspondence

67. **Deputy Seán Ó Fearghaíl** asked the Minister for Finance if he will consider the points raised in correspondence (details attached) which are relevant to his area of responsibility [44367/10]

Minister for Finance (Deputy Brian Lenihan): The correspondence the Deputy refers to raises a number of issues which are being considered by my officials. A reply will issue in due course.

Departmental and Other Staff

68. **Deputy Seán Ó Fearghaíl** asked the Minister for Finance the number of staff employed in his Department, Central Bank and Financial Regulator's office in each individual year since 2002; if he will indicate in respect of each body the number of those staff who were full-time public or civil servants and the number or proportion of staff in each body who were contracted to provide specialist services; the nature of the services which were contracted into each of these bodies; and if he will make a statement on the matter. [44370/10]

Minister for Finance (Deputy Brian Lenihan): The following table outlines the breakdown of staffing levels (whole-time equivalents) in my Department from end December 2002 to end October 2010.

Year	Numbers Serving
December 2002	622.52
December 2003	600.81
December 2004	587.39
December 2005	587.09
December 2006	622.43
December 2007	628.70
December 2008	612.91
December 2009	560.78
October 2010	541.76

In respect of my Department over the period in question, 31 people have been retained either by contract or secondment from other organisations to provide a range of services to address specific specialist needs in banking, economics and financial areas.

[Deputy Brian Lenihan.]

With regard to the Central Bank and Financial Regulators Office, I can confirm that the end year staff numbers since 2002 are as follows:

Year	CB/SS*	FR*	Total
2002	607.0	211.0	818.0
2003	657.5	280.5	938.0
2004	655.0	298.5	953.5
2005	645.5	318.0	963.5
2006	648.0	329.0	977.0
2007	647.5	343.5	991.0
2008	653.5	369.0	1,022.5
2009	666.5	377.2	1,043.7

*CB/SS = Central banking/Shared services.

*FR = Financial regulation.

When offering contracts of employment, consideration is given to the expected future nature of the role, resulting in a combination of fixed term and permanent contracts being offered. The Central Bank of Ireland has a policy of recruiting on the open market when particular skill-sets are not readily available within the organisation e.g. approval was granted for 20 fixed term contracts for the Government Guarantee Scheme in late 2008.

Public Private Partnerships

69. **Deputy Joe Costello** asked the Minister for Finance the number of public private partnerships entered into by the State which have an annual cost to the Exchequer; the details for each PPP; the start and termination date of each contract; the cost of each contract; and if he will make a statement on the matter. [44373/10]

Minister for Finance (Deputy Brian Lenihan): I would refer the Deputy to Chapter Five of the *Report of the Comptroller & Auditor General 2009* (Volume 1) which was published in September 2010. This chapter, entitled “Financial Commitments under Public Private Partnerships,” provides information about the financial commitments entered into by central Government departments and agencies under PPP contracts. The Deputy will be aware that my Department has put in place the overall PPP investment framework, including the framework for the appraisal, assessment, procurement and evaluation of projects. Individual Departments are responsible for the projects and programmes in their areas, within that overall framework. Further details about individual projects can be obtained directly from the relevant Department.

Medical Cards

70. **Deputy Jack Wall** asked the Minister for Health and Children if a decision has been reached regarding a decision not to grant a full medical card to a person (details supplied) in County Kildare; and if she will make a statement on the matter. [44199/10]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

Health Service Staff

71. **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. [44214/10]

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.

Services for People with Disabilities

72. **Deputy Olwyn Enright** asked the Minister for Health and Children if her attention has been drawn to the difficulties being experienced by families of preschool children with disabilities, who no longer receive funding for special supports to attend preschool in an area (details supplied); and if she will make a statement on the matter. [44217/10]

Minister of State at the Department of Health and Children (Deputy John Moloney): Good quality preschool provision is of significant benefit to all children. The HSE currently funds special preschools, specifically for children with a disability, and also provides supports to children with disabilities to attend mainstream preschools, however, the nature and extent of this support can vary across the country.

In this context, and as the Deputy is aware, a cross sectoral working group was established by the Office for Disability and Mental Health earlier this year to develop and agree a framework for the inclusion of young children with disabilities in mainstream preschool settings. I am advised that the Group's report will be completed in the coming weeks. It will then be circulated to the Office of the Minister for Children and Youth Affairs, the Health Service Executive and the Department of Education and Skills for further consideration in the light of available resources and competing priorities for 2011 and subsequent years.

73. **Deputy Olwyn Enright** asked the Minister for Health and Children the steps she and the Health Service Executive are taking to examine the issue of funding provision for special supports for preschool children with disabilities; if a policy is being produced on this issue to assist these children and their families to access preschool supports; and if she will make a statement on the matter. [44218/10]

Minister of State at the Department of Health and Children (Deputy John Moloney): As the Deputy is aware, a cross sectoral working group was established by the Office for Disability and Mental Health earlier this year to develop and agree a framework for the inclusion of young children with disabilities in mainstream pre-school settings. I am advised that the Group's report will be completed in the coming weeks. It will then be circulated to the Office of the Minister for Children and Youth Affairs, the Health Service Executive and the Department of Education and Skills for further consideration in the light of available resources and competing priorities for 2011 and subsequent years.

Departmental Bodies

74. **Deputy Charles Flanagan** asked the Minister for Health and Children the terms of reference of the national review panel into child death; and if she will make a statement on the matter. [44338/10]

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.

Medical Aids and Appliances

75. **Deputy Jack Wall** asked the Minister for Health and Children the way a medical card

[Deputy Jack Wall.]

holder (details supplied) in County Kildare can avail of the Health Service Executive audiology services for a hearing aid; and if she will make a statement on the matter. [44359/10]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

Services for People with Disabilities

76. **Deputy Finian McGrath** asked the Minister for Health and Children if children with Down's Syndrome diagnosed in the mild range will be provided with extra support to promote their abilities and to ensure that they have the best chance of living with some degree of independence in adulthood. [44361/10]

Minister of State at the Department of Health and Children (Deputy John Moloney): As the Deputy's question relates to service matters, I have referred this question to the Health Service Executive for direct reply.

77. **Deputy Finian McGrath** asked the Minister for Health and Children if she will ensure that children with Down's Syndrome will be regarded as a baseline disability which automatically qualifies a person to receive life-long services. [44363/10]

Minister of State at the Department of Health and Children (Deputy John Moloney): Downs Syndrome is a condition that is included in the International classification of functioning as a disabling condition. However the extent to which Individuals with Downs Syndrome should have automatic life long right to services is very much dependent on their assessed need consistent with their personal goals. Very many persons with a disability live very independent lives with little if any supports. Accordingly it is not appropriate to grant universal services to Individuals with Downs Syndrome without reference to a needs assessment, which will vary enormously from person to person, but who may have a similar diagnosis.

With regard to the provision of health related supports, the Health Service Executive supplies Individuals with Down Syndrome with drugs, medicines and medical and surgical appliances for the treatment of their condition under the Long Term Illness Scheme.

Inter-Country Adoptions

78. **Deputy Andrew Doyle** asked the Minister for Health and Children the progress that has been made, post commencement of the Adoption Act 2010, on discussions to set up a bi-lateral agreement for inter-country adoption with Russia; when he expects this to be in place; and if she will make a statement on the matter. [44364/10]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): The Adoption Act, 2010 was commenced on 1 November 2010. The commencement of the Act coincides with Ireland's ratification of the Hague Convention on the Protection of Children and Co-operation in Respect of Inter-country Adoption. The 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 Act, 2010.

Agreements on administrative arrangements about adoption are a matter for the Adoption Authority. State to State agreements will continue to be a matter for the Minister, although the Adoption Authority will be responsible for many of the technical aspects of such agree-

meents. The Russian Government has made it clear that if adoptions are to continue, they wish to have bilaterals put in place with receiving countries. Prior to the establishment of the Adoption Authority, I wrote to the Minister of Education and Science of the Russian Federation to initiate discussions on putting in place a bilateral agreement with Russia that provides safety around the issues of consent and the financial costs of effecting an adoption. I will continue to engage with the Russian authorities on this matter.

Health Services

79. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children further to Parliamentary Question No. 283 of 19 October 2010, when a reply will issue. [44387/10]

Minister for Health and Children (Deputy Mary Harney): I understand the HSE has recently issued a response to the Deputy in this matter.

Child Care Services

80. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children further to Parliamentary Question No. 113 of 7 October 2010, when a reply will issue. [44388/10]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): My Department is advised by the Health Service Executive (HSE) that a reply issued to the Deputy on the 4th November 2010. The HSE has been requested to re-issue this response to the Deputy.

Health Services

81. **Deputy David Stanton** asked the Minister for Health and Children the progress made regarding the transfer of the dental clinic service in Cork University Hospital to the South Infirmary; when this part of the reconfiguration of services will be completed by the Health Service Executive; and if she will make a statement on the matter. [44427/10]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

82. **Deputy David Stanton** asked the Minister for Health and Children the length of time the dental clinic for young persons aged over 16 years with special needs and disabilities has been running in Cork University Hospital; the types of services this clinic offers; the number of clinics held and the number of persons treated to date and a breakdown of same per month; the number of young persons waiting for an appointment; and if she will make a statement on the matter. [44428/10]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

83. **Deputy David Stanton** asked the Minister for Health and Children the number and location of public dental clinics in Cork where young persons with a disability can receive dental treatment under general anaesthetic; the services on offer in each of these clinics; the average number of appointments or persons treated per annum at each of the clinics and the waiting lists for same; and if she will make a statement on the matter. [44429/10]

Minister for Health and Children (Deputy Mary Harney): As this is a service matter it has been referred to the HSE for direct reply.

Hospital Services

84. **Deputy Arthur Morgan** asked the Minister for Health and Children further to Parliamentary Question No. 296 of 19 October 2010, when a reply will issue; if she will reply directly to this question in view of the fact that the Health Service Executive were asked for a direct response four months ago on the issue and no reply has been forthcoming. [44430/10]

Minister for Health and Children (Deputy Mary Harney): My Department has been advised by the HSE that a reply on this matter issued to the Deputy on 23 November 2010.

Road Traffic Offences

85. **Deputy Tom Hayes** asked the Minister for Justice and Law Reform if the revenues from the newly introduced speed cameras will be ring-fenced for road safety funding; and if he will make a statement on the matter. [44358/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): The purpose of bringing additional safety cameras into operation is to reduce excessive speed on our roads, and so increase safety, not to generate revenue either for the State or the service provider.

Revenue accruing to the State from the project will be paid to the Exchequer. The Exchequer provides funding for expenditure on public services, including initiatives in the area of road safety.

Legal Aid Service

86. **Deputy Terence Flanagan** asked the Minister for Justice and Law Reform if he will deal with a matter (details supplied) regarding legal fees; and if he will make a statement on the matter. [44185/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I can inform the Deputy that I have nothing further to add to the reply provided in respect of Question Number 251 on 16 November, 2010.

As stated previously, full details of the estimate for 2010 for legal aid, both civil and criminal, are contained in the Revised Estimates for Public Services 2010, while the costs for the earlier years sought are contained in the Revised Estimates volume for each of the years concerned. As the Deputy is aware, copies of these documents are available at www.finance.gov.ie and in the Oireachtas Library.

Garda Recruitment

87. **Deputy Michael Creed** asked the Minister for Justice and Law Reform when the next Garda and Garda reserve recruitment will commence; and if he will make a statement on the matter. [44187/10]

97. **Deputy Michael Ring** asked the Minister for Justice and Law Reform if there will be recruitment within An Garda Síochána in the foreseeable future. [44351/10]

98. **Deputy Michael Ring** asked the Minister for Justice and Law Reform the level of promotions which will be made in An Garda Síochána for the next five years. [44353/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I propose to take Questions Nos. 87, 97 and 98 together.

Recruitment to the Garda Reserve is ongoing and the Government is strongly committed to the development of the Reserve. The Garda Commissioner is continuing recruitment with the objective of reaching the target of 10% of the overall strength of the Force and over 80 members of the Garda Reserve are due to graduate in the Garda College in Templemore next Friday, 26th November. The moratorium on recruitment and appointments in the public service does not apply to the Garda Reserve, as members are volunteers and do not draw a salary.

As the Deputy will be aware, the moratorium on recruitment and promotions in the Public Service continues to apply to the Garda Síochána for both sworn members and civilian support staff. The situation is continually kept under review in consultation with the Garda Commissioner and derogations can be sought in exceptional circumstances from the Minister for Finance.

Visa Applications

88. **Deputy Thomas Byrne** asked the Minister for Justice and Law Reform the position regarding an application for a visa in respect of a person (details supplied) in County Meath. [44195/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I can inform the Deputy that a visa sticker has been granted to the person referred to on 18 November 2010.

Garda Operations

89. **Deputy Pádraic McCormack** asked the Minister for Justice and Law Reform the level and cost of policing in North Mayo where a company (details supplied) wish to build a pipeline; and if he will make a statement on the matter. [44234/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I am informed by the Garda Authorities that the overall costs of the policing operation for the Corrib Gas project, from the commencement of the operation in August 2005 to end-October 2010 is approximately €13,987 million. A detailed breakdown of the figures is set out in the table below. The figures do not include the basic salaries of the Gardaí who performed the duty at the Corrib Gas project as these could only be obtained by the disproportionate expenditure of Garda time and resources relative to the information sought.

Corrib Gas operation costs: August 2005-October 2010

	€
Overtime and allowances	8,860,627
Travel & Subsistence	4,403,828
Employer's PRSI	452,968
Miscellaneous Expenses	269,281
Total	13,986,704

Road Traffic Offences

90. **Deputy Billy Timmins** asked the Minister for Justice and Law Reform the amount of income received for road traffic offences for 2008, 2009 and to date in 2010, by category; the amount of late payment penalties involved; and if he will make a statement on the matter. [44242/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I have requested a report from the Garda authorities in relation to the matter referred to by the Deputy. I will contact the Deputy again when the report is to hand.

Criminal Prosecutions

91. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 154 of 9 June 2010, if non-nationals who overstay the duration of permission are now being subjected to criminal processes as opposed to being dealt with by way of the civil deportation procedure under the Immigration Act 1999; if he will supply, in tabular form, the number of persons who were prosecuted on the sole basis of overstaying the duration of a permission for each of the past six years; the number of convictions secured and sentence imposed; the number of such convictions overturned on appeal; if any of these cases gave rise to proceeding in the High Court and if so the outcome of such proceedings; the provisions that are in place to provide such non-nationals with legal aid and the cost of such services for each of the past six years; and if he will make a statement on the matter. [44335/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): The Garda Síochána Act 2005 makes provision for the compilation and publication of crime statistics by the Central Statistics Office, as the national statistical agency, and the CSO has established a dedicated unit for this purpose. I have requested the CSO to provide statistics directly to the Deputy.

Public Procurement

92. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 151 of the 9 June 2010, the progress that has been made in holding a tendering process for language analysis; the details of expenditure on language analysis for 2010 broken down by language provider; and if he will make a statement on the matter. [44336/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I can inform the Deputy that invitations to tender for language analysis services will be advertised in the near future. In the period 1st January to 31st October this year, a total of €15,822.15 has been expended with Skandinavisk Sprakabanalys AB, Sweden (known as Sprakab) and €1,213.50 with the Netherlands Immigration and Naturalisation Service.

Common Travel Area

93. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform the circumstances under which an immigration officer can supply information to the UK Border Agency on non-nationals who lived here; the proper channels to be used by the UK Border Agency when they are seeking such information; the circumstances under which an immigration officer may give evidence on non-nationals who live here to the courts in the UK; and if he will make a statement on the matter. [44337/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): Ireland and the United Kingdom operate a common travel area (CTA) which facilitates unrestricted travel within that zone for citizens of both jurisdictions. The maintenance of this arrangement requires co-operation on immigration matters between Ireland and the United Kingdom, especially as the Irish courts have held that it is a fundamental public policy of the State to safeguard the existence of the CTA. It is, therefore, necessary for the immigration authorities in the UK and Ireland to exchange information regarding foreign nationals, on a regular basis. To that end, arrangements are in place between the Garda National Immigration Bureau (GNIB) and the United

Kingdom Border Agency (UKBA) to facilitate the secure, efficient and effective exchange of immigration data to the mutual benefit of each jurisdiction in preserving the integrity of the Common Travel Area

The Immigration Act 2004 was enacted for the stated purpose of making provision, in the interest of the common good, for the control of entry into the State, the duration and condition of stay in the State and obligations while in the State of non-Irish nationals. Provision is made at section 4 of the Immigration Act, 2004 for an Immigration Officer to authorise a non-national to land in the State. However sub-section (3) of section 4 enumerates, at (a) to (k), eleven circumstances in which an immigration officer, may, on behalf of the Minister for Justice and Law Reform, refuse to give a person a permission to land in the State. The said circumstances, any one of which, may give rise to a permission to land being refused, includes that enumerated at section 4(3)(h), where “a non-national- (i) intends to travel (immediately or not) to Great Britain or Northern Ireland and (ii) would not qualify for admission to Great Britain or Northern Ireland if he or she arrived there from a place other than the State”.

Where any law enforcement authority, in the UK or elsewhere, requires An Garda Síochána to provide evidence which it is intended is to be used in a criminal prosecution, a formal request for legal assistance is made through the Central Authority for Mutual Assistance at the Department of Justice and Law Reform.

Civil Partnership

94. **Deputy Noel Ahern** asked the Minister for Justice and Law Reform the position regarding the Civil Partnerships Act; if all sections have been implemented to date or the sections that have been implemented to date; the further position regarding inheritance of the home owned or occupied by both partners; if persons can now complete the legalities for such properties or if this provision has to be finalised in the next Finance Bill; and if he will make a statement on the matter. [44343/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): I am in consultation with the Minister for Finance and the Minister for Social Protection with a view to commencing the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010 as soon as possible, consistent with the need to make provision in the tax and social welfare codes for civil partners.

While I am not in a position to provide legal advice in response to Parliamentary Questions, I can say that the Act extends protection to the home of civil partners and it creates rights of succession as between them.

Departmental Expenditure

95. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform the visa offices that operate in Irish Embassies overseas; the estimated annual running costs of each of these offices; the number and grade of staff required to resource each of these offices; the way staff have been recruited and selected for working in these offices; if he is satisfied that the recruitment and selection procedure used is in conformity with the code of practice of the Commission for Public Service Appointments; if the staff employed are paid any special allowances including rent allowance or extra remuneration to work in these offices and if so the nature of these payments; and if he will make a statement on the matter. [44345/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): The cost of Visa Offices attached to Irish Embassies abroad in 2009, excluding staff costs, ranged from €65,958 to €195,260. The amount of visa fee income generated in these offices far exceed these costs. The

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overall staffing of these functions comprised 6 Higher Executive Officers, 12 Executive Officers and 3 Clerical Officers, distributed across Visa Office locations in Abuja, Beijing, Cairo, London, Moscow and New Delhi (Cairo has recently been replaced by an office in Abu Dhabi).

Officers are selected to serve in Visa Offices through internal competitions held by my Department and I can confirm that the selection process is conducted in accordance with the principles set down in the Commission for Public Service Appointments' Code of Practice. These posts attract the usual allowances payable in respect of all foreign postings as well as a hardship allowance (except for London). These allowances are set by the Department of Foreign Affairs and are subject to review.

EU Directives

96. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 891 of 29 September 2010, if the UK has expressed any objection to Ireland opting into Directive 2009/52/EC; if he will provide details of any judgments where an Irish court held that an employer who failed to pay a undocumented worker wages did not have to do so on the basis that it would be contrary to public policy to enforce such contracts; if he will consider opting into this directive or bring forward domestic legislation to deal with such rogue employers; and if he will make a statement on the matter. [44346/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): As I have already outlined to the Deputy, in my response to Question No. 891 of 29 September 2010, neither Ireland nor the United Kingdom exercised their option to participate in Directive 2009/52/EC providing for sanctions against employers of illegally staying third country nationals within the three month period provided for in Article 3 of the Protocol on the Position of the United Kingdom and Ireland (Fourth Protocol to the Treaty of Amsterdam replaced by the Twenty First Protocol to the Treaty of Lisbon). Participation is determined on a sovereign basis by each Member State and the question of objections, such as envisaged by the Deputy, does not arise. In any event, communications by the two countries regarding their respective participation would be considered privileged in the context of international relations.

I have also been advised by the Department of Enterprise, Trade and Innovation, which has primary policy responsibility in the area that, in general, Irish Courts have taken the view that it would be contrary to public policy to enforce contracts that might be regarded as illegal. If the courts do not, as a general rule, permit a party to rely on his or her own illegal act, an individual “employee”, who is a party to an illegal contract, may, as a matter of public policy, find that he or she is prevented from enforcing a particular term of the contract, including a term implied by statute. If an employee cannot legally enforce a claim, then it is difficult to see how a statutory Agency can pursue such a claim on his or her behalf.

Regarding any future opt-in to the Directive, as a matter of course, officials of my Department keep under review Ireland's position as regards all measures adopted under Title V of the Treaty on the Functioning of the European Union (formerly Title IV of the Treaty on the European Union) in line with emerging Government priorities and policies as necessary.

Matters regarding the treatment under domestic law of employers of illegal workers are a matter for my colleague the Minister for Enterprise, Trade and Innovation.

Questions Nos. 97 and 98 answered with Question No. 87.

99. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform if the European Commission have commenced enforcement proceedings against Ireland for the way Ireland implemented Directive 2004/83/EC on minimum standards for the qualification and status of third country nationals or stateless persons as refugees or as persons who otherwise need international protection; if he accepts the view of the Commission and the steps he will take to amend the situation; and if he will make a statement on the matter. [44384/10]

Minister for Justice and Law Reform (Deputy Dermot Ahern): The European Commission has not commenced proceedings against Ireland in relation to Council Directive 2004/83/EC. Council Directive 2004/83/EC on minimum standards for the qualification and status of third country nationals or stateless persons as refugees or as persons who otherwise need international protection and the content of the protection granted was enacted on 29 April 2004. Article 38 of the Directive provides that Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with the Directive before 10 October 2006.

The European Communities (Eligibility for Protection) Regulations 2006 were made on 9 October 2006 for the purpose of giving further effect in Irish law to the Directive. The Regulations came into operation on 10 October 2006.

Social Welfare Appeals

100. **Deputy Martin Ferris** asked the Minister for Social Protection when a decision on an appeal will be made in respect of a person (details supplied). [44188/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Social Welfare Appeals Office has advised me that an appeal by the person concerned was registered in that office on 30 October 2010. It is a statutory requirement of the appeals process that the relevant Departmental papers and comments by the Social Welfare Services on the grounds of appeal be sought. When received, the appeal in question will be referred to an Appeals Officer for consideration. The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

101. **Deputy Martin Ferris** asked the Minister for Social Protection when a decision will be made on an appeal in respect of a person (details supplied). [44189/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Social Welfare Appeals Office has advised me that the appeal from the person concerned was referred to an Appeals Officer who proposes to hold an oral hearing in this case. The person concerned will be informed when arrangements have been made. In order to be fair to all appellants, oral hearings are arranged in strict chronological order.

There was a 46% increase in the number of appeals received by the Social Welfare Appeals Office in 2009 when compared to 2008, which in itself was 27% greater than the numbers received in 2007. There was an increase of a further 44% in the number of appeals received in the first eight months of 2010. These increases have caused delays in the processing of appeals.

A number of initiatives have been put in place to enhance the capacity of the office to deal with the current caseload and inflows. In that regard:

- 3 additional Appeals Officers were assigned to the Office in 2009,
- A number of additional staff were assigned to the administration area of the Office,

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- The organisation of the Appeals Officer's work has been changed so as to increase productivity,
- A project to improve the business processes in the office was undertaken which has resulted in a number of improvements being implemented, and
- Significant enhancements have been made to the office's IT and phone systems.

In addition, it was decided to use experienced retired staff strictly on a short term basis to supplement the current resources and the services of eight retired officers have now been secured on a part-time basis and have been operating since July.

I am assured by the Chief Appeals Officer that she is keeping current processes under continuous review with a view to achieving a more effective throughput of appeals, while ensuring that any progress does not conflict with due process in terms of the rights of appellants and adherence to the requirements of natural justice.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

102. **Deputy Martin Ferris** asked the Minister for Social Protection when a decision on an appeal will be made in respect of a person (details supplied). [44190/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Social Welfare Appeals Office has advised me that an appeal by the person concerned was registered in that Office on 21 October 2010. It is a statutory requirement of the appeals process that the relevant Departmental papers and comments by the Social Welfare Services on the grounds of appeal be sought. When received, the appeal in question will be referred to an Appeals Officer for consideration.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

103. **Deputy Martin Ferris** asked the Minister for Social Protection when farm assist payment will issue to a person (details supplied). [44193/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Social Welfare Appeals Office has advised me that the appeal from the person concerned was received in that office on 05 October 2010, via the persons Local Office, along with the relevant Departmental papers and documents by or on behalf of the Deciding Officer on the grounds of the appeal. These papers will be referred in due course to an Appeals Officer who will decide whether the case can be decided on a summary basis or whether to list it for oral hearing.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

Social Welfare Benefits

104. **Deputy Thomas Byrne** asked the Minister for Social Protection the reason an application for mortgage interest supplement was refused in respect of a person (details supplied) in County Meath. [44194/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Health Service Executive (HSE) has advised that the person concerned was refused mortgage interest supplement as the total household contribution is sufficient to meet his mortgage interest costs.

105. **Deputy Michael D’Arcy** asked the Minister for Social Protection if a person (details supplied) who is here on a student visa but works part-time, is entitled to some form of supplementary welfare allowance; and if he will make a statement on the matter. [44210/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Health Service Executive (HSE) has advised that the person concerned should contact the community welfare officer at her local health centre to discuss her entitlement, if any, to assistance under the supplementary welfare allowance scheme.

Social Welfare Appeals

106. **Deputy Michael Noonan** asked the Minister for Social Protection when a decision will issue on an appeal in respect of a person (details supplied) in County Limerick; and if he will make a statement on the matter. [44355/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): An application for domiciliary care allowance (DCA) was received on the 29th September 2010 from the person in question. This application was referred to one of the Department’s Medical Assessors who found that her child was not medically eligible for DCA.

A letter issued to the person in question on the 8th November where she was advised of the decision to refuse DCA. In the case of an application which is refused on medical grounds, the applicant may submit additional information and/or ask for the case to be reviewed or may appeal the decision directly to the Social Welfare Appeals Office within 21 days.

In this case the applicant submitted an appeal to the Appeals Office together with additional medical information. As part of the appeal process, the new medical information provided will be reviewed by a Medical Assessor and if the child is now considered eligible for DCA, the claim will be put into payment immediately. If the child is still not considered eligible for DCA, the file will be submitted to the Social Welfare Appeals Office for decision.

Social Welfare Benefits

107. **Deputy Bernard J. Durkan** asked the Minister for Social Protection the way it is intended to address the issue of hardship caused to many persons throughout the country arising from the imposition of the carbon tax; the extent to which any effective evaluation as to its impact on the population has been carried out; and if he will make a statement on the matter. [44356/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Department of Social Protection already assists low income households with heating costs through their basic payments, through the fuel allowance scheme and through the household benefits package of electricity and gas allowances. These schemes have been improved significantly in recent years.

The fuel allowance is paid for 32 weeks each year from end September to early May arising from an increase in the duration of the payment period by 2 weeks in Budget 2009. In the 2010/2011 heating season it is estimated that over 350,000 recipients will benefit from the allowance at a cost of over €239 million.

There are also 380,000 households, mainly older persons and persons with disabilities, in receipt of the household benefits package which provides up to 2,400 electricity units per

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annum (or the gas equivalent) over the year. It is estimated that 140,000 of these households are receiving both the fuel allowance and the electricity/gas allowance under the household benefits package to assist with heating and other energy requirements. The electricity and gas allowances under the household benefit package cost €184 million in 2009, with €225.8 million provided in 2010. In addition, I have recently announced that the electricity allowance has been increased with effect from 1 October 2010 to cover the cost of the Public Service Obligation levy on domestic electricity, which will increase the annual cost of the scheme by €12.6 million.

In addition to the basic welfare payments, household benefits and fuel allowance payments, the Department also provides funding to the Community Welfare Service to assist people with special heating needs. CWOs can pay a heating supplement to people in certain circumstances with specific heating needs due to infirmity or a particular medical condition. They can also make exceptional needs payments to people who do not have enough money to meet their heating costs. €90m has been provided for all exceptional needs payments in 2010. Expenditure for 2009 is estimated at over €77m. Approximately 16,000 claims at a cost of €4.2m were paid in respect of heating related needs under the Exceptional Needs Payment Scheme in 2009.

The Government is also committed to protecting vulnerable households from the impact of fuel poverty through investment in programmes to improve the energy efficiency of the housing stock and energy efficiency awareness initiatives such as the Keep Well and Warm booklet and accompanying associated website. Some 150,000 copies of the booklet have been distributed to date in the last couple of years. The Warmer Homes Scheme administered by the Sustainable Energy Authority of Ireland (SEAI), under the aegis of the Department of Communications, Energy and Natural Resources is the primary mechanism for alleviating the key underlying cause of energy poverty — that of thermal inefficiency of houses. Over 19,000 low-income houses were retrofitted in 2009 with a target of a further 22,500 in 2010.

In his Carbon Budget Statement, the Minister for Environment, Heritage and Local Government, outlined details of €130 million in funding for insulation, €76 million of which will be used to assist low income families.

The significant income support measures already in place and the Government's commitment to schemes such as the warmer homes scheme and the local authority insulation scheme are concrete actions currently being taken to address fuel poverty.

The Department of Communications, Energy and Natural Resources has overarching responsibility for the energy portfolio and has convened an Inter- Departmental/Agency Group on Affordable Energy to coordinate and drive Government policy in this area. They were tasked with devising an Energy Affordability Strategy. This strategy will set out existing and future approaches to addressing energy affordability.

108. **Deputy Pat Breen** asked the Minister for Social Protection the position regarding an application in respect of a person (details supplied) in County Clare; and if he will make a statement on the matter. [44425/10]

Minister for Social Protection (Deputy Éamon Ó Cuív): An application for domiciliary care allowance (DCA) was received on the 26th August 2010 from the person in question. This application was referred to one of the Department's Medical Assessors who found that her child was not medically eligible for DCA.

A letter issued to the person in question on the 5th October 2010 where she was advised of the decision to refuse DCA. In the case of an application which is refused on medical grounds,

the applicant may submit additional information and/or ask for the case to be reviewed or may appeal the decision directly to the Social Welfare Appeals Office within 21 days.

In this case the applicant submitted an appeal to the Appeals Office together with additional medical information. As part of the appeal process, the new medical information provided will be reviewed by a Medical Assessor and if the child is now considered eligible for DCA, the claim will be put into payment immediately. If the child is still not considered eligible for DCA, the file will be submitted to the Social Welfare Appeals Office for decision.

Tourism Industry

109. **Deputy Mary Upton** asked the Minister for Tourism, Culture and Sport in view of the continuing decline in overseas visitors to Ireland according to the Central Statistics Office figures for the first nine months of the year, the efforts that are being made to halt the decline in tourist numbers; and if she will make a statement on the matter. [44229/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): The most recent published figures from the CSO show a reduction of 15.7% in the number of overseas visitors to Ireland in the first three quarters of 2010 compared to the corresponding period of 2009. Figures for the third quarter of this year show that the fall-off is slowing down, at just over 8% compared to the corresponding period of 2009.

While any decrease is disappointing, the figures must be viewed in context. Tourism world-wide has been deeply affected by global economic difficulties and loss of consumer confidence. Furthermore, the exceptional weather conditions in the early part of the year and the closure of airports due to the volcanic ash cloud meant that it was inevitable that a falloff in the numbers travelling, particularly in Northwest Europe, would be experienced in the first half of 2010. At the same time it is important to recognise that over 4.6 million overseas visitors came to Ireland in the first nine months of the year with hugely positive benefits for the Irish economy. The Government recognises the opportunities to grow this figure further and ensure that tourism plays a key part in Ireland's economic recovery. Based on my recent experience in supporting the international marketing effort, I know that the industry and the tourism agencies are fighting hard for every bit of available business for the remainder of this year and into 2011. Tourism Ireland is finalising its 2011 Business Plan at present and next week I will be launching their Marketing Plans for 2011. The main focus of the plans will be on those markets offering the best real prospects of growth in 2011 namely, Great Britain, the United States, Germany and France. The marketing campaigns will emphasise that there has never been a better time to holiday in Ireland in terms of the value that is available and the quality of the tourism product on offer.

On the Business Tourism front, the new Convention Centre Dublin will be highlighted and further enhance our capacity to attract international events. Other significant events next year such as the Solheim Cup at Killeen Castle, the start of the Tall Ships Race Series in Waterford, Dublin Contemporary, Imagine Ireland, and the UEFA Cup Final at the Aviva Stadium will also provide significant opportunities to boost our international profile and the tourism agencies will be working to maximise the tourism benefits of these events.

In terms of the broader policy environment, the Report of the Tourism Renewal Group set out a clear plan for the survival, recovery and growth of Irish tourism. I established the new Tourism Renewal Implementation Group in July 2010 to oversee and further drive actions on measures, based on the wide-ranging Framework for Action, that support tourism in Ireland, increase competitiveness and ensure that the sector is ready for recovery and growth. Good progress has been made with regard to the survival actions recommended by the Renewal

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Group and the Implementation Group will continue to meet to pursue outstanding measures that can ensure that Irish tourism returns to growth next year and plays a major role in Ireland's economic recovery.

Question No. 110 answered with Question No. 41.

111. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport the extent to which she directly or agencies under her remit have taken initiatives to invigorate the tourism sector in each of the past three years to date; and if she will make a statement on the matter. [44431/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): The overall tourism services budget of the Department was increased to over €153 million for 2010, representing an increase of 3% on 2009 expenditure outturn. The Tourism Marketing Fund in 2010 has a provision of €44.25 million. This is enabling the level and value of investment in overseas marketing of Ireland to be maintained in real terms in 2010 as recommended in the report of the Tourism Renewal Group. Better value for money in purchasing advertising space, currency advantages and once-off expenditure in 2009 relating to the redevelopment of Tourism Brand Ireland is ensuring that there is no adverse impact from the nominal reduction in the 2010 allocation.

Tourism Ireland is continuing its marketing activities in Great Britain, Mainland Europe and North America this Autumn highlighting ease of access, great fares and offers from the industry and showcasing the wonderful holiday experiences available here. In the US, a seat sale is under way in gateway cities promoting Autumn/Winter fares from as low as \$199 each way. Meanwhile, in Europe, over 16 million potential visitors will see the 'Ireland — More for Less' promotion on the Ryanair website. Car touring campaigns with the ferry companies are also encouraging visitors to take their own cars to Ireland.

Fáilte Ireland has undertaken its biggest ever home holiday marketing programme in 2010 with a budget of €4 million, as a central plank in its strategy to increase the home market share of the overall Irish leisure break market. The home holiday marketing campaign is continuing with the Festive and New Year offering launched during November.

The allocation for capital investment in tourism product development has been very significantly increased. This investment will be focussed on a number of new iconic visitor attractions, completing the upgrading of some major tourism attractions, as well as improving infrastructure for recreational cycling, walking and water-based activities and heritage attractions.

In 2010, Fáilte Ireland is investing over €11 million in the form of direct supports and advice for tourism enterprises. Business supports are aimed at assisting key tourism businesses to increase their international customer base, better manage their cost base, improve overall performance and sustain employment levels.

The Government further demonstrated its commitment to tourism by its inclusion of tourism in a range of cross-cutting measures — including the Employment Subsidy Scheme, the Work Placement Programme, the Credit Review System and incentives for investment in energy-efficiency — all of which support sustainable tourism enterprises and employment. The industry will also benefit from the establishment of the Credit Review System for all SME sectors, including tourism.

Further specific measures that are helping tourism include the changes in alcohol excise duties and VAT and the free rail travel initiative aimed at senior citizens visiting Ireland from

abroad. The reduction in alcohol excise duties will result in lower hospitality costs to our visitors.

The enhancement of the scheme of accelerated capital allowances for energy efficient equipment to include catering and hospitality equipment will also benefit the sector.

Of course, while I know that our businesses and tourism agencies are responding positively to current challenges, it is just as important that the strategic framework for tourism development responds to the changing environment. In this regard, the wide-ranging set of measures recommended in the Tourism Renewal Group's Framework for Action now forms the strategic basis on which Government is responding to the current difficulties. Tourism remains a key element of the Government's wider strategy for economic renewal.

112. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport if she intends to take any particular initiatives to promote or develop any particular aspects of the tourism sectors with particular reference to emphasis on economic recovery [44432/10]

113. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport if it is her policy to expand or develop any particular aspect of tourism in the next four years; and if she will make a statement on the matter. [44433/10]

114. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport her role in respect of tourism in the context of economic recovery; and if she will make a statement on the matter. [44434/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I propose to take Questions Nos. 112 to 114, inclusive, together.

Tourism is a key driver of social and economic development at both national and regional levels in Ireland. Through the strength of our tourism brand and the quality of the tourist experience, tourism also plays a central role in creating a positive image of Ireland. Part of my role, as Minister with responsibility for tourism, is to ensure that the important contribution of the tourism industry is widely recognised and that the tourism agenda is accommodated in all relevant policies and programmes. This is being put into practice by my Department and the tourism agencies through engagement with the relevant Departments and agencies. The Report of the Tourism Renewal Group, published in October 2009, endorses this view and clearly sets out tourism's contribution to Ireland's economic, social and cultural development. The wide-ranging set of measures recommended in the Group's Framework for Action now forms the strategic basis on which Government is responding to the current difficulties and tourism is a key element of the Government's wider strategy for economic renewal as set out in the policy document *Building Ireland's Smart Economy: A Framework for Sustainable Economic Renewal*.

Building on the recommendations of the Renewal Group, and in line with the Government's overall framework for economic renewal, Budget 2010 recognised the tourism sector as a critical, labour-intensive sector and provided for a 3% increase to over €153 million in the overall tourism services budget. This included maintaining the real level of investment in overseas marketing, as well as a significantly increased capital allocation for tourism product. The tourism sector was included in a range of beneficial cross-cutting measures to support enterprises and jobs, including the Employment Subsidy Scheme, the Work Placement Programme and the Credit Review System.

Building Ireland's Smart Economy included a commitment to develop an action plan to drive export-led growth over the coming years. Accordingly, the Government's new Strategy and

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Action Plan for Irish Trade, Tourism and Investment to 2015, *Trading and Investing in a Smart Economy*, was drawn up by the representatives from the key Departments and agencies, including my Department, Tourism Ireland and Culture Ireland. Its tourism-related elements draw on the robust analysis already carried out by the Tourism Renewal Group in its Report and Framework for Action.

This Strategy, which was launched on 28 September last, contains targets for job creation, exports, tourist numbers and inward investment projects by 2015 and details on how the Government and its agencies will achieve these priorities and targets. As regards tourism specifically, it sets a target of increasing visitor numbers to 8 million by 2015 and provides for 15,000 new jobs to be generated directly in the tourism sector by this growth in numbers. Drawing on the recommendations of the Tourism Renewal Group, *Trading and Investing in a Smart Economy* reiterates the scope to develop both the leisure and business tourism sectors and highlights certain areas where Ireland may have a particular competitive advantage — namely Food Tourism/Gastronomy; Eco-tourism; Film and TV production, Cruise Tourism; Irish Diaspora; Music, Literature and the Arts; and Niche Tourism. In terms of achieving the tourism-related targets, the Strategy recognises that in the short to medium term, Ireland's best prospects are in the United States, Great Britain and the major European markets and these priorities will be reflected in Tourism Ireland's overseas marketing plan for 2011, which I will be launching next week.

On the domestic front, Fáilte Ireland will continue its significant investment in tourism product and services and will also continue to support local festivals and events. These, together with Fáilte's highly successful "holiday at home" marketing campaign, are playing a key role in boosting tourist revenues around the country as well as boosting employment. Fáilte Ireland also continues to work closely with businesses all over Ireland to increase their customer base, better manage costs, improve overall performance and sustain employment.

Overall, I believe that Government is pursuing the right policies and programmes to support the continued development of tourism, working with the industry and the tourism agencies in order to position the sector for recovery and growth as part of the Government's wider strategy for economic renewal. This work is being greatly assisted by the two tourism agencies, Fáilte Ireland and Tourism Ireland, as well as by the Tourism Renewal Implementation Group, which will continue to oversee and drive further action on measures to support the competitiveness and sustainability of tourism in Ireland.

115. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport if she intends to maintain or extend the level of support for the sporting and cultural sectors over the next four years; and if she will make a statement on the matter. [44435/10]

119. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport her proposals to develop and or expand the sectors under her aegis on an annual basis over the next five years; and if she will make a statement on the matter. [44439/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I propose to take Questions Nos. 115 and 119 together.

The financing of the tourism, culture and sport sectors will be in accordance with the provisions of the four-year economic plan. In that context, I remain fully committed to assisting these sectors as much as possible over the coming years. Moreover, I will remain in ongoing contact and consultation with the key stakeholders so that my Department's policy and other responses to the needs of these sectors remain current, proportionate, targeted and effective.

Job Creation

116. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport the extent to which she expects the sectors for which she has direct or indirect responsibility to influence job creation over the foreseeable future; and if she will make a statement on the matter. [44436/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): With regard to the tourism, culture and sport sectors, safeguarding existing jobs and supporting job creation has been my priority since taking up office as Minister. In particular, it is my policy to develop and support the tourism industry in partnership with those bodies that represent tourism business. Despite the difficulties in our public finances, the Government increased the tourism services budget in 2010 by providing more than €153 million, which is an increase of 3 per cent over the 2009 outturn.

The State tourism agencies are maintaining their marketing drives to attract overseas and domestic tourists to holiday in Ireland. Tourism Ireland is continuing its marketing activities in Great Britain, mainland Europe and North America, highlighting ease of access, great fares and offers from the industry and showcasing the wonderful holiday experiences available here. Here at home, Fáilte Ireland's €4 million home holiday marketing programme is also continuing apace. In 2010, Fáilte Ireland is investing more than €11 million in the form of direct supports and advice for tourism enterprises. Business supports are aimed at assisting key tourism businesses to increase their international customer base, better manage their cost base, improve overall performance and sustain employment levels.

The Government further demonstrated its commitment to tourism by the inclusion of the sector in a range of cross-cutting measures — including the Employment Subsidy Scheme, the Work Placement Programme, the Credit Review System and incentives for investment in energy-efficiency — all of which support sustainable tourism enterprises and employment. Tourism businesses accessed the second call for applications under the Employment Subsidy Scheme, under which total support of €65 million was available to protect vulnerable employment. The take-up of this scheme in the hotel sector was very strong. Further specific measures originally announced in the last Budget that are helping tourism include the changes in alcohol excise duties and VAT and the free rail travel initiative aimed at senior citizens visiting Ireland from abroad.

The Strategy and Action Plan for Irish Trade, Tourism and Investment to 2015, published at the end of September, envisages the creation of an additional 15,000 jobs in the tourism and hospitality sector by 2015. With regard to culture, I remain committed to supporting and funding this sector to ensure the maintenance of as much employment as possible. My policy is to promote and strengthen the sector in all its forms, increase access to and participation in the arts and culture, make culture an integral and valued part of our national life, and maximise the potential for cultural tourism, including associated employment spin-offs.

The sports sector is also a major contributor to the economy — a contribution which includes sports tourism, ticket sales, subscriptions and the cost of playing sport, together with the purchase of sports equipment and the economic value of time given by volunteers. There is also a very extensive financial dividend to be obtained through the benefits of hosting major sporting events, particularly those with an international dimension. With specific regard to employment, the Irish Sports Council, through its grant funding to the National Governing Bodies of Sport, supports a large number of jobs throughout the country. The Department's capital expenditure, through its Sports Capital Programme and Local Authority Swimming Pool Programme, is also a major contributor to employment.

Ministerial Responsibilities

117. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport the areas or activities in respect of her portfolio for which she has direct responsibility to the Dáil; the areas of responsibilities for which have been devolved to others with specific reference including funding; and if she will make a statement on the matter. [44437/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): I have not statutorily devolved any areas of my responsibility as Minister for Tourism, Culture and Sport. In other words, I remain directly responsible to Dáil Éireann in respect of my portfolio in the tourism, culture and sport sectors. I have non-statutorily devolved responsibility for a range of matters to my colleague, Mr. Martin Mansergh, T.D., Minister of State with special responsibility for the Arts. In particular, Minister of State Mansergh has been delegated responsibility for:

- North/South arts and culture co-operative projects;
- assisting with the renovation and construction programme at the National Cultural Institutions;
- assisting with maximising the use of publicly owned facilities and venues under the aegis of the Commissioners of Public Works to support the promotion of arts and cultural events and also in maximising the synergies between this public and heritage infrastructure and arts, culture and tourism policy objectives;
- providing support generally, as required, to me on arts and culture, tourism and sport matters; and
- representing me, as required, at events related to the responsibilities of my Department.

For the sake of clarity, I should state that I am responsible for overall policy in relation to the tourism, culture and sport sectors. In respect of the agencies under the aegis of my Department, day-to-day operational matters and issues of administration and spending within prescribed budgets are a matter for the agencies themselves as prescribed in the relevant Acts governing their establishment.

Job Creation

118. **Deputy Bernard J. Durkan** asked the Minister for Tourism, Culture and Sport her plans to develop and utilise the sporting and leisure sectors in the next four years with emphasis on job creation and job retention; and if she will make a statement on the matter. [44438/10]

Minister for Tourism, Culture and Sport (Deputy Mary Hanafin): Safeguarding existing jobs and supporting job creation can only be achieved by promoting the robustness and vibrancy of the sector. I have sought at every opportunity to do just that. The sports sector is a major contributor to the economy, a contribution which includes sports tourism, ticket sales, subscriptions and the cost of playing sport, together with the purchase of sports equipment and an economic value of time given by volunteers. There is also a very extensive financial dividend to be obtained through the success of major sporting events, particularly those with an international dimension. Through a variety of actions and investments Ireland is developing an enviable reputation as a destination to play and watch sports. Stadia such the Aviva, Croke Park, Semple and Thomond Park attract international and domestic tourists in large numbers throughout the year.

The targeting of major international sporting events such as the Ryder and Solheim Cups in golf, the Volvo Ocean Race and the Irish Open golf tournament attracts tourists and also

showcases the country in the best possible light. In 2008 DKM economic consultants valued the ongoing economic benefit of Croke Park to be approximately €46 million to Dublin each year. A study by BDO Simpson Xavier showed that a single rugby match at Thomond park was worth almost €10.5m to the Limerick Economy; with a single concert worth at least €9.9m. Since it opened in late 2008 Thomond Park has contributed more than €131 m to the economy of the Limerick city region.

The Irish Sports Council, through its grant funding to the National Governing Bodies, supports a large number of jobs throughout the country. The Department's capital expenditure, through its Sports Capital Programme and Local Authority Swimming Pool Programme, is also a major contributor to employment. A typical newly opened swimming pool employs 24 staff while during the construction phase of the pool some 350 people would be employed. Based on analysis by the Department, each €27,000 allocated under the Sports Capital Programme supports a single job in the construction sector. For example, in 2009 alone, the SCP supported over 2,200 full-time equivalent jobs in the construction sector. I remain in ongoing contact and consultation with the key stakeholders so that our responses to the needs of the sector remain current, proportionate, targeted and effective.

Question No. 119 answered with Question No. 115.

Question No. 120 answered with Question No. 37.

Local Authority Housing

121. **Deputy Catherine Byrne** asked the Minister for the Environment, Heritage and Local Government the reason the interest rate for local authority mortgage holders has been increased by 0.5%; the person who made the decision to increase this rate; his views on whether this decision should be reversed in view of recent data showing that local authority mortgage holders are six times more likely than bank mortgage holders to be in arrears; and if he will make a statement on the matter. [44198/10]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): Interest rates charged to local authority borrowers are determined by the Board of the Housing Finance Agency (HFA). In determining these rates, the Board of the Agency gives careful consideration to the fluctuating relationship between the rates at which it can borrow and its lending rates. The HFA is required to operate on a break-even basis and continues to provide extremely good value to local authority customers. However, the unavoidable increases in the Agency's borrowing costs required the rate charged to local authority borrowers to increase by 0.5% as of 1 November 2010.

I am acutely conscious of the fact that a considerable number of local authority borrowers are already facing difficulties in meeting their mortgage payments. However, local authority borrowers have benefited from very significant easing of mortgage costs in recent times. The effective rate for local authority borrowers from 1 June 2009 has been 2.25% — a cumulative rate decrease since October 2008 of 3%. This has resulted in a differential of over 1% between the rate charged to local authority borrowers and the average variable rate available from private lending institutions. Even allowing for the increase of 0.5%, that differential will be around 0.6%.

Where any borrower, either from a local authority or from a private financial institution, is facing difficulties in meeting mortgage repayments, they should engage proactively and constructively with the lender to seek to achieve an agreed solution. The services of the Money Advice and Budgetary Service are also available to such borrowers and support is available through the Supplementary Welfare Allowance Scheme.

[Deputy Michael Finneran.]

In addition, I issued comprehensive guidance earlier this year based on the Regulators Code of Practice, to ensure that cases of local authority mortgage arrears are handled in a manner that is sympathetic to the needs of the particular household, while also protecting the position of the local authority concerned.

Local Authority Funding

122. **Deputy Olwyn Enright** asked the Minister for the Environment, Heritage and Local Government the supports that are in place to assist local authorities in an area (details supplied) to prioritise action to ensure obligations by both builders and developers to leave their sites in a safe and secure condition are being met in these areas; and if he will make a statement on the matter. [44219/10]

Minister of State at the Department of Environment, Heritage and Local Government (Deputy Ciarán Cuffe): Developers and owners of sites are required to ensure that their sites are left in a safe and secure condition. The National Housing Development Survey database provides, *inter alia*, figures on the overall number of dwellings in unfinished housing developments on a county by county basis and the number of such dwellings that are completed and vacant. It establishes a sound basis for assisting local authorities in identifying those developments that require priority interventions by the key stakeholders concerned such as developers, financial institutions and local authorities.

One of the key aims of the National Housing Development Survey was to facilitate the development of best practice management and resolution approaches in dealing with unfinished housing developments by key stakeholders. The high-level Expert Group on Unfinished Housing Developments is currently developing measures effectively to address unfinished housing developments, including a guidance manual and Code of Practice. It is expected that the guidance manual will be published very shortly as a consultation draft which will, *inter alia*, identify the type of developments and issues that need to be prioritised for action in the short term; the final manual and Code of Practice will be published early next year.

Water and Sewerage Schemes

123. **Deputy Arthur Morgan** asked the Minister for the Environment, Heritage and Local Government when work will commence on a scheme (details supplied); and if he will make a statement on the matter. [44238/10]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): The Dungloe and Glenties Sewerage Schemes, which are to advance jointly, are included in the Water Services Investment Programme 2010-2012 among the list of contracts in Donegal to start in the period 2010-2012. Donegal County Council's Tender Documents for the contract are under examination in my Department and are being dealt with as quickly as possible.

Motor Taxation

124. **Deputy Phil Hogan** asked the Minister for the Environment, Heritage and Local Government if he will provide a breakdown of motor tax receipts by each CO₂ category and engine size category for 2009; and if he will make a statement on the matter. [44349/10]

125. **Deputy Phil Hogan** asked the Minister for the Environment, Heritage and Local Government if he will provide a break down of the total number of motor vehicles taxed in each CO₂ category and engine size category for 2009; and if he will make a statement on the matter. [44350/10]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): I propose to take Question Nos. 124 and 125 together.

The information requested in respect of 2009 is set out in the following tables.

Breakdown of Number of Vehicles and Motor Tax Receipts for Vehicles taxed as Private Standard in 2009 by Engine CC.

Engine CC	No. of Vehicles	Motor Tax Receipts
not over 1,000	150,193	27,165,763
1,001 to 1,100	7,616	2,143,283
1,101 to 1,200	103,816	32,042,014
1,201 to 1,300	133,189	44,689,520
1,301 to 1,400	473,048	169,724,019
1,401 to 1,500	59,600	22,949,126
1,501 to 1,600	279,607	133,621,526
1,601 to 1,700	6,594	3,389,735
1,701 to 1,800	112,952	67,142,744
1,801 to 1,900	133,653	82,988,447
1,901 to 2,000	194,274	127,705,985
2,001 to 2,100	571	486,124
2,101 to 2,200	23,925	20,955,236
2,201 to 2,300	7,395	6,827,757
2,301 to 2,400	4,515	4,304,336
2,401 to 2,500	22,852	22,943,683
2,501 to 2,600	1,912	2,267,499
2,601 to 2,700	4,537	5,737,108
2,701 to 2,800	4,942	6,414,289
2,801 to 2,900	795	1,142,923
2,901 to 3,000	20,478	28,306,956
3,001 or more	13,417	22,546,205
Total	1,759,881	835,494,278

Breakdown of Number of Vehicles and Motor Tax Receipts for Vehicles taxed as Private CO₂ in 2009 by Band

CO ₂ Band	No. of Vehicles	Motor Tax Receipts
A	13,240	1,441,301
B	65,490	10,225,842
C	39,266	11,250,677
D	14,832	6,637,357
E	6,666	4,221,404
F	2,829	2,643,443
G	225	530,622
Total	142,548	36,950,646

Planning Issues

126. **Deputy Joanna Tuffy** asked the Minister for the Environment, Heritage and Local

[Deputy Joanna Tuffy.]

Government the steps he will take in respect of overzoning of land for residential development by certain local authorities; and if he will make a statement on the matter. [37672/10]

Minister of State at the Department of Environment, Heritage and Local Government (Deputy Ciarán Cuffe): The responsibility for zoning lands for specific purposes is a matter for planning authorities through their development plans and local area plans. Under the Planning Acts, the making, reviewing and varying of a development plan or local area plan is a reserved function of the elected members of the planning authority for the area.

In January 2009, to inform the review of the Regional Planning Guidelines (RPGs) for the period 2010-2022, my Department published national and regional population targets for the years 2016 and 2022 which take account of the changed economic climate and the likely impact on demographic trends of reduced in-migration, unemployment levels and a more constrained financial situation. In October 2009, specific Gateway and Hub population targets which were derived from the January 2009 national and regional targets were also issued.

Each Regional Authority, together with the constituent City and County Councils, is determining population targets for county towns, other smaller towns, villages and rural areas, within their respective regional targets, which will in turn inform the demand for housing over the period of the RPGs and the requirements for development land, taking account of such matters as available vacant housing units within their area. Regional Planning Guidelines for the period 2010 to 2022 have now been adopted by all eight Regional Authorities.

Furthermore, the Planning and Development (Amendment) Act 2010 provides, *inter alia*, that an evidence-based core strategy must be included in development plans, providing information on how the plan is consistent with the National Spatial Strategy, relevant Regional Planning Guidelines and statutory planning guidelines, including information in relation to the quantum, location and phasing of lands zoned for development over the period of the plan. Planning authorities are required to introduce these core strategies into their development plans within one year of the adoption of the updated Regional Planning Guidelines for the area.

Litter Pollution

127. **Deputy David Stanton** asked the Minister for the Environment, Heritage and Local Government the discussions he has had with local authorities in relation to the impact of litter and fly-tipping on tourism; if his attention has been drawn to any studies conducted into this and his views on same; and if he will make a statement on the matter. [44072/10]

Minister for the Environment, Heritage and Local Government (Deputy John Gormley): Under the Litter Pollution Acts 1997 to 2009, the primary response to litter is a matter for local authorities. It is the responsibility of each local authority to enforce the litter laws and to determine the most appropriate course of action to tackle litter pollution within the relevant legislation. The role of my Department is to provide the legislative framework within which to combat litter pollution and as necessary to motivate and energise anti-litter responses.

In recognition of the effects of litter and fly-tipping I have established an action group on rural and roadside litter. This group, which includes representatives from my Department, the local authorities, Fáilte Ireland and other key stakeholders, is examining the issue of rural and roadside litter, including its impact on tourism, and will be reporting to me with recommendations on proposed actions to counter the issue.

Furthermore in direct response to the potential impact of litter and fly -tipping on tourism I have committed funding of €1.5 million over a three year period to aid local authorities in their fight against litter at locations with high tourist footfalls.

The scheme, the Tourist Season Anti-Litter Support Grant, is specifically designed to counter litter levels at tourist destinations and access routes across each local authority's functional area during the peak summer tourist period from May to September. It is intended that these grants will be utilised to assist local authorities in the deployment of staff and resources to clean up key tourist destinations, such as beaches and popular scenic areas.

Postal Network

128. **Deputy Deirdre Clune** asked the Minister for Communications, Energy and Natural Resources his plans for the future of the postal service here; the way the current level of service across the country will be protected; the way in which the universal service obligation will be impacted by this; and if he will make a statement on the matter. [44184/10]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): The Government's core policy goal for the postal sector is to ensure that Irish customers, both business and residential, enjoy competitively priced, high quality postal services.

The Communications Regulation (Postal Services) Bill was recently published with a view to transposing the third Postal Services Directive, which mandates opening the postal market to full competition from 1 January, 2011.

The Bill sets out the regulatory framework for a liberalised postal market, the key principles of which include:

- The maintenance of a universal postal service, the essential element of which is the collection and delivery of mail to every address in the State on every working day. The Bill also designates An Post as the universal postal service provider;
- The development of a competitive sector providing competitively priced, high quality postal services to both business and residential customers;
- The protection of postal service users.

The Government recognises the important role that An Post has played to date, and, in this context, an innovative, successful An Post will play a key role in the development of the wider postal sector.

Television Licence Fee

129. **Deputy Alan Shatter** asked the Minister for Communications, Energy and Natural Resources the total sum received by RTE in each of the years 2005, 2006, 2007, 2008, 2009 and to date in 2010 by way of television licence fee; if he has engaged in any discussions with RTE with regard to any future increase or decrease in the licence fee or with regard to a decrease in operating costs; and if he will make a statement on the matter. [43686/10]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): Under Section 123 of the Broadcasting Act, 2009, with the approval of the Minister of Finance, I may pay RTÉ in respect of each financial year an amount equal to the total receipts in that year in respect of broadcasting (TV) licence fees less (i) any expenses incurred in relation to the collection of those fees, and (ii) an amount being equal to 7% of these net television licence fee receipts which is paid under Section 156 of the Broadcasting Act 2009 to the Broadcasting Authority of Ireland (BAI) in respect of the Broadcasting Funding Scheme. The following table sets out details of the amounts paid to RTÉ in the years 2005 to date in 2010:

[Deputy Eamon Ryan.]

Year	RTÉ
	€ million
2005	172.0
2006	183.0
2007	194.0
2008	199.0
2009	204.0
2010	167.1

In relation to modification of the licence fee, Section 124 of the Broadcasting Act 2009 sets out the mechanism by which increases or decreases may be determined. In particular it allows for the BAI to recommend in a report to the Minister an annual licence fee modification. This recommendation is to be based on a review on the extent to which RTÉ has fulfilled its commitments in respect of its public service objects stated in its annual statement of performance commitments for that financial year and the adequacy or otherwise of public funding to enable the corporation to meet its public service objects.

A review of RTÉ's 2009 public service commitments has been carried out by the BAI, the findings of which, I understand, will be discussed at the next meeting of the Authority's Board on 13 December. It is expected that the Authority will be forwarding a report on this matter to my Department following this meeting. Any modification of the licence fee is then a matter for myself and the Government. The ongoing operational costs are a day to day matter for RTÉ, however officials from my Department are in continuous contact and are being kept up to date on the steps being taken by RTÉ to increase operating efficiencies and minimise costs.

Energy Conservation

130. **Deputy Leo Varadkar** asked the Minister for Communications, Energy and Natural Resources the supports available to businesses in order to increase energy efficiency or to install renewable energy technology; the amount allocated to these supports in 2010; and if he will make a statement on the matter. [44340/10]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): The Sustainable Energy Authority of Ireland (SEAI) on behalf of the Government launched the Energy Efficiency Fund for business and the public sector in June 2010. The fund supports exemplar projects which achieve verifiable and significant energy savings. These 43 projects will critically provide key lessons for all business and public sector bodies. The projects are projected to create lifetime savings of over €70 million, with 50,000 tonnes of CO₂ emissions avoided each year. In 2010 €11,065,000 was allocated to this programme.

A total of €2.722m was allocated by me to SEAI in 2010 to assist the development of energy demand management programmes in Industry and Business. The Large Industry Energy Network (LIEN) engages all of the largest energy using enterprises (in manufacturing and services) where the average annual energy spend of the 130+ member companies is in the region of €8 million. This programme has for example resulted in avoided energy costs totalling of €60 million in 2008 alone.

The Government's Accelerated Capital Allowances scheme allows companies to write off the full capital cost of registered energy efficient equipment in the year of purchase, unlike non-ACA equipment which is typically written off over 8 years. This scheme has been extended year on year including 2010 to incorporate additional categories, including IT software solutions, refrigeration and cooling systems, electro-mechanical systems and catering and hospi-

tality equipment, and now covers 49 different technologies with more than 7000 products on its register. A dedicated support programme has also been established by the SEAI, which offers free energy management training, advice and support to any business that is willing to show a commitment to becoming more energy efficient. Over 1,600 businesses have already availed of this programme.

I have also announced the National Retrofit Programme, which is designed to build on the success of existing domestic and non-domestic energy efficiency programmes. The new programme, which will come into effect in 2011, has the objective of delivering energy efficiency upgrades to one million residential, public and commercial buildings in Ireland, with an estimated lifetime energy saving worth €16 billion. This programme will make discounts on retrofit work available up front rather than having to wait for retrospective grant payments, and will make energy efficiency measures more accessible to homes and businesses. The public consultation process recently concluded, and responses are being analysed with a view to final programme design.

CHP (Combined Heat and Power) is the simultaneous generation of usable heat and electricity in a single process. The SEAI Biomass CHP programme aims to support the deployment of CHP in public and commercial properties in Ireland as well providing support for undertaking feasibility studies. In 2010 €3,678,000 was allocated to this programme. SEAI's REHEAT programme has supported the deployment of renewable energy heating technologies in commercial, industrial and community sectors. Financial assistance is provided for biomass boilers, solar thermal collectors and heat pumps. In 2010 €2,238,000 was allocated to this programme.

Telecommunications Services

131. **Deputy Joe McHugh** asked the Minister for Communications; Energy and Natural Resources if he will communicate with 3 to ensure that full connectivity is delivered to a community (details supplied); the reason the scheme has not been delivered in this location within the agreed timeframe; and if he will make a statement on the matter. [44374/10]

Minister for Communications, Energy and Natural Resources (Deputy Eamon Ryan): Broadband services have been made available, since October 2010, to all Electoral Divisions (EDs) within the National Broadband Scheme (NBS) Coverage Area in line with the timeframe set out in the NBS contract. My Department and its external consultants actively monitor coverage within the NBS areas. With particular reference to the Electoral Division of Church Hill (ED reference no. 57032) broadband services are available to 95.88% of the 194 premises located therein by means of mobile wireless broadband coverage, with coverage to the balance of 4.12% of premises being provided by way of satellite.

Grant Payments

132. **Deputy Martin Ferris** asked the Minister for Agriculture, Fisheries and Food when single farm payment and area aid payment will issue to a person (details supplied). [44192/10]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under the Single Payment Scheme/Disadvantaged Areas Scheme was received from the person named on the 28 April 2010. This application was selected for and was the subject of a Ground Eligibility and Animal Identification Inspection. The inspection process is completed and the application has now been fully processed. Payment under the Disadvantaged Areas Scheme and the 50% advance payment under the Single Payment Scheme will issue within a week. The 50% balancing payment under the Single Payment Scheme will issue after 1 December.

133. **Deputy Niall Collins** asked the Minister for Agriculture, Fisheries and Food if any assistance is available for a person (details supplied) to put an underpass on a road; and if he will make a statement on the matter. [44213/10]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): There is no grant-aid available from my Department for the construction of cattle underpasses.

134. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Cork has not yet received payment under the installation aid scheme; and if he will make a statement on the matter. [44231/10]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Grant-aid under the Young Farmers' Installation Scheme was paid by my Department to the person concerned on 18 October 2010.

135. **Deputy James Bannon** asked the Minister for Agriculture, Fisheries and Food the position regarding single farm payment in respect of a person (details supplied) in County Westmeath; when same will be issued; and if he will make a statement on the matter. [44331/10]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under 2010 Single Payment Scheme/Disadvantaged Areas Scheme was received from the person named on 20 April 2010. Advance payments under the Disadvantaged Areas Scheme issued on 29 September and under the Single Payment Scheme on 18 October 2010, both on the basis of the land cleared at that stage. Parcels listed on the application of the person named required re-digitisation and this process is now complete. The balancing payment due under the Disadvantaged Areas Scheme will issue to the person named shortly. Payment of the balance due under the Single Payment Scheme will commence on 1 December, in accordance with the provisions of the relevant EU Regulations.

136. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Cork will receive their single farm payment; and if he will make a statement on the matter. [44385/10]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under the 2010 Single Payment Scheme was received from the person named on 16 April 2010. As this application is now fully processed, payment will issue to the person named shortly.

137. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Cork will receive their single farm payment; and if he will make a statement on the matter. [44386/10]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under 2010 Single Payment Scheme was received from the person named on 17 May 2010. The 50% advance payment, which issued on 18 October 2010, on the basis of the land cleared at that stage, as a number of parcels declared required digitising. While balancing payments are scheduled to commence issuing as and from 1 December, such payments would, in normal circumstances, be confined to those whose applications are fully processed, specifically, where all digitising is finalised. However, following recent consultation with the EU Commission, agreement was reached whereby, in addition to issuing balancing payments to those farmers whose applications are fully processed and whose maps are fully digitised, payments will also issue to those farmers where some or all of their maps are still to be digitised, with the payment being calculated on the basis of the digitised land confirmed otherwise eligible. I am pleased to say that, because of this change, many farmers, including the person named, whose balancing payments would otherwise have been delayed until their digitising is complete, will now receive

an interim balancing payment. The position regarding the balancing payments is, therefore, as follows:

From 1 December all applicants will be paid their full balancing payments, where the case is fully processed and clear; Applicants, whose applications are fully clear, where the only outstanding issue is a non-digitised map(s), will be paid 80% of their balancing payment on the clear, digitised area (excluding their non-digitised land); these farmers will receive the final instalment of their balancing payment when their maps are re-digitised and their applications are fully clear.

Site Acquisitions

138. **Deputy Jack Wall** asked the Minister for Enterprise, Trade and Innovation the purchase price paid for lands (details supplied) by the Industrial Development Agency; and if he will make a statement on the matter. [44342/10]

Minister for Enterprise, Trade and Innovation (Deputy Batt O’Keeffe): Under the Industrial Development Acts, IDA Ireland has the power to acquire, hold and dispose of land and other property for the purpose of providing sites and premises facilitating industrial development. Accordingly, the management of IDA Ireland’s industrial property portfolio is an operational matter for the Agency, as part of the statutory responsibility assigned to it by the Oireachtas, and it is not a matter in which I have a function. The Agency acquires and disposes of land in response to the needs of industry. For reasons of commercial sensitivity and client confidentiality details relating to the costs of land acquisition and disposal are in some cases not made public. I have asked the Agency to respond directly to the Deputy.

National Drug Strategy

139. **Deputy Jack Wall** asked the Minister for Community, Equality and Gaeltacht Affairs the actions he has taken to address the increases in drug possession and supply recorded offences in Ireland since 2003 where controlled drug offences, possession of drugs for sale or supply and possession of drugs for personal use has seen an increase in offences of over 100% in each case; his views on the national drug strategy in addressing such major problems; and if he will make a statement on the matter. [44239/10]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Pat Carey): The table sets out Drug-Related Crime Offences (Number) by Type of Offence and Year for the period 2004-2009, as recorded by the Central Statistics Office. As the Deputy has indicated, there has been a marked increase in the number of offences over that period.

The Key Performance Indicators for the supply reduction pillar of the National Drug Strategy 2001-2008 were:

- to increase the volume of drugs seized by 50% based on 2000 figures;
- to increase the number of seizures by 20% based on 2004 figures; and
- to increase the number of supply detections by 20% based on 2004 figures.

All of these Indicators were surpassed.

The increases in seizures represent important operational successes for the law enforcement agencies and reflect the ongoing co-operation between An Garda Síochána and Revenue’s Customs Service, as well as the intelligence-led approach being utilised. The focus on supply reduction continues under the National Drugs Strategy 2009-2016.

In terms of drugs law enforcement, drugs and organised crime are being prioritised by An Garda Síochána as a core focus for 2010, through the Garda Síochána Policing Plan. Drugs

[Deputy Pat Carey.]

Units are in place in every Garda Division and they work in partnership with the Garda National Drugs Unit in tackling and targeting drug-related crime. Divisional and District Policing Plans reflect the focus of the overall Policing Plan in terms of drugs law enforcement. In addition, An Garda Síochána has strong and strategic partnerships in place at international level that target drug trafficking. An Garda Síochána is satisfied that a significant impact has been made more recently by the arrest and prosecution of a number of major players involved in the trafficking of drugs. Also, while the trend for drug-related crime offences is upward from 2004 to 2009, some of the 2009 figures show reductions on the previous year. An Garda Síochána views this as reflecting a reducing market caused by a number of factors, including proactive law enforcement activities and the economic downturn.

I am fully committed to the implementation of the supply reduction actions of the National Drugs Strategy. Combined with initiatives in the areas of prevention, treatment, rehabilitation and research, I am confident that the Strategy will impact very significantly on the drugs problem in Ireland.

Recorded Drug Related Crime Offences (Number) by Type of Offence and Year (Source CSO)

	2004	2005	2006	2007	2008	2009
Controlled drug offences	9,868	13,322	14,234	18,554	23,405	21,983
Importation of drugs	36	36	43	54	67	46
Cultivation or manufacture of drugs	38	50	92	161	218	273
Possession of drugs for sale or supply	2,196	2,659	3,018	3,602	4,302	4,029
Possession of drugs for personal use	7,138	10,037	10,470	14,008	18,093	16,818
Other drug offences	460	540	611	729	725	817

140. **Deputy Jack Wall** asked the Minister for Community, Equality and Gaeltacht Affairs his views regarding families who use their salary or wages for the funding of drug debts 50%, credit union loans 72%, bank loans 18%, moneylenders 42%, remortgage homes 22%, selling personal property 34%, social welfare payments 44%, borrowing from family and friends 66%; the action he will take to deal with such major social problems; the meetings he has had or is proposing to have to discuss the problem; and if he will make a statement on the matter. [44248/10]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Pat Carey): I am very aware of the issues that are arising for families in relation to the payment of the drug debts of family members who are involved with drug use.

The issue of intimidation in the context of the drugs market was consistently raised during the public consultation process undertaken prior to the development of proposals for the National Drugs Strategy 2009-2016. Subsequently an Action was included under the supply reduction pillar of the Strategy — *develop a framework to provide an appropriate response to the issue of drug-related intimidation in the community* — with An Garda Síochána taking the lead role and also involving the Family Support Network and the Department of Justice & Law Reform.

An Garda Síochána have since developed such a framework in co-operation with the other parties. The implementation of the framework on a pilot basis in the Dublin Metropolitan Area was launched at the Annual Work Conference of the Family Support Network which I attended in October. The pilot scheme was well received by the family representatives and its implementation will now be monitored with a view to possible expansion to the rest of the country.

The issue of drug-related intimidation around the collection of debts, and more generally in relation to drug issues, is something that is associated with the drugs trade on an international level. It is a most difficult issue to address in a comprehensive way but I am confident that the steps being taken will lead to improvements in the lives of many families. Meanwhile, I will continue to monitor the situation through the quarterly meetings of the Oversight Forum on Drugs and in my interactions with ministerial colleagues.

141. **Deputy Jack Wall** asked the Minister for Community, Equality and Gaeltacht Affairs his views regarding the use of cocaine, cannabis and ecstasy in Irish society that sees Ireland in the top ten users in the EU, in each instance; and if he will make a statement on the matter. [44249/10]

143. **Deputy Jack Wall** asked the Minister for Community, Equality and Gaeltacht Affairs the actions he or any agency within his remit has taken to address the concerns expressed regarding the contents of a report (details supplied); and if he will make a statement on the matter. [44357/10]

144. **Deputy Jack Wall** asked the Minister for Community, Equality and Gaeltacht Affairs the actions he has taken to address the use of illicit substances by 15 and 16 year olds as stated in a recent newspaper article that showed this age group using at least once, an illicit substance 15%, cannabis 20% solvents 15% ecstasy 4% cocaine 4%, amphetamines 3%, tranquilisers 13%; and if he will make a statement on the matter. [44377/10]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Pat Carey): I propose to take Question Nos. 141, 143 and 144 together.

The data to which the Deputy refers is primarily drawn from the 2010 annual report of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). This report is compiled based on the inputs of the relevant national agencies, the Health Research Board in the case of Ireland.

There is a need for caution when using such data to derive cross-European comparisons as a number of factors make this difficult to achieve with accuracy. These factors include the timeliness of the data supplied, the different methodologies used in collecting data, drug market segmentation across Europe and the fact that not all countries may report on various aspects of the illicit drugs situation.

By definition the data in the European Monitoring Centre for Drugs and Drug Addiction report will be somewhat out of date, given that it is compiled nationally before transmission to the EMCDDA. Also, countries report at different times on different aspects of their drugs situation. Most of the Irish data on drugs prevalence is based on the Drugs Prevalence Survey 2006/07. This data is currently being updated with the fieldwork of the Drugs Prevalence Survey 2010/11 being undertaken at present and with first reports therefrom expected towards the end of 2011.

Drugs market segmentation also impacts on comparisons across Europe, particularly in relation to the use of stimulants. Heavier use of cocaine is generally associated with Western Europe while amphetamines are more prominent in the eastern countries of Europe. This is reflected in the figures for Ireland. Ireland is considered to be a mid-ranking user of cannabis, while ecstasy use has diminished significantly here in recent times, as it has across much of Europe.

As regards heroin, the newspaper article acknowledges that the data in the EMCDDA report was based on returns from only 15 countries. The EMCDDA also indicated the need for caution in making comparisons due to different methodologies used by countries in compiling their figures. The Irish input is based on a study published by the National Advisory Committee

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on Drugs (NACD) in December 2009. As was indicated then, due to a number of technical factors associated with the capture/recapture methodology used, the figures were regarded as an overestimate of the opiate using population here. It is generally recognised that it is difficult to estimate numbers in cases (such as heroin consumption) where a “hidden population” is involved. The NACD are currently undertaking research aimed at identifying an appropriate estimate model for use in Ireland, taking the data sources available into consideration. A report is expected in this regard early in 2011. At the same time, I accept that heroin use remains as a major problem in our country. All the indications are that, while the use of heroin is relatively stable in the Dublin region, it has become more widely dispersed around the country, particularly in the major cities and in towns across Leinster.

The statistics on lifetime drug use among 15 and 16 year olds are taken from the 2007 European Schools Project for Alcohol and Other Drugs (ESPAD) report which was published in 2009. While the figures outlined reinforce the need for continued prevention measures under the National Drugs Strategy, they represent a decrease on the corresponding figures in the previous such report. The data referenced was taken on board in the drawing up of the National Drugs Strategy 2009-2016 and I am confident that the implementation of the Strategy will impact significantly on the issue of problem drug use in Ireland.

142. **Deputy Jack Wall** asked the Minister for Community, Equality and Gaeltacht Affairs the position regarding the national drug strategy; the funds drawn down to date; his plans to address the recommendations and the further review of the strategy in relation to alcohol use; and if he will make a statement on the matter. [44333/10]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Pat Carey): Significant progress is being made on the implementation of the National Drugs Strategy 2009-2016 across the five pillars of supply reduction, prevention, treatment, rehabilitation and research. Significant progress has been made in this area, with 15,000 people now in treatment, over 9,400 of whom are in receipt of opiate substitution treatment. New opiate substitution services have opened this year in Cork, Tralee and Wexford, and these will be followed shortly by facilities in Kilkenny, Waterford, Limerick, Dundalk and Drogheda. This is being done by the HSE with financial support from my Department. Further opiate substitution services in the Midlands are being initiated and expansions of needle exchange services, rehabilitation services and detoxification facilities are being implemented. The progress made in addressing the issue of headshops and the psychoactive substances they sell is illustrative of what can be achieved with cross-departmental co-operation under the National Drugs Strategy. Following legislative changes implemented by the Minister for Health and Children and the Minister for Justice and Law Reform, the number of headshops in operation has reduced from 102 to 11 at the latest count.

An Garda Síochána and Revenue’s Customs Service continue to prioritise the targeting of those involved in the supply of drugs, and their work will encompass measures to tackle the threat of psychoactive substances being sold through the internet. Meanwhile, preventative initiatives continue in school, youthwork and family settings and through various awareness initiatives. Work is progressing on the development of proposals for a National Substance Misuse Strategy incorporating alcohol and drugs. A Steering Group, jointly chaired by officials of my Department and the Department of Health & Children, is currently finalising their proposals and I expect that they will provide their report to the Minister for Health & Children and myself in December.

Questions Nos. 143 and 144 answered with Question No. 141.