

DÁIL ÉIREANN

Déardaoin, 27 Eanáir 2011.
Thursday, 27 January 2011.

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

Paidir.

Prayer.

Finance Bill 2011: Motion.

Deputy John Curran: I move:

That, notwithstanding anything in Standing Orders, or in the Order of the Dáil of 25 January 2011,

(1) the Report and Final Stages of No. 4 should be taken on the conclusion of the Financial Resolutions proposed in respect of Report Stage;

(2) the proceedings on the Report and Final Stages of No. 4 shall be brought to a conclusion in accordance with the following timetable:

Amendments offered to Part 1 to conclude after three hours,

Amendments offered to Parts 2 to 5 to conclude after one hour and 20 minutes,

Amendments to Part 6, including Schedules and Fifth Stage, to conclude not later than 5 p.m.,

and

(3) where the proceedings have not concluded by the stated time, they shall be brought to a conclusion by one question, which shall be put from the Chair and which shall, in relation to amendments, include only those set down or accepted by the Minister for Finance;

(4) where a division is claimed on the proceedings on No. 4, other than a question put as provided for in accordance with paragraph (3), that is, a guillotine question, the taking of such a division and the putting of any question contingent thereon shall be postponed until

(a) immediately before the next time appointed for the putting of a question in accordance with paragraph (3), that is, a guillotine question; or

(b) in the event of such a question not being put, when proceedings on Report Stage, including on recommittal, on the matters which would have been decided by the putting of such a question would have otherwise been completed.

Question: “That the proposal for dealing with No. 4 be agreed to,” put and declared carried.

Deputy Eamon Gilmore: Arising from that, will the Chief Whip or the Minister for Finance indicate to the House the Government’s intention with regard to the dissolution of the Dáil and the holding of the general election? The order that has now been agreed will provide for the completion——

An Ceann Comhairle: We do not have approbation for an Order of Business this morning.

Deputy Bernard J. Durkan: For old time’s sake, a Cheann Comhairle.

Deputy Eamon Gilmore: In fairness, I believe the Minister for Finance is willing to——

Minister for Finance (Deputy Brian Lenihan): I am very happy to deal with the matter because once again Deputy Gilmore has displayed considerable constitutional ignorance. The Government has no function——

(Interruptions).

Deputy Brian Lenihan: I hope the Deputy will get in training for the high offices to which he aspires.

A Deputy: He will be more successful.

Deputy Brian Lenihan: The position, of course, is that the Government does not dissolve the Dáil and has no function in regard to its dissolution. The President dissolves the Dáil on the advice——

Deputy Michael D. Higgins: It is the courtesy——

Deputy Brian Lenihan: ——of the Taoiseach and that is a matter that lies between the President and the Taoiseach.

Deputy Michael D. Higgins: That is a seminar we do not need now.

An Ceann Comhairle: Deputy Gilmore, I ask for your co-operation.

Deputy Eamon Gilmore: On that point, I assure the Minister for Finance I am very familiar with the provisions of the Constitution, so familiar, in fact, I understand the constitutional requirement to be that the Taoiseach should offer his resignation when he no longer commands the support of a majority of Members of the House. That is manifestly the case at——

An Ceann Comhairle: We cannot open up a debate on this matter.

Deputy Eamon Gilmore: Hold on a second——

An Ceann Comhairle: It is an inappropriate time.

Deputy Eamon Gilmore: We have a Constitution——

An Ceann Comhairle: We are here to discuss the remaining Stages of the Finance Bill.

Deputy Eamon Gilmore: We have a Constitution which clearly states the Taoiseach shall submit his resignation to the President when he no longer has the support of a majority of Members of the House. That is clearly the case currently and there is precedent for this. It is a matter for the President to allow the Taoiseach to continue in a caretaker capacity. When

does the Taoiseach intend to comply with the provisions of the Constitution, submit his resignation to the President and make arrangements for the dissolution of the Dáil?

An Ceann Comhairle: I call Deputy Noonan and ask him to be brief as we must move on.

Deputy Michael Noonan: If it is not irrelevant I would like to return to the order for the Finance Bill as that is what we are here for. Supposing we proceed more rapidly and Report Stage concludes before 5 p.m., at what time is Fifth Stage scheduled and when will the vote for the passing of the Bill take place?

Deputy Brendan Howlin: It follows automatically.

Deputy Brian Lenihan: Subject to the Ceann Comhairle's ruling and procedures of the House, the Government can proceed directly to Fifth Stage if that is the wish.

Deputy Michael Noonan: I asked the question because I wonder if it is a satisfactory position for the Whip.

An Ceann Comhairle: That will be the sequence as ordered.

Deputy Brendan Howlin: It is always the sequence.

Deputy Michael Noonan: I know it is always the sequence. Committee Stage went down last night earlier than expected. There was no vote at that point. After Report Stage we will move to Fifth Stage and out of delicacy and interest — the Whips have a difficult job — I wonder if the vote is brought forward from 5 p.m. will the troops be lined up? What would happen if we go down at 2.30 p.m., for example?

Deputy Timmy Dooley: Will the Deputy's troops be here?

Deputy John Curran: The Deputy could have a job that is just as difficult.

Deputy Michael Noonan: They will be here all right.

Deputy Brian Hayes: We will be here.

Deputy Joan Burton: A Cheann Comhairle——

An Ceann Comhairle: I have allowed the Deputy's party leader to contribute.

Deputy Joan Burton: With just two Government amendments to the Bill on Report Stage, I suggest it is possible for everybody in the Chamber who wishes to contribute to finish the debate possibly an hour earlier than set out in the schedule. We would like to be advised of the flexibility available in the event of that possibility becoming a reality.

An Ceann Comhairle: That is provided for in the schedule.

Deputy Pádraic McCormack: We must move on quickly.

An Ceann Comhairle: I ask Deputy Doherty to be quick as we must get back to the debate.

Deputy Pearse Doherty: I rise to oppose the guillotine placed on Report Stage of the Finance Bill. I am conscious that last night the debate fell on certain sections.

An Ceann Comhairle: I have put the question and the House has agreed it.

Deputy Pearse Doherty: This relates to the ordering of the business of the House today and the timeframe being set out for different stages. I raised the matter yesterday. We took 88 amendments in what is probably the most crucial part of the Finance Bill——

An Ceann Comhairle: This has already been agreed and we cannot revisit the matter.

Deputy Pearse Doherty: ——in one hour and 20 minutes of debate. There is no reason not to allow it if Deputies want to allow the debate to continue later in the night. We are paid to be here and should stay until 11 p.m. or midnight. If the debate falls before that, so be it.

An Ceann Comhairle: We had unanimity on this all of ten minutes ago.

Deputy Pearse Doherty: There should be flexibility and I oppose the ordering of the business of the House.

An Ceann Comhairle: We must move on.

Deputy Pearse Doherty: The Finance Bill is being rushed through within seven hours.

Deputy Joan Burton: We stayed until the end of the debate last night.

An Ceann Comhairle: Deputy, please.

Deputy Joan Burton: Sinn Féin did not even table an amendment.

An Ceann Comhairle: There is no provision for this type of debate on the ordering of business this morning.

Deputy Joan Burton: The party did not put down amendments.

Deputy Pearse Doherty: We did. The Deputy should look at the list.

An Ceann Comhairle: Deputy Doherty should resume his seat.

Deputy Pearse Doherty: She should read the amendments.

An Ceann Comhairle: We are moving on.

Deputy Brian Hayes: Will the Whip provide clarity on the point? As I understand it, the order provides that the amendments offered to Part 1 should conclude after three hours. Given that effectively all the amendments deal with Part 1, there could be a position where the House would have dealt with the grouping by 1.45 p.m. The question is whether we can have more time if we have only dealt with 28 of the 52 amendments by that time? This would ensure that the House could reach all the amendments.

Deputy Brian Lenihan: There is an agreed schedule for the business today and the Government will comply with it. If there are reasonable requests for variations, we will examine them as we proceed.

Deputy Joan Burton: That is fine.

Deputy Brian Lenihan: That is the way to deal with the matter. I do not wish to get involved in the ordering of the House beyond that. Deputy Gilmore introduced an extraneous matter which I must refer to as he was allowed to deal with the matter on the record of the House.

He suggested that the Taoiseach was somehow under an obligation to furnish his resignation forthwith but he is not. The procedures of the House govern this.

Deputy Eamon Gilmore: He is obliged.

Deputy Brian Lenihan: By agreement, the motions of confidence have been deferred until next Tuesday. The House must express its will.

Deputy Eamon Gilmore: He does not have the support.

Deputy Brian Lenihan: The Taoiseach made the point the other day that for too long there has been a constant insinuation that properly constituted and nominated officeholders, appointed by the President, have no authority because they do not have a mandate arising from an opinion poll or from an undefined and ascertained parliamentary procedure.

Deputy Emmet Stagg: Nobody said that.

Deputy Brian Lenihan: That is the clear implication of Deputy Gilmore's comments this morning and from the last two years. Now that we are submitting ourselves to the people, we should show a little more respect for our representative institutions.

Message from Seanad

An Ceann Comhairle: Seanad Éireann has passed the Criminal Justice (Public Order) Bill 2010 without amendment.

Finance Bill 2011: Financial Resolution

Minister for Finance (Deputy Brian Lenihan): I move the following Resolution:

THAT the Taxes Consolidation Act 1997 (No. 39 of 1997) be amended in the manner and to the extent specified in the Act giving effect to this Resolution to provide for the introduction of universal social charge and excess bank remuneration charge.

Question put and agreed to.

Finance Bill 2011: Report and Final Stages

Deputy Joan Burton: I move amendment No. 1:

In page 9, between lines 11 and 12, to insert the following:

“PART 1

COST BENEFIT ANALYSIS OF TAX EXPENDITURES

1.—The Minister shall within one month from the passing of this Act prepare and lay before Dáil Éireann a report on a cost-benefit analysis of tax expenditures provided for by this Act, setting out the costs of tax foregone, and the benefits in terms of job creation or otherwise.”.

To advise the House, what speaking times are available on Report Stage?

An Ceann Comhairle: The Chief Whip has outlined the arrangements. On Report Stage all Members may speak twice on each amendment or group of amendments, with second contributions not exceeding two minutes. The Member who moves the amendment retains the right of reply; effectively, the mover of an amendment may speak three times — a contribution when

[An Ceann Comhairle.]

moving the amendment, a second contribution of two minutes and a third contribution to conclude the debate.

Deputy Joan Burton: I move this amendment on behalf of the Labour Party. It makes a provision that all tax expenditure and schemes would be subject to a full cost-benefit analysis to be published. If the Dáil and Fianna Fáil while in government had adopted this approach, particularly after 1997 and 1998, we probably would not have had the kind of economic crash which the country has since suffered. Last year in the debate on the Finance Bill the Minister brought forward new tax expenditure schemes relating to tax reliefs for certain kinds of actions. At the time, the Dáil accepted an amendment in the name of the Labour Party to provide that one month after the publication of the Finance Bill, a cost-benefit analysis on tax expenditures would be published. The report was published.

I cannot see why the Minister would not agree, in a spirit of bipartisanship, to committing to a cost-benefit analysis. We have a number of schemes in the Finance Bill today, particularly a series of schemes which change the rules in various ways with regard to companies spending money for business expansion. The old business expansion scheme is being transformed into a new scheme with higher investment capacity which is focused on employment and innovation. Where tax incentives are used, they should be for stimulating employment, growth and innovation with the goals of long-term employment and job creation. However, unless we have a detailed table showing the implications of each new scheme, it is impossible to determine what will be the relevant scheme's ultimate effects.

As the Minister will be aware, the amendment to the Bill regarding changes in the business expansion scheme runs to tens of pages. It is probable that only professional tax consultants and lawyers are able to fully understand it. This is the democratic gap that arises with such schemes. To be incorporated into law, they must be the subject of immensely detailed technical legislation, the detail of which most parliamentarians are not equipped to understand. For this reason, parliamentarians and members of the public require a summary explanation of the costs, benefits, employment creation and innovation support that changes in a scheme involve. Such information would enable us to make rational decisions on whether a scheme is worthwhile or targeted to benefit a select few.

The critical issue in the economic crisis into which this country has been brought is that we have hollowed out our tax system through the introduction of a range of tax breaks and expenditures. While tax breaks and expenditures have a role in stimulating employment, investment and growth, we are buying a pig in a poke when we allow the Dáil to pass into law tax breaks and expenditures which, as we know from recent history, end up being used and abused to feed a construction bubble. It was this approach, combined with the crazy behaviour of bankers and their associates, that brought the economy crashing down.

If we are to learn any lessons from what went wrong and try to avoid it being repeated in the future, we need a simple explanation of tax reliefs and schemes setting out their costs, benefits and duration and indicating who is likely to utilise them. We specifically want information indicating whether a scheme will enable someone with an income in excess of €1 million to avoid paying tax when ordinary taxpayers are contributing at such a heavy rate, as they will have discovered when they opened their wage packets this month. This is what the amendment boils down to.

We saw from annual Revenue reports published in recent years that many people on incomes of more than €2 million per annum ended up with a tax rate of less than 20% because they were able to use tax shelters to shield their income in a manner that is not available to other taxpayers. If we are to emerge from the current economic morass, we must have a tax system

which taxes moderately and fairly and under which everyone makes a contribution. The problem with tax shelters is that they have been used and abused by the Fianna Fáil Party to provide tax reliefs to people close to the party who are involved in the construction, development and financial services industries. The beneficiaries may lobby for and laud such reliefs but they have hollowed out our tax system and, as a consequence, ordinary people must make a much heavier tax contribution.

The Minister agreed to this simple amendment last year. On the final day of the 30th Dáil and in a spirit of bipartisanship, besides apologising, I want the Fianna Fáil Party do the right thing for once in the interests of economic recovery and repairing a society that has been broken by its mismanagement of the economy over 13 long years. That is my net point.

I heard the new leader of the Fianna Fáil Party being contrite in a generalised way about the actions of the party that has ruined the country and economy. While this is helpful for moving on, contrition is also being offered by way of this simple amendment proposing the publication of cost-benefit analyses. If Fianna Fáil and its new leader are contrite, they have an opportunity to show contrition simply and at no cost by accepting the amendment. It involves nothing more than the publication of clear cost-benefit analyses of various schemes. The party's position will tell us if the words of Deputy Martin yesterday were just talk or whether there is, to use the old phrase, a firm purpose of amendment in the approach he outlined yesterday. I commend the amendment to the House.

Deputy Pearse Doherty: I spoke in support of this amendment on Committee Stage. It is particularly welcome because it focuses on job creation, an area that is missing from the Bill. I tabled amendments on Committee Stage and have tabled further amendments on Report Stage. One of my Committee Stage amendments proposed a stimulus package for jobs. It would be illogical for the Government not to accept the simple amendment before us. As Deputy Burton indicated, it does not impose a charge on the Exchequer but requires only that a cost-benefit analysis be laid before the Houses.

We hear a great deal about political reform. I am one of the sceptics who believe the type of political reform many people seek will not materialise because of a lack of will. A real starting point would be for the Government to provide information to other political parties on analyses of the costs and benefits of tax reliefs provided for in the Finance Bill. To be the best legislators and make correct decisions in the interests of those whom we represent, we must have the full information at our disposal. The facts and figures on tax reliefs devised by the Department of Finance are only available to the Government party and possibly only the Minister for Finance. It is also possible that a trawl for this information has not been done, in which case one must ask what is the reason this information is not available.

If we are to get out of the mess in which we find ourselves, information should be shared and the impact of tax reliefs introduced in the Finance Bill examined to ascertain how they effect the Exchequer and citizens. Although we are consumed with our deficit, the need to balance the books and how we will deal with the banks and engage with the International Monetary Fund and European Union, Ireland is not a set of accounts but a nation of people. While it is necessary to balance the books and determine what are the effects of the measures introduced in the Finance Bill, we must also examine what effects they will have on real people in real communities. On that basis, the Government should agree to this sensible amendment requiring that analysis be done to determine how tax reliefs measure up against job creation.

I speak one day after the devastating and crippling news emerged that 124 jobs will be lost in Gallagher's Bakery in my constituency. The announcement did not receive anything like the attention it deserves. The loss of 124 jobs in the small community of Ardara in west Donegal

[Deputy Pearse Doherty.]

is the equivalent of thousands of jobs being lost in Dublin city centre. The matter has not received the necessary focus or media and ministerial attention. The Ministers for Finance and Enterprise, Trade and Innovation should travel to Ardara to meet representatives of Gallagher's Bakery and discuss what they can do to retain 124 jobs.

It is a home-grown company that has provided so much to the area, as well as additional revenue in terms of spin-offs for other companies relying on that business. That has not happened, however, because in reality the Government has closed down.

We know that this is the last piece of legislation to come before the 30th Dáil, so it is about Government Deputies saving their own jobs rather than worrying about jobs that are being lost in the real economy. Even at this late stage, I am appealing for action to be taken. I understand the company is meeting with *Údarás na Gaeltachta* and Enterprise Ireland this morning, so I appeal for direct ministerial intervention to try to do the best that is possible.

An Ceann Comhairle: We are now on Report Stage of the Finance Bill, a Theacta.

Deputy Pearse Doherty: I do not want to be misinterpreted. I am saying that tax reliefs are valuable in certain circumstances. They are valuable if, as a direct consequence, they provide employment. As we have seen, however, tax reliefs can be damaging if they are not for the benefit of the economy or the people, but only a select few. Unfortunately, this country has been consumed by tax reliefs that have benefitted builders but, as we know, that over-heated the property market and in turn crippled the country with debt. The Minister should agree to this amendment which does not cost the Exchequer anything. It is about providing the best information to all Deputies so that we can legislate to best effect.

Over the next four weeks we will be discussing many issues, one of which is political reform. In the spirit of those discussions and as a starting point before the election campaign kicks off in earnest, we could have a real change of direction by publishing information that should be made available in any case by the Department of Finance.

Deputy Michael Noonan: I support this amendment in general terms. It is a good idea and should be normal practice when a Minister proposes changes in the tax code and particularly ones that involve tax increases. This arises from our previous debate on tax breaks, specifically on section 23 and capital allowances. While some people are against these in principle, I am not. By and large, people respond to the profit motive and if such a tax break is introduced they will respond to it. If the way in which they behave gives an economic or social benefit to the wider community it is worth examining the proposed tax break. As I said on Committee Stage, we have seen examples of where such breaks were quite beneficial. For example, tax breaks have stimulated inner-city regeneration projects all over the world, starting in some American cities and then in Europe.

I recall that in the 1980s the late John Boland, as a Government Minister, was one of the great advocates of tax breaks. He applied a series of them to derelict inner-city areas, which were successful at a time when there was little such activity to provide jobs. More than anything else, they removed acres of dereliction from city centres. In my own city of Limerick, 39 acres of derelict sites were designated within half a mile of the city centre. They were all rebuilt and it was a good development project.

Other tax breaks were provided for social purposes. I remember when it was virtually impossible for families to get any relative into a nursing home because there were not enough homes and consequently insufficient beds. A tax break was provided by a former Minister for Finance,

Charlie McCreevey, which provoked a rush to build and invest in nursing homes. That provision had beneficial social consequences.

The problem with tax breaks is when they become an industry driven by tax lawyers for the purposes of tax avoidance. One of the objectives of that industry is to enable people to turn income into wealth at the expense of the taxpayer. The crucial concept is that tax breaks designed to turn income into wealth are of no benefit to the wider community. It works very simply in that instead of paying the tax one should pay to the Revenue Commissioners, one gets a break. One then converts that tranche of income into a house, apartment, hotel or some other kind of fixed asset. Consequently, a small group of people is increasingly enriched. The common factor in all such tax breaks, however, is that if unpaid tax is used to convert income into a fixed asset, certain individuals are enriched. It is therefore a device for turning income into wealth, which is of no benefit to the wider community. It hurts the wider community because the income paid to the Revenue is used for social and economic purposes by the State, but if certain income is foregone then there is no such benefit. All budgetary measures should therefore be analysed carefully.

It is a flaw in our budgetary system that proposals from the Minister for Finance are, in the first instance, examined to see how much money they will yield. The test is tax yield or tax foregone. The second analysis is the political effect of the proposed measure and whether the party proposing it will lose or gain votes as a result. However, there is no real assessment of the social or economic effects of many such measures. There is a crossover between political fallout and social effects but when a tax break is being introduced there should be an analysis of its economic and social effects. The tax foregone should also be assessed, in addition to the potential yield of a tax increase. In view of the business we are in, there is an assessment of the political impact but not of the social or economic impacts. In general terms, therefore, I agree with the proposition in the amendment.

Deputy Michael D. Higgins: I broadly support this important amendment. We have had a valuable public debate on institutional reform during which I suggested that a working democracy requires moving from dealing just with political power and accountability to dealing with administrative power and accountability. On earlier stages, I cited examples in this regard. I suggested that people often try to achieve legislative change through advocacy. However, if they are excluded from the process of administering that legislative change it can often come to nothing. That is the view of those who have been analysing political systems in Europe, including a leading theorist whom I quoted in my speech on Second Stage.

I wish to make another point that, unfortunately, has not surfaced in the public debate so far. Important professions in this country have been degraded by the actions of some of their members. As a former Member of the Seanad, I recall that when the Finance Bill came to the Upper House — as it will later this week — the legislation was analysed in great detail by some Senators. I often wondered why they were dealing with the Bill in such detail. I knew the answer within a few months, however, when I read the publications from their legal or accountancy firms. The profession of accountancy, the legal profession and other related professions have served this country very poorly in terms of their scrutiny of some of their practitioners. Their investigations into certain practices tend to be rather cumbersome and often happen very late after the fact.

I would like to say something else that may be quite shocking. I am afraid it is slightly different from what Deputy Noonan has been saying. I believe in a republic. If one is to take that seriously, one has to commit oneself to transparency. We need a kind of professional practice that tries to illuminate the consequences of legislation, rather than one that seeks to hide facts from the public. It might sound like an arcane view on my part, but it happens to be

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my strong view that there is something lesser about a professional practice that seeks to remove benefit from the people in general through the taxation system. During one of the most colourful debates I can remember on a finance Bill, the late Oliver J. Flanagan added some particularly valuable theological colour to his lecture on the difference between tax avoidance and tax evasion by comparing it to the difference between venial and mortal sin. We have moved on, but the standard in professional practice has not moved on. I wanted to take this opportunity to make that point because when I was a young student of commerce, I examined the obligations that flowed from signing off on one's balance sheet of assets. I am simply saying that what has happened in recent times in the professions has served us badly.

I will move on to discuss what this specific amendment has to say. Its contents would be of value to any future Minister for Finance of any party. Ministers are not required to affect the kind of omniscience that they find valuable, although some of them think it necessary to do so. They are required to make proposals that may or may not work. Some of their proposals are unsuccessful. If it is agreed that the best way of testing whether something is successful is by reference to its intent in terms of social benefit, as well as the economic benefit to those participating in it, why does the Minister not accept this amendment and get on with it? The great advantage of this proposal is that it would require the Minister of the day to say that when he introduced a measure, it was his hope that certain people would participate in it, that it would have certain consequences and that it would lead to the transfers about which Deputy Noonan spoke. What is wrong with stating that the investment in question should be judged on whether it facilitated job creation, assisted social inclusion and was to the spatial advantage of communities?

In the old days, chartered accountants used to sit down with their clients and occasionally pick up some original documents. There has been a big change in the modern crisis practices that I mentioned. A partner in the firm now has lunch with the client to secure his account, brings in a small army of lower paid people to do the drudge work and has lunch with the client again when the time comes to hand over the bill. All of these institutions have to change. If the Minister of the day finds that his proposal has not had the desired effect because after he made it, a small army in the predator section of one of these unreformed institutions — they have a long way to go — decided to go after it, he can change it. In such circumstances, the Minister would be entitled to the respect of the other side of the House. He or she would have my respect as well. This is a valuable amendment because it provides for administrative justice and democracy, offers transparency and represents a small gesture towards improving standards in professions that need to improve. I am sure the Minister for Finance, who has been one of the more thoughtful members of the Cabinet for a long time, will consider accepting the amendment.

Deputy Joe Costello: This is the most important of all the amendments that will be discussed on Report Stage. It is seeking to provide a framework, a rationale and some underlying principles for any decision to forgo taxes. It aims to clarify the benefits of doing so. Why should the taxpayers of this nation forgo a range of taxes and tax reliefs in the absence of a costing of what the benefit to the country will be? That is the nub of the matter. This amendment proposes that the Department of Finance “shall within one month” have conducted “a cost-benefit analysis of” the range of tax reliefs included in this Bill. I expect the departmental officials will throw up their hands in absolute dismay at the thought of being required to take such action within such a space of time. I accept it would be difficult to do. It is obvious that the work in question should have been done before the budget was introduced and this Bill was presented. We need to put down a marker that no further tax reliefs will be introduced to benefit wealthy landlords,

large pension funds and property developers — they have already been enriched and any such benefits would enrich them further — unless there is a return to taxpayers.

Deputy Michael D. Higgins: That is it.

Deputy Joe Costello: At this difficult time of recession, there should be a return in the specific areas of job retention and creation. Such a link should be made.

When I read the Minister's speech, I was disappointed by the section that indicated he intends to undertake research and preparation on property-related tax expenditure, and subsequently publish his findings, before he introduces cutbacks to existing tax reliefs. He said that although the property-related tax expenditure provisions which were announced in the budget are retained in sections 22 and 23 of the Bill, the Government has decided they will be subject to a commencement provision which may only take effect in the next tax year after the preparation and publication of an economic impact assessment on the proposed changes. Anybody in their right mind would expect that all of this would have taken place before these proposals were made on budget day or introduced in the Finance Bill. As it is, the proposals have been made but are on hold until some future stage. The Minister will not be in a position to ensure they are implemented in the future. A new Government will deal with the matter. The Government is reneging on a commitment that was made on budget day by not delivering it in the context of the Finance Bill. It should have known before it made its budget day commitment that the research had not been done. Why is it being done now, *post factum*? It is another way of removing the proposal, which is not a good enough way of conducting business.

If the amendment being proposed by Deputy Burton had been in place, all of the necessary homework would have been done. We would have seen a cost-benefit analysis of the continuation of any property-related or pension-related tax reliefs. That is how we should be moving forward. There is an example of a good provision in a later section of this Bill. The Minister has proposed to offer tax relief with regard to the energy efficiency of residential premises in the State. This welcome measure will create jobs and stimulate employment. Although we will forgo income tax in that respect, it is obvious that there will be a return to the State from it. It is an example of what this amendment proposes to achieve. Unfortunately, even on a desirable project such as that, there will be tax relief of only €30 million per annum.

We have seen obscene figures for the total value of tax reliefs to the people who benefit from it; some economists say it is in the region of €11 billion annually. I do not know what is the Department of Finance figure but economists said last year in Killarney at the annual IBEC get-together that the amount of tax foregone annually in tax reliefs for various sectors that have benefited outrageously from such policies is €11 billion. It has got totally out of hand.

We need to know the total quantity of tax foregone and we then need to establish a framework to ensure that we have a rationale and basic underlying principles for tax reliefs in the future. Most importantly, any reliefs must be of substantial benefit to the community. In this time of recession, they should be directed towards the area that would be most of benefit, which is job creation and retention.

Deputy Brian Lenihan: Deputy Burton appealed for support for her amendment on the basis of bipartisanship and then introduced a rather partisan version of modern Irish economic history, which is understandable given the proximity of the poll. I was pleased to hear Deputy Micheál Martin make the point this morning, which was widely reported, that our expenditure base was too high and our revenue base was too low. I am sure Deputy Burton recalls I made that point the centrepiece of my Budget Statement in October 2008. We in Fianna Fáil have all been practising in sackcloth and ashes for some time.

Deputy Joe Costello: The difference is that those in Fianna Fáil needed to do it.

Deputy Brian Lenihan: All conversions are gratefully accepted.

Deputy Arthur Morgan: More Charvet than sackcloth.

Deputy Brian Lenihan: Many worthy sentiments were expressed in the House this morning. Of course job creation is important. Deputy Pearse Doherty argued that the Bill lacked any employment incentives. The budget contained numerous job creation incentives. Quite apart from the need to ensure economic stability, the Bill provides for the employment and investment incentive scheme and reliefs for energy efficiency works, as well as an extension of the film relief, which has generated an amount of activity. There are a number of other matters which I hope we will have an opportunity to consider in what remains of this debate.

While I do not propose to accept the amendment, I must make the point that economic impact assessments of two measures in this year's Bill will be undertaken. The House will be aware that the issue of cost-benefit analysis of tax expenditures was examined by the Commission on Taxation, which was of the opinion that tax expenditures should be subject to ongoing evaluation and appropriate and timely cost-benefit analysis. Under the Finance Act 2010, there was a cost-benefit analysis of tax expenditures following the acceptance of an amendment from Deputy Burton, although her proposed period of one month for completing the report was extended to three months by a Government amendment. In order to undertake the report suggested by this amendment, my officials and those of the Revenue Commissioners would need appropriate data from tax returns. The commission acknowledged that such a requirement would add complexity and volume to standard tax return forms and increase compliance costs for taxpayers.

I agree it is desirable to provide for ongoing monitoring and evaluation to ensure that tax expenditures remain fit for the purposes for which they were designed and that they continue to be economically efficient. It could be argued it is reasonable and proportionate that where taxpayers are availing of tax expenditures they should supply such information to the Revenue Commissioners. However, I trust the House will understand that given the current economic position, I do not consider this an appropriate time to introduce additional complexity and cost for hard-pressed taxpayers.

I will make a few points on the amendment itself. One month is an insufficient time, as I pointed out. Second, as stated in last year's cost-benefit analysis report, there is an underlying principle of proportionality in cost-benefit analysis which states that the level of resources invested in carrying out the analysis should be commensurate with the scale of the expenditure involved. Third, this is not the time to conduct cost-benefit analyses of all tax expenditures in the Bill, which involve a total of 13 sections. Deputies will be aware that another finance Bill will need to be passed before 1 April to give effect to the Civil Partnership Act and possibly to other measures which have had to be postponed because of the truncated timescale for this Bill. Given the pressing issues facing the economy and the country, including the possible change of Government and of ministerial personnel, it would not be a good use of the Department's time to produce a cost-benefit analysis of measures in this Bill at the same time as it prepares for a new finance Bill and, very possibly although not necessarily, for a new political regime with different policy requirements from those of the current Government.

I agree with Deputy Burton that the completion of cost-benefit analysis is warranted in the majority of tax expenditures before they are introduced. As mentioned in the context of the current Bill, my officials have already prepared an economic impact assessment for the employment and investment incentive scheme. This assessment will be completed shortly and I intend it will be published. With regard to the new relief for energy-efficient measures, a similar

advance assessment will be prepared before the section is commenced, and that measure is subject to a commencement order. A cost-benefit analysis of tax expenditures before their introduction is more appropriate than an analysis after the event. For that reason and for the others mentioned, I do not propose to accept the amendment.

Deputy Higgins made an eloquent case for the general principle of conducting cost-benefit analyses, and it has become an established administrative practice within my Department irrespective of legislative vesture. The crucial tax reliefs provided for in the Bill — the new employment and investment incentive and the energy efficiency works incentive — will be subject to cost-benefit analysis. As a matter of practice, this matter is already being attended to.

With regard to Deputy Higgins's theological reflections on the distinction between tax evasion and tax avoidance, I do not think his comparison to the contrast between mortal and venial sin is quite accurate. In terms of the theology of that era, I would prefer to say it is the distinction between the natural and the artificial method.

Deputy Michael D. Higgins: We had that debate, too, in my time, I assure the Minister.

Deputy Brian Lenihan: Happily not in mine.

An Ceann Comhairle: Can we keep to the amendment?

Deputy Michael D. Higgins: Yes. There was a famous professor from Cork in the Seanad when I started out, who argued that condoms could be as dangerous as liqueur chocolates were in their day, when he had originally spoken on the Intoxicating Liquor Act. History would want to be charitable to him.

I will be brief in replying to the Minister. What I have to say is important. When people speak about cost-benefit analysis, they are not talking only about monetary consequences but also about social consequences. The next Government, and those that follow it, must test everything they do for its job creation potential and economic activity, measured in social terms. Perhaps it is because I am leaving the Dáil, and I hope its officials will forgive me, but after my long analysis over the years of the officials in the Department of Finance, I feel they need to move on. They must accept the theoretical thinking that cost-benefit analysis must be considered in view of the social dimension rather than just the narrow economic one. I also think they must abandon the Sir Humphrey principle that if it is good we have considered it and if it is not good we did not bother with it. The fact of the matter is that they, too, occasionally make mistakes. It is important that the Department is entirely open to testing new measures. I say this with no enmity but solely with the intention of being practical.

More recent events are in my favour in this regard. For example, if we consider what Regling and Watson suggest were the consequences of measures whose implications were relatively unexamined, they allude, frankly, to matters that are social. I am not saying — because I would be quickly corrected — that the Department of Finance is unaware of social implications, but I can say without any contradiction that both the Department of Finance and economic and social——

An Ceann Comhairle: We must not lose sight of the amendment.

Deputy Michael D. Higgins: Yes. I am finishing with this sentence. What I have to say also applies to what was the Economic Research Institute but became the Economic and Social Research Institute. Frankly, it is past time that we had rigorous examinations of the social consequences. The issue should not be the yield in terms of tax foregone, but people should be invited to pay their tax in social solidarity to make a contribution to creating employment.

[Deputy Michael D. Higgins.]

That is the thinking we need. The notion that the world moves on the motivation of profit and the acquisition of wealth is as dead as the dodo, but unfortunately not before it has brought about horrific consequences.

Deputy Michael Finneran: It has always been the interpretation, wish and determination of Government and the Minister for Finance to the effect that there is a job creation aspect to measures that are being brought forward in this Bill and indeed in other finance Bills. To go back to a point made by Deputy Noonan and reflected upon by Deputy Higgins, the social dimension is very much apparent. We only have to look at the areas of regeneration right around the country, say, Ballymun, Fatima, the Dublin docks, Limerick etc. to find that the social dimension is plain to be seen. Deputy Noonan knows that from his own city and we have seen the fruits of this already.

While there might have been some bad press about the Dublin Docks Development Authority in recent times, anybody can see that at this stage there is a whole new community there in the docks area. People who never would have sought second-level education are now in secondary school, and there are even people going on to third level in this area, which was unheard of ten or 15 years ago. Therefore there is a social dimension and a job creation aspect to finance Bills, as indeed there is in this one.

Deputy Joan Burton: I want to press the amendment, a Cheann Comhairle, because this goes to the heart of why the economy collapsed and why so many people are suffering unemployment and many of the young have very little immediate prospect of getting work. Basically, we hear tax breaks work because we have a hunch they will actually encourage this person or that to invest. Of course everybody wants to see derelict run-down areas in any town or city being redeveloped. My first involvement in politics was in relation to large parts of Dublin city centre falling down; people were being killed when houses collapsed on them.

However, it is not good enough to say one wants to redevelop if the system then turns that redevelopment process into a type of casino lottery win for super-wealthy people. The social dividend must go not just to the developers but to the ordinary taxpayers. In future, if we decide to exempt certain people or actions from tax, we must have evidence which says it is worthwhile not to charge this or that section the full range of taxes, because we will get jobs and development. What Fianna Fáil did became the trigger for a might episode of gambling and mad speculation on property. This morning, for instance, we see we are going to have fields all around every town in Ireland, where people speculated on buying four fields, say, for some enormous housing development that will never happen.

Fianna Fáil was in contrition mode yesterday. It used to be the case that there was confession, but we have never yet had a confession from Fianna Fáil for what it did. We had some contrition, yesterday, but there is the purpose of amendment——

Deputy Michael D. Higgins: A firm purpose of amendment.

Deputy Joan Burton: ——which says we will not do it in the future. My colleague, Deputy Michael D. Higgins, says “a firm purpose of amendment”. Fianna Fáil still wants to run away from saying we have to change how we do things if we are to repair and rebuild the economy and get people——

Deputy Michael Noonan: There was the penance as well. The Deputy forgot that.

Deputy Michael D. Higgins: Yes, there was the penance, which was most important.

Deputy Joan Burton: We have to give hope to our young people and we have to get the jobs back. We just cannot go on in the way Fianna Fáil did for 13 years. This is one for small change. I commend the amendment to the House.

Amendment put and declared lost.

Deputy Joan Burton: I move amendment No. 2:

In page 9, between lines 11 and 12, to insert the following:

“PART 1

Publication of Certain Bonuses

1.—Each credit institution that is participating in the eligible liabilities guarantee scheme shall be required, within 30 days of the passing of this Act, to submit to Dáil Éireann details of the names of all of its officers, employees or contractors to whom bonuses have been paid between 30 September 2008 and the date of passing of this Act, and the amount of the bonuses in each case.”.

Amendment No. 2 seeks to require the Government to publish within a month of the Finance Bill being passed information about the bonuses earned by bankers. I do not know whether Miss Marple or Hercule Poirot have been used by the Department of Finance, but there has been the strange case of the missing information about the bonuses paid to bank staff since the bank guarantee. I and other Deputies have asked the Minister for Finance over the last year whether he would come clean and find out from the institutions bailed out by the taxpayer the level of bonuses they paid to staff in each year since the guarantee, that is, since September 2008.

Unfortunately, it has been extremely difficult to extract this information. Banks are very anxious to tell us about their wonderful contributions to this, that and the other but they are extremely diffident and shy. They are somewhat akin to the lesser spotted something or other. One would have to go deep into the undergrowth to figure out what bonuses, exactly, are paid by banks. What we know, after a good deal of parliamentary questioning, is that in the period since the guarantee, the banks, other than Bank of Ireland, have paid about €40 million in bonuses and next month I understand AIB has another €30 million to €40 million in bonuses to pay which it says it has committed to. We know that Anglo Irish Bank has paid €21 million in bonuses since the guarantee.

The bonus culture destroyed the banks. It turned bankers not into people who managed relationships for customers, particularly small to medium-sized businesses, but into bonus earners. If they sold products, regardless of how risky, they got very fine fat fees and many of them ended up earning incomes of several million because of the bonus culture. This undoubtedly made many of the people at the top in the banks reckless in the extreme. They gave crazy loans for projects that would never happen. They gave loans for developments of massive quantities of housing and industrial development in areas where, even in a century from now, there would not be a sufficiently high population numbers to support those levels of development. It is the considered view of the Labour Party, which I believe is shared by many of our social democratic colleagues in Europe and elsewhere, that bankers need to have some disciplinary framework imposed on them. We need to call a halt to the bonus culture and the reckless decision making that it gave rise to.

What we want to know, to start off with, is whatever happened to these Bank of Ireland bonuses. When I got the answer to my parliamentary questions there was a little asterisk and a blank line where the Bank of Ireland data should have been to say that the information was

[Deputy Joan Burton.]

not available. I thought that they had reclassified bonuses, and perhaps that is what they sought to do. The institutions bailed out by the State have an obligation to put what they paid in bonuses into the public domain for the information of taxpayers. The point I made about Miss Marple and Hercule Poirot was that the Minister recently confessed to me that a high level, urgent investigation is taking place in the Department of Finance into the Bank of Ireland bonus figures. I am not sure who is Miss Marple and who is Hercule Poirot in the Department of Finance but this particular amendment, if passed, will require our sleuths in the Department of Finance, one month after the passing of the Finance Bill, to publish information about all bonuses paid since the guarantee by the banks and institutions the taxpayer bailed out. This is a reasonable requirement in a modern democracy where we are trying to come to terms with the economic disaster that has overtaken us because of mismanagement by Fianna Fáil. As Fianna Fáil leaves office and possibly goes out of government, it is incumbent on the party in the last days of that Administration to publish this information. It is very difficult for this country to move on from the banking disaster unless we have a full telling of who did what and, in respect of bonuses, who got what.

We are not talking about small bonuses for staff in call centres and banks. Such people may be on the minimum wage which is increased slightly by the payment of bonuses. This is not what we are talking about. I refer to the people at the top of the banks, who were making millions of euro per annum. At one stage, the former chief executive of Bank of Ireland told a shocked Irish public that his income had fallen to below €2 million a year because of the cuts he had taken. He clearly felt sorry for himself and that he had made a major national sacrifice. Publishing this information is part of giving a sense of control to our citizens so that there is some level of accountability required and demanded of the banking institutions that are costing us so much and will cost us so much to bail out. I commend the Labour Party amendment to the House.

Deputy Arthur Morgan: I support the amendment tabled by Deputy Burton but I have no expectation the Government will accept it, irrespective of how good it is. There has been a crazy convention during my period in this House whereby the Government refuses to accept Opposition amendments. It will not accept this amendment or any other in this grouping because the Government has closed down and is operating in a perfunctory manner so that it can get through to Monday or Tuesday of next week when the Taoiseach will go to the park and finally dissolve this Dáil, allowing for an election to bring in a new Government. It is depressing to be standing here two and a half years after the major banking crisis and discussing a situation that should have been resolved long ago, where the banks appear to be a law unto themselves and accurate information is still not coming through to this House and the representatives of the people of this State. I see no prospect of that regime — the Government-banker relationship — altering in the next few days. It will be more of the same. The Government will allow the banks to paddle their own canoe while pouring billions of taxpayers money into the banks to try to keep them barely standing. It is beyond belief. I look forward to a new Government, of whatever hue, being more open on this point and being more forceful in dealing with this bonus crisis.

Hopefully it will also deal with the bondholders because we remain tied to the private debt of banks, where private international speculators sent money into private investment schemes here, called banks, which were not underwritten by the taxpayers or the Government. Nevertheless, the taxpayers are expected to pick up the tab for all of that. It beggars belief that it is happening. We can consider other examples, such as Iceland, which dealt with this in a more proactive way. Iceland is beginning to move forward at long last. We have been through this more than enough.

Deputy Brian Lenihan: We have.

Deputy Arthur Morgan: The Minister is nodding in agreement.

Deputy Brian Lenihan: Deputy Morgan is just wrong and I will explain it in a minute. If one never studies a problem, one will never solve it.

Deputy Arthur Morgan: This problem is persisting and is not improving because of the way the Government has dealt with it. Had the Government taken a different course of action, we would not be in the mess we are in today. I hold no hope that this Government will do anything about it at this late stage. They will sleepwalk through until Tuesday. Let us get on with the job of bringing in a new Government of some kind. It would have to be better than the current Government.

Deputy Michael Noonan: Other speakers referred to the extent that the bonus system caused great difficulties in banking. Certain officers, particularly at senior level in banks, were incentivised to be reckless. That was the bottom line of the bonus culture. Bonuses related to activity or profit generated by senior bankers contained the seeds of the downfall of the banks. It is a culture that spread from the United States to London, other main financial centres and into Ireland. We have seen the consequences of it.

Regarding the amendment before us, I do not like the idea of publishing lists of names of people in any particular profession. Ireland is a small country and there is always the risk of scapegoating. It would be sufficient to meet the concerns in the House for a list of the number of people at different levels and the bonuses received was published. The Government could publish the range of bonuses and the fact that a certain number of bank managers received a bonus. Publishing the names and details of employees is something I do not like and there are other ways of achieving the same end.

The Minister needs to explain to us how Bank of Ireland gave bonuses and the Department of Finance did not know about it. There is a well-developed banking division in the Department of Finance and in a situation where Bank of Ireland is a covered institution and there is Government policy on bonuses, they should not have been paid without the Department of Finance being aware of it. We have had no explanation of what happened.

There is a case made that some divisions of banks are profitable and that the employees there deserve bonuses because they were not in loss-making divisions. Investment banking has been profitable in the past number of years. There should be a renegotiation of contracts in order to reward people in a different way. If this was a large garage that became insolvent and had to be bailed out, the salesman selling Land Rovers would not receive commission simply because he made a profit on the sale of Land Rovers when everyone else was losing their shirts and driving the garage into hock. To talk about the profitability of a particular division in an insolvent institution and argue that the taxpayer should subsidise bonuses given to people working in that division lacks logic and does not stand up to normal commercial scrutiny.

I agree with the spirit of the amendment but I would not find it acceptable to have lists of names of employees down to the most junior who receive bonuses. A line must be drawn somewhere. It might be possible that the names of people with the top ten most lucrative bonuses would be published but it is not appropriate that the names of every person who got a bonus down to the girl in the call centre who got a few euros at Christmas should be published, listed and held up to opprobrium and ridicule.

Deputy Brian Lenihan: In a sense this has been an unreal debate because the Government has tabled an amendment to address the question of bankers' bonuses. I would have preferred

[Deputy Brian Lenihan.]

to have had more time to formulate that amendment. However, the Finance Bill was formulated in circumstances of haste, published earlier than it would normally be and when the Government became a minority Government, there was an insistence that the Bill be processed with great haste, which is also being done. Fortunately, through the industry of my officials, we are in position to submit an amendment, which is part of the Report Stage consideration, which will deal with bankers' bonuses.

In a sense, I do not believe there is much point discussing the merits of this amendment but I assure Deputy Noonan the issue about which he raised concern in the proposed amendment before us, namely, striking the right balance between publication and the power of the Revenue to investigate matters with the necessary confidentiality, which it requires, and the protection of the privacy of individuals where it is appropriate, are struck in the Government amendment. They are not, as Deputy Noonan rightly said, struck in this amendment, but it has been superseded by the fact that the Government has tabled an amendment. I am content to leave it at that stage.

Naturally, the opportunity of this amendment was used by Deputies Morgan and Burton to give again a very inaccurate political history of the banking crisis in recent years. The first point that everyone must recognise and that, I note, does not feature in this public debate is the fact that the European Central Bank happily has supported the Irish banking system to the extent of more than €100 billion. It provided the Irish banking system with the necessary funding when a very substantial flight of money out of our banking system took place.

Deputy Arthur Morgan: It had to do that to save the euro.

Deputy Brian Lenihan: The bulk of that flight of money took place because of a loss of corporate deposits, not bond finance, which is term debt and which expires at certain dates. Corporate deposits were crucial to the funding and the excessive funding that took place in the banks during the period culminating in 2007. Those corporate deposits and that base was eroded out of the Irish banking system and happily the European Central Bank provided us with the necessary collateral to ensure that the banking system did not collapse.

The Government guarantee also assisted in ensuring that a collapse did not take place. It has been pointed out time and again that were a collapse permitted, we would have had mass unemployment. Despite all the old guff about jobs from Deputy Morgan and others, that is what would have happened. In fairness to the Deputy, he saw the merit of that argument when he voted for the guarantee. I will give him credit for that.

Deputy Arthur Morgan: Yes, but the Minister misled us on that.

Deputy Brian Lenihan: I never misled this House. Let us not have a debate about that at this stage.

Deputy Arthur Morgan: The Minister misled this House as well as us in——

An Ceann Comhairle: Please, Deputy Morgan.

Deputy Arthur Morgan: I need to put that on the record. It is a fact.

Deputy Brian Lenihan: The Deputy was given considerable latitude to give a very partial, one-sided account of the banking crisis in this country.

Deputy Arthur Morgan: I gave a very accurate account of it.

Deputy Brian Lenihan: I am at least entitled to reply to the Deputy's analysis without an interruption. If he does not like the analysis and finds it necessary to interrupt, that is his problem.

Deputy Arthur Morgan: I only do so to correct misleading comments.

Deputy Brian Lenihan: I am telling the Deputy from facts at my disposal and from facts at the disposal of my officials in the Central Bank what the facts are, and those are the facts.

The obsession of the Deputy's party, which I anticipate it will continue to air in the general election campaign, that Ireland should default is one that will do great damage to this country. I will try to spell out the position in plain language for the Deputy. If a house is not on fire and the Deputy says it should be torched and that house happens to be a bondholder and the next-door neighbour is a depositor, what does the Deputy expect the depositor to do, to stay in his or her house? The idea that the working of the credit system can be undermined in the way Sinn Féin advocates——

Deputy Arthur Morgan: It will happen anyway and the Minister knows that.

Deputy Brian Lenihan: ——is worthy of the international monetary conspiracy theorists of the 1920s and 1930s. It is unworthy of belief.

Deputy Michael Noonan: Wait until Gerry comes.

Deputy Brian Lenihan: We now operate in a system where we have a common currency and a common central bank. We have very high GDP still by international standards and the idea that Ireland can unilaterally default in that kind of framework is moonshine. The Deputy can peddle his moonshine for a few weeks; he may be able to do it safe in the——

Deputy Arthur Morgan: We will let the people decide whether or not it is moonshine.

An Ceann Comhairle: Deputy Morgan, please.

Deputy Brian Lenihan: ——safe in the knowledge that he will not have to exercise the responsibilities of office.

Deputy Arthur Morgan: The Minister certainly will not be doing that. That is for sure. He will not be exercising those responsibilities.

An Ceann Comhairle: Deputy Morgan, please.

Deputy Brian Lenihan: I can assure the Deputy that anyone who has to exercise responsibilities of office in this jurisdiction understands this. If we to talk about bailouts and the IMF, I notice the Deputy is very happy to participate in an Administration in Northern Ireland that has been the subject matter of the biggest world bailout since 1922.

Deputy Arthur Morgan: The Minister knows why that happened.

An Ceann Comhairle: Is amendment No. 2 being pressed?

Deputy Arthur Morgan: Had the Minister's predecessors done their job right, there would not be an Administration in the North; this Administration would be in the North.

Deputy Brian Lenihan: We brought you in——

An Ceann Comhairle: Deputy Morgan, please allow Deputy O'Shea to contribute.

Deputy Brian O'Shea: The purpose of tabling this amendment was to make sure that situations such as that which occurred in the Bank of Ireland where wrong information was passed on to the Department will not happen again. On the basis of what the Minister has said about another Report Stage amendment, the Labour Party will not press this amendment at this stage.

Deputy Brian Lenihan: I thank the Deputy for that. I am obliged.

Amendment, by leave, withdrawn.

Deputy Brian O'Shea: I move amendment No. 3:

In page 9, between lines 11 and 12, to insert the following:

“PART 1

EXAMINATION OF TARGETED VAT REDUCTION FOR LABOUR INTENSIVE SERVICES

1.—The Minister for Finance shall, as soon as may be after the passing of this Act, prepare and lay before Dáil Éireann a report on the potential economic stimulus impact, and cost benefit analysis, of a targeted VAT reduction for labour intensive services.”.

Essentially, this amendment seeks the preparation of a report on the potential economic stimulus impact and cost-benefit analysis of a targeted VAT reduction for labour intensive services. Such a measure has been tried in other countries. In the context of employment creation in places of employment such as pubs, restaurants and hairdressing establishments, this amendment proposes that VAT would be reduced on the employment content of the costs of such businesses to enable them to be in a better position to recruit staff. In other words, it would cost them less to so do. We are not seeking that such a measure be introduced now. In view of the fact that other countries have tried such a measure, we believe it is worth exploring if it would lead to the creation of additional jobs in such businesses.

Deputy Michael Noonan: I support the spirit of this amendment. We did some work on this area in the Fine Gael Party prior to the budget. The House knows that one of the conditions negotiated by the Government with the IMF and the European institutions is that the higher rate of VAT at 21% will be increased to 23% in two moves of a 1% increase on each occasion. When we examined this in our party we decided that it would be worth forgoing some of the yield from this by reducing the lower rate of VAT from its current level of 13.5% to 12%, a reduction of 1.5%. We did this because when one examines the activities to which the different rates apply, the 21% rate applies to practically everything other than the exceptions at the lower end. Certainly, the 21% rate includes a range of imported goods. Less activity in the purchase of imported goods, while it would impact adversely on the retail sector, would not have an adverse impact on manufacturing industry in this jurisdiction. On the other hand, the activities to which the lower rate of VAT applies includes, for example, the building industry.

Regardless of what is said about developers, Ireland's modern economy needs a building and development industry. The problem with the industry was that it is was responsible for approximately 20% of GDP, although a sustainable rate is probably 6% or 7%. There is no activity in the industry at present, yet people need houses, offices, hotels and replacement and renewal activity. There needs to be a viable building and development industry in the country.

If we are to get people back to work and provide jobs for all those who are skilled in the building trades but now seeking to emigrate, we can start in a small way. If the VAT rate were 12% rather than 13.5%, it might trigger some activity in the form of building extensions and insulating homes under the Government's energy schemes.

Deputies Brian Hayes and O'Shea referred to the hospitality industry, restaurants, bars and hairdressers, all of which pay VAT at the lower rate. The newspaper industry, which is under severe pressure from the alternative media, pays VAT at the lower rate.

While I welcome the idea of having an indepth analysis of the effect on job creation of a lower rate of VAT, we have done some work on this already. It is worth doing. The Minister will ask where the additional money will come from if one forgoes the yield by reducing the lower rate of VAT. One could analyse the additional activity that would be generated by lowering the rate. The net loss of revenue might be quite small if additional activity were generated in a growing economy. There might be a net gain if the adjustment were made. Mr. Charlie McCreevy was a great advocate of this practice. When he reduced capital gains tax to 20%, more tax revenue was being generated within 12 months than when the rate had been higher and more penal.

It is worthwhile considering ideas such as this. For the foreseeable future, Ireland will have only limited scope to become involved in demand management through large stimulus packages according to a Keynesian model. It is possible, however, to generate growth and create jobs by examining the other side of the economic balance. Instead of concentrating on demand stimulus and demand-side initiatives, it is always worth considering whether low-cost steps can be taken on the supply side that would generate economic activity and create jobs. A rebalancing of VAT rates is one such step. The retail sector will not welcome an increase in VAT from 21% to 23% because much of the sector is on its knees at present and, owing to the adverse weather conditions, it had a very bad Christmas period.

There is negotiation on the proposal and it is in the memorandum of understanding. It is one of the conditions for drawing down the bailout funds. We should determine whether we can tweak the facility to our advantage by using some of the yield to reduce the lower rate of VAT considering its job-creation and economic-growth potential.

Acting Chairman (Deputy Charlie O'Connor): I call Deputy Morgan, whom I wish well in his retirement.

Deputy Arthur Morgan: I wish the Acting Chairman, Deputy O'Connor, well.

Sinn Féin supports the intent of this amendment. I am addressing my comments to the Opposition parties because there is no point in addressing them to the Government at this stage. The Government's term of office is to end in a few hours and it would not act on the proposal in any event. I hope the new Government, irrespective of its composition, will introduce a stimulus package. The economy will not move unless that is done.

I commend the agrifood sector, which presents a great opportunity. We know the arguments in favour of it and the production capacity on this island. There are food riots and starvation in some parts of the world owing to a gross lack of food production. We have a great opportunity but it will require a stimulus package and a well thought-out programme with appropriate marketing and logistical measures. It must be rounded off, not just piecemeal. If this occurs, there will be great potential.

I referred on a number of occasions to the tourism industry, to which Deputy Noonan referred. There is potential to introduce a stimulus package for this industry but, again, it requires proper marketing. The logistics must be correct, not only in terms of where and how

[Deputy Arthur Morgan.]

we market but also in terms of tourism-related connectivity throughout this island, especially the north west and western seaboard. There are great opportunities. I address my comments to all the Opposition parties in the hope that they will be supported in the 31st Dáil. I have no doubt my colleague Deputy Doherty will be doing so.

Deputy Brian Lenihan: Deputy Noonan supports this amendment, which was proposed by the Labour Party. I do not propose to accept it as it is one I have examined as Minister for Finance. Deputy Morgan, whom I wish well in his retirement and who sparred very well with me in recent years, will know this issue has arisen before. I have considered it several times in the Department. The position on it is informative and will assist Deputies in formulating policies in this area. As Deputies are aware, labour-intensive services in Ireland are, in general, subject of the reduced VAT rate of 13.5%. The purpose of having a rate lower than 21% is precisely to stimulate activity in labour-intensive industries and stimulate job creation and retail demand.

The rate of 13.5% applies to hairdressing, small repair services, window cleaning, the repair and renovation of private dwellings and restaurant services, for example. The reduced VAT rate for labour-intensive services is available on the basis that Ireland applied a reduced rate to those services on 1 January 1991. One of the difficulties is that one cannot extend the list; one is confined to the existing services.

Prior to the recent adoption by the Council of Ministers of a proposal in May 2009 on labour-intensive services, the majority of other member states were dependent on an experimental scheme for reduced rates for labour-intensive services that was introduced under an EU VAT directive of 1999. In that regard, ECOFIN agreed that reduced rates for certain labour-intensive services, including restaurant services, should be a permanent option for member states under the VAT directive.

With regard to the proposal, it would be possible to further reduce the VAT rate applicable to labour-intensive services. I have examined this as Minister for Finance several times but noted it would result in a significant cost to the Exchequer. A 1% reduction in the reduced VAT rate — from 13.5% to 12.5%, for example — would cost €260 million in a full year. Given the current Exchequer deficit, reducing VAT rates would not help support the public finances.

The Fine Gael proposal on this subject at the time of the budget was that we should reduce the 13.5% rate but increase the 21% rate to compensate therefor. That would have a very detrimental effect on cross-Border trade, and that is why I resisted it.

An issue that arose in the negotiations surrounding the IMF-EU agreement concerned the question of VAT rates. There is no doubt that the European Union regards the VAT income or tax base as a crucial part of a prospective remedy for the Union. It is anxious, therefore, to increase the take from VAT in all the member states. One can see this in the Commission's analysis of the various member states' approaches. Our approach was taken in the discussions on the EU-IMF agreement. I took the view that, while we had to leave open the possibility of VAT increases in future years under the plan, it would be wise to defer it for the time being. For this reason, the VAT increases will occur in the later period of the plan. In this way, there will at least be some opportunity to harmonise the VAT arrangements in the Republic with those in Northern Ireland so that we do not create a disparity between the two jurisdictions leading to an unnatural loss of trade and custom.

I have never been against shopping in Northern Ireland. Rather, I have been against what I call predatory shopping where an advantage is given to one jurisdiction over the other because of tax arrangements. The plan gives us the flexibility to manage this process in our own way in the years ahead.

Reverting to the amendment, seeking an examination of a targeted reduction in VAT for labour intensive services imposes a further administrative burden on business and would add to pressure to extend such favourable treatment to all goods and services. The amendment advocates a cost benefit analysis, but any Minister for Finance can have such an analysis done within the Department. While I appreciate the spirit in which amendments to have cost benefit analyses done as a matter of statute law are tabled and I welcome that they have been tabled to have these subjects discussed, a Minister for Finance can ask his or her officials for their assessment of something. He or she could also ask the Revenue Commissioners for their assessment of how a measure would work in practice. Plenty of information is available and the Deputies should put it into the public domain if that is what they want.

The amendment is an interesting one and puts the focus on one of the crucial issues surrounding consumption taxes which I have pointed out for the past two years and which is not recognised sufficiently. The improved transportation arrangements between Northern Ireland and the State mean that access to the North is not just a matter for residents in Border counties. The largest conurbation in the country is now within 50 minutes of Border shopping. Any Minister for Finance must examine the risks of predatory loss of revenue through disparate tax rates with Northern Ireland. It is not just an issue for Donegal, Cavan or Louth as it was during previous decades of the State's existence. Rather, it is an issue for the bulk of the State, given our transportation arrangements and the further transportation arrangements, fully protected in the plan, that envisage the completion of works between Monaghan and Donegal to improve the north-west corridor. It is important that this issue be understood as a matter of public policy. This fundamental issue has crept up on us.

I am sure Deputy Morgan will recall our 2008 and early 2009 debates on what was then a significant loss of trade to Northern Ireland. Deputy Burton or Fine Gael suggested that a study be done. When that study was done, it was interesting to see that cheaper alcohol prices along with low predatory pricing on certain baby products and so on were the greatest inducements. We have undoubtedly tackled this issue and stabilised trade to some extent. There are wider issues of competitiveness, but we will not get into them this morning.

Although I do not have a strong objection to the Department conducting an analysis, it should not be required as a matter of statute, given the pressing range of duties the Department will need to perform in the next few months.

Acting Chairman (Deputy Charlie O'Connor): I invite second contributions, which should not exceed two minutes.

Deputy Brian O'Shea: The amendment was tabled because if there was an advantage to the Exchequer, primarily in terms of job creation, this type of measure would be merited. From the Minister's comments, I understand the Department keeps this matter under regular review and it has the capacity to carry out the type of analysis we are discussing. The analysis would continue irrespective of who was Minister. The amendment was not tabled to seek to tie the Department to an expensive cost benefit analysis or impact assessment. Given that other European countries have adopted this measure, it could be useful for Ireland. Against this background, it is not my intention to pursue the amendment.

This will probably be my last day in the Dáil. With the Acting Chairman's indulgence, might I make a short personal statement?

Acting Chairman (Deputy Charlie O'Connor): Proceed. I am sure I will get into trouble for facilitating the Deputy, but I am honoured to do so.

Deputy Brian O'Shea: I thank the Acting Chairman for his indulgence. I have been a Member for 21 years, having been elected to the Dáil five times. Few of us have the great honour and privilege of attending the Chamber and I thank the people of County Waterford for bestowing that honour upon me.

There have been outstanding Deputies during my time in the Dáil. The majority of Members are motivated by patriotism. Good, decent people, they are motivated by and pursue the public service ethos. However, I leave the House with some concern regarding the standing of politicians and the noble profession of politics in the public eye. For the incoming Dáil, my party has developed proposals on a major reform of governance, the way in which Oireachtas affairs are conducted and the manner in which the Civil Service does its business.

I have the utmost respect for all of the House staff I have encountered. In particular, I remember their kindness during the 18 months or so I was on crutches. People could not do enough to help. The professionalism, dedication and hard work of staff in the Dáil and the two Departments where I was Minister of State, those being, the Departments of Health and Agriculture, should be mentioned by Deputies.

While the public and civil services get a lot of undeserved criticism in the media, there are major issues with the country's governance, how Members do their business and how the Civil Service works. The next Dáil must be a Dáil of renewal. In my time in the House, people on all sides have desired reform. They realise that what we do is not fit for purpose, our methods are antiquated and so on. The moment in which these matters can be addressed should be grabbed now if the Dáil is to provide taxpayers and citizens with a better service.

I leave the House with great hope and look forward to seeing matters progress in a way that restores the country to a position of prosperity, job creation and all that goes with them.

Acting Chairman (Deputy Charlie O'Connor): I genuinely wish the Deputy well and thank him for his friendship during my time in the House. Is he withdrawing the amendment?

Deputy Brian O'Shea: Yes.

Deputy Brian Lenihan: I thank the Deputy for withdrawing the amendment. I also wish him well in his retirement. Deputy O'Shea is one of the fair-minded Deputies whose opinions are always listened to with great care, given that they are considered opinions expressed on the record of the House about the welfare of the country and how we can progress policy in different areas. He has never been a Deputy who has sought the limelight through unthinking utterance. He has always made a significant contribution to the proceedings of the House. By saying that he has never sought the limelight through outrageous comment, I am not to be taken as saying that he has not been a consistent and dedicated parliamentary performer. He has contributed greatly to the proceedings of this House.

I am aware of the very great respect in which Deputy O'Shea has always been held by his constituents in Waterford. He was a Minister of State for a period when I came into the House and he discharged his duties in an exemplary way. I am sure he will miss the House, to some extent, but we all admired how he bore up so well in his parliamentary duties, despite a considerable illness. We all want to wish him well in his retirement.

The Deputy raised a very important point about political reform. I too have given this a lot of thought in recent times and I have had an opportunity in the context of the recent leadership contest in Fianna Fáil to express a view about it. This is a matter about which I would not have been free to express a view as Minister for Finance. I acknowledge the importance of reforming the Houses of the Oireachtas but we should be careful that reform is not simply confused with a pandering to a populist wish to abolish, to reduce, to eliminate. Much of the public discussion

in recent years has suggested we need a smaller Dáil, that we do not need a Seanad and that we need fewer Ministers. It may well be the case that we need a smaller Dáil or a smaller Seanad or fewer Ministers but the case should be made on rational grounds and not on the basis that we simply believe that it will please the public.

It is a fact in the consideration of this Finance Bill that the position of the Seanad has become of value because my officials are reflecting on the Bill as it goes through and their only opportunity to advise me of the need for further amendment arises from the somewhat limited power of the Seanad to make recommendations on the Bill next Saturday which permits a final tidying up of the legislation. This is a small example, but it is an example which has arisen in the context of a severe political and economic crisis, of how the Seanad can be of value in bringing matters to a conclusion.

I believe everyone will accept that the current arrangements regarding the composition of the Seanad are unsatisfactory. I put forward the idea that it should be elected by means of a list system on the same day as the Dáil election, with higher technical qualifications in order to bring in a new stream of people into Parliament and Government. This is not to take away from the fundamental primacy and the work and the mandate of this House but the people want to see a different type of politics and they want to see a politics that is focused on the common good. One of the difficulties with the electoral system in the Dáil to which, I believe, the Irish people are unalterably attached, is that it puts a large focus on the local and the parochial at the expense of the national. We need some way of balancing this in our representative institutions.

I thank the Acting Chairman for his indulgence as I have wandered far away from the subject of the Finance Bill. I wish Deputy O'Shea well in his retirement.

Acting Chairman (Deputy Charlie O'Connor): If the Ceann Comhairle sends for me I will ask the Minister for a reference.

Amendment, by leave, withdrawn.

Acting Chairman (Deputy Charlie O'Connor): Amendment No. 4 arises out of Committee proceedings.

Deputy Damien English: I move amendment No. 4:

In page 9, between lines 11 and 12, to insert the following:

“PART 1

PROPOSAL TO OFFSET TAX LOSSES FROM RESEARCH AND DEVELOPMENT
AGAINST PRSI

1.—The Minister shall within one month of the commencement of this Act, prepare and lay before Dáil Éireann, a report on proposals to reduce the effective tax rate that is applied to intellectual trading losses that are incurred by companies and if he will further report on a possible option of offsetting such losses against employers PRSI.”.

Before I deal with the amendment I wish to add my brief comment on the occasion of Deputy O'Shea's retirement and to wish him luck in his retirement. I worked with Deputy O'Shea when I was deputy spokesperson on communications and on the drugs problem. I enjoyed listening to his debating and to his ideas as he had a great understanding of what was needed. Progress is slow in that area but he was very conscious of what had to be done. I watched in great admiration how he dealt with his own suffering because he must on occasions have been

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in great pain and he still did his job. I am glad to see he has recovered quite well. It is nice to see someone still doing their job even when it is very difficult to do so. I wish him well in his retirement and I am sure my other colleagues would say the same if they were here in the Chamber. On behalf of Fine Gael I extend to him all the best and we hope to see him around Leinster House.

I also wish to make a point in response to the Minister's reference to reform of the Houses of the Oireachtas. The problem was best summarised when he said that as Minister for Finance he was not in a position to discuss political reform. That is what is wrong with the place, in my view.

Deputy Brian Lenihan: I had enough to do as Minister for Finance.

Deputy Damien English: I agree and it is also the case that party politics would have prevented him. This is not a criticism of the Minister but rather it is what all of us have to overcome because this place has to be reformed in order to become a modern Parliament which reflects modern views and which can move at a greater speed when dealing with day-to-day issues. This is what people want to see happening; they want the Houses to be more effective and streamlined.

To return to the discussion of the amendment, Fine Gael is of the view that employment could be encouraged if losses could be offset against employer's PRSI. The intellectual trading market is large and active and the aim is to enlarge this market if possible. I await the Minister's views on this amendment. This is a practical measure which would encourage job creation. Fine Gael is unhappy with the budget and the provisions of the Finance Bill as they do not do enough for job creation but this amendment could help make a difference.

Allied to this amendment is the matter of patent royalties. Fine Gael accepts that the reliefs were too generous in that area but we do not agree they should be ended as this would be a step too far. I suggest they could be retained at 50% because expenditure in this area must be encouraged at a time when innovative new ideas will help towards job creation. We will do all we can to encourage job creation. The areas of patent royalties and intellectual trading lead into the necessity for a venture capital market and venture capital funds. These are not matters to be dealt with in this Bill but there is not enough happening in those areas and there needs to be more co-ordination and direction from Government to try to attract more investment. This amendment will be pressed as it is about job creation.

Deputy Pearse Doherty: I see nothing wrong with this amendment but I would need to study the proposal in more detail if the amendment was accepted and if the effective tax rate were to be reduced for intellectual trading losses, and how this would affect job creation as mentioned by Deputy English.

We discussed earlier a report on how tax reliefs might impact upon job creation. I take the Minister's valid point that the Minister and the Department of Finance have much to deal with and issues have to be prioritised ahead of reports being commissioned on these matters. The Department of Finance and the Revenue Commissioners expressed viewpoints with regard to VAT and the Minister agreed to provide these. Can such information be provided to this side of the House as well as to the Minister? Since I became party spokesperson on finance my office has been in regular contact with the Department. However, even though the officials have been more than helpful, we cannot telephone a Department of Finance official and ask for a briefing paper on a proposal. Replies to parliamentary questions are not as extensive and will only provide a summary of any examination conducted by the Department. This is allied to the issue of political reform.

The general election campaign will be an ideological debate and I am very satisfied that my party will offer a very clear alternative to what is being proposed by other parties. Others will say that such and such information is incorrect and that we have plucked figures out of the sky. However, my point is that if my figures are being challenged then it is a challenge to the figures provided by the Minister for Finance because the Minister, through the Department of Finance, has provided me and my party with the figures we are using to show how we would run the Exchequer this year without the IMF-EU bailout. One has to submit many parliamentary questions to get that information and also to study all the answers to arrive at that point. If we are not afraid to allow others to express views that can stack up and are accurate, then we should have no fear about providing all relevant information. As I stated in my opening comments, I understand there are pressures on the Department of Finance. It is not reasonable to ask the Department of Finance to commission hundreds of new reports on the effect of every measure. However, my party's central point of view is that we will get out of the mess through creating jobs. It will not be done through reducing expenditure so it is on par with tax intake, it will be done through growing the economy to reach the level of expenditure. At the same time, savings can be made on the expenditure side. Job creation will be essential this year.

If an issue has been examined — I am not sure but I presume these issues have been examined in the context of this and previous Finance Bills — then let us publish any information we have on the matter to the benefit of the Opposition, namely, the Labour Party, Fine Gael, Sinn Féin and the Independents, and those outside who do not have the privilege of serving in these Houses. This would mean those commenting on where we are and on the solutions to getting us out of the mess can make their comments with the best information available. We may not necessarily agree with the information provided by the Department of Finance but at least the information should be there.

As I mentioned, approximately 34 colleagues will leave the Dáil and this is either the second last or last day on which we will meet, depending on whether we meet on Saturday evening. I want to wish them well, in particular Deputy O'Shea who made his parting speech. I have been in the Dáil for only five weeks so I have not had the experience of sharing the Chamber with him for long but we have served together on committees and I wish him and all the retiring Members well.

Deputy Brian Lenihan: As Deputy Doherty knows, a service is available in the Department and I am not aware of a request made for the service. My information is that 40% of the requests for the use of this service on costings has come from Deputy Doherty's party and these requests have been facilitated through the Department. There is no difficulty with the Department providing costings and this is important. It should be also put on the record of the House — not specifically with regard to Deputy Doherty but with regard to the House generally — that the Oireachtas is funded from the central fund and has substantial access to moneys to conduct research on various topics. I accept that as with all economic research, the research done by the Department is most interesting to Deputies because it is the research which informs Government thinking and therefore gives a greater prospect of evaluation.

The precise proposal before us from Deputy Noonan is that we shall within one month of the commencement of the Act prepare and lay before the Dáil a report on reducing the effective tax rate applied to intellectual trading losses incurred by companies and examine the option of offsetting such losses against employers' PRSI. In dealing with the earlier Labour Party amendments, I made the point that I do not believe this is an appropriate time to put statutory obligations on the Department to engage in research on a wide range of subjects. The Department has had much work to do in the past two and half years and will have much work to do

[Deputy Brian Lenihan.]

in the next nine months. I do not want to rehearse these arguments again. I put them on the record of the House this morning.

My one note of caution to Fine Gael about this amendment is that the precise subject it wants us to examine is the possible option of offsetting losses against employers' PRSI. Employers' PRSI is a very important revenue base for the State in making a contribution to the social insurance fund. I have been a very strong defender of our 12.5% corporation tax rate. It is a key feature of our general strategy to attract inward investment to Ireland in manufacturing and services. I and the Government sustained considerable criticism over our conduct in the EU IMF negotiations because we decided to hold out on this issue and not simply automatically enter negotiations. We ensured that we received satisfactory political assurances on the subject before we even embarked on a process of strict negotiation. This was a considerable diplomatic success at the time.

Our strategy is to have a 12.5% corporation tax rate. The suggestion that whatever funds can be received out of this 12.5% rate can be then further offset by an obligation not to pay employers' PRSI is very far reaching. We have introduced intellectual property reliefs which in effect reduce the residual corporation tax liability in the case of research and development enterprises. As Minister for Finance I introduced many of these incentives in successive Finance Bills. They fit in with the general strategy that not alone do we want to attract inward investment in trade, services and manufacturing but we also want it to have a high research and development content so that employment in these enterprises will go up the value chain. There is consistency in the tax reliefs we offer multinational companies establishing here. The basic 12.5% rate is at the heart of the attraction strategy and this is complemented by further inducements with regard to research and development to fit in with the character of what we want to attract.

When we state we will allow employers' PRSI to be offset against tax liability in effect we are stating the enterprises involved should not pay PRSI. This is what would be legislated for in practice. I do not believe we should legislate for this and I must state this. I believe these companies have to meet the minimum social requirement of contributing for social purposes to the funds which ensure the various contingent risks, whether during life or on retirement, are met by a reasonable payment from the State. If the demand is that these companies should be dispensed from these obligations, one is establishing a differentiation between these enterprises and domestic enterprises, smaller businesses and firms and occasional employers who will remain, and rightly so, under an obligation to pay PRSI. A contrast would be established between these smaller struggling businesses and larger multinational enterprises attracted here which would be dispensed with an obligation.

In fairness to Fine Gael, I know it states this is only an option we should examine and I am not making a direct political criticism. However, I have heard the case reflected in the amendment made by some tax planners who speak on behalf of the international enterprises and I must state I have viewed the case with a degree of scepticism. There must be recognition that these companies have basic social obligations. If those social obligations do not exist in other jurisdictions and exist here then the issue is why they do not exist in other jurisdictions.

I do not want to go back to speaking about banking as we had our discussion earlier, but one of the key issues we will have to examine at European level is how various states can co-operate to ensure minimal standards are maintained, whether with regard to labour conditions and practices, tax practices or practices with regard to social insurance. The idea that multinationals can forum shop whereby certain countries acknowledge no social obligations and therefore one is put under pressure to dispense with one's own is not, in my view, acceptable.

In general terms, I do not propose to accept the amendment because of the burden it would put on the Department.

Deputy Damien English: I understand from where the Minister is coming on this, but we hold the view that while PRSI is important, in some cases it acts as a deterrent to employment because it can represent a high cost for employers. In our two most recent alternative budgets we suggested that the Minister should consider reducing employers' PRSI because in some cases it is a deterrent to jobs. The Minister spoke about a social contribution from companies but the social contribution of many foreign direct investment companies is to give our people jobs. One can look at this both ways.

Like the Minister, we have received advice and evidence to suggest that perhaps a reduction or offset of PRSI might stimulate job creation. We are not stating we are convinced of this, but we think there may be an argument to be made. This is why the amendment suggests that the Department conducts a study and makes a decision. We want to check out what we have been told. There is always an agenda behind information that comes forward and the best way to find out about the information is to investigate it. This is why we tabled the amendment. I hold the view that if PRSI must be offset to create jobs, it would be worthwhile to do so. At the end of the day if there are no jobs there will be no PRSI in the first place coming from that "tax unit" — a term the Minister used yesterday which I do not like and which the Minister probably does not like himself. As it was proposed with good intentions and for good reasons, we should check it out. I accept officials at the Department of Finance are extremely busy. Even if the Minister does not accept it today, we will need to consider it because we need to investigate all these areas with a potential for job creation. Some businesses are sensitive to certain taxes and we are led to believe this could make a difference. We will pursue it when, hopefully, we are on the Government side of the House.

Deputy Joan Burton: It would be good to have all these ideas subjected to a cost-benefit analysis and from that point of view I welcome the proposal. However, I would be wary of the development of terms such as "intellectual trading losses" which is quite broad. I would be somewhat concerned that people with imagination who design tax schemes might be excessively imaginative. We need to be cautious and restrained when we extend definitions in taxation law because of the law of unintended consequences. There appears to be all-party agreement across the floor of the House that as far as possible we should in future have a baseline system of analysing, evaluating, costing and time-basing particular proposals. If we could achieve that it would mean considerable change in the structure of how entities such as the Department of Finance and the Revenue Commissioners approach the collection of information, and the analysis and presentation of data.

The Joint Committee on Finance and the Public Service has had the opportunity to meet Commissioner Rehn, Mr. Watson and Mr. Regling, who are all firmly wedded to the notion of the European semester. As I understand it, a basic proposition of that is that in the near future Ireland will be required to do what is done in many other parliaments, which is essentially to prepare, publish and have debated in April of each year outline budget and capital spending proposals, including taxation proposals. Inevitably that will mean, particularly for the public service, a very big shift in the demands that are made. Regarding renegotiating the interest rates on the loans, in Europe there is broadly a conception that Ireland got a poor deal from the IMF-EU deal. We are being charged 3 percentage penalty points on the interest particularly on the euro and ECB parts of the loan. If the country is to be able to meet the burden it is essential that they are renegotiated, reopened and reconsidered, which will require considerable diplomatic finesse and effort. The *quid pro quo* will be that this semesterisation and bringing

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forward of economic information will come much earlier than we have been used to in the Irish system.

Every party represented here this morning is indicating a different approach because we will need to be very tough with Europe in saying that Irish people cannot take the burden. Equally from what I have heard of the debate today, there is initial broad agreement among all the parties that we will prepare much more detailed information with more cost-benefit analysis. That is a really important reform and the EU and IMF should be aware that there is a strong appetite for reform here, which is essential if we are to get people back to work and turn around the economy.

Deputy Brian Lenihan: Of course that appetite for reform is displayed in the four year plan and in fairness all the parties contributed to the chapter dealing with fiscal reform. So there is all-party agreement on that important issue. However, the word “renegotiation” is being used all the time and it may become a semantic issue in the general election campaign. Of course the reality is that the rates applied by the IMF and by the European mechanism, and the rate supplied in the European facility were all fixed by relevant prior instrument and were not the subject of negotiation. While people may shake their heads all they like, that is the reality the Government had to face. Any commentator who knows anything about the IMF will explain that its lending rates are fixed by its own internal regulations and procedures. There is not a special rate negotiated for Ireland any more than there was a special rate negotiated, for example, for the United Kingdom when it got an IMF loan in the 1970s. The existing regulations are applied. The same arrangement exists for the European facilities and mechanisms.

Deputy Burton is correct about a debate under way in Europe about the extent to which this is imposing an excessive burden on the sustainability of the finances of member states that participate in the facilities and mechanisms. I have been fully participating in this debate at the January euro group meeting and the debate will continue at the February meeting, which clearly will take place during the general election campaign and which I will need to attend because of the vital national interest involved.

Deputy Joan Burton: The Minister will not be in Dublin West on that day.

Acting Chairman (Deputy Charlie O'Connor): The Deputy can cover for him.

Deputy Brian Lenihan: The Deputy will be happily canvassing in the constituency and may provide some cover; perhaps she could organise an international pair for me on the same day.

Deputy Joan Burton: I will explain his absence.

Deputy Brian Lenihan: The case needs to be made and it will require considerable diplomatic activity because it will require the agreement of the other member states. That is the second issue of fundamental importance; this cannot be negotiated on the basis that Ireland is looking for this uniquely. It can be negotiated on the basis that the other member states agree that the current arrangements impose an excessive penalty on member states. On that basis, negotiations can proceed which will require the construction of diplomatic alliances and building up good will. In the context of building up that good will we must acknowledge that our banking system has more than €100 billion on loan to it at a very low interest rate — slightly above 1% — from the European Central Bank. That is another reality that does not seem to cloud this debate very much domestically but of course is of great interest to European analysts who look at the position in Ireland.

There is a third factor influencing this debate. I am optimistic that real progress can be made in the months ahead regarding the interest rates that are applied. We can have an international agreement on that issue. The idea that the European Central Bank and the European authorities would encourage default on senior debt obligations in Ireland has become a particular obsession in our domestic debate. That would be a very difficult idea to develop at European level. As all Deputies know, it is not possible to proceed along those lines without the backing of a central bank and the European Central Bank has set its face against this. I raised the issue in the last negotiations and it refused. My intelligence at this stage is that there is considerable resistance to this in Europe because of Ireland's very high GDP. Ireland is not seen as being the same as Greece; it is seen as a comparatively wealthy country that should not be allowed to default on its obligations. I am only reporting to the House what I hear in these circles. However, there is scope for progress on the rate of interest.

Deputy Joan Burton: The European Central Bank embarked on a particular course on the euro. The euro has been of great value to Ireland and I do not believe Ireland should leave the euro even though others in this House have a different view. It should be noted that if Ireland left the euro all the mortgages would be restated in a new Irish currency and would therefore be heavily increased in cost almost immediately, which would be a nightmare for the people who have difficulties with their mortgages here. The ECB made a strategic decision, according to the Minister, that banks could get their funding at 1%, which is a very attractive rate. However, they were not doing that simply for Ireland but to ensure that the German, French, United Kingdom and other banks, which had lent recklessly and foolishly to reckless crazy banks in Ireland, eventually had to recognise the moral hazard principle applies to the European banks. This applied particularly to the Germans and the French who appear to have loaned without making any kind of check. We do not know the full story yet but they were pumping in money. People in Ireland will remember it was a British-based bank, Bank of Scotland Ireland, now gone, which set up business in this country with a new competitive regime of 100% mortgages, trackers and much discounted interest rates in order to gain market share.

In these negotiations we need to be tough. We have an enormous responsibility in regard to the faults of which this country is guilty, namely, the irresponsibility of our banks and the lack of supervision. However, the European banks and the ECB have some counterparty responsibilities for their system which was meant to regulate and curb wild behaviour by banks. The Minister should remember the 1% is, in effect, to facilitate the repayment, and thereby, the security of the European banks which lent recklessly and crazily to our crazy Irish banks.

Deputy Pearse Doherty: I will return to the amendment but it was interesting to listen to what the Minister had to say on the 3% penalty we are paying as part of the bailout money. He said, rightly, the rates are fixed — he was one of the finance Ministers who fixed the rates at the ECOFIN meeting. However, the Minister told the House he did not even ask for a reduction in those rates. He was correct to say there was no negotiation — the rate was fixed. However, he merely accepted that, which is absolutely unbelievable. This was the first time any country had availed of this fund and the first time it was tested. It is hard to think we would not have said, “hang on, we know we agreed in part to this rate but things have changed, Ireland is in deep trouble and we cannot afford these rates”. It seems there were no negotiations whatsoever, only a complete acceptance of the rate.

I agree with the previous speaker in——

Deputy Brian Lenihan: It was not on offer.

Deputy Pearse Doherty: It was not on offer because the Minister did not put the question.

Deputy Brian Lenihan: Of course one puts the question but if it is not on offer, one has to borrow. The money was required to fund the Deputy's salary.

Deputy Pearse Doherty: The Minister and his party have ample experience of negotiation, as does our party. One makes the demand, one listens to the response and continues to press for the demand and then after discussions or negotiations, one aims to meet somewhere in the middle. That is the art of negotiation. There cannot be negotiation if one does not make the demand. In this instance the demand was not made by the State for a reduced rate.

Of course, the ECB does not want us to default on senior bondholders. That is completely understandable.

Deputy Brian Lenihan: I did not say we did not make a demand; I said it was not negotiable. There is a distinction.

Deputy Pearse Doherty: The Minister made the demand.

Deputy Brian Lenihan: Of course, we raised these issues but they were not negotiable because the rates were already fixed.

Deputy Pearse Doherty: That is a change of position.

Deputy Brian Lenihan: It is not, if the Deputy were to listen.

Deputy Pearse Doherty: It is. I am not convinced the Minister made the demand in the first instance because he has contradicted himself a number of times in the past couple of minutes.

I reiterate the ECB does not want us to default on senior bondholders as many of the major banks in Europe would be liable for those bonds because of their reckless lending to the Irish banks. It is important that information is accurate. I cannot be sure as I have not been in the House for long but I have not heard any Deputy argue we should pull out of the euro. That would be a very damaging position for this country to take. The idea of reconstructing a new currency and trying to sell it, with the probability of defaulting straightaway, would be impossible. I do not know who is making such charges in the Houses. It is an important that we do not send out a signal that such positions are dominant in this House. In all the debates I have never heard those points being made.

I return to the point and will conclude in brief. As Deputy Burton made very clear in her opening remarks, a new model is needed. None of us is infallible on these issues. Nobody claims to know the perfect ways to get out of these problems or to have the perfect solutions for dealing with them. We come from a point of honesty and from our own political and ideological perspectives and we do what we believe is best. To assist us in that process we need as much information as possible. Take the Finance Bill, for example. This Bill is very difficult to deal with, particularly when one does not have the experience or expertise or perhaps academic qualifications. However, there is information.

In the development of the Finance Bill and the budget in December 2007, it is obvious that each of these measures was looked at by the Department of Finance. Not only did it present the positive aspects of all these measures, as the Minister rightly argues in this Chamber, but I presume it also looked at the possible negative aspects of some of them. In such a case a political judgment must then be made by the Minister for Finance, as he is entitled to so do. In all circumstances we have to make political judgments because there is no single solution or answer for any of these questions.

However, this point is important if we are to have as accurate a political debate as possible. I recall the Minister's remarks to Deputy O'Shea about having measured comment on such issues. If we had that type of information or the analysis which is available to the Minister, we could dispute it if we wish but it would allow for a more rounded, civilised and accurate debate. If we had had such an analysis a number of years ago we would not be in our current position because we would have had a more in-depth and genuine debate on these matters.

I hope with the next Finance Bill we will see that type of focus and presentation being put forward.

Acting Chairman (Deputy Charlie O'Connor): Does Deputy English wish to speak? Is the amendment being pressed?

Deputy Damien English: No.

Amendment, by leave, withdrawn.

Acting Chairman (Deputy Charlie O'Connor): Amendment No. 5 is out of order because of a potential charge on the people. Amendment No. 5 not moved.

Acting Chairman (Deputy Charlie O'Connor): In regard to amendment No. 6, recommittal is necessary in respect of this group of amendments as amendment No. 17 involves a charge on the people. I am obliged to ask the Minister to move for recommittal, to which I seek agreement.

Deputy Brian Lenihan: I move:

That Dáil Éireann, pursuant to Standing Order 128(1) of the Standing Orders Relative to Public Business, directs that the Finance Bill 2011 be recommitted, in respect of amendments Nos. 6 to 17, inclusive, to a Committee of the whole House.

Question put and agreed to.

Bill recommitted in respect of amendments Nos. 6 to 17, inclusive.

An Leas-Cheann Comhairle: Amendments Nos. 6 to 17 will be discussed together.

Deputy Joan Burton: Does that include the amendment in regard to application of the universal social charge to the bankers' bonuses?

An Leas-Cheann Comhairle: It includes amendments Nos. 6 to 17, inclusive.

Deputy Joan Burton: I move amendment No. 6:

In page 9, between lines 26 and 27, to insert the following:

3.—*Section 3* shall not come into operation save by order of the Minister which may only be made after the Minister has carried out an economic and social impact assessment of the introduction of the universal social charge, particularly in respect of those on medical cards or over the age of 70 who were previously exempted from the health and income levies, and has laid the assessment before Dáil Éireann.”.

All these amendments concern the universal social charge. Amendment No. 6 in the name of the Labour Party provides for an assessment of the impact of the universal social charge

[Deputy Joan Burton.]

There would be an economic and social impact assessment of the introduction of the universal social charge, particularly in respect of people with medical cards or those over 70 who were previously exempt from the health and income levies. The assessment would be laid before Dáil Éireann.

The universal social charge was announced by the Minister on budget night and referred to by the Minister in his speech in December 2009 dealing with the 2010 budget. It is fair to say that for most people, the announcement of this new tax — despite being made in December 2009 — passed them by. The Minister announced significant changes in December's budget. Previously we had the health levy and the emergency tax levies on income which were introduced when the banks collapsed and had to be bailed out. It is still not fully understood by people that the previous health levy and the emergency income levies have been transformed and transferred to this new universal social charge.

A difficulty arises because with the health levy, people were exempted if income was less than €26,000, they were over 70, they were widows or widowers or if they held a medical card. This has an impact on somebody on an income of €15,000, for example, from a private or public service pension or who also has a medical card. The Minister knows from the data he gave me in recent weeks and subsequent discussions that many pensioners from public employment are on low pensions, with the bulk of public service pensions below €25,000. If such a person also had a medical card, the change would mean the universal social charge would be applied.

Yesterday's amendment, on foot of the deal done with the Independents, reduced that levy by approximately two percentage points, or by between 30% and 40%.

Deputy Brian Lenihan: That decision came before any discussion with the Independents.

Deputy Joan Burton: We will tell Deputies Lowry and Healy-Rae they had absolutely nothing to do with that Committee Stage amendment that we heard about yesterday. It must be news to them because they were up and down the plinth and on every radio station, particularly in their home counties, claiming a fair degree of credit, if not the total credit, for the amendment. That is in the newspapers.

Deputy Brian Lenihan: The Government meeting was on the Tuesday and the backbenchers were in total agreement.

Deputy Damien English: They were play-acting so.

Deputy Joan Burton: It is a very odd Government to have had this very relieving and helpful news for people with medical cards but which forgot to relay that news. That means the Government must be close to breaking up. I always thought Fianna Fáil worked on the Margaret Thatcher principle of telling them you will tell them, telling them and then telling them you told them. Fianna Fáil is in a fair old "state of chassis" if what the Minister outlined — that the party decided this on Tuesday but it slipped members' minds to tell very scared people with medical cards that there would be some reduction in the burden — actually occurred.

To cut to the chase, for people on middle and higher incomes, the universal social charge means that the health and income levies previously paid will be combined in the charge. For many people there is not much difference and as we know, for self-employed people there is

a significant potential gain. The cumulative levy they would pay is below what would be paid with health and income levies.

We want a detailed impact assessment of the social and economic impact on the categories of people I have outlined who are badly affected. These are the widows, people on medical cards and those who earn less than €26,000 per annum. We want a fair and balanced system. Yesterday the Minister transferred some of the burden to people who are self-employed and earning over €100,000, which is a way to rebalance the issue. It takes in people with a very high level of income.

That is very similar to the Labour Party proposal that people on very high incomes — individuals on over €100,000 per year and a couple on over €200,000 per year — would contribute proportionately more. That differed from the approach of other parties. Fine Gael suggested the hit should be balanced through social welfare cuts, at a rate of €6 per week for three years, whereas Fianna Fáil condemned the Labour Party for suggesting the approach but did not say how it would act. The Minister's actions yesterday strike a balance so that less of a burden falls on people with low incomes, with more of a burden falling on those who earn above €100,000 per year. The Minister did not mention it would affect couples who earn over €200,000, which is the Labour Party position. The Minister's amendment relates to an individual tax unit, which includes a couple, unless I am mistaken in what was put down yesterday.

The Minister has much more to do in order to help relieve the burden on people who find themselves landed with this very unexpectedly and without warning. It is taking a very large chunk out of wage packets and the proposal of the Labour Party is to relieve it.

As we are debating a number of amendments, amendment No. 17 deals with bank bonuses. I welcome the amendment and I am very relieved that although we had much political discussion — with proposals from the Labour Party and others — on taxing bank bonuses, we were brushed off repeatedly and told it was not possible. It seems that the way the new universal social charge is structured, it is much easier to achieve a result through this mechanism. The Labour Party will support this proposal.

In the case of bank bonuses over €20,000, a universal social charge of 45% will be applied. Taking the basic rate of income tax at 41%, with PRSI at 4%, an additional 45% universal social charge will bring the total deduction to the 90% mark. That is how I understand it and the Minister might indicate if this is correct. I welcome the measure because the bonus culture is part of what destroyed our banks.

Like tax breaks, the bonus culture gave rise to a climate of irrational greed in the country, where structures like banks — some of them a hundred years old — were turned around by their own actions and risk-taking because senior executives could make millions in annual pay through bonuses by selling products and ignoring risk. Years ago when people were selling in ordinary commercial companies, it was always part of general controls for salesman bonuses to be clawed back if sales were inflated by selling to risky or bankrupt customers. In that case, the bonuses were not paid out. This is a standard feature of the operation of many private firms.

While I am pleased that this amendment has been introduced, I would still like to know if any Hercule Poirot or Ms Marple in the Department has found out what really happened to the Bank of Ireland bonuses. These have become one of the final mysteries of the 30th Dáil given that this is probably the last full working day in respect of legislation.

I understand the measures will not apply to bonuses below €20,000. This is a welcome decision as many bank employees work in call centres and receive a low basic salary. As with salespeople, their basic pay can be as low as €10,000 or €15,000, with a bonus paid at the end of the year to bring their final salary up to the average industrial wage. I am pleased the Minister has given specific consideration to the position of low level bank employees who work

[Deputy Joan Burton.]

for modest basic salaries, including those employed on a shift basis in call centres handling queries. A number of companies, including some of the banks, operate the European and US system of paying ordinary staff a bonus equivalent to an extra month's pay. This is sometimes referred to as the 13th month and the payment is generally modest for low and moderately paid staff.

While there is nothing wrong with operating a bonus system as an incentive to work harder, the extreme bonuses offered by banks to senior executives formed part of the risk culture that drove the banks and our economy into the ditch. Unfortunately, the Fianna Fáil Party, during its 13 year reign in government, was blind to this, although its early coalition partners, the Progressive Democrats, positively encouraged this type of greed. One of the party's political mantras was that greed was good, as Gordon Gekko used to say in the film "Wall Street".

The Labour Party supports amendment No. 17. Does the Minister agree that a review is needed of the economic and social impact of the introduction of the universal social charge on people on incomes below €26,000, including widows, widowers and medical card holders? It is essential that consideration be given to the severe difficulty such persons will face. Under the legislation, someone on a social welfare contributory pension will not be affected by the charge, whereas a person on a small State or private pension who does not qualify for a contributory or non-contributory old age pension will be subject to its full rigours. For this reason alone, it is necessary to carry out a careful examination of the impact of the universal social charge on vulnerable older people on low incomes before the charge proceeds.

Deputy Pearse Doherty: I will be brief as I am aware of the time constraints and wish to ensure the spokesperson from the Fine Gael Party and the Minister are able to contribute before the division. Deputy Burton spoke about all the relevant issues. I differ with her only on bankers' bonuses, an issue I will address presently.

My amendment No. 9 proposes that the universal social charge does not take effect until at least 60 days after the publication of an impact assessment of the charge. This issue has been debated on Committee Stage and raised outside the Chamber, notably by those involved in the retail sector. People were taken by surprise by the full impact of the universal social charge when they opened their pay cheques at the start of the year. They cannot get over what has happened to them, especially given that many of those who are already on the bread line have had their pay walloped again by the charge.

Much of our discussion of the Bill has focused on jobs and how to stimulate the economy. Taxation measures serve the dual purpose of stimulating the economy and ensuring that the State has adequate revenue. The universal social charge will damage the potential for growth and result in job losses, especially in sectors that are dependent on expenditure from disposable income. The imposition of the charge on all income for those earning more than €4,004, as opposed to all income above a certain threshold — perhaps €10,000 — is a crude measure which is having a major impact on individuals and the business community. It will result in job losses.

I was fair to the Minister earlier when I spoke about the additional workload for the Department of Finance created by our demands to have reports laid before the House. While I appreciate the Department is under severe pressure given the turbulent times, it is vital to carve out sufficient time to carry out an economic impact assessment of the universal social charge. This is the most important aspect of the Finance Bill on which such an assessment is needed. The consensus on this side of the House is that the charge has the potential to seriously disrupt the domestic economy, not to speak of its impact on individuals.

I welcome amendment No. 17 on bankers' bonuses, having been critical of the Minister and his officials on Committee Stage for not having an amendment prepared. I note it is two pages in length. This provision should have been introduced a long time ago. The only point on which I differ with Deputy Burton in respect of the amendments before us is the threshold of €20,000 provided for in amendment No. 17. It is wrong to allow top bankers to receive bonuses of €20,000. This Bill will enable Anglo Irish Bank to pay out bonuses of €19,999 to all its officials tomorrow morning.

While I appreciate Deputy Burton's point that much of the income of people working in call centres is dependent on bonuses, this matter could be adequately addressed by inserting a new line in the part of the amendment that refers to exemptions for bonuses under €20,000. We could, for example, link the exemption to income and provide that it only apply to those who have a salary of less than twice the national average wage. I have suggested a fairly arbitrary figure because the amendment was only circulated a couple of hours ago. The insertion of such a condition would protect those on low basic salaries whose income primarily consists of bonuses. It would also ensure the top officials in the banks, many of whom were in place before the guarantee and who got us into this mess, will not be paid bonuses. Imagine the furore if *The Star*, *The Irish Times* or the *Irish Independent* contained stories tomorrow morning that every top official in all of the guaranteed institutions are paid bonuses of €19,999. That is twice as much as the 440,000 people in receipt of social welfare receive in a year. I accept the amendment because it at least stops these bankers being paid in excess of €20,000 but to allow them to be paid up to that amount is wrong. If this cannot be done now, it should be dealt with in the Seanad. An income link should be introduced, where the exemption of €20,000 would only be applied to the relevant figure. We are all coming at this from the same side and I believe the Minister's intention is good — we want to stop the bonuses being paid. An income link can be inserted into the legislation to achieve this.

The Minister threatened to withhold recapitalisation funds from the bank if bonuses were paid and those bonuses have not been paid as a result, although legal cases are pending. As a result of the amendment, where bonuses in excess of €20,000 will be captured in the tax net at a rate of up to 90% through the universal social charge and taxation measures, that threat will no longer be valid. The bonuses could now be paid up to €20,000.

I ask the Minister to look at this again. The clock is ticking towards the dissolution of the Dáil but the Bill is fundamentally flawed in this aspect. I genuinely believe the vast majority of the public would not tolerate a situation where hundreds of bonuses would be paid out to officials of guaranteed banks when we are bailing them out. We are taking money from those who earn €80 per week under the universal social charge and under the same legislation we will allow well paid bankers to get bonuses of up to €20,000 without it coming under the universal social charge or being taxed. That is not acceptable and we must look at it again.

Deputy Damien English: I am glad the Minister has found a mechanism in amendment No. 17 to achieve this; it was essential to send a message out about bank bonuses. I am sorry there had to be so much confusion about it, with the impression that the Minister was not going to do anything. Deputy Mattie McGrath might try to claim credit but the Minister was no doubt trying to do it. I hope so because I am sick listening to someone like Deputy McGrath claiming responsibility. It appears, however, that Fianna Fáil is facilitating him because it keeps giving him speaking time. It looks to me like a cosy arrangement between Fianna Fáil and Deputy McGrath. He gets speaking time and then waits until the very last minute to vote to ensure everything is safe. It is a bit too obvious and I am surprised journalists are falling for it. Perhaps Fianna Fáil will change its way of going about things.

[Deputy Damien English.]

This had to be done, and we raised the issue with the Minister before Christmas. This was done in other countries and it makes sense. I am glad the Minister has done it and I fully support the measure.

Whoever becomes Minister for Finance in the next couple of months must give proper consideration to the Central Bank report on the payment structures of banks. The Governor is still concerned that there is a possibility of a repeat performance in some of our banks. The system and culture have not changed not just regarding bonuses, but payment structures as well. I am concerned about the contents of that report and that things have not changed. I appreciate the Minister was trying to get things in order in his Department but this key area should have been examined. The amendment tackles the past bonuses but in the years ahead we must look at payment structures in banks.

The universal social charge is wrong; it penalises those on very low incomes. I accept there have been some movement but it does not go far enough. It was talked about in the last budget that taxes would be put together but that there would not be any increased payment but this will result in most people paying more. That is not what was planned and there is also confusion about it. People were told income levies were a short-term measure but that has changed. They are now long-term measures. People were misinformed. The Minister was guilty of that in the past and I wish it had not happened again. Even at this stage he should consider a reduction in the rates of the universal social charge. It affects those on low incomes too much.

Deputy Brian Lenihan: I am thankful for the general welcome for the provision on bankers' bonuses. The Government also looked closely at the social charge. Deputies will appreciate that with the pressure of negotiations, arrangements were arrived at and when we evaluated those arrangements, it was clear there was an unintended benefit to the self-employed in the budgetary arrangements and there was a particular hardship for medical card holders. Having said that, the effect of the social charge provisions was to put them in the same position as another person on the same income despite the possession of a medical card. That said, the effect of the budgetary measures, and the impact on that category was such that it was an immediate and substantial impact and it required to be lessened. That is why the Government introduced these changes, not, as Deputy English correctly said, at the request of particular independent Deputies. There was considerable discussion of this within the Government and within Fianna Fáil about this issue. The Government finalised its arrangements on this, and advertised them, in advance of the decision.

There will be representations for further changes in the social charge, as there are proposed amendments for further changes here. They must be costed and it must be shown where the alternative source of revenue might be. No such information is before the House this morning in any of these proposals.

I thank all parties for their general welcome of the measures on bankers' bonuses. There is, however, a fundamental flaw in Deputy Doherty's argument and I am alarmed that it will get him another misleading propaganda piece for the Sinn Féin propaganda machine in this election. Let us be clear — there are no bonuses payable in the future in any of the guaranteed banks. It was suggested this afternoon by Deputy Doherty that senior executives could get a bonus of €20,000 out of this but that is not true because those bonuses are not permitted under arrangements I have already put in place. The arguments about Bank of Ireland and AIB related to retrospective issues in the past. In the future, however, no bonuses are payable and this tax is the same. It simply copper-fastens it. Sinn Féin is advocating that lowly paid workers in call centres should pay 90% on their marginal income.

Deputy Kathleen Lynch: Most of them women.

Deputy Joan Burton: Yes.

Deputy Brian Lenihan: Let people understand that the party that says it defends the poorest in this society, for its own guff machine to work properly, insists on advocating this sort of solution to this complex problem.

Deputy Pearse Doherty: That is simply not true.

Deputy Brian Lenihan: To get the cheap headline that his party craves all the time——

Deputy Pearse Doherty: The Minister did not listen to me. I said “income-linked”.

Deputy Brian Lenihan: No, the Deputy said——

Deputy Pearse Doherty: I said they should be linked to incomes——

Deputy Brian Lenihan: We are providing that bonuses of €20,000 that are paid to low-paid employees will be taxed in the normal way——

Deputy Pearse Doherty: ——that are twice the national average wage.

Deputy Brian Lenihan: ——like the bonuses of all other taxpayers.

Deputy Pearse Doherty: The relevant figure is €68,000.

Deputy Brian Lenihan: The Deputy is advocating that low-paid workers, simply because——

Deputy Pearse Doherty: That is a complete falsehood.

Deputy Brian Lenihan: ——they work in financial institutions, should be subject to a massive 80% tax liability.

Deputy Pearse Doherty: The figure I mentioned was 90%, by the way.

Deputy Brian Lenihan: He should go away and study the matter. He should get his research department to work on it again. His party should drop that one for the election because it is plain wrong. That is my advice. He should invent something else to tell the people, rather than addressing the economic realities we face in this country. I welcome the general welcome that has been extended to our proposal on bonuses by Deputies Doherty, Burton and English. It was difficult to draft it, but it has been drafted and tabled on Report Stage.

Deputy Kathleen Lynch: We welcome the proposed restriction on the payment of exorbitant bonuses to higher executive officials in the banking industry. Most people in society cannot comprehend why one would get a bonus after virtually destroying the country and the bank for which one works. We all know people — most of them are women — who receive an appallingly low income for working in call centres and shop floors. Their only additional source of income is the bonus they receive at the end of the year. It is very seldom €20,000, to be honest. It is usually between €2,000 and €5,000. It is always based on aspects of employee performance, such as the amount of business he or she has brought in. It is a welcome source for income for such people in the run-up to Christmas and in early January. It would be deeply and grossly unfair if the bonuses given to workers on low incomes were taxed at 90% as a result of our efforts to ensure certain people do not get massive bonuses. Indeed, those who brought down the country and wrecked the banking system should not get any bonus at all.

[Deputy Kathleen Lynch.]

We have to be conscious of the possibility that such people will discover additional loopholes at some stage in the future. We have to ensure that does not happen. That is why we have to be on our guard at all times. We need to avail of all ways and means of protecting the public purse. I do not think anyone would suggest we should claw back 90% of the bonuses paid to people on low incomes. The gross incomes of many of these people, who work in new industries with which we are just starting to come to terms, increase when they receive bonuses related to their performance over the year as a whole. It would be unreasonable to tax such bonuses at a high rate. The average person is not worried about such bonuses. He or she is conscious of the difference between a low-paid worker who is doing a strenuous job and the type of bank official who swans around enjoying a lifestyle that does not seem to have been affected by the national downturn and the collapse of the banking industry. People are looking for fairness in the treatment of people in both categories.

Deputy Pearse Doherty: I agree with Deputy Lynch. In light of the type of discussion we have had today, I was astonished to hear the outburst of the Minister, Deputy Brian Lenihan. He made a cheap effort to score points in the Chamber through the complete and utter misrepresentation of what I said. He needs to clean out his ears, listen to what I have to say and represent it properly. I did not say people on low incomes should not get bonuses. I did not say they should not be exempt from the imposition of the universal social charge on their bonuses. That is not what I said. I said clearly that it should be income-linked. I suggested that the cut-off point should be twice the average national wage. Perhaps the Minister thinks low-income women working in call centres earn in excess of €67,000. In my book, that is not what low-income workers are paid. I said specifically that this provision should be “income-linked”. I genuinely believe everyone in this House is trying to achieve the same position. I was not trying to score a political point or get a media headline. I acknowledge that there is some kind of cap on bonuses at this time. The Minister accepted in his contribution that bonuses will continue to be paid. Is he telling me that those working in the call centres of the guaranteed banks will not get their bonuses? Of course they will get their bonuses. Payments in addition to salaries will continue to be made to certain people who work in the guaranteed banks. That is a fact.

Deputy Kathleen Lynch made a valid point when she said certain people will try to drive a horse and carriage through this measure. Under this measure, if the bonuses that have been on the table since 2008 are paid at a level of €19,999, they will not be subject to the universal social charge or the 90% tax rate. If I am wrong, the Minister should say so. I said earlier that none of us is infallible. This amendment was thrown to us a couple of hours ago. We have not had enough time to scrutinise it properly. Am I wrong when I suggest that the universal social charge will not apply to the bonuses which are due to be paid to senior officials in the banks if they are reduced to a level of €19,999? The Minister should place a correction on the record of the House and apologise to me. I said they should be “income-linked”. The suggestion that I want to take away the bonuses of low-income workers is an appalling attack, a misrepresentation and a mistruth on the part of the Minister for Finance.

Minister for Transport (Deputy Pat Carey): Clarification is not a crime. It is welcome. I am sure a finance (No. 2) Bill will be introduced at the next meeting of this Assembly. I do not doubt that the officials and the Minister will be well able to close off any potential loopholes that have been identified.

Deputy Pearse Doherty: I could be completely and utterly wrong, as I said. I am approaching this from a genuine position. Perhaps the Minister, Deputy Pat Carey, can tell me whether, after this Bill has been passed by the Oireachtas and signed into law by the President, the

bonuses that were due to be paid to bankers but are on hold because of the threat of recapitalisation can be reduced to a level of €19,999 in order to ensure the universal social charge does not apply to them. I am talking about reductions in bonuses that were accrued in 2008. I do not know what the individual value to each person is. Would the universal social charge apply if a personal agreement was reached between the bank and an individual to the effect that €19,999, rather than €40,000 or €50,000, would be paid?

Deputy Pat Carey: I understand that under the capitalisation agreement, no bonuses for senior officials can be paid. Officials at lower salary levels will pay 50% tax. I cannot say I fully understand the ramifications of this. I think adequate safeguards are in place to prevent any abuse of the kind suggested by Deputy Doherty.

Deputy Joan Burton: Perhaps the officials in the Department of Finance, particularly those dealing with banking, might prepare a note later in the day for the benefit of Deputies. The Minister advised us during a debate on another Bill and in different arrangements that he had given himself enormous powers under the Credit Institutions (Stabilisation) Bill 2010. He verbally assured the House that senior executives would not receive bonuses and that the bonus culture was at an end. That was my understanding when I spoke. I am concerned about those who work in bank call centres, many of whom are women, as Deputy Kathleen Lynch said. There have been bank call centres at various times in the Minister's own constituency, as he probably knows, as well as other parts of the country. Those people are paid a relatively low or sometimes very low basic wage — €10,000 to €15,000 — and make up the rest of their pay through bonuses. Calls are overseen by a supervisor whose job is to make sure they do not go on too long. The Minister knows himself that if one telephones the bank, one is given only a few moments to answer. That is the bonus structure.

We in the Labour Party are anxious to ensure that such low-paid employees — who are mostly women — are not penalised inadvertently by this measure, which we strongly support and which the Government is at last introducing. Perhaps later the officials will be able to provide clarification for us in a note, but that is our legal understanding.

Deputy Pat Carey: The information requested by Deputy Burton and, I presume, by others will be made available as quickly as it can be prepared — that is, this afternoon.

Deputy Pearse Doherty: I appreciate that. We are on the same page as the Labour Party in this matter. We agree there should be an exemption for the circumstances mentioned by the Labour Party Members, but the measure should be income-linked so that it does not catch the rest. I advise the officials, through the Minister, that the note needs to deal with the question of recapitalisation. I made this point to the Minister for Finance, Deputy Lenihan, but he decided not to answer it and instead made a political charge at me. Will that recapitalisation measure now be defunct as a result of this change?

The Minister should also remember — the note needs to deal with this issue — that there are a number of cases before the courts to do with these bonuses. I understand that one has already been adjudicated on and the bonus will be paid. I am not sure whether it has been paid already, but if it is to be paid, the recapitalisation threat does not exist — it will be paid. If the others are successful, they will also be paid, regardless of the recapitalisation threat.

We understand the nature of the Constitution and the role of the courts in these matters. Regardless of what the courts say, if every single one of those bankers went to court to get his or her bonus, and agreed with the bank that the bonus would be paid at only €19,999, there is nothing we can do in terms of threats about recapitalisation; we would have to pay them. Thus, the 90% tax is where we catch them. The point that needs to be clarified is as follows: if a

[Deputy Pearse Doherty.]

banker goes to court to get his or her bonus, which will be paid at €19,999 under an agreement with the bank, will he or she be subject to a combined tax of 90%, which I believe is the intention of the Government?

This is rushed legislation and it is important that we try to address flaws, loopholes and things that might not have been envisaged beforehand. I will repeat my question, to be clear: in the case of a banker who goes to court to get a bonus which, it is agreed, will be paid at €19,999, will the universal social charge kick in?

Deputy Pat Carey: I will attempt to have a clarification prepared for the information of the House. However, I am informed that linking the composition of the bonus to income would give rise to unfair impacts. For example, if the income limit was €50,000, anyone with an income of €49,000 and a bonus of €15,000 would not pay the charge, but a person with a salary of €51,000 and a bonus of €15,000 would pay.

On the issue of past bonuses—I am sorry; there is no point in reading out a garbled note into the record.

Deputy Arthur Morgan: That is fine, and I appreciate the efforts taken by the officials to give us the information. However, I am concerned that there may still be a weakness in this amendment, which may result in a need for further amendment. If this proves to be the case when the officials look more closely at the Bill, can we deal with it this afternoon?

Deputy Pat Carey: I will try to read this note again.

An Leas-Cheann Comhairle: I should advise that we are dealing with this amendment, No. 17, as part of a group on which the decision on Report Stage, by order of the House, will be made in two minutes' time.

Deputy Pearse Doherty: Yes.

An Leas-Cheann Comhairle: If the Deputy will allow me to explain——

Deputy Pearse Doherty: I am sorry. I thought the Leas-Cheann Comhairle was finished.

An Leas-Cheann Comhairle: We will then move on to the next Stage, once Report Stage is completed, and that will conclude the Bill as far as this House is concerned. It is a matter for the other House to make recommendations, and if it does so the Bill will come back to this House. By way of procedure, however, once an amendment is dealt with on Report Stage, it is dealt with.

Deputy Pat Carey: I do not know that anything I could say would clarify things further. I will ask the officials to incorporate the information that has been given to me into a note that will be circulated later.

An Leas-Cheann Comhairle: I ask Deputy Doherty to be brief.

Deputy Pearse Doherty: Yes; I want the Minister to reply. We have to vote on this amendment now, and that is what is important. I have laid before the House a specific question which can be answered simply by a “Yes” or a “No”. I think I know the answer — in fact, we all do — and the answer is yes, the bankers would get their bonuses without the universal social charge. That is the honest answer. If that is the case, it should be said here on the floor of the House.

Deputy Pat Carey: Yes, I understand that is the case.

Deputy Pearse Doherty: That is the case. I thank the Minister.

An Leas-Cheann Comhairle: Very good. As the time permitted for debate on the amendments offered to Part 1 of the Bill has expired, I am required to put the following question in accordance with the order of the Dáil of this day: “That the amendments set down by the Minister for Finance and not disposed of, including those in respect of which recommitment would in the normal course be required, are hereby made to Part 1 of the Bill.”

Question put:

The Dáil divided: Tá, 82; Níl, 73.

Tá

Ahern, Bertie.
 Ahern, Dermot.
 Ahern, Michael.
 Ahern, Noel.
 Andrews, Barry.
 Andrews, Chris.
 Ardagh, Seán.
 Aylward, Bobby.
 Behan, Joe.
 Blaney, Niall.
 Brady, Áine.
 Brady, Cyprian.
 Brady, Johnny.
 Browne, John.
 Byrne, Thomas.
 Calleary, Dara.
 Carey, Pat.
 Collins, Niall.
 Conlon, Margaret.
 Connick, Seán.
 Coughlan, Mary.
 Cowen, Brian.
 Cregan, John.
 Cuffe, Ciarán.
 Curran, John.
 Dempsey, Noel.
 Devins, Jimmy.
 Dooley, Timmy.
 Fahey, Frank.
 Finneran, Michael.
 Fitzpatrick, Michael.
 Fleming, Seán.
 Flynn, Beverley.
 Gogarty, Paul.
 Gormley, John.
 Hanafin, Mary.
 Harney, Mary.
 Haughey, Seán.
 Healy-Rae, Jackie.
 Hoctor, Máire.
 Kelleher, Billy.

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

Níl

Allen, Bernard.
 Barrett, Seán.
 Breen, Pat.
 Broughan, Thomas P.
 Bruton, Richard.

Burke, Ulick.
 Burton, Joan.
 Byrne, Catherine.
 Connaughton, Paul.
 Coonan, Noel J..

Níl—*continued*

Costello, Joe.
 Coveney, Simon.
 Crawford, Seymour.
 D'Arcy, Michael.
 Deasy, John.
 Deenihan, Jimmy.
 Doherty, Pearse.
 Doyle, Andrew.
 Durkan, Bernard J..
 English, Damien.
 Feighan, Frank.
 Ferris, Martin.
 Flanagan, Charles.
 Flanagan, Terence.
 Gilmore, Eamon.
 Grealish, Noel.
 Hayes, Brian.
 Hayes, Tom.
 Higgins, Michael D.
 Hogan, Phil.
 Howlin, Brendan.
 Kehoe, Paul.
 Kenny, Enda.
 Lynch, Ciarán.
 Lynch, Kathleen.
 McCormack, Pádraic.
 McEntee, Shane.
 McGinley, Dinny.
 McGrath, Finian.
 McHugh, Joe.
 McManus, Liz.
 Mitchell, Olivia.

Morgan, Arthur.
 Naughten, Denis.
 Neville, Dan.
 Noonan, Michael.
 Ó Caoláin, Caoimhghín.
 Ó Snodaigh, Aengus.
 O'Donnell, Kieran.
 O'Dowd, Fergus.
 O'Keefe, Jim.
 O'Mahony, John.
 O'Shea, Brian.
 O'Sullivan, Jan.
 O'Sullivan, Maureen.
 Penrose, Willie.
 Perry, John.
 Quinn, Ruairí.
 Rabbitte, Pat.
 Reilly, James.
 Ring, Michael.
 Shatter, Alan.
 Sheahan, Tom.
 Sheehan, P.J.
 Sherlock, Seán.
 Shortall, Róisín.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Upton, Mary.
 Varadkar, Leo.
 Wall, Jack.

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

Question declared carried.

An Ceann Comhairle: Amendment Nos. 35 and 36 are related and will be discussed together.

Deputy Michael Noonan: I move amendment No. 35:

In page 192, line 19, to delete “€3” and substitute “€2”.

Fine Gael has been campaigning for some years to abolish the travel tax. The tourism industry is one of the sectors of the economy with great job creation potential and it should be stimulated. Most industries need massive investment before one makes a material change. In the tourism industry, we have five star hotels all over the country, many of which are half empty; we have a surplus of self-catering accommodation, much of which is not rented; our golf courses are the finest in Europe and the United States, many of which are underused; we have a fine airport terminal in Dublin Airport at half capacity; Shannon and Cork Airports are at one quarter capacity; and the motorway network links the main cities, yet there is little traffic on them. We have all the services for a much bigger tourism industry and the only thing we lack is tourists. The number of tourists declined last year by over 1.5 million. We do not need to invest in the infrastructure but we need to attract people to the country. That involves marketing and reducing the imposition on tourists flying into Ireland.

The majority of tourists, particularly short-term visitors to the country, arrive on Aer Lingus or Ryanair flights. We all use the facility of booking on the Internet. People, especially young

people, search for bargains. One can book flights for 1 cent and €5. When all the adding up is done, several flights are available from €25-€40. People may say the imposition of a travel tax of €10 is a nugatory amount but when one looks at the pricing of flights it is a serious imposition. It might influence the decision of whether a young German couple fly to Dublin or Prague. From the point of view of the airline, there is the opportunity to adjust fares upwards when the travel tax is abolished. One may say that another €2 on tickets will not make a difference. If the travel tax was abolished completely and the airline companies raised average fares by €2, the €2 is not a turnover issue; it runs straight to the bottom line. The flights are profitable anyway so the extra €2 runs straight to the bottom line. Ryanair carried 27 million passengers last year and if it had received €2 per passenger, we are talking serious money. There is a major incentive for flights to be repackaged to attract people.

The Minister has moved a long way to meeting the arguments made by Fine Gael but a problem exists in respect of domestic flights. A lower levy applied to people flying to airports in the UK from Irish locations. The effect of the Minister's changes is to increase the charge between Ireland and the UK by 50% rather than reducing it. He is applying the same level to everything. I ask him to examine the travel tax in respect of the concessionary level between Ireland and the UK. It should be revisited. I table this as a debating amendment rather than in the expectation that the Minister will accept this on Report Stage late in the afternoon when debate has been truncated.

Our view is that the travel tax should be abolished completely for all categories of flights. This should only be done if there is a *quid pro quo* offered by Ryanair, Aer Lingus and other carriers. The *quid pro quo* is to give them what they are looking for if they commit, over a period of time, to bring a certain number of passengers into the country. If they do not achieve the target, we can put the travel tax back on in two years' time. Business is business and the way to structure it is to give the airlines an incentive to bring in more people while having the stick of restoring it in the other hand if they do not bring in extra passengers. An opportunity was missed by not having that level of negotiation with the carriers. There is still a margin for some renegotiation.

Deputy Arthur Morgan: I am in favour of amendment No. 36, tabled by Deputy Pearse Doherty. He suggests a reduction to 1 cent. This is a technical matter because he would have been ruled out of order if he reduced it to zero as that causes a charge on the Exchequer.

The sentiment underpinning the Fine Gael amendment and our amendment is similar. We need to staff up and introduce traction into the tourism sector. This sector has been badly hurt in recent years and that is likely to continue for some time yet. The proposed substantial reduction or virtual abolition of the travel tax, as put forward in Deputy Doherty's amendment, is an important move to assist the sector. I accept such move would not by any means solve the problem facing the tourism sector but it would provide substantial assistance.

It is important that the incoming Government would examine the tourism sector as it offers serious prospects for development and it could provide a stimulus to enhance economic growth. I hope that whatever Government is in place after the election will recognise the need to give a boost to our tourism sector. Tourism is almost a natural resource at one level in terms of the physical infrastructure and scenery on this island. We have a great deal of built infrastructure in place and there is massive untapped capacity in the sector in terms of its further development. There needs to be a new Government-led approach to this sector. Some hotel chains market themselves on their own or partially on their own steam and Fáilte Ireland does its job. Such marketing has been significantly joined up in recent years but it has not been joined up sufficiently to capture the full value of the market spend. It is important that such marketing

[Deputy Arthur Morgan.]

of the sector is rolled out, first, on an island basis and, second, on a region by region basis. There is a huge opportunity to develop the sector and I hope it will be taken.

If the Minister were to indicate he would accept amendment No. 36, at least it would go some way towards throwing the ball in the right direction.

Deputy Brian Lenihan: I thank Members who have contributed to this debate. Section 49 confirms the budget day change to the rates of air travel tax. A single rate of €3 per departing passenger will come into operation on 1 March, replacing the existing distance-related rates of €2 and €10. Deputy Noonan's amendment proposes that the new lower rate should be €2 rather than €3 and Deputy Doherty's amendment proposes that the new lower rate of €3 should instead be 1 cent.

The measure I provided for in the Finance Bill, namely, the reduction from €10 to €3 will cost the Exchequer about €56 million in tax this year. In a full year the cost will be close to €70 million. Deputy Noonan's amendment would raise the cost by about €10 million to €12 million. Deputy Doherty's amendment would cost in the region of an additional €35 million in a full year, in effect, abolishing the tax.

I agree with Deputy Noonan that the whole basis of such a change must be whether delivery takes place from the carriers and in my budget speech I made that very clear. I hope the incoming Government will review the air travel tax in the light of its experience with the carriers. The announcement in the budget was not restricted to the air travel tax but also allowed free landing rights at Dublin Airport Authority airports beyond certain levels of passengers.

Ireland is not unique in applying a tax on air travel. A number of countries within the EU apply similar taxes, including the United Kingdom and France. Both Australia and New Zealand apply similar taxes. The United States has introduced a tourist tax for tourists travelling to the United States by air. Germany and Austria have just introduced an air travel tax to apply from January 2011. The rates of tax applied by many of those countries are higher than the Irish rates, substantially so in some cases, and the trend in Europe is towards applying a tax on air travel.

There have been calls to abolish the tax on the basis that it adversely affects the number of people travelling to Ireland. I have some difficulty accepting that proposition and I consider that the impact of the air travel tax is being over-stated. I take Deputy Noonan's point about the effect of this on the balance sheet.

The numbers travelling appear to be more closely related to other factors, including the level of economic activity. Notwithstanding reservations, I decided that a single revised rate of air travel tax at €3 would come into effect on 1 March 2011. I stated in the budget that this reduction should apply only on a temporary basis with the rate being increased unless there is clear and decisive evidence of an appropriate response from the airlines through increasing capacity and the numbers travelling to Ireland by air. I am glad that the budget announcement is being supplemented by the incentive scheme introduced by Dublin Airport Authority for a full rebate of airport charges for additional traffic delivered above a certain threshold based on 2010 passenger levels.

A modest air tax of €3 will yield close to €35 million in a full year. The case for reducing that tax rate any further does not stand up, especially when we are under ongoing fiscal pressures where, understandably, there is a requirement that the tax system be as fair as possible. In addition, I would point out that the reduction in the air travel tax was a significant concession and it would be right to see if passenger numbers rise on foot of the change in the Finance Bill.

It is important as a matter of general policy, and apart from the particular details of this matter, that we protect the Revenue base of the State. It would have been possible, for example, at the time of the original abolition to maintain air travel tax at a certain low level. In general, I believe that is a better way to proceed than to proceed to complete abolition of the tax. History shows that when one gives a total exemption from any particular head of taxation, one generates a climate in which it becomes impossible to reintroduce it. I took a similar view in regard to stamp duties in the budget.

An Ceann Comhairle: Is Deputy Noonan's amendment being withdrawn?

Deputy Michael Noonan: Yes.

Amendment, by leave, withdrawn.

An Ceann Comhairle: Amendment No. 36 cannot be moved.

Deputy Arthur Morgan: Why can it not be moved?

An Ceann Comhairle: It cannot be moved if amendment No. 35 is not agreed.

Amendment No. 37 in the name of Deputy Brian Hayes has been ruled out of order as it would pose a charge on the people.

Deputy Brian Hayes: I understand the Ceann Comhairle's office has ruled out of order the amendments I submitted, amendments Nos. 37 to 42, inclusive, on the basis that they would pose a charge on the people. What I am trying to do here is to raise more revenue for the Minister and the State. It is a strange definition of the people in terms of posing a charge on them that levying an additional tax on an international Internet operator in Gambia or in Gibraltar would be regarded as a charge on the people.

I wonder, Sir, if I could address one or two of the issues involved for which, I suspect, there would be a fair hearing on the other side of the House? This involves the betting tax.

Deputy Brian Lenihan: We are not in Committee; this is Report Stage.

Deputy Brian Hayes: We are. I have taken the trouble of putting down these amendments and I want to briefly raise the issues involved.

Deputy Brian Lenihan: Fair enough.

Deputy Brian Hayes: I am trying to raise revenue for the Minister in a difficult situation. In the Finance Bill the Minister proposed a 1% turnover tax and there is fair support for that as a fair compromise in terms of the measure that has been proposed. The problem is that seven of the ten providers have their servers outside this State; they are offshore companies. What the Minister proposes to do in trying to determine the 1% turnover tax will be a difficult task because these companies are based outside this jurisdiction. What I have suggested in these amendments is that the annual licence fee to have such a facility, or the new charge, would be a minimum of €50,000. As the Bill stands, it is €5,000. Increasing it to €50,000 would have a number of advantages. It would raise revenue. For some fly by night operators in existence outside this State who offer services to citizens of this State, it would set an important financial threshold that they would have to obtain were they to get a licence to operate in this country, and that would be significant. If they did not have the €50,000 upfront, they should not be registered or have a licence here. Many of these operators, be they in Gibraltar, Gambia or wherever——

An Ceann Comhairle: I am concerned the Deputy is broadening the debate.

Deputy Brian Hayes: I will conclude on this point. These operators will simply put on their websites that they have been fully recognised by the Irish State as an operator in this country for a licence fee of €5,000. We are underselling ourselves. An amendment I proposed, which astonishingly is regarded as a charge on our poor people, given the fact that it is a charge on companies outside this jurisdiction, would simply create a fair licence fee for these operators to operate in this country. I would be interested to hear the Minister's views on this. This could be a provision for inclusion in a new finance Bill. It seems strange that, for €5,000, we will be allowing these companies to publish on their websites that they have been recognised by the Irish State as operators here. We are underselling ourselves. The charge should be €50,000 or €100,000 at a minimum; that would be fair. I am interested in hearing the Minister's views.

Deputy Brian Lenihan: I will address the merits of the argument. One difficulty with not having had the legislation to revise the bookmakers legislation before the House is that we will not have had a proper discussion on it before the dissolution of the Dáil. The incoming Government will have to introduce the bookmakers legislation to complete the legislative picture.

I believed Deputy Hayes would raise the issue as to whether the duty should be 1% or 2%. There is a Fine Gael amendment tabled that seeks to give the Minister power to increase the betting duty from 1% to 2%.

Deputy Brian Hayes: That is not mine.

Deputy Michael Noonan: It is No. 43, in the name of the Deputy Barrett.

Deputy Brian Lenihan: Fine Gael is not necessarily committed to amendment No. 43 as a party.

Deputy Brian Hayes: I am making another point.

Deputy Brian Lenihan: It is wisely not doing so because it would lead to a lot of unemployment, both among bookmakers and employees in online businesses that have located in Ireland. Fine Gael is prudently withdrawing from that proposal.

The difficulty with the amendment to which Deputy Hayes spoke is that I am advised there are difficulties associated with putting in place a very high license fee. The Deputy referred to Gambia and other exotic locations. Some of the locations are within the European Union. In drawing up legislation in this area, we must be conscious of the various freedoms that apply within the Union. If one introduced a very high licence fee, it could be deemed restrictive on trade grounds in the context of a Single Market. For example, a licence fee of €5,000 for a company that may take only a handful of small bets from Ireland could be deemed onerous. The Commission is always mindful that member states cannot put in place provisions that could be regarded as disproportionate.

This area could be re-examined in the context of the betting legislation. The essential legal technique being used in this case is to provide that an Internet betting facility provider must register as a bookkeeper here. Thus, the traditional bookmakers legislation, which applied to the mainstream bookmaker, is extended to the Internet scene. The devising of legal formulae to provide for this is quite difficult. We must be very careful about how we do so. It is a matter to which the House can return in the context of the bookmakers legislation, which will be essential before the 1% charge comes into force.

Deputy Chris Andrews: With regard to the licence fee, €5,000 seems very low for shady online operators. An increase would certainly be helpful because these operators are claiming respectability.

Deputy Brian Hayes: I thank the Minister for his very helpful comments. He is absolutely correct. Ireland has many people employed in this area and it has done well at devising Internet gambling websites and ensuring the relevant technologies are in and place. We have a very proud new industry that has done very well. The only dilemma involves determining the 1% turnover to a company that, while registered here——

An Ceann Comhairle: The Deputy is elaborating.

Deputy Brian Hayes: I ask the Ceann Comhairle to hear me out on this point. Unless we have an army of people in the Revenue Commissioners who are prepared to go to Gibraltar and the Isle of Man constantly to check the books of the operators in question, we will face a dilemma. We must consider the issue of fairness. We must ensure that the industry that has been established here has a level playing pitch for everyone. I welcome the Minister's comment that the House will have to return to this matter when a new Dáil is assembled in order to ensure the loopholes are addressed.

An Ceann Comhairle: We will proceed to amendment No. 38, in the name of Deputy Brian Hayes. Amendment No. 41 is related and the two may be discussed together.

Deputy Michael Noonan: Was amendment No. 38 not ruled out of order?

An Ceann Comhairle: Amendments Nos. 37, 39 and 40 have been ruled out of order. Amendment No. 38 arises out of Committee proceedings. Amendments Nos. 38 and 41 are related and are to be discussed together.

Deputy Brian Hayes: Amendment No. 38 concerns the argument I have just been making so I will not move it.

Amendments Nos. 37 to 42, inclusive, not moved.

Deputy Michael Noonan: I move amendment No. 43:

In page 197, to delete lines 24 and 25.

I ask the Minister to read his briefing note on this amendment.

Deputy Brian Lenihan: What is the purport of the amendment?

Deputy Michael Noonan: A section is being excluded that allows the Minister to increase betting tax. We do not know why the Minister does not want to retain that discretion.

Deputy Brian Lenihan: Yes. Section 50 provides for the taxation of bets that remote bookmakers enter into with persons in this State. This means, for example, that a business that engages in online bookmaking and which accepts bets from individuals in this country will be liable for a betting duty on those bets, irrespective of where that business is based. The existing betting duty of 1% is being applied to such bets.

The section also provides for the taxation of remote betting intermediaries. These operations, which are generally known as betting exchanges, facilitate clients in entering into bets with one another and charge for this service. A new duty, which will be called betting intermediary duty, will be charged on commission earned from persons in this country at a rate of 15%. Excise

[Deputy Brian Lenihan.]

duties are also being applied to the granting and renewal of remote bookmakers' and remote betting intermediaries' licenses. The betting (amendment) Bill being drafted will establish the statutory framework for these licences.

Many Deputies in this House used the opportunity afforded by Committee Stage to welcome these provisions, and I am glad we appear to have cross-party support in an area that has thrown up many logistical challenges for my advisors and the Attorney General.

Section 50 provides for the repeal of the provision in the Finance Act 2009 that allowed for an increase to 2% in the rate of betting duty subject to ministerial commencement order. The Deputies amendment is seeking to remove this element of section 50 and effectively keep in place the possibility of the Minister raising the betting duty to 2%. My decision to repeal that provision is simply based on the practicality of the position we are in. I do not envisage a scenario in which the 1% rate could be raised to 2% given the obvious pressures on betting shops across the country. We have seen significant job losses from shop closures, and one way of ensuring further job losses would be to move to a rate of 2%. Further shop closures have been flagged for later this year, even without the rate increase.

The prospect of a rise to 2% prompted significant levels of correspondence from staff working in betting shops across the country who would be worried about their jobs if the increase were to occur. Most of the letters were forwarded to me by Deputies of all parties and virtually all constituencies. That significant job losses have occurred, even without a move to 2%, should inform Deputy Barrett of what is appropriate in this instance.

Jobs in the betting sector are as important as jobs in the horse-racing sector. My approach has been to move towards a level playing field in a way that widens the tax base but protects employment across the betting and horse-racing sectors. This is a balanced approach that should be welcomed by the House. If a future Government decides the betting duty should be increased, it can introduce a legislative change to that effect in the finance Bill.

Amendment, by leave, withdrawn.

Amendment No. 44 not moved.

An Ceann Comhairle: Amendments Nos. 45 to 47, inclusive, have been ruled out of order.

Amendments Nos. 45 to 52, inclusive, not moved.

Deputy Brian Lenihan: I move amendment No. 53:

In page 225, to delete lines 1 to 24.

Deputy Michael Noonan: This is an amendment to the Schedule.

Amendment agreed to.

Bill, as amended, received for final consideration.

Question put: "That the Bill do now pass."

The Dáil divided: Tá, 81; Níl, 76.

Tá

Ahern, Bertie.
 Ahern, Dermot.
 Ahern, Michael.
 Ahern, Noel.
 Andrews, Barry.
 Andrews, Chris.
 Ardagh, Seán.
 Aylward, Bobby.
 Behan, Joe.
 Blaney, Niall.
 Brady, Áine.
 Brady, Cyprian.
 Brady, Johnny.
 Browne, John.
 Byrne, Thomas.
 Calleary, Dara.
 Carey, Pat.
 Collins, Niall.
 Conlon, Margaret.
 Connick, Seán.
 Coughlan, Mary.
 Cowen, Brian.
 Cregan, John.
 Cuffe, Ciarán.
 Curran, John.
 Dempsey, Noel.
 Devins, Jimmy.
 Dooley, Timmy.
 Fahey, Frank.
 Finneran, Michael.
 Fitzpatrick, Michael.
 Fleming, Seán.
 Flynn, Beverley.
 Gogarty, Paul.
 Gormley, John.
 Hanafin, Mary.
 Harney, Mary.
 Haughey, Seán.
 Healy-Rae, Jackie.
 Hoctor, Máire.
 Kelleher, Billy.

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

Níl

Allen, Bernard.
 Bannon, James.
 Barrett, Seán.
 Breen, Pat.
 Broughan, Thomas P.
 Bruton, Richard.
 Burke, Ulick.
 Burton, Joan.
 Byrne, Catherine.
 Connaughton, Paul.
 Coonan, Noel J.
 Costello, Joe.
 Coveney, Simon.
 Crawford, Seymour.
 Creighton, Lucinda.
 D'Arcy, Michael.
 Deasy, John.
 Deenihan, Jimmy.
 Doherty, Pearse.
 Doyle, Andrew.
 Durkan, Bernard J.

English, Damien.
 Feighan, Frank.
 Ferris, Martin.
 Flanagan, Charles.
 Flanagan, Terence.
 Gilmore, Eamon.
 Grealish, Noel.
 Hayes, Brian.
 Hayes, Tom.
 Higgins, Michael D.
 Hogan, Phil.
 Howlin, Brendan.
 Kehoe, Paul.
 Kenny, Enda.
 Lynch, Ciarán.
 Lynch, Kathleen.
 McCormack, Pádraic.
 McEntee, Shane.
 McGinley, Dinny.
 McGrath, Finian.
 McGrath, Mattie.

Níl—*continued*

McHugh, Joe.
 McManus, Liz.
 Mitchell, Olivia.
 Morgan, Arthur.
 Naughten, Denis.
 Neville, Dan.
 Noonan, Michael.
 Ó Caoláin, Caoimhghín.
 Ó Snodaigh, Aengus.
 O'Donnell, Kieran.
 O'Dowd, Fergus.
 O'Keeffe, Jim.
 O'Mahony, John.
 O'Shea, Brian.
 O'Sullivan, Jan.
 O'Sullivan, Maureen.
 Penrose, Willie.

Perry, John.
 Quinn, Ruairí.
 Rabbitte, Pat.
 Reilly, James.
 Ring, Michael.
 Shatter, Alan.
 Sheahan, Tom.
 Sheehan, P.J.
 Sherlock, Seán.
 Shortall, Róisín.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Upton, Mary.
 Varadkar, Leo.
 Wall, Jack.

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

Question declared carried.

An Ceann Comhairle: This Bill, which is certified to be a money Bill in accordance with Article 22.2.1o of the Constitution, will be sent to the Seanad.

Business of Dáil: Motion

Minister of State at the Department of the Taoiseach (Deputy John Curran): I move:

That notwithstanding anything in Standing Orders of the Dáil of Tuesday, 25 January 2011, the Dáil shall not sit on Saturday, 29 January 2011 unless the Seanad makes recommendations to the Finance Bill 2011 which the Dáil is required to consider, in which case the Dáil will sit.

Question put and agreed to.

The Dáil adjourned at 2.50 p.m. until 8 p.m. on Saturday, 29 January 2011.

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].

Higher Education Grants

1. **Deputy Michael D’Arcy** asked the Tánaiste and Minister for Education and Skills if a person (details supplied) may avail of any educational grant from the State; and if she will make a statement on the matter. [4288/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The Higher Education Grant Scheme operates under the Local Authorities (Higher Education Grants) Acts, 1968 to 1992. Under the scheme an approved course is defined as a full-time undergraduate course of at least two years duration or a full-time postgraduate course of not less than one year duration pursued in an approved institution. I understand the college referred to by the Deputy is a private college and is not on the list of approved institutions for the purpose of the scheme.

However, Section 21 of the Finance Act 2000 provides for the introduction of tax relief for fees paid in publicly funded colleges here and in other EU Member States as well as in private colleges in this state. This relief, which applies at the standard rate of tax, is available to full time and part time students and includes distance education courses offered by publicly funded colleges in other EU Member States. Further details on claiming this relief are available from local tax offices or on Revenue’s internet site at <http://www.revenue.ie>.

Schools Building Projects

2. **Deputy Finian McGrath** asked the Tánaiste and Minister for Education and Skills the position regarding the future development of a school (details supplied) in Dublin 3. [4294/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I am pleased to inform the Deputy that the School Authorities of the Senior & Junior Boys school in the area referred to by him have been authorised to issue a letter of intent to the recommended bidder. Once the supplementary tender report is received and provided there are no issues arising, the project will be progressed to the award stage.

FÁS Training Programmes

3. **Deputy Joe McHugh** asked the Tánaiste and Minister for Education and Skills the options available to skilled trades persons planning to emigrate for work in the short term to acquire accreditation for specific trades; and if she will make a statement on the matter. [4298/11]

Minister of State at the Department of Education and Skills (Deputy Seán Haughey): Skilled trades persons who are registered with FÁS as apprentices and who wish to validate their competence may apply for the National Craft Certificate or the Advanced Certificate (Craft) awarded by FETAC under Recognition of Prior Learning (RPL) procedures. The RPL procedures cover three categories of applicant: — FÁS registered time-served craftspersons applying for a National Craft Certificate — Apprentices newly registered with FÁS and who are seeking exemptions from the Standards Based Apprenticeship Programme. Exemptions are based on a portfolio of evidence submitted by the applicant to FÁS Apprenticeship Services for subsequent subject matter expert analysis. — FÁS registered apprentices under the Standards Based Apprenticeship Programme who have completed Phases 1 — 7 (including Phase 7 equivalent assessments where appropriate) of their apprenticeship but who have not completed four years in employment as an apprentice from the date of registration. These persons can submit a portfolio of evidence to include further training, education and work experience to the Redundant Apprentice Accreditation Committee for consideration for award of the Advanced Certificate (Craft).

Skilled trades persons who wish to make an application under the RPL procedures can request an application form from their local FÁS Services to Business office and will be duly assisted in establishing their eligibility.

In relation to qualifications under the Standards Based Apprenticeship Programme an apprentice who has successfully completed an apprenticeship in Ireland is awarded the FETAC Level 6 Advanced Certificate (Craft). This is a compulsory requirement for craftsperson status in Ireland and has both national and international recognition.

Disadvantaged Status

4. **Deputy Charles Flanagan** asked the Tánaiste and Minister for Education and Skills the position regarding the rural co-ordinators at a school (details supplied) in County Offaly, with particular reference to the positive benefit of such co-ordinator in rural schools, with particular reference to literacy projects, numeracy projects and parents classes for extra-curricular activities and if having regard to the importance of the scheme for the entire community, consideration will be given towards the restoration of this scheme. [4306/11]

Minister of State at the Department of Education and Skills (Deputy Seán Haughey): The decision to remove the Rural Coordination Service is just one of a range of measures, included in the National Recovery Plan 2011 to 2014, to secure some €24m in savings in the 2011/2012 school year. The service will therefore be discontinued with effect from 31 August 2011.

This measure will not affect the provision of HSCL services which remain in 200 post primary and 345 urban primary participating in DEIS. DEIS rural primary schools will continue to receive the following supports:

- additional capitation funding based on level of disadvantage;
- additional funding for schools books;
- access to the School Meals Programme — access to numeracy/literacy supports and measures

- access to planning supports
- access to a range of professional development supports.

The measures required as part of the National Recovery Plan sets out a pathway of bringing our overall public expenditure back into line with what we can afford as a country. Education has been protected much more than other areas of public spending, but given the enormity of the current difficulties, the reality is that no area of public spending can be completely spared.

FÁS Training Programmes

5. **Deputy Brian O'Shea** asked the Tánaiste and Minister for Education and Skills the position of students who undertook FÁS courses and are awaiting FETAC certification in regard to their CAO applications; and if she will make a statement on the matter. [4315/11]

Minister of State at the Department of Education and Skills (Deputy Seán Haughey): It is my understanding that there is no effect on CAO applications for those students who have undertaken FÁS courses that are awaiting FETAC certification.

Higher Education Grants

6. **Deputy Joe McHugh** asked the Tánaiste and Minister for Education and Skills the funding avenues open to Irish students studying for Masters of Music Therapy in New Zealand for 2011-2013; and if she will make a statement on the matter. [4323/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The statutory framework for the student grants scheme, as set out in the Local Authorities (Higher Education Grants) Acts, 1968 to 1992, provides for means-tested higher education grants in order to assist students to attend full-time third level education.

The position is that the third level grant schemes do not extend to postgraduate study outside of Ireland.

There are no plans at present to extend the current arrangements to provide for students pursuing post-graduate courses outside Ireland. Any such extension could only be considered in the light of available resources and other competing demands within the education sector.

Traveller Education

7. **Deputy Róisín Shortall** asked the Tánaiste and Minister for Education and Skills if her attention has been drawn to the damaging impact of her decision to withdraw resource and visiting Traveller teachers on progress that has been made on raising education standards among Travellers; if she will consider the case of a school (details supplied) in Dublin 11 which will suffer a major detrimental effect due to the loss of three such teachers and if, in view of the large concentration of Traveller children in this school and the likely impact on them and all other pupils in the school, if she will review the decision on this case. [4324/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I wish to advise the Deputy that the Government has taken a decision to provide educational teaching supports to Traveller students on the same basis as other students in schools. This means that Traveller students who require additional tuition will receive this tuition through the existing learning support provision in schools.

All schools will be advised to select students for learning support on the basis of priority of need. The principle of “individual educational need” rather than “Traveller identity” is central to The Report and Recommendations for a Traveller Education Strategy and the key criterion

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underlying the recommendations of the report for the provision of additional resources to all children, including Traveller children.

Resource Teacher for Traveller posts will be withdrawn, effective from September 2011. It is intended that alleviation measures will be provided for schools with high concentrations of Traveller children and that schools will shortly be advised of the alleviation measures which will apply and of the qualifying criteria.

My Department will advise all schools of their staffing allocation in advance of the next school year. With regard to the Visiting Teachers Service for Travellers, the decision to remove the Visiting Teachers Service for Travellers is just one of a range of measures, included in the National Recovery Plan 2011 to 2014, to secure some €24m in savings in the 2011/2012 school year. The service will therefore be discontinued with effect from 31 August 2011. At present there are 41 posts in this service. Until September 2009 the Visiting Teachers Service for Travellers was managed directly by the Regional Office Directorate within my Department. In September 2009 the Service was transferred to the National Education Welfare Board to be integrated with existing school support services.

The set of measures included in the National Recovery Plan 2011 to 2014 impacts on every sector of the public service and will unquestionably lead to significant challenges for schools as well as the Department in the coming years. The major challenge will undoubtedly be to seek improved outcomes for children with fewer resources prioritising available resources to maximum effect across the education sector to enhance educational outcomes for all including Traveller children and adults.

Departmental Property

8. **Deputy Jack Wall** asked the Tánaiste and Minister for Education and Skills if she has legal responsibility for the restoration, maintenance and safety of a premises (details supplied) in County Kildare; if she has replied in full to the concerns raised by persons or their representatives regarding such responsibilities; if not when same will be undertaken; if she has no responsibility, the agency or sub section of the Department that has any responsibility towards the implementation of such conditions and, if so, the up to date position of such responsibilities; and if she will make a statement on the matter. [4330/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I wish to advise the Deputy that the restoration of the Athy Model school is the responsibility of my Department. My Department has been in preliminary discussions with the representatives of the owner of the premises and the Office of Public Works with a view to scoping out the required restoration project. The OPW, at the request of my Department, is now in the process of appointing a conservation architect for the project. I understand that Kildare VEC arranged for works to secure the building and the site to the satisfaction of my Department.

School Staffing

9. **Deputy Seán Ó Feargháil** asked the Tánaiste and Minister for Education and Skills if she will consider the points raised in correspondence (details supplied); and if she will make a statement on the matter. [4347/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The standardisation of the staffing schedule for Gaelscoileanna to the same that operates for other ordinary national schools is one of a number of budgetary measures to reduce teacher numbers. These changes are effective from September 2011. The impact at individual school level will be deter-

mined as part of the allocation process for 2011/12 school year and schools will be notified in the normal manner.

The National Recovery Plan sets out a pathway of bringing our overall public expenditure back into line with what we can afford as a country. Education has been protected much more than other areas of public spending, but given the enormity of the current difficulties, the reality is that no area of public spending can be completely spared.

Schools Refurbishment

10. **Deputy Denis Naughten** asked the Tánaiste and Minister for Education and Skills when a decision will issue on an application (details supplied); and if she will make a statement on the matter. [4413/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I understand that the school referred to by the Deputy has submitted an application for the works in question under the 2011 Summer Works Scheme. Applications for funding under the scheme are being processed in my Department, as outlined in the Circular governing the operation of the Scheme, and the school authority in question will be notified of the decision on the application later in the year.

School Accommodation

11. **Deputy Willie Penrose** asked the Tánaiste and Minister for Education and Skills if he has received an application from a school (details supplied) in County Westmeath, to move to appropriate accommodation which complies with his Department's guidelines for accommodation for pupils with special educational needs; if same will now be progressed, in view of the fact that it is urgently required, in terms of the number of pupils and their appropriate requirements; and if she will make a statement on the matter. [4419/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I can confirm that the school to which the Deputy refers has written to my Department with a proposal to relocate to alternative accommodation. As the school has provisional recognition, the provision of interim accommodation remains the responsibility of the Patron. However, my officials are examining the proposal and will convey a response to the school authority on the matter in due course.

Special Educational Needs

12. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills the position regarding the provision of devolved funding for an autistic spectrum disorder unit at a school (details supplied) in County Kildare. [4432/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I am pleased to inform the Deputy that the school in question has been allocated funding on a devolved basis for the provision of an Autistic Spectrum Disorder Unit.

Schools Building Projects

13. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills if she will appoint a design team for the building of a permanent school for a school (details supplied) in County Kildare. [4433/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I am pleased to advise the Deputy, that a project to provide a new school building for the school to which he

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refers, has been announced as one of the projects to commence the process of appointing a design team under my Department's 2011 Multi-annual School Building and Modernisation Programme.

My officials will be in further contact with the school authority in due course relating to the steps to be taken to progress the project.

14. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills her plans to sanction the provision of a Gaelcholáiste for north Kildare. [4440/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): As I previously outlined to the Deputy the Forward Planning Section of my Department is in the process of analysing all areas in the country in order to determine the level of additional provision which will be required at both primary and post primary level up to 2017. Overall post-primary requirements in the North Kildare area, including the case for the provision of a new Irish language post-primary school will be considered in this context. However, as the Deputy may be aware, a multi-million Euro building project has been provided for Coláiste Cois Liffe, Lucan to cater for a long term projected enrolment of 600 pupils. This Gaelcholaiste, under the aegis of Co. Dublin VEC was built to serve the needs of the west Dublin /north Kildare area, including Maynooth and Kilcock. The enrolment for 2009/10 in Coláiste Cois Life was 345 and therefore this school would appear to have capacity to cater for the North Kildare area.

15. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills the projects for which large scale capital funding has been sought from her Department in County Kildare which have as not yet commenced construction; the details of the facilities sought and the stage of each project [4441/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): Information in respect of the current school building programme, along with all assessed applications for major capital works and the status of these applications, is available on my Department's website at www.education.ie. However, for the convenience of the Deputy, I have set out two lists which set out details of school building projects for County Kildare as requested.

List A details applications for major capital works from primary and post primary schools in Kildare which are currently at application stage and includes projects which, earlier this week, I announced would progress to the Brief Formulation/Design Team Stages.

List B contains details of building projects in County Kildare that are in Architectural Planning, including those at tender stage but not yet in construction.

List A — Schools in Kildare — Applications/Brief Formulation/Design Team stage for Major Capital Works

County	Roll No.	School Name	Current Status	Band Rating	Project
Kildare	01821V	S N Rath Mor, Naas	Application	Band 1	New School
Kildare	11893G	St Davids NS., Naas	Brief Formulation/Design Team stage	Band 2	New School
Kildare	13328I	Newbridge 2 N S	Application	Band 2	Extension/Refurbishment
Kildare	13902O	Hewetsons N S, Clane	Application	Band 2	Extension/Refurb
Kildare	15040T	Mercy Convent NS, Naas	Brief Formulation. Design Team stage	Band 1	Extension/Refurb
Kildare	15599D	St Brigids Primary School Kildare Town (Kildare)	Application	Band 3	Extension/Refurb
Kildare	15769C	Monasterevan Convent, Monasterevan	Application	Band 3	Extension/Refurb
Kildare	15870O	Scoil Chonnla Phadraig, Newbridge	Application	Band 2	Extension/Refurb
Kildare	15957D	St Patrick's Boys NS, Rathangan	Brief Formulation/Design Team stage	Band 2	Extension/Refurb
Kildare	16302F	St Brigids N S, Ballysax	Application	Band 2	Extension/Refurb
Kildare	16706G	St Josephs BNS, Kilcock	Brief Formulation/Design Team stage	Band 2	Extension/Refurb
Kildare	16707I	Scoil Naisiunta Naomh Pheadar, Monasterevan	Application	Band 2	New School
Kildare	16817P	Brannoxtown N S, Brannockstown	Application	Band 2	New School
Kildare	16845U	Rathcoffey N S, Rathcoffey	Application	Band 2	Extension/Refurb
Kildare	17254C	St Corban's Primary School, Naas	Design Team to be appointed	Band 1	Extension/Refurb
Kildare	17341U	Maynooth Boys' NS	Design Team to be appointed	Band 1	Extension/Refurb
Kildare	17650K	Scoil Ide Naofa, Kilmead	Application	Band 2	Extension/Refurb
Kildare	17872F	St Conleths And Marys N S, Newbridge	Application	Band 2	Extension/Refurb
Kildare	17873H	S N Connlaodh Naofa N, Newbridge	Application	Band 2	Extension/Refurb
Kildare	17931S	S N Brighde, Ticknevin	Application	Band 2	Extension/Refurb
Kildare	17968S	Ursaille Naofa Teach, An Da Mhile	Application	Band 2	New School
Kildare	18063A	S N Naomh Lorcaín, Levitstown	Application	Band 3	Extension/Refurb
Kildare	18093J	S N Cloch Rinne Cloch Rinne (Kildare)	Application	Band 1	Extension/Refurb
Kildare	18130M	St Patricks NS, Johnstownbridge	Application	Band 2	Extension/Refurb
Kildare	18288B	Scoil Mhichil Naofa, Athy	Brief Formulation/Design Team stage	Band 2	Extension/Refurb
Kildare	18430B	S N Baile, Robertstown,	Application	Band 2	Extension/Refurbishment
Kildare	18445O	S N Scoil Treasa, Kilshanroe	Application	Band 2	Extension/Refurb
Kildare	18449W	St Conleths N S, Derrinturn	Application	Band 3	Extension/Refurb
Kildare	18644U	Straffan N S, Straffan	Application	Band 1	Extension/Refurb
Kildare	18650P	Newtown NS, Enfield	Application	Band 2	Extension/Refurb

List A — Schools in Kildare — Applications/Brief Formulation/Design Team stage for Major Capital Works *continued*

County	Roll No.	School Name	Current Status	Band Rating	Project
Kildare	18666H	Tiremohan National School, Donadea, Naas	Application	Band 1	Extension/Refurb
Kildare	19675N	St Brigids N S, Kilcullen	Brief Formulation/Design Team stage	Band 1	Extension/Refurb
Kildare	19794V	Scoil Mochua, Aghards, Celbridge	Application	Band 1	Extension/Refurb
Kildare	19797E	Scoil Naisiunta Bhride Prosperous Road,	Brief Formulation/Design Team stage.	Band 1	Extension/Refurb
Kildare	20257C	Sc Naomh Padraig, Celbridge	Brief Formulation/Design Team stage.	Band 1	New School
Kildare	61681V	Patrician Secondary School, Newbridge	Application	Band 2	Extension
Kildare	61690W	Cross And Passion College Kilcullen (Kildare)	Application	Band 2	Extension/Refurb
Kildare	70660O	Curragh Post-Primary School Mcswiney Road, Curragh	Application	Band 2	New School
Kildare	70670R	Colaiste Lorcaín, Castledermot	Application	Band 2	Extension/Refurb
Kildare	70680U	St. Conleths Vocational School, Newbridge	Design Team to be appointed	Band 1	Extension/Refurb
Kildare	70710D	St Patrick'S Community College, Naas	Application	Band 2	New School
Kildare	91371B	Leixlip Community School, Celbridge Road	Application	Band 1	Extension/Refurb
Kildare		New Post Primary School, Naas			
Kildare		New Post Primary School, Maynooth			

List B — Kildare — Major Projects in Architectural Planning — to Tender Stages

Roll No.	School Name	Status	Application For
06209J	Athy Model School	Tender Stage — Progressing to Construction	Extension/Refurbishment
09414C	St Laurence's NS, Crookstown	Secure Planning Permission & prepare Tender Docs	New School
16705E	Scoil Pádraig Naofa, St John's Lane, Athy, Co Kildare — Phase 2	Tender Stage — Progressing to Construction	New School
17064U	Scoil Phadraig, Ballylinan, Athy	To complete Tender Documentation & Tender 2011	New School
18018S	Bunscoil Bhride NS Rathangan	To complete Tender Documentation & Tender 2011	Extension/Refurbishment
18988G	St Raphael's Special Sch, Celbridge, Co Kidare	In early Architectural Planning	New School
19277B	St Anne's Special School, The Curragh	Awaiting Design Team Appointment	Extension/refurbishment
19796C	St Patrick's Boys NS, Clane	Awaiting Design Team Appointment	Extension/refurbishment
20114D	Scoil Brid, Naas	To complete Tender Documentation & Tender 2011	Extension/refurbishment
20192A	Scoil Átha Í, Athy	Tender Stage — Progressing to Construction	Extension/Refurbishment
20271T	Scoil na Naomh Uilig, Phase 2 Rickardstown, Newbridge, Co Kildare	Tender Stage — Progressing to Construction	Major extension
70700A	Maynooth Post-Primary School, Moyglare Road, Maynooth	Awaiting Design Team Appointment	Extension/refurbishment

16. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills when a design team will be appointed for the required extension to a school (details supplied) in County Kildare. [4442/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I can confirm that the school to which the Deputy refers has made an application to my Department for large scale capital funding. The application has been assessed in accordance with the published prioritisation criteria for large scale capital projects and assigned a Band 3 rating. Information in respect of the current school building programme along with assessed applications for major capital works, including the project referred to by the Deputy, is available on my Department's website at *www.education.ie*.

I recently announced the projects which will be commencing the process of appointing design teams in 2011 and in light of current competing demands on the capital budget of my Department, it was not possible to include a project for the school to which he refers on this list. The progression of all large scale building projects, including the project for this school, from initial design through to construction phase will be considered in the context of my Department's future multi-annual School Building and Modernisation Programme.

17. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills if she will sanction the appointment of a design team for the required extension to a school (details supplied) in County Kildare. [4443/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): I am pleased to advise the Deputy that a project to provide a new school building for the school to which he refers has been announced as one of the projects to commence the process of appointing a design team under my Department's 2011 Multi-annual School Building and Modernisation Programme. My officials will be in further contact with the school authority in due course relating to the steps to be taken to progress the project.

Departmental Meetings

18. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills further to Parliamentary Question No. 92 of 14 December 2010, if the briefing has been held and if not, when it will be held. [4444/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): The briefing session referred to by the Deputy has not yet taken place. As previously advised, when a date for the briefing is arranged, officials from my Department will be in contact with the school authorities informing them of same.

Schools Building Projects

19. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Education and Skills further to Parliamentary Question No. 130 of 18 January 2011, if a decision has been made in relation to the provision of a new national school in an area (details supplied) in County Kildare and if it will be an educate together school. [4445/11]

Tánaiste and Minister for Education and Skills (Deputy Mary Coughlan): As I have previously outlined to the Deputy a review of the procedures for the establishment of new primary schools is currently being carried out under the Commission on School Accommodation. In the interim it is not proposed to recognise any new primary schools, except in areas where the increases in pupil numbers cannot be catered for in existing schools and which require the

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provision of new schools. The Commission is due to report to me shortly at which time I will have to consider the policy matters and necessary arrangements and revised procedures that will need to be put in place.

The establishment of new schools, including the request for a new school in the Clane/Prosperous area, will be considered in this context.

Disabled Drivers

20. **Deputy Aengus Ó Snodaigh** asked the Minister for Finance if his attention has been drawn to the fact that the new procedure requiring cars that have been adapted for disabled drivers to wait two weeks to be assessed by national car test is causing hardship; whereas pre-September 2010 they could be seen straight away by the vehicle registration office and if he will take steps to eliminate the wait [4251/11]

Minister for Finance (Deputy Brian Lenihan): I am informed by the Revenue Commissioners that under the revised registration procedures (operated by the National Car Testing Service (NCTS) since 1 September 2010), the Revenue Commissioners continue to manage and administer the scheme of relief from vehicle registration tax (VRT) for Disabled Drivers and Disabled Passengers. In this regard, where Revenue approves an application for relief under the scheme, a letter confirming the appropriate relief from VRT is issued to the applicant, which must then be presented at an NCTS centre in order that the particular vehicle may be registered. The Deputy may wish to note that where a letter confirming relief from the payment of VRT under Disabled Drivers and Disabled Passengers relief is presented by a person at the time of registration (along with other required documentation (e.g. drivers licence, utility bill, evidence of PPS number)), for a vehicle that has previously been declared to Revenue by the distributor, vehicle registration can be completed at that time.

However, for a specific model, whose details have not previously been declared to Revenue and for which Revenue officials have not determined the value for registration tax purposes, that vehicle must first be valued by Revenue's officials before registration can be completed. Revenue have confirmed that at present this process generally takes 2/3 days.

In order to streamline registration procedures, Revenue will, from the end of March 2011, be providing electronic facilities so that *new* vehicles purchased by disabled drivers and disabled passengers from authorised traders may be registered by the trader at their premises through the Revenue On-Line Service (ROS). This represents a significant improvement on the pre-September 2010 service.

Additionally, a further facility is being introduced in March to allow authorised traders to have *used* vehicles supplied to disabled persons under the relief scheme, subjected to a pre-registration examination in advance of the sale so that they can again be registered at the dealers' premises through ROS. This procedural development will again represent an improvement on the pre-September level of service, as it will eliminate the need for the disabled driver/passenger or his/her agent to present the vehicle at a vehicle registration office for examination which will expedite the registration of such vehicles.

Garda Stations

21. **Deputy Jack Wall** asked the Minister for Finance the position regarding the refurbishment of a premises (details supplied); and if he will make a statement on the matter. [4329/11]

Minister of State at the Department of Finance (Deputy Martin Mansergh): The Commissioners of Public Works are awaiting approval to proceed with upgrade works to the married quarters at Ballytore Garda Station, Co. Kildare, from the Garda authorities. Works to the Garda Station proper have not been requested.

Tax Code

22. **Deputy John Cregan** asked the Minister for Finance if a person (details supplied) in County Limerick is paying the correct amount of tax on their pension. [4250/11]

Minister for Finance (Deputy Brian Lenihan): I am advised by the Revenue Commissioners that the person named is currently taxed under PAYE on a private pension and his tax credits have been reduced to take account of a Department of Social Protection pension of €5750. In view of the age entitlements of the named individual it is not however clear that the correct DSP pension amount has been included in the tax credit reduction and Revenue will be in contact with the named individual to clarify the matter.

Flood Relief

23. **Deputy Michael Creed** asked the Minister for Finance the position regarding flood relief works at a location (details supplied) in County Cork; if applications for funding are being sought by his Department presently for minor flood relief works; and if he will make a statement on the matter. [4287/11]

Minister of State at the Department of Finance (Deputy Martin Mansergh): The Office of Public Works has not received a funding application from Cork County Council to date for minor flood relief works in Inchigeela. However, it is open to the Council to submit an application under the minor flood works scheme. If an application is submitted, it will be considered having regard to the conclusions of the Lee Catchment Flood Risk Assessment and Management Study which are currently being reviewed in light of the November, 2009 flood event, and also to the overall availability of resources for flood risk management.

Tax Yield

24. **Deputy Róisín Shortall** asked the Minister for Finance his estimate of the yield from applying income tax to approved profit sharing schemes. [4302/11]

Minister for Finance (Deputy Brian Lenihan): If an employee is given free shares by his or her employer, the employee is normally chargeable to income tax on the value of the shares, just as the employee would be chargeable to income tax on the value of a cash bonus. However, where the shares are awarded by an employer to an employee through a Revenue approved profit sharing scheme, the employees are not chargeable to income tax on the value of the shares awarded, subject to a general annual limit of €12,700 on the value of shares. The cost to the Exchequer is essentially the income tax foregone on the value of any shares awarded under such schemes. I am informed by the Revenue Commissioners that the cost to the Exchequer of this tax relief is estimated at €99 million for the income tax year 2008, the most recent year for which final information is available.

As regards the yield from a possible withdrawal of the tax relief it should be borne in mind that the scale of any such yield would arise in terms of current values which, in view of the impact of the recession, might now be less than those underlying the 2008 cost.

State Bodies

25. **Deputy Frank Feighan** asked the Minister for Finance further to the report of the special group on public service numbers and expenditure which set out recommendations on the rationalisation of State agencies and quangos, the agencies or quangos that have been rationalised; the ones that remain to be rationalised; the total reduction in job numbers and the number employed in each agency or quango. [4333/11]

Minister for Finance (Deputy Brian Lenihan): The Report of the Special Group on Public Service Numbers and Expenditure Programmes outlined 43 rationalisation measures concerning State agencies and other bodies and information on the status of these proposals, including information on the numbers employed, as reported to my Department is set out in Table 1. In summary, 3 decisions have been taken to implement the proposed rationalisations in full. There will be a reduction of 20 bodies as a result. Decisions have also been taken to implement a further 11 proposals in part. Further information in relation to individual rationalisation decisions should be sought from the relevant Minister. These rationalisation decisions are in addition to the 30 decisions announced in Budget 2009, 19 of which have been implemented to date. Given the variety of factors that affect public service numbers policy, it is not possible to determine accurately the total reduction in public sector numbers associated with individual policy decisions taken to date. Overall public service numbers have reduced by over 12,000 since end 2008. This is due to a range of factors, including the moratorium on recruitment and promotion, the introduction of a new numbers control framework as recommended by the Special Group, the rationalisation of State Agencies and bodies and Government priorities in regard to public service provision. In addition, the public service numbers ceilings as set out on Page 64 of the *National Recovery Plan 2011-2014* will see the number employed in the public service reduced to under 295,000 by the end of 2014.

I would also draw the Deputy's attention to Page 69 of the *National Recovery Plan 2011-2014* where it is stated that the programme of State Agency rationalisation that commenced in 2008 will continue with a particular emphasis on:

- reducing the number and range of agencies;
- redeploying staff to areas of greatest need;
- improving governance and performance arrangements; and
- sharing services.

The reduction in expenditure allocations over the period of the *National Recovery Plan 2011-2014* in conjunction with revised employment ceilings will, accordingly, require continued progress across Departments and Offices in the rationalisation of Agencies as appropriate.

Table 1: Agency Rationalisations in the Special Group Report

	Proposal adopted		Numbers Employed		
	In Full	Partial	q4 2008	q4 2010	
AGRICULTURE					
Transfer export promotion function of <i>An Bord Bia</i> and BIM to <i>Enterprise Ireland</i> , transfer BIM's other functions to D/AF&F and consider same for <i>An Bord Bia</i>		1			
<i>An Bord Bia</i>			96	104	
BIM			143	126	
TOURISM, CULTURE & SPORT					
Elimination of spending on <i>Sports Campus Ireland</i>			6	5	
Transfer of <i>Irish Film Board</i> (IFB) functions to <i>Enterprise Ireland</i> and discontinuation of the investment fund			16	16	IFB only
COMMUNICATIONS, ENERGY & NATURAL RESOURCES					
Merge the <i>Digital Hub Development Agency</i> with EI/IDA			21	16	DHDA only
Merge <i>ComReg</i> and the new <i>Broadcasting Authority of Ireland</i> .					
<i>Com Reg</i>			120	125	
<i>Broadcasting Authority of Ireland</i> .			38	33	
Transfer the <i>Irish Film Classification Office</i> into the <i>Broadcasting Authority of Ireland</i>					
Merge the OSI and the <i>Valuation Office</i> with the <i>Property Registration Authority</i>			317	290	OSI only
COMMUNITY, EQUALITY AND GAELTACT AFFAIRS					
Discontinuation of <i>Dormant Accounts Fund Board</i>		1	0	0	
Transfer <i>Western Development Commission's</i> enterprise development functions to <i>Enterprise Ireland</i>		1	17	14	
Discontinuation of the <i>Family Support Agency</i>			39	37	

Table 1: Agency Rationalisations in the Special Group Report — *continued*

	Proposal adopted		Numbers Employed		
	In Full	Partial	q4 2008	q4 2010	
EDUCATION					
Amalgamation of smaller primary schools			n/a	n/a	
Discontinuation of <i>Comhairle um Oideachas Gaeltachta agus Gaelscolaíochta</i> (COGG)				n/a	
Rationalisation of VEC's (33 to 16)	1		12,445	12,496	
Rationalisation of third level institutions		1	11,785	10,907	
Merge <i>Higher Education Authority</i> (HEA) and D/E&S			59	53	
Discontinue funding for <i>Grangegorman Development Agency</i>			6	4	
Discontinue <i>National University of Ireland</i>	1		no posts	no posts	
Absorb <i>National Education Welfare Board</i> (NEWB) into D/E&S			103	101	
Absorb <i>National Council for Special Education</i> (NCSE) into D/E&S			89	107	
ENTERPRISE, TRADE & INNOVATION					
Consolidate all indigenous enterprise support and sector marketing functions in <i>Enterprise Ireland</i> and rationalise the organisations losing functions as appropriate e.g. the <i>County Enterprise Boards</i>			903*	828*	EI only
<i>County Enterprise Boards</i>			122	130	
Rationalise IDA & Enterprise Ireland overseas offices — will contribute to measures 19			282**	264**	IDA only
<i>Shannon Development's</i> enterprise functions should be transferred to EI/IDA as appropriate. Surplus property assets should be realised for the benefit of the Exchequer.			132***	116***	SFADCO only
Rationalise all employment services provided/funded by the State into a single operation offering a consistent nationwide service		1			
<i>FÁS</i>			2,242	1,936	
Relocate all IR institutions to a single location with increased potential for shared services and efficiencies, and rationalise the industrial relations institutions over the medium term					
Merge the <i>Health and Safety Authority</i> and the <i>National Employment Rights Authority</i> into one <i>Work Place Inspectorate</i> .			200	185	HSA only
Formally merge the functions of the <i>Registrar of Friendly Societies and Companies Registration Office</i> and secure additional efficiencies					
Merge the <i>Irish Takeover Panel</i> with the <i>Competition Authority</i>					

Table 1: Agency Rationalisations in the Special Group Report — *continued*

	Proposal adopted		Numbers Employed		
	In Full	Partial	q4 2008	q4 2010	
ENVIRONMENT, HERITAGE & LOCAL GOVERNMENT					
Rationalise housing agencies and schemes		1	72	59	
Rationalise the number of local authority structures into a single tier by discontinuing town councils and regional authorities, and reduce the remaining single tier from 34 city and county councils to 22 local authorities.			35,008	30,703	
Merge the functions of Comhar into the Department			0	0	
Valuation Office					
Merge the <i>Valuation Office</i> and the <i>Ordnance Survey of Ireland (OSI)</i> with the <i>Property Registration Authority (PRA)</i>					
Valuation Office			158	146	
OSI			310	290	
Office of the Commission for Public Service Appointments					
Potential to merge the <i>Office of the Commission for Public Service Appointments</i> with the <i>Office of the Ombudsman</i> [It is intended that this proposal will be given legislative effect in the forthcoming <i>Ombudsman (Amendment) Bill</i>]		1			
Office of the Ombudsman			94	88	
CPSA			12	8	
Office of the Ombudsman					
Amalgamate ombudsmen/regulators offices into the <i>Office of the Ombudsman</i>					
HEALTH					
Merge the <i>Health Research Board</i> with single stream of science funding			84	71	
Merge the <i>Health Insurance Authority</i> into the <i>Financial Regulator</i>			9	9	

Table 1: Agency Rationalisations in the Special Group Report — *continued*

	Proposal adopted		Numbers Employed		
	In Full	Partial	q4 2008	q4 2010	
JUSTICE					
Merge the <i>Property Services Regulatory Authority</i> with the <i>Private Residential Tenancies Board</i>		1			
<i>Property Services Regulatory Authority</i>			11	11	
<i>Private Residential Tenancies Board</i>			23	85	
Transfer the Irish Film Classification Office into the Broadcasting Authority of Ireland			8	17	IFCO ONLY
Merge the <i>Valuation Office</i> and the <i>Ordnance Survey of Ireland</i> with the <i>Property Registration Authority</i>		1	686	588	PRA ONLY
SOCIAL PROTECTION					
Merge <i>Pensions Ombudsman</i> with the <i>Financial Service Ombudsman</i>					
<i>Pensions Ombudsman</i>			10	10	
Merge <i>Pensions Board</i> with the <i>Financial Regulator</i>					
<i>Pensions Board</i>			40	39	
Department of the Taoiseach					
Discontinue NESF and NCPP	1		24	19	Staff to NESDO

Table 1: Agency Rationalisations in the Special Group Report — *continued*

	Proposal adopted		Numbers Employed		
	In Full	Partial	q4 2008	q4 2010	
Attorney General's Office					
Discontinuation of <i>Law Reform Commission</i>		1	27	19	
TRANSPORT					
Merge the <i>National Vehicle and Driver File</i> into the <i>Road Safety Authority</i>			N/A	N/A	
Proposed amalgamation of NRA and RPA (This is currently still a proposal and a Steering Group has been set up to examine the possibility) Numbers for 2008 NRA=146, RPA =257; Number for 2010 NRA=135, RPA=295			403	430	
Examine the possibility of creating a single transport safety body comprising existing separate bodies (RSA, RSC, MSD, IAA) [The administrative co-location of the three units Air Accident Investigation Unit, Marine Casualty Investigation Board, and Railway Accident Investigation Unit will be achieved in the week commencing 31 January 2011 and work on the legislation to give statutory effect to the measures necessary to amalgamate the investigation units has commenced]		1	N/A	N/A	

Health Service Staff

26. **Deputy Jack Wall** asked the Minister for Finance the reasons a person (details supplied) has not been allocated a P45 by their employer the Health Service Executive; the mechanism that is available to the person to ensure the form is allocated; and if he will make a statement on the matter. [4343/11]

Minister for Finance (Deputy Brian Lenihan): I am advised by the Revenue Commissioners that the HSE have confirmed a P45 was issued to the named individual on 24th January 2011.

Ministerial Correspondence

27. **Deputy Fergus O'Dowd** asked the Minister for Finance his response to correspondence (details supplied); and if he will make a statement on the matter. [4346/11]

Minister for Finance (Deputy Brian Lenihan): The correspondence which the Deputy refers to proposes that mortgage holders should be able to access monies invested in their pension funds before the date of maturity in order to meet mortgage repayments on their homes or investment properties. Responsibility for occupational pensions' policy rests with my colleague the Minister for Social Protection. However, as the Deputy will be aware his issue was commented on briefly in the Final Report by the Mortgage Arrears and Personal Debt Group (Group) set up by me to make recommendations for improving supports for homeowners in difficulty with their mortgage repayments. While the Group did not consider in any great detail the issue of accessing pension funds, it did recognize that this is a complex matter with long term implications. Any such measure for example would have tax implications for the individual concerned.

The rationale for giving various tax reliefs to statutory and Revenue-approved pension savings schemes is to encourage and promote savings over the long term in order that individuals will have an adequate replacement income in old age. Any proposal, however well intentioned, that would allow pre-retirement access by individuals to retirement savings could significantly reduce the quantum of pension savings available to those individuals in retirement.

Emerging demographic indicators point to increasing numbers of people living longer and healthier lives with more of their lives spent in retirement than previously. In those circumstances, I think it is important to protect pension savings to ensure an adequate post-retirement income.

Revenue approval of occupational pension schemes is given on the basis, essentially, that benefits may generally only be paid at the point of retirement (usually from age 60) or death, whichever is the earlier. Similar rules apply in the case of personal pensions such as retirement annuity contracts and PRSAs. I have no plans to amend these provisions.

As has been stated on many occasions in this House, it is a priority of the Government to ensure that as far as possible that difficulties in relation to mortgage arrears do not result in legal proceedings for home repossession. I am confident that the support measures been taken by Government, including the Code of Conduct on Mortgage Arrears, the Mortgage Interest Subsidy Scheme and the services provided by MABS, are having a positive effect alongside the recommendations of the Mortgage Arrears and Personal Debt Group which I referred to earlier.

Tax Code

28. **Deputy Bernard J. Durkan** asked the Minister for Finance when a refund of income tax

paid will be made in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [4370/11]

Minister for Finance (Deputy Brian Lenihan): I have been advised by the Revenue Commissioners that they are still awaiting further information from the taxpayer concerned before they will be in a position to deal with any possible refund.

29. **Deputy Noel Ahern** asked the Minister for Finance if he will clarify the situation regarding the increased taxation and the universal social charge as announced in budget 2011 particularly for working widows; the reason widows have been treated more harshly than other workers; and if he will make a statement on the matter. [4391/11]

Minister for Finance (Deputy Brian Lenihan): The position is that all income tax credits with the exception of the aged tax credits were reduced by approximately 10% in Budget 2011. In addition, the single standard rate band was reduced by approximately 10% and the relationship between the single standard rate band and the additional rate bands was maintained. For example, the one-parent family rate band which is available to widowed parents is still €4,000 greater than the single standard rate band. As the income tax code has many favourable provisions relating to the tax treatment of widowed persons, particularly widowed parents with dependent children, the cumulative effect of the 10% reduction in income tax credits and tax bands in Budget 2011 has seen widowed persons losing more when compared to a single income earner on the same income. However, I would point out that a widowed person is still far better off in terms of net income after deductions when compared to a single individual on the same income.

The Universal Social Charge (USC) was introduced in Budget 2011 and it replaced the Income Levy and Health Levy. The USC is a more equitable charge that applies on a wider base at a low rate. It removes the steps and poverty traps associated with the Income Levy and Health Levy. It should be noted that payments from the Department of Social Protection such as the widowed person's contributory State pension are exempt from the USC. The Universal Social Charge (USC) is applied at the following rates:

- 2% on the first €10,036 (€193 per week)
- 4% on the next €5,980 (€193.01 to €308.00 per week) and
- 7% on the balance.

In addition, I should point out that I introduced a Committee Stage amendment during the Finance Bill 2011, which provides for medical card holders to be chargeable to the USC at the following rates:

- 2% on the first €10,036 (€193 per week)
- 4% on the balance.

Widowed persons in receipt of a widowed person's State pension were previously exempt from the Health Levy and there are no such exemptions from the USC. Therefore, widowed persons will see their net pay reduce as a consequence of the introduction of the USC. However, I would point out again that a widowed person is still better off in terms of net income after deductions when compared to a single individual on the same income.

Universal Social Charge

30. **Deputy Noel Ahern** asked the Minister for Finance the position regarding the introduction of the universal social charge; if he will outline the rates applying to retired public servants in receipt of medical cards and the rates applying where the sole income is public service pension; where income is public service pension and other, that is another occupational pension and social welfare State pension; and if he will make a statement on the matter. [4398/11]

Minister for Finance (Deputy Brian Lenihan): The position is that the Universal Social Charge (USC) is applied at the following rates:

- 2% on the first €10,036 (€193 per week)
- 4% on the next €5,980 (€193.01 to €308.00 per week) and
- 7% on the balance.

For persons aged 70 years and over the USC is applied at the following rates:

- 2% on the first €10,036 (€193 per week)
- 4% on the balance.

In addition, I should point out that I introduced a Committee Stage amendment during the Finance Bill 2011, which provides for medical card holders to be chargeable to the USC at the following rates:

- 2% on the first €10,036 (€193 per week)
- 4% on the balance.

Furthermore, it should be noted that payments from the Department of Social Protection such as the contributory and non-contributory State pension are exempt from the USC. Also, where an individual's total income which is chargeable to the USC, is below €4,004 in a year of assessment, the USC would not apply.

Therefore, based on the question put forward by the Deputy, where a retired public servant is in receipt of a medical card and has a State pension from the Department of Social Protection and a public service pension they will only be chargeable to the USC on their public service pension at a rate of 2 per cent on the first €10,036 per annum and 4 per cent on the balance, assuming it is above €4,004 per annum.

Medical Cards

31. **Deputy Jack Wall** asked the Tánaiste and Minister for Health and Children the position regarding an application for a medical card in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [4230/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

Medical Reviews

32. **Deputy Caoimhghín Ó Caoláin** asked the Tánaiste and Minister for Health and Children the position regarding the report on symphysiotomy requested from the Institute of Obstetricians and Gynaecologists; if the proposed literature review to be undertaken by a team from

the Liverpool School of Tropical Medicine has been replaced by research commissioned from a university school of public health; the name and location of the school in question; the name and status of the person directing this research; the brief for the research, that is, the terms of reference specified; if substantive work has commenced on this project; the deadline for this research; the amount of taxpayers' money, if any, to be expended on this exercise; if the report team headed by a person (details supplied) is still in place, and if so, the composition of that team; if not, the composition of the replacement team and if no replacement team, the process now envisaged for the completion of the overall report from the institute to her; if substantive work has commenced on this overall report and the date now envisaged for the delivery of the completed report from the Institute to her. [4234/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As indicated in a reply to a previous Parliamentary Question on 13 January 2011, the Institute of Obstetricians and Gynaecologists sought to make arrangements for the review to be carried out by an external team. Unfortunately, it was not possible to progress this in the way originally proposed. I understand that the Institute is now making alternative arrangements with the assistance of a university school of public health.

Discussions on how best to proceed are in progress and I understand that a project plan is being prepared by the school for consideration by the Institute. I am committed to ensuring that the work proceeds as soon as possible.

Health Service Staff

33. **Deputy Jack Wall** asked the Tánaiste and Minister for Health and Children the reasons the Health Service Executive will not allocate a P45 to a former employee (details supplied) despite the fact that they have sought such a form on a number of occasions; and if she will make a statement on the matter. [4344/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter, it has been referred to the HSE for attention and direct reply to the Deputy.

Medical Cards

34. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Health and Children when a medical card will issue to persons (details supplied) in County Kildare; and if she will make a statement on the matter. [4362/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

Health Services

35. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Health and Children if continuation of dental treatment can or will be offered to a person (details supplied) in County Kildare which was previously approved; and if she will make a statement on the matter. [4386/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the HSE for direct reply.

36. **Deputy Noel Ahern** asked the Tánaiste and Minister for Health and Children if she can obtain a residential place in respect of a person (details supplied) in Dublin 9; and if she will make a statement on the matter. [4388/11]

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.

Inter-Country Adoptions

37. **Deputy Noel Ahern** asked the Tánaiste and Minister for Health and Children further to Parliamentary Question No. 154 of 4 November 2010, in relation to the setting up of a bilateral agreement on adoption with Russia, the position regarding same; if she will report on action taken; if she will provide a target date for completion; her views on the reason the children's rights Ombudsman in Russia, while recently making a full statement on adoption issue, reported that they expected this year to complete bilateral agreements with the USA and France and made no reference to Ireland; and if she will make a statement on the matter. [4393/11]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): As stated in my previous reply, 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. I am still awaiting a response to this letter. I will continue to engage with the Russian authorities on this matter.

As with any bilateral agreement on intercountry adoption, a bilateral agreement with Russia would need to be explicit on the issues of consent and the financial costs of effecting an adoption.

Care of the Elderly

38. **Deputy Catherine Byrne** asked the Tánaiste and Minister for Health and Children the position regarding the National Positive Aging Strategy; the major developmental phases of the strategy and the timeframe for same; when the strategy will be completed; and if she will make a statement on the matter. [4400/11]

39. **Deputy Catherine Byrne** asked the Tánaiste and Minister for Health and Children the details of the consultation process for the National Positive Ageing Strategy; and if she will make a statement on the matter. [4401/11]

40. **Deputy Catherine Byrne** asked the Tánaiste and Minister for Health and Children the institutional arrangements for the development, implementation, monitoring and review of the national Positive Ageing Strategy; and if she will make a statement on the matter. [4402/11]

Minister of State at the Department of the Health and Children (Deputy Áine Brady): I propose to take Questions Nos. 39 to 40, inclusive, together.

The development of a National Positive Ageing Strategy arises from a commitment in the Programme for Government 2007-2012. It is being developed within the constraints posed by the present fiscal situation. It is not the intention that it will propose new service developments; rather it will set the strategic direction for future policies, programmes and services for older people in Ireland. It is envisaged that the Strategy will set out a common framework for the development of operational plans by Government Departments clearly setting out their objectives relating to older people, as well as the development of ongoing mechanisms designed to monitor progress and identify challenges facing older people in the future.

Development of the Strategy is being assisted by a Cross-Departmental Group (CDG), comprised of officials from 11 Government Departments, the Central Statistics Office and An Garda Síochána, and is chaired by the Director of the Office for Older People. An NGO Liaison Group comprising representatives of twelve national-level non-governmental organisations with an interest in older people's issues has been established under an independent chair. An Expert Advisory Group, which is in the process of being established, will also inform the process.

Research has been commissioned on national strategies for older people in other jurisdictions. The Strategy will also take cognisance of other strategies and policy documents developed in Ireland over the past decade, and the strategy will be underpinned by the *UN Principles for Older Persons*, the World Health Organisation's *Active Ageing: A Policy Framework* (2002), and the *Madrid International Plan of Action on Ageing* (2002).

The development of the Strategy will also be informed by information gained through a public consultation process. A call for written submissions was issued in June 2009 and 190 submissions were received from a broad range of stakeholders. Following the written consultation process, a series of nine consultation meetings was held from March to May 2010. These meetings, attended by approx 1200 people, were held in Cork, Sligo, Galway, Kildare, Wexford, Newcastle West, Dundalk, Dublin and Athlone. Meetings were also held in April 2010 with groups representing vulnerable and marginalised older people. A round-table meeting was also held with stakeholders involved in the Louth Age Friendly County Initiative with a view to learning more about the approaches taken in relation to older people's issues in County Louth.

A report on the consultation process to highlight issues which older people and service providers raised was finalised and published on 22 November 2010. The report also outlines other relevant background information.

Work on the preparation of the Strategy and the development of monitoring and review structures and processes are on-going in consultation with the groups listed above.

Age of Consent

41. **Deputy Charles Flanagan** asked the Tánaiste and Minister for Health and Children her position on the age of consent; and if she will make a statement on the matter. [4403/11]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): The age of consent is a matter for the Minister for Justice and Law Reform. The Department of Justice and Law Reform has provided me with the following information. The Deputy will be aware that a majority of members of the Joint Committee on the Constitutional Amendment on Children favoured a reduction in the age of consent from 17 to 16. In Northern Ireland, the age of consent has been reduced to 16 bringing it in line with the age threshold in the rest of the UK.

A Draft General Scheme to implement the majority recommendation of the Joint Committee is close to finalisation. The proposed reduction will also make it easier to harmonise our laws protecting young persons against sexual abuse with those in Northern Ireland. It would reduce confusion about the age and remove anomalies, particularly in border areas where young people cross the border regularly to socialise.

Garda Vetting of Personnel

42. **Deputy Charles Flanagan** asked the Tánaiste and Minister for Health and Children her view on enacting legislation to facilitate the use of soft information in vetting individuals work-

[Deputy Charles Flanagan.]

ing with children; the practical implications of this change; if this will have resource implications; and if she will make a statement on the matter. [4404/11]

Minister of State at the Department of Health and Children (Deputy Barry Andrews): The Office of the Minister for Children and Youth Affairs, in conjunction with the Department of Justice, Equality and Law Reform, is drafting the Heads for the National Vetting Bureau Bill. Formal consultations have taken place with the Health Service Executive, An Garda Síochána and colleagues in other Government Departments. Once complete the Heads and General Scheme will be submitted to Government for approval to proceed to the drafting of the legislation.

This area has also been considered by the Joint Committee on the Constitutional Amendment for Children and the findings of the Committee are being considered in the preparation of the legislation.

The National Vetting Bureau Bill will make provision for a statutory basis for the vetting of applicants for employment and employees. The vetting process will provide for the identification of both hard and ‘soft/ relevant information’, in particular, information relating to the endangerment, sexual exploitation or sexual abuse, or risk thereof, to children and vulnerable adults.

A number of complex issues, including rights of citizens under the Constitution and human rights generally, require to be addressed in the preparation of the legislation. The use of ‘soft/relevant information’ for vetting purposes is inherently complex and great care must be taken in the drafting of the Heads and General Scheme to ensure that due account is taken of the complex constitutional, legal and ethical issues which arise.

The establishment of a new National Vetting Bureau would give rise to a need for additional resources. The quantification of this resource will take place in the context of the legislative process, in particular as part of the required Regulatory Impact Analysis.

Hospital Procedures

43. **Deputy Seán Ó Feargháil** asked the Tánaiste and Minister for Health and Children if she will request the Health Service Executive to expedite an essential surgical procedure in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [4405/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter, it has been referred to the Health Service Executive for direct reply.

Hospital Accommodation

44. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children if the 24 beds currently closed at Naas General Hospital County Kildare will be reopened; if so, when and if not the reason for same. [4423/11]

45. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children when staff will be hired at Naas General Hospital County Kildare to enable the opening of the new medical assessment unit. [4424/11]

46. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children when additional nursing staff will be hired at Naas General Hospital County Kildare to relieve pressure on the accident and emergency department. [4425/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): I propose to take Question Nos. 44 to 46, inclusive, together.

As these are service matters, they have been referred to the Health Service Executive for direct reply.

Health Services

47. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children the number of children and adults assessed as requiring occupational therapy and who are awaiting the provision of same in the Kildare and west Wicklow and the average waiting time for the commencement of treatment. [4426/11]

49. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children her plans to reduce the waiting times for assessment of children for occupational therapy in Kildare and west Wicklow which at present stands at one year. [4428/11]

50. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children the number of speech and language therapists employed in the speech and language therapist service in Kildare and west Wicklow and the number that would be required to meet the demand of the service in view of the fact that on the 30 June 2010 there were over 2,000 children awaiting either therapy or assessment. [4429/11]

Minister of State at the Department of Health and Children (Deputy John Moloney): I propose to take Questions Nos. 47, 49 and 50 together.

As the Deputy's questions relate to service matters, I have referred these questions to the Health Service Executive for direct reply.

48. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children the number of occupational therapist employed in the occupational therapy service in Kildare and west Wicklow and the number that would actually be required to deal with the workload in the area. [4427/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter, it has been referred to the HSE for attention and direct reply to the Deputy.

Questions Nos. 49 and 50 answered with Question No. 47.

51. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children the steps she will take with the Health Service Executive to establish the reason there is an 18 month waiting time for an eye test for children at Naas health centre County Kildare. [4430/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the HSE for direct reply.

Health Service Staff

52. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children if discussions between the Health Service Executive senior management and the community welfare senior management in relation to securing accommodation for a public community welfare office in Naas County Kildare have concluded satisfactorily. [4431/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): I am aware that the Health Service Executive, in reply to Question No. 137 of 13 January 2011, from Bernard

[Deputy Mary Coughlan.]

Durkan, TD indicated that it has been agreed that, subject to its feasibility, the Health Centre at Sarto Road, Naas will be vacated and assigned for use by the Community Welfare Service. The premises is being examined at present and plans for adaptation to the requirements of the Community Welfare Service will be drawn up in the near future. It is hoped that this work can, subject to feasibility, commence as soon as possible after the building is vacated.

Health Services

53. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children the number of children awaiting orthodontic treatment following assessment in Kildare and west Wicklow and the average waiting time for treatment. [4434/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the HSE for direct reply.

54. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children the number of children awaiting assessment for orthodontic treatment in Kildare and west Wicklow and the average waiting time for assessment [4435/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the HSE for direct reply.

Health Service Staff

55. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children when the primary care team planned for Kilcock, County Kildare will be up and running. [4437/11]

56. **Deputy Emmet Stagg** asked the Tánaiste and Minister for Health and Children if a site for a new health centre at a location (details supplied) in County Kildare has been identified and if not, the action the Health Service Executive will take to source same. [4438/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): I propose to take Questions Nos. 55 and 56 together.

As these are service matters they have been referred to the Health Service Executive for direct reply to the Deputy.

Hospital Waiting Lists

57. **Deputy Michael Ring** asked the Tánaiste and Minister for Health and Children when a person (details supplied) in County Mayo will be admitted for surgery to a hospital. [4453/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter, it has been referred to the HSE for direct reply.

Medical Cards

58. **Deputy John McGuinness** asked the Tánaiste and Minister for Health and Children if a medical card will be issued as a matter of urgency in respect of a person (details supplied) in County Carlow and if she will expedite a response. [4459/11]

Tánaiste and Minister for Health and Children (Deputy Mary Coughlan): As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

State Airports

59. **Deputy Noel Grealish** asked the Minister for Transport if the figure published in section 7.5 key indicator 5 — operating costs per airport, table 7.4 for Galway Airport contained in the report Value for Money Review of Exchequer Expenditure on the Regional Airports Programme — Department of Transport June 2010 is incorrect based on the audited accounts as submitted to his Department (details supplied); and if he will make a statement on the matter. [4232/11]

Minister for Transport (Deputy Pat Carey): The Value for Money Review of Exchequer Expenditure on the Regional Airports Programme was completed during 2010 and published on 12 January 2011. The figure referred to by the Deputy for operating costs at Galway Airport in 2009 is correctly stated as €3,588,827 in Section 6.4.4. Galway Airport — Table 6.15 Revenues, Costs and OPEX subvention received since 2005. However, due to a clerical error the figure for operating costs in 2009 was incorrectly stated in the further table and location in the Report mentioned by the Deputy. I would like to apologise for this mistake and to assure the Deputy that the reference and any related commentary in the section of the Review will be rectified.

Section 6.4.4. of the Review correctly noted that the trend towards steadily increasing OPEX subvention “continued until last year [2009], when a major cost cutting scheme by the airport meant that losses sustained were minimised somewhat.” The Review also correctly commented that “Despite having the benefit of a PSO route, Galway Airport was still not breaking even during the height of the economic boom. Further losses along the lines of what were sustained in 2009 are to be expected in the short-term at least. All things being equal, this means that OPEX funding in the region of €1m will be required to make up the shortfall.” For 2010, a total of €1,799,339 was provided to Galway under the OPEX scheme.

I should point out that Key Indicator 5, was only one of the indicators used in the Review and the overall conclusions and recommendations of the Review are not affected.

Proposals for revised schemes for the Core Airport Management Operational Expenditure Subvention (OPEX) scheme and the Capital Expenditure Grants (CAPEX) scheme will be submitted to Government in due course.

Citizenship Applications

60. **Deputy Bernard Allen** asked the Minister for Justice and Law Reform when a decision will issue on an application for a certificate of naturalisation in respect of a person (details supplied) in County Cork. [4245/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): A valid application for a certificate of naturalisation from the person referred to in the Deputy’s Question was received in the Citizenship Division of my Department in November 2008.

The application is being processed in the normal way with a view to establishing whether the applicant meets the statutory conditions for the granting of naturalisation and will be submitted to me for decision in due course. While the average time from application to decision is 26 months, processing requirements and time taken to carry out necessary checks vary from case to case.

I should remind the Deputy that queries in relation to the status of individual Immigration cases may be made direct to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such

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cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

Departmental Expenditure

61. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform if he paid for the costs for the unsuccessful asylum seekers who had to return from Athens airport in view of the fact that no safe aircraft was available to take them to Nigeria; if so, the steps he is taking to recover this money from the flight operator as well as any other costs incurred by the State; if he has been able to establish if the flight operator has an insurance policy in place to deal with such liabilities; and if he will make a statement on the matter. [4279/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I am not in a position to indicate at this point the costs incurred during this operation. I can inform the Deputy however that discussions are ongoing with the relevant parties and my Department has insisted that all reasonable costs are recouped from the flight operator.

Language Analysis Services

62. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 151 of 9 June 2010, if the tendering process for language analysis has taken place; the number of tenders received; the selection criteria; the names of the successful companies; and if he will make a statement on the matter. [4280/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I am advised by the Irish Naturalisation and Immigration Service that a new tender in respect of language analysis services is nearing completion and is expected to issue in the very near future. The drafting of the tender is complex particularly because of stricter rules on tendering introduced by the European Commission having regard to the EU Remedies Directive.

Immigration Issues

63. **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 in Ireland for the purpose of civil litigation against these non-nationals; if he will detail the proper channels to be used by the UK Border Agency when it is seeking such information; the circumstances under which an immigration officer can give evidence on non-nationals who lived in Ireland to the civil courts in the UK; the number of such requests made in 2010; and if he will make a statement on the matter. [4281/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): 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”.

In circumstances where any law enforcement authority in the UK requires An Garda Síochána to provide evidence which it is intended is to be used in a criminal prosecution in the UK, it is necessary for a formal request for legal assistance to be made through the Central Authority for Mutual Assistance at the Department of Justice and Law Reform.

In the event that a member of An Garda Síochána is required to offer evidence relating to any persons immigration status in this State, in court proceedings of a civil nature, in another jurisdiction, including the UK, the permission of the Commissioner will be sought for the member concerned to travel to the relevant jurisdiction for the purpose of offering the evidence required.

No application was received from the UK immigration authorities in 2010, for any member of An Garda Síochána attached to the Garda National Immigration Bureau (GNIB) to travel to the UK for the purpose of offering evidence in a UK court in civil proceedings undertaken in that jurisdiction.

EU Directives

64. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 891 of 29 September 2010, if his attention has been drawn to the fact that the new Government in the UK is now considering opting into this directive; if he will consider opting into this directive or the part of the directive that would require rogue employers to pay wages to undocumented workers that they failed to pay; and if he will make a statement on the matter. [4282/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): Directive 2009/52/EC provides for minimum standards on sanctions and measures against employers of illegally staying third country nationals. The Directive is targeted at the illegal employment of third country nationals in order to counteract illegal immigration. It provides minimum standards on sanctions and measures, including disqualification from public benefits and, in serious cases, criminal penalties against employers of illegally staying third country nationals.

The Directive was adopted in the summer of 2009 and Member States are expected to have transposed the measure into national law by the second half of 2011. The Commission will then report on the coming into operation of the measure in February 2012 after it has come into effect in all affected Member States.

Neither Ireland nor the UK have opted into the Directive, to date, under the provisions of the protocol to the Treaties on the special position of Ireland and the UK. My Department was aware, however, that the UK authorities have commenced a formal review, in line with commitments made to their national parliament, on the possibility of opting into the Directive under the post adoption procedure provided for in the Twenty First Protocol to the TFEU.

[Deputy Brendan Smith.]

As stated previously, the question of Ireland opting into the Directive is something that is kept under review by my Department. The outcome of the UK process will clearly be relevant in that context.

Departmental Staff

65. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform the location of visa offices that operate in Irish embassies overseas; the number of civil servants from his Department by grade employed in each embassy location; if any other civil servants from his Department are employed in Irish embassies abroad and if so the location and capacity of same; and if he will make a statement on the matter. [4283/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I would refer the Deputy to my Reply to Parliamentary Question 95 on 24 November, 2010.

Visa Applications

66. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform the position regarding naturalisation in respect of a person (details supplied). [4286/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): A valid application for a certificate of naturalisation from the person referred to in the Deputy's Question was received in the Citizenship Division of my Department in February 2009.

The application is being processed in the normal way with a view to establishing whether the applicants meets the statutory conditions for the granting of naturalisation and will be submitted to me for decision in due course.

I should remind the Deputy that queries in relation to the status of individual Immigration cases may be made direct to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

Prisoner Statistics

67. **Deputy Ciarán Lynch** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 55 of 8 December 2010, if the requested information is now available; and if he will make a statement on the matter. [4297/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I am pleased to inform the Deputy that the information is now to hand. The number of prisoners in custody on the 17th December 2010 (when the survey required to answer this Question was initiated) was 4,397. Details are set out in the table.

The Deputy will be aware that there has been major progress in recent years in terms of addressing and eliminating the problems presented by slopping out. 72% of our accommodation now has in-cell sanitation. New spaces at Castlerea, Portlaoise and Wheatfield Prisons have been made available. In addition, construction has commenced on the extension to the Midlands Prison which is due to open in 2012. With these developments, the proportion of prisoners with access to full sanitation facilities will rise to in excess of 80% of the total prisoner population. The final elimination of the remaining outdated accommodation, mainly at Mountjoy and Cork Prisons, and to a lesser degree at Portlaoise and Limerick is dependent on the progress of the Thornton Hall and Kilworth Projects.

I might also add that a new camping style toilet/commode has been tested recently on a trial basis, in Mountjoy, Limerick and Cork Prisons. I understand the initial feedback from prisoners was positive and the Irish Prison Service is now rolling out this initiative to all areas where prisoners currently slop out. The Irish Prison Service also has toilet patrols in operation until late evening in Mountjoy, Cork and Limerick Prisons with staff rostered to provide this function after final lock in the evenings. Prisoners requesting to use toilet facilities after these times are accommodated where possible. The possibility of extending toilet patrols is being further examined by the Irish Prison Service.

Finally, in assembling the information for this reply, the Deputy may wish to note the following interpretations placed on the Question:

1. Where the Question refers to “in private”, this is taken to mean that modesty screens are available when prisoners wish to use toilets / chamber pots. The term “private” is taken to refer to the availability of a modesty screen because, for operational and prisoner safety reasons, no prisoner is allowed to be entirely out of the view of prison staff at any time.
2. The term “prisoners required to use normal toilet facilities but in the presence of others” is taken to refer to prisoners occupying cells with a normal flush toilet installed but where the cells are occupied by more than one prisoner.

Institution	Number in custody on 17/12/2010	No. of prisoners who are sole occupants of a cell that has a normal flush toilet installed or have access to toilet facilities in private at all times	No. of prisoners who are required to slop-out	No. of prisoners who are required to use normal toilet facilities in the presence of others
Arbour Hill	154	82	0	72
Castlerea	382	143	0	239
Cloverhill	449	38	0	411
Cork	306	7	299	0
Dóchas	137	41	0	96
Limerick Male	298	86	99	142
Limerick Female	29			
Loughan House	99	99	0	0
Midlands	553	335	0	218
Mountjoy	683	57	515	111
Portlaoise	268	91	51	126
Shelton Abbey	100	100	0	0
St. Patrick's Institution	210	120	0	90
Training Unit**	113	74	39	0
Wheatfield	616	255	0	361
Total	4,397	1,528	1,003	1,866

**In relation to the Training Unit, it should be noted that the 39 prisoners required to slop out have access to private toilet facilities during the day and evening.

Prison Accommodation

68. **Deputy Ciarán Lynch** asked the Minister for Justice and Law Reform the number of prisoners, in total and in each institution, that are locked up for 23 hours or more in a normal

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day; for 22 to 23 hours in a normal day; for 20 to 22 hours in a normal day; for 18 to 20 hours in a normal day; and if he will make a statement on the matter. [4301/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): The information requested by the Deputy is set out in the table and relates to the situation as it pertained on the 26 January, 2010.

The primary role of the Irish Prison Service is the provision of safe and secure custody for prisoners. The majority of prisoners on lock up are those who would be considered to be under threat or “at risk” in the general population due, for example, to gangland feuding, drug debts, because they gave evidence in a court case or because of the nature of their offences, e.g. those of a sexual nature.

The requirement for prisoners who request protection to be accommodated in separate areas from other identified persons from whom they may be at risk is of primary importance. In that regard a number of our prisons have significant numbers of what would be regarded as protection prisoners accommodated on separate landings. These prisoners have access to a wide regime of activities including school, workshops, gym facilities, probation and chaplaincy services.

Notwithstanding that, there is a cohort of protection prisoners who are subject to a more restricted regime. The majority of these prisoners are located in our older prisons. These prisons are not in a position to offer enhanced regimes because of constraints on space, resources, staffing levels and the number of factions which have to be kept separate from each other. Nonetheless, efforts are made on a continuous basis to reduce the numbers of protection prisoners who fall into this category and regular transfers take place to other institutions where a prisoner will not require protection.

Prison/Place of Detention	Number in custody on 18-20 hour lock up	Number in custody on 20-22 hour lock up	Number in custody on 22-23 hour lock up	Number in custody on 23 hours or more lock up
Arbour Hill	0	0	0	0
Castlerea	0	0	26	4
Cloverhill	43	0	0	0
Cork	13	4	0	0
Dóchas Centre	0	0	0	1
Limerick	0	0	0	64
Loughan House	0	0	0	0
Midlands	4	0	0	33
Mountjoy	0	103	0	59
Portlaoise	0	0	0	22
Shelton Abbey	0	0	0	0
St. Patrick's Institution	0	57	0	0
Training Unit	0	0	0	0
Wheatfield	0	0	0	67
Total	60	164	26	250

Proposed Legislation

69. **Deputy Jim O’Keeffe** asked the Minister for Justice and Law Reform the position regard-

ing the concerns expressed in relation to sections 35 to 39 of the Land and Conveyancing Law Reform Act 2009; the steps being taken to review same and to propose amendments thereto; and if he will make a statement on the matter. [4326/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): The position is that my Department has already met with the Law Society to discuss their submission in relation to sections 35 to 39 of the 2009 Act and is currently engaged in discussions with the Law Reform Commission and the Property Registration Authority with a view to identifying how best to address issues relating to easements raised in the submission.

Citizenship Applications

70. **Deputy Jack Wall** asked the Minister for Justice and Law Reform the procedure a person (details supplied) in County Kildare has to adhere to in seeking Irish citizenship in view of the fact that the applicant has Irish connections; and if he will make a statement on the matter. [4328/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): A person born outside of Ireland with a parent who was born in Ireland is automatically an Irish citizen by descent.

A person born outside of Ireland with a parent who was also born outside Ireland and a grandparent who was born in Ireland may become an Irish citizen by registration in the Foreign Births Register, which is maintained by the Department of Foreign Affairs.

If a person wishes to apply for Irish citizenship through a great grandparent born in Ireland, the position is more complex. Eligibility depends on one of the applicant's parents, i.e. the grandchild of the person born in Ireland, being already entered in the Foreign Births Register, the date of that registration and the applicants date of birth.

If persons are not entitled to Irish citizenship in these circumstances, they can apply for Irish citizenship through naturalisation. Such applications are considered under the Irish Nationality and Citizenship Act 1956, as amended. The applicant must fulfil certain statutory requirements including requirements in relation to residency. However I am empowered to dispense with the statutory conditions in whole or in part in certain circumstances — for example where the applicant is of Irish descent or Irish associations. Every such application is decided upon on its individual circumstances and in accordance with the law.

Irish Prison Service

71. **Deputy Frank Feighan** asked the Minister for Justice and Law Reform if he will issue a full reply to representations sent to his office on 20 December 2010 and also to the head of human resources in the Irish Prison Services, on behalf of a person (details supplied). [4337/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I am pleased to inform the Deputy that a full reply has issued from the Director of Human Resources of the Irish Prison Service to his representation of the 21st December 2010. It has been confirmed to me by the Irish Prison Service that the matter raised has been resolved to the satisfaction of the person on whose behalf you made the representation was made.

Visa Applications

72. **Deputy Arthur Morgan** asked the Minister for Justice and Law Reform when an application for family reunification will be completed in respect of a person (details supplied); if two years is an average waiting time for such applications; and if he will make a statement on the matter. [4341/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I have been informed by the Irish Naturalisation and Immigration Service (INIS) that the person referred to made an application for Family Reunification in January 2009.

I understand that a letter issued to the person's legal representative in July 2010 informing them that the INIS is waiting on an interdepartmental report. A further letter issued on the 5th January 2011 advising the person concerned that they should contact their legal representative.

In recent years significant progress had been made in reducing the waiting period to 15-16 months. However, some cases may take considerably longer than this. Family Reunification cases, of their nature, can give rise to longer than average processing times because of the necessary checks to establish the family relationships and, where appropriate, dependancy on the applicant. This work includes the examination and verification of relevant documentation and other background investigations. In some cases, depending on the country of origin of the applicant, it can prove very difficult to produce the kind of documentation requested. When such documents are lacking this naturally can lead to considerable further delay.

Furthermore, legal proceedings taken in these cases, including cases pending a decision of the Courts, may also affect the processing of applications for family reunification.

I should remind the Deputy that queries in relation to the status of individual Immigration cases may be made direct to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

Residency Permits

73. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform the current or expected residency status in respect of a person (details supplied) in County Dublin; and if he will make a statement on the matter. [4357/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): Arising from the refusal of her asylum application, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the person concerned was notified, by letter dated 16 January 2009, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why a Deportation Order should not be made against her. In addition, she was notified of her entitlement to apply for Subsidiary Protection in accordance with the European Communities (Eligibility for Protection) Regulations 2006.

The position in the State of the person concerned now falls to be decided by reference to the provisions of Section 3(6) of the Immigration Act 1999 (as amended) and Section 5 of the Refugee Act 1996 (as amended) on the prohibition of refoulement. All representations submitted will be considered before the file is passed to me for decision. Once a decision has been made, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

I should remind the Deputy that queries in relation to the status of individual immigration cases may be made directly to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

74. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform the procedure to be followed to upgrade from stamp three to stamp four residency status in respect of persons (details supplied) in County Kildare; and if he will make a statement on the matter. [4358/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I refer the Deputy to my reply to Parliamentary Question No. 564 of 12 January, 2011. My Department wrote directly to the person concerned in August 2010 and to date no response has been received to this request. I advise that the person concerned respond as soon as possible so as to progress this matter.

I should remind the Deputy that queries in relation to the status of individual immigration cases may be made directly to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process. In this specific case, as in all cases, the correct file reference would be of assistance.

Citizenship Applications

75. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform if reference to a court case previously referred to in the determination of application for citizenship is likely to be used again in such determination given that the case in question was struck out as having no basis in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [4359/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): The Irish Nationality and Citizenship Act, 1956, as amended provides that the Minister may, in his absolute discretion, grant an application for a certificate of naturalisation provided certain statutory conditions are fulfilled. One such condition is that the Minister be satisfied that applicant is of good character. An application for a Certificate of Naturalisation from the person concerned was received in the Citizenship Section of my Department in February 2008 and my predecessor decided to refuse the application. The reason for the refusal was disclosed to the applicant in a letter dated 18 January 2011.

It is open to the person in question to lodge a new application at any time. However, in doing so she should bear in mind the reasons for refusal of her previous application. Any further application will be assessed in terms of the statutory requirements applicable at that time.

Residency Permits

76. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform the procedure for renewal or extension of residency status in respect of a person (details supplied) in Dublin 7; and if he will make a statement on the matter. [4360/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I refer the Deputy to my detailed Reply to his recent Parliamentary Question, No. 162 of Thursday, 13th January, 2011, in this matter. The position in the State of the person concerned is as set out in that Reply.

I should remind the Deputy that queries in relation to the status of individual immigration cases may be made directly to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

77. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform the residency status in respect of persons (details supplied) in County Kildare; and if he will make a statement on the matter. [4361/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): There is currently no application pending in my Department for residency in the case of the persons whose details were supplied. If an application for asylum has been made by the person concerned the Deputy will of course be aware that it is not the practice to comment on asylum applications that are pending.

78. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform the way it is deemed that application for long term residency on foot of work permit or stamp 4 has not been received by him in view of the acknowledgement to such received by the applicant by way of letter dated 17 July 2009 in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [4368/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): Officials in the Long Term Residency Section of my Department inform me that having checked their records, no trace of an application for Long Term Residency for the person referred to in the Deputy's Question can be found. A letter was issued to the person in question on 5/1/2011 informing her of this and also the criteria necessary to enable her apply for Long Term Residency.

I should remind the Deputy that queries in relation to the status of individual immigration cases may be made direct to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

79. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform the position regarding residency in respect of a person (details supplied) in County Dublin; and if he will make a statement on the matter. [4371/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): Arising from the refusal of her asylum application, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the person concerned was notified, by letter dated 10th July, 2007, that the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why she should not have a Deportation Order made against her. She was also notified of her entitlement to apply for Subsidiary Protection in accordance with the European Communities (Eligibility for Protection) Regulations 2006.

The person concerned submitted an application for Subsidiary Protection and, following consideration of this application, it was determined that she was not eligible for Subsidiary Protection. The person concerned was notified of this decision by letter dated 25th April, 2008.

The position in the State of the person concerned now falls to be decided by reference to the provisions of Section 3(6) of the Immigration Act 1999 (as amended) and Section 5 of the Refugee Act 1996 (as amended) on the prohibition of refoulement. All representations submitted will be considered before the file is passed to me for decision. Once a decision has been made, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

I should remind the Deputy that queries in relation to the status of individual immigration cases may be made directly to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

80. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform further to Parliamentary Question No. 190 of 7 December 2010, if any details can be found in respect of a person (details supplied) in Dublin 6; and if he will make a statement on the matter. [4373/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): The further information provided by the Deputy has enabled officials in the Citizenship Division of my Department to identify a match with an application received in 2003. While neither the name nor the reference number exactly match the details provided by the Deputy, my officials are satisfied that the file relates to the person referred to in the Deputy's question. Following assessment of this application, it was deemed ineligible as the conditions for naturalisation were not satisfied. A letter informing the applicant of this decision was issued in April 2005 and the file was closed.

I should remind the Deputy that queries in relation to the status of individual Immigration cases may be made direct to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

Citizenship Applications

81. **Deputy Bernard J. Durkan** asked the Minister for Justice and Law Reform if and when a person (details supplied) in Dublin 3 will become eligible for naturalisation; and if he will make a statement on the matter. [4374/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): The Irish Nationality and Citizenship Act, 1956, as amended, provides that the Minister may, in his absolute discretion, grant an application for a certificate of naturalisation if satisfied that certain statutory conditions are fulfilled. The conditions are that the applicant—

- is of full age
- is of good character
- has had a period of one year's continuous residency in the State immediately before the date of application and, during the eight years immediately preceding that period, has had a total residence in the State amounting to four years
- has made, either before a Judge of the District Court in open court or in such a manner as the Minister for special reasons allows, a declaration in the prescribed manner, of fidelity to the nation and loyalty to the State.

In the context of naturalisation, certain periods of residence in the State are excluded. These include:

- periods of residence in respect of which an applicant does not have permission to remain in the State
- periods granted for the purposes of study

[Deputy Brendan Smith.]

- periods granted for the purposes of seeking recognition as a refugee within the meaning of the Refugee Act, 1996.

It is open to the person concerned to lodge an application for a certificate of naturalisation with the Citizenship Division of my Department if and when he is in a position to meet the statutory requirements.

Irish Prison Service

82. **Deputy Noel Ahern** asked the Minister for Justice and Law Reform if he will clarify the situation in relation to a prison officer (details supplied) who left the service, is not currently under benefit and wishes to qualify for past or future payments. [4395/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I can advise the Deputy that the person referred to resigned from the Prison Service with effect from 5 October 2002. In line with the required procedures as set down in the Civil Service Superannuation Scheme for Established Civil Servants, her pension, lump sum gratuity and death benefits were preserved. The pension and lump sum will be paid as from the time she reaches 60 years of age. If before attaining 60 years the person's state of health deteriorates to such an extent that immediate payment of preserved benefits is justified, the pension and lump sum will become payable. Otherwise, it is not possible to bring forward payment of preserved benefits. The Deputy will understand that it is not possible to retrospectively change the circumstances of this person's departure from the Prison Service.

Visa Applications

83. **Deputy Noel Ahern** asked the Minister for Justice and Law Reform if he will clarify the issue regarding the extension of a visitors visa which has been refused in respect of a person (details supplied) in Dublin 9; and if he will re-examine or arrange an early appeal. [4396/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I have been informed by the Irish Naturalisation and Immigration Service (INIS) that the person mentioned by the Deputy contacted my Department in relation to an extension of his permission to remain in the State on 22 November 2010. This application was examined by officials in my Department and a letter of refusal was issued on 22 November 2010.

Nationals of the U.S.A. are not visa required and may seek to enter and reside in the State on visitor's conditions for up to 90 days. A visitor stamp should be read as indicating that the immigration Officer at the port of entry was told by the Non EEA national that he/she was coming for a visit of a duration of not more than 90 days and should leave at the end of the permitted period.

In accordance with the immigration laws of the State the person mentioned is required to leave the State on expiry of their visitors condition. However, once outside the State there is nothing to prevent them from re-entering the State. It is the policy of my Department not to extend a permission to remain to persons who are admitted for a period of 90 days or less on a short stay visit, save in very exceptional and unforeseen circumstances.

If the person in question feels that there is additional information which has not been submitted with his initial application and which would add further weight to his initial request for an extension, it is open to that person to contact General Immigration Division requesting that his case be considered in light of this additional information.

I should remind the Deputy that queries in relation to the status of individual Immigration cases may be made direct to INIS by Email using the Oireachtas Mail facility which has been specifically established for this purpose. The service enables up-to-date information on such cases to be obtained without the need to seek this information through the more administratively expensive Parliamentary Questions process.

Garda Strength

84. **Deputy Emmet Stagg** asked the Minister for Justice and Law Reform the number of gardaí in each Garda division on 31 December 2010. [4436/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I am informed by the Garda authorities that on the latest date for which figures are readily available, the personnel strength in each Garda Division was as set out as follows:

Division	Strength	Division	Strength	Division	Strength
DMR South Central	777	Tipperary	392	Sligo/Leitrim	324
DMR North Central	700	Cork City	701	Clare	328
DMR North	810	Cork North	311	Mayo	320
DMR East	475	Cork West	319	Galway	606
DMR South	632	Kerry	340	Roscommon/Longford	302
DMR West	793	Limerick	645	Westmeath	264
Kilkenny/Carlow	324	Donegal	474	Meath	313
Wicklow	357	Cavan/Monaghan	394	Kildare	325
Laois/Offaly	332	Louth	315	Waterford	304
Wexford	284				

85. **Deputy Jim O’Keeffe** asked the Minister for Justice and Law Reform the current numbers of fully attested members of the Garda Síochána, recruits in training and members of the Garda Reserve; if it is anticipated that there will be any intake of recruits in the foreseeable future from those selected by the Public Appointments Service which has successfully undergone the physical competency test, medical examination and character vetting; and if he will make a statement on the matter. [4465/11]

Minister for Justice and Law Reform (Deputy Brendan Smith): I am informed by the Garda authorities that as of the latest date for which figures are readily available, the personnel strength of An Garda Síochána was 14,364. The strength of the Garda Reserve was 703.

The National Recovery Plan 2011- 2014 outlines a reduction in the strength of An Garda Síochána to 13,000 by the end of 2014. This reduction, and the rate at which it is achieved through retirements, will be taken into account in determining when recruitment will recommence.

Overseas Development Aid

86. **Deputy Seán Ó Fearghaíl** asked the Minister for Foreign Affairs his views on the current overseas aid programme; the way he envisages the programme being sustained and expanded into the future; and if he will make a statement on the matter. [4348/11]

Minister of State at the Department of Foreign Affairs (Deputy Peter Power): For 2011, the Government has provided an overall allocation for Official Development Assistance (ODA) of €669 million. Of this total, €534 million will be administered by the Department of Foreign

[Deputy Peter Power.]

Affairs and a further estimated €135 million will come from other Government Departments, including Ireland's share of the EU Development Cooperation budget.

The 2011 allocation ensures our ODA effort is stabilised at approximately 0.52% of GNP which remains ahead of the EU average. In the context of our very difficult economic circumstances, I believe this is a significant achievement, and clear evidence of our commitment to the fight against global poverty and hunger. As I have stated many times the stabilisation of our public finances and the return of economic growth are the best foundations for restoring growth to the development aid programme.

The Government's aid programme is the Irish people's aid programme. We are proud of its strong international reputation for quality and effectiveness and in particular for its sharp focus on the poorest countries and communities in sub-Saharan Africa. I am determined to maintain the high quality of our aid programme and ensure that we continue to deliver a programme that has maximum impact and is rigorously focused on achieving clear results for the lives of the poor, the marginalised and the hungry.

Passport Applications

87. **Deputy Bernard J. Durkan** asked the Minister for Foreign Affairs the requirements for issue of a passport in respect of a person (details supplied) in County Kildare whose certification of naturalisation was issued on foot of sworn affidavit in lieu of birth certificate but whose passport seems to be dependent on a birth certification which is not available; if he will set out any further requirements in this regard; and if he will make a statement on the matter. [4372/11]

Minister for Foreign Affairs (Deputy Brian Cowen): On 21 January, 2011, the applicant wrote to the Department to cancel his application. This has been done and passport fee is being refunded. The Passports Act, 2008 requires, inter alia, that before issuing a passport to a person, the Minister for Foreign Affairs shall be satisfied as to the identity of the person. Documentary proofs in respect of identity are required for all passport applications. These requirements, which are rigorously pursued, are outlined in the passport application form notes that accompany each application form. Details are also available on the Department's website.

Redundancy Payments

88. **Deputy M. J. Nolan** asked the Minister for Social Protection when an application for redundancy will be processed in respect of a person (details supplied) and when payment will issue. [4236/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): On 1 January 2011, my Department assumed responsibility for making redundancy payments from the Social Insurance Fund. There are two types of redundancy payment made from the fund i.e. rebates to those employers who have paid statutory redundancy to eligible employees and statutory lump sums to employees whose employers are insolvent and/or in receivership/liquidation. I can confirm that statutory redundancy lump sum claims in respect of the individuals concerned were received on 6th October 2009. I understand that their claims are pending processing and that payment is expected to issue over the next two weeks.

89. **Deputy M. J. Nolan** asked the Minister for Social Protection when an application for redundancy will be processed in respect of a person (details supplied) and when payment will issue. [4237/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): On 1 January 2011, my Department assumed responsibility for making redundancy payments from the Social Insurance Fund. There are two types of redundancy payment made from the fund i.e. rebates to those employers who have paid statutory redundancy to eligible employees and statutory lump sums to employees whose employers are insolvent and/or in receivership/liquidation. I can confirm that statutory redundancy lump sum claims in respect of the individuals concerned were received on 6th October 2009. I understand that their claims are pending processing and that payment is expected to issue over the next two weeks.

Proposed Legislation

90. **Deputy Jim O’Keeffe** asked the Minister for Social Protection if the review of the Civil Registration Act 2004 has taken place with particular reference to making provision for the registration here of all deaths of persons domiciled in Ireland who died abroad; and if he will make a statement on the matter. [3527/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): The administration of the Civil Registration Service is statutorily a matter for the Registrar General. I have made enquiries with the Registrar General and he has informed me that the general review of the provisions of the Civil Registration Act, 2004 is expected to be completed by the middle of this year. The review will include the provisions relating to the registration of deaths.

The provisions and procedures governing the registration of deaths in Ireland are contained in Part 5 of the Civil Registration Act, 2004.

Where the death of an Irish citizen domiciled in the State occurs abroad, the death may be registered here if there was not at the time of the death a system of registration of deaths in the place where the death occurred, or it is not possible to obtain copies of or extracts from civil records of the death.

Where an Irish citizen dies abroad and the death is registered by the civil authorities of the place where the death occurred, a certified copy of the death registration, translated, if necessary, is sufficient for all legal and administrative purposes here and there is no necessity for the event to be entered in the register of deaths in the State. However, it is appreciated that registration here of the deaths abroad of Irish citizens would be significant to the relatives of the deceased and it is in this context that a commitment has been made to review the existing provisions of the Civil Registration Act, 2004, in relation to this issue.

There are a range of issues to be considered in relation to the scope and implementation of any proposed amendment on this matter. Some of these issues may have cross-departmental implications and these need to be considered also.

Social Welfare Appeals

91. **Deputy Jim O’Keeffe** asked the Minister for Social Protection the reasons for delays in dealing with cases in the social welfare appeals office; the average time scale for dealing with appeal applications; if his attention has been drawn to the hardship that can arise from such delays; if he has any proposals to expedite the hearing of appeals; and if he will make a statement on the matter. [3528/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): I am advised by the Social Welfare Appeals Office that the average waiting for an appeal dealt with by way of a summary decision is 27.4 weeks, while the average time to process an oral hearing is 45.6 weeks. These processing times are calculated from the registration date of the appeal to the date of its finalisation and

[Deputy Éamon Ó Cuív.]

include all activities during this period including time spent in the Department for comments by the Deciding Officer on the grounds of appeal put forward by the appellant and any further investigation, examination or assessment by the Department's Inspectors and Medical Assessors that is deemed necessary. A considerable period of time is added to the process when an oral hearing is required because of the logistics involved in this process.

A number of initiatives have been taken in recent years to deal with backlogs in the Social Welfare Appeals process which have occurred as a result of the increases in numbers of cases received in that Office. The annual intake of appeals has increased from 14,070 in 2007 to 32,432 in 2010, an increase of 18,362 (130.5%).

The Social Welfare (Miscellaneous Provisions) Act 2010 facilitated the use of experienced retired former Appeals Officers, on a strictly temporary basis to assist in reducing the backlog of Social Welfare Appeals cases.

In conjunction with the provision of extra staff, more emphasis is now placed on dealing with appeals on a summary basis so as to increase productivity. As a result, the number of appeals dealt with by way of oral hearing was reduced from 59% in 2009 to 31.5% in 2010.

A project to improve the business processes in the office was also 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.

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.

Departmental Staff

92. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the number of temporary staff operating at the clerical grade in his Department and the contingencies on which they are engaged (details supplied). [4246/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): Currently there are 148 temporary clerical officers employed in the Department of Social Protection.

Temporary staff are recruited by this Department to cover absences of permanent staff on maternity leave, long term sick leave, other statutory leave and also to provide cover for some staff availing of the shorter working year scheme. They are also recruited to alleviate work pressure in certain areas, for short periods of time.

Temporary contracts are offered for a fixed purpose and the term can vary according to the purpose of the contract.

The tabular statement outlines the number of temporary clerical officers currently employed and the purpose for their contracts.

Table A: Breakdown of Temporary Clerical Officer Contracts

Contract Purpose	Number of temporary clerical officers
Maternity Leave	45
Sick Leave	22
Carers Leave	4
Increase in the live register and pending availability of permanent staff	72

Contract Purpose	Number of temporary clerical officers
Shorter Working Year	2
Projects	3
Total	148

Social Welfare Benefits

93. **Deputy Finian McGrath** asked the Minister for Social Protection if he will support the case of a person (details supplied). [4284/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Health Service Executive (HSE) has advised that the person concerned was refused rent supplement as the local authority stated that he did not have a long term housing need and he did not provide the HSE with sufficient evidence to show that he was in rented accommodation for 183 days within the preceding 12 months of the date of claim for rent supplement.

Departmental Reports

94. **Deputy David Stanton** asked the Minister for Social Protection when he expects a final report from the gender recognition advisory group; and if he will make a statement on the matter. [4303/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Gender Recognition Advisory Group was established in 2010 with the following terms of reference:

“To advise the Minister for Social Protection on the legislation required to provide for legal recognition of the acquired gender of transsexuals. In particular, to propose heads of a bill to provide for:

- The establishment of a process for legal recognition of the acquired gender of persons suffering from Gender Identity Disorder, who have made the transition from one gender to another.
- The establishment of a gender recognition register
- The granting of entitlement to marry in the legally recognised reassigned gender, and
- Any other provisions as may be deemed necessary consequent to the main provisions of the Bill.

The Group is made up of representatives of various Departments and Offices of State. The group has met on a number of occasions and has engaged in extensive consultation with a range of representative organisations and individuals with knowledge and expertise in the area, both in Ireland and abroad. Further consultation, research and discussion is required on the issues arising. I understand that the group hopes to report by the end of February 2011.

International Agreements

95. **Deputy Jack Wall** asked the Minister for Social Protection if Ireland has any agreements with Canada regarding social payments; if not, if there are plans to do so and if there is a time scale regarding such an agreement; and if he will make a statement on the matter. [4325/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): A bilateral Social Security Agreement between Ireland and Canada came into force in January 1992.

The main purpose of the Agreement is to protect the pension rights of people who have worked in Ireland and who have worked or resided in Canada.

For example, if you do not have enough contributions paid or credited to qualify for an Irish pension, based on your Irish record alone, then periods of social insurance and/or residence in Canada may be counted to help you qualify for an Irish pension.

Likewise, if you do not have sufficient periods of social insurance/residence in Canada to qualify for a Canadian pension, reckonable Irish social insurance contributions may be counted to help you qualify for a Canadian pension.

The Agreement also deals with the Social Security status of workers who are sent on temporary assignments from Ireland to Canada.

Social Welfare Appeals

96. **Deputy Bernard J. Durkan** asked the Minister for Social Protection if he will, in the course of current appeal take into account the compelling evidence submitted by an organisation in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [4356/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): I am advised by the Social Welfare Appeals Office that an oral hearing of this case took place on 11 January 2011 and the Appeals Officer is now considering the appeal in the light of all the evidence submitted, including that adduced at the oral hearing. The additional evidence received by the Appeals Office on 24 January 2011 will also be considered by the Appeals Officer.

The person concerned will be notified of the Appeals Officer decision when the appeal has been determined. 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

97. **Deputy Bernard J. Durkan** asked the Minister for Social Protection when basic payment will be made in respect of persons (details supplied) in County Kildare; and if he will make a statement on the matter. [4363/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): The HSE have advised that the person concerned was refused a basic weekly payment under the supplementary welfare allowance scheme as he was not considered habitually resident in the State, a decision that was upheld by the Appeals Office in the HSE.

This decision was then appealed to the Social Welfare Chief Appeals Officer. The person concerned will be notified of the outcome of this appeal in due course.

98. **Deputy Bernard J. Durkan** asked the Minister for Social Protection the extent to which their reduced income was taken into account in the determination of their entitlement to job-seeker's allowance in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [4365/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): The person concerned has re-applied for jobseeker's allowance with effect from 24th January 2011. His application is currently being processed and he will be notified of the outcome as soon as possible.

99. **Deputy Bernard J. Durkan** asked the Minister for Social Protection the period of unemployment and receipts of social welfare payment in the period 2004 to 2006 in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [4369/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): During the period in question the person concerned was paid jobseeker's allowance from 6th March 2006 to 27th January 2007 and received a total payment of €7,333.30.

100. **Deputy Bernard J. Durkan** asked the Minister for Social Protection when he expects to reach a conclusion in respect of entitlement to child benefit claim in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [4375/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): Correspondence issued to the Lithuanian authorities on 12 October 2010 in relation to the person concerned, querying her entitlement to family benefits in that State as her son now resides there. No reply has been received to date, but based on experience of this type of case a reply from the Lithuanian authorities could take between 3 and 6 months.

On receipt of a reply from the Lithuanian authorities entitlement to Child Benefit will be examined and the person concerned will be notified accordingly.

101. **Deputy Noel Ahern** asked the Minister for Social Protection if he will clarify his policy of considering ex-taxi drivers for jobseeker's allowance; if it is policy to request them to surrender their PSV licence; the reason for same; and if he will make a statement on the matter. [4390/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): Self-employed people, including taxi drivers, can apply for the means-tested jobseeker's allowance if their business ceases or if they are on low income as a result of a downturn in demand for their services. If a taxi driver has ceased operating in the taxi business completely, the Department requires a letter from the Taxi Regulator confirming that the customer has surrendered his or her PSV licence. This is required, along with other evidence, so that the Department is satisfied that the customer is no longer receiving an income from self-employment in the taxi business.

If a self-employed customer is still trading as a taxi driver he or she does not have to surrender the PSV licence in order to claim jobseeker's allowance. Means from self-employment will be assessed to determine the level of jobseeker's allowance paid to the person. It is recognised that the present downturn in the economy is having a significant impact on many self-employed persons and the consequent reduction in their income and activity levels would be reflected in any assessment of their means from self-employment for jobseeker's allowance purposes.

If a self-employed person's situation changes after they have made an initial claim for jobseeker's allowance, the person can apply to have his or her means reviewed in the light of these changed circumstances.

Information on social welfare entitlements, including for self-employed people, is set out on the Department's website www.welfare.ie.

Social Welfare Appeals

102. **Deputy Richard Bruton** asked the Minister for Social Protection the length of time it is taking to determine appeals of carer's allowance cases (details supplied); and if he will make a statement on the matter. [4456/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): The Social Welfare Appeals Office has advised me that an appeal by the person concerned was received in that office on 21 December 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 average waiting time in carers allowance cases decided by way of a summary decision is 26.9 weeks, while the average time to process an oral hearing in carers allowance cases is 47.3 weeks. These processing times are calculated from the registration date of the appeal to the date of its finalisation and include all activities during this period including time spent in the Department for comments by the Deciding Officer on the grounds of appeal put forward by the appellant and any further investigation, examination or assessment by the Department's Inspectors and Medical Assessors that is deemed necessary. A considerable period of time is added to the process when an oral hearing is required because of the logistics involved in this process.

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.

Departmental Staff

103. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the number of vacancies at each grade in his Department. [4471/11]

Minister for Social Protection (Deputy Éamon Ó Cuív): Since the moratorium on recruitment was introduced in March 2009, the only method of filling vacancies in the Department is through the redeployment and lateral transfer of existing civil and public servants. When staff become available from other Government Departments critical posts, not currently occupied, are prioritised and staff are assigned to those posts.

The number of staff employed in the Department has risen in the last two years as outlined in the table.

Year	Total Posts
1st Jan 2009	4,539
1st Jan 2010	4,733
1st Jan 2011	4,872

Electoral Management System

104. **Deputy Jim O'Keeffe** asked the Minister for the Environment, Heritage and Local Government if he now accepts that the proposal in the 2007 programme for Government to establish an independent electoral commission will not be fulfilled by him; and if he will make a statement on the matter. [3992/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív):

The Programme for Government, agreed in 2007, contains a commitment to the establishment of an independent Electoral Commission. The renewed Programme for Government, agreed in October 2009, reaffirmed this commitment and identifies a range of responsibilities which the Commission will be mandated to fulfil.

An independent Electoral Commission will require new legislation for purposes of its establishment and to transfer to it a range of roles and responsibilities including those assigned to the Standards in Public Office Commission in electoral law, the roles and responsibilities of the Constituency Commission and roles and responsibilities currently assigned to me as Minister for the Environment, Heritage and Local Government. This will involve changes to over 20 primary acts and to the associated regulations. Towards implementing the Programme for Government commitments, and to assist in consideration of the issues involved, my predecessor as Minister commissioned a report by an expert group from University College Dublin. The report, entitled *A Preliminary Study on the Establishment of an Electoral Commission in Ireland*, was published for consultation in February 2009. The UCD study recommends that an Electoral Commission should be established through the enactment of an Electoral Commission Act. This Act would amend and consolidate the law in this area, bringing together in one Act the law relating to referendums and elections to local authorities, *Údarás na Gaeltachta*, the European Parliament, *Dáil Éireann*, *Seanad Éireann* and the office of President of Ireland. This would be a major task.

Many of the electoral reform issues that will come within the remit of an Electoral Commission were considered by the Joint Oireachtas Committee on the Constitution, which published its report on the electoral system in July 2010. This report states that the Committee strongly supports the establishment of an independent Electoral Commission. The report represents a valuable input and is being taken into account in progressing work in this area.

A good deal of groundwork has been done to date in considering and identifying the approaches that may be taken and this should act as an important foundation in progressing the establishment of an independent Electoral Commission.

Carbon Monoxide Detectors

105. **Deputy Jim O’Keeffe** asked the Minister for the Environment, Heritage and Local Government his plans to encourage a more widespread installation of carbon monoxide detectors in view of the fact that approximately 40 persons die every year here from carbon monoxide poisoning; and if he will make a statement on the matter. [3993/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): I refer to the reply by Minister of State John Moloney, T.D., in response to a *Seanad Adjournment Motion* on 12 January 2011 which sets out comprehensively the actions already in place and currently being undertaken in order to address the threat of carbon monoxide poisoning.

As indicated in that response, the Department is committed to a review of Part J of the Building Regulations, which deals with Heat Producing Appliances, later this year. As an integral part of the review, consideration will be given to whether, and in what circumstances, mandatory provision for carbon monoxide alarms might appropriately be included in the Building Regulations. The review of Part J will be the subject of a full public consultation process, as well as a Regulatory Impact Assessment, before any final decisions in the matter are made.

A research paper published in the *Irish Medical Journal* (volume 96, March 2003) found that 40 deaths per year in Ireland were attributed to carbon monoxide poisoning. The research was based on statistical sources relevant to the years 1992 to 1997. The deaths occurred as a con-

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sequence of carbon monoxide poisoning from a range of sources including house fires, the incomplete combustion of fuels from heating systems and vehicle exhausts.

The paper advocated a multi-dimensional approach to the prevention of carbon monoxide poisoning which would include the promotion of the use of CO detectors in a domestic setting, the proper installation and maintenance of combustion appliances and flues/chimneys in buildings, and education of the public and health professionals of the risks of carbon monoxide poisoning. All of these measures have been addressed as set out in the above mentioned reply to the adjournment.

The Department will continue to work closely with all other relevant Departments and agencies with a view to taking whatever further action is necessary and appropriate.

Local Authority Housing

106. **Deputy Billy Timmins** asked the Minister for the Environment, Heritage and Local Government the position regarding housing (details supplied); and if he will make a statement on the matter. [4242/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Michael Finneran): Any person or household may apply to a housing authority for social housing support. In assessing whether an applicant requires such support a housing authority will take into consideration whether the applicant has available to them alternative accommodation that would meet their accommodation needs. If there is no alternative accommodation available to the applicant then the housing authority can, in consideration of all eligibility criteria, deem that they require social housing support.

Water Charges

107. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government if he has sought or received a guarantee from the European Commission that his proposed model for domestic water charges which reportedly involves a free portion for each household is not in breach of the full cost recovery principle of Article 9 of the Water Services Directive considering that only Ireland's established practice is exempt from that principle; if he has sought legal advice on the matter and if so, the nature of the advice received. [4285/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): Work is being advanced in the Department on the preparation of draft legislation which will provide, inter alia, for the introduction of domestic water charges. The advice of the Attorney General will be obtained on all aspects of the draft legislation before it is finalised.

Housing Grants

108. **Deputy Pádraic McCormack** asked the Minister for the Environment, Heritage and Local Government the allocation Galway city received in 2010 for the three housing repair grant schemes administered by Galway City Council that is the housing adaptation grant, mobility aids grant and housing aid for older people; the total allocation for Galway City Council and Galway County Council; the amount each council spent in allocating housing grants during 2010 and the amount, if any, returned to his Department at the end of the year. [4308/11]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): The Housing Adaptation Grant Schemes for Older People and People with a Disability are funded by 80% recoupment available from my Department together with a 20% contribution from the resources of the local authority. Record Exchequer allocations totalling almost €80m were notified to local authorities under the schemes on 5 March 2010, giving a combined allocation of almost €100m. It is a matter for each local authority to decide on the specific level of funding to be directed to each of the various grant measures from within the allocations notified to them by my Department and to manage the operation of the schemes.

Details of the Exchequer allocations and recoupments to Galway County Council and Galway City Council for 2010 are set out in the following table:

2010	Exchequer Allocations	Amount Recouped	Percentage Recouped	Exchequer Allocation unspent
	€	€		€
Galway City Council	981,333	381,975	39%	599,358
Galway County Council	1,900,000	1,755,000	92%	144,610

Electoral Management System

109. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the position regarding storage and disposal of the e-voting technology; the ongoing costs associated with storage; the extent to which any such storage costs have not been resolved in any particular case; if any effort is being made to dispose of the technology in the past three years; and if he will make a statement on the matter. [4376/11]

121. **Deputy Seán Fleming** asked the Minister for the Environment, Heritage and Local Government the annual cost of storing the electronic voting machines and with respect to each location where they are stored, the number of machines in each location, the annual cost of the facility, the expiry of any rental or contractual on respect of the premises; and if he will make a statement on the matter. [4448/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): I propose to take Questions Nos. 109 and 121 together.

Following the Government decision not to proceed with implementation of electronic voting in Ireland, an Interdepartmental Task Force, chaired by the Department, was established to bring the project to an orderly conclusion and to oversee disposal of the equipment and termination of storage arrangements. The Task Force aims to complete its work as soon as possible.

In considering options for disposal of the equipment, the priority is to pursue the most economically advantageous approach, with a view to achieving the maximum recovery of cost possible in the circumstances, consistent with environmental and other obligations. While proposals have not at this stage been invited in respect of the equipment, some expressions of interest have been received. In 2007, over 60% of the machines (4,762 in total) were moved from 12 local storage locations to a central facility at Gormanston Army Camp. One-off costs associated with the movement of these machines were €328,363.21. There are no ongoing rental costs in respect of the use of this property. Costs of €552.83 were incurred in 2009 in respect of equipment to monitor the environmental storage conditions at the Gormanston premises. A further 14 machines are held in the Custom House.

[Deputy Éamon Ó Cuív.]

The remaining machines are stored at 13 local premises that were originally identified by Returning Officers for this purpose. It is intended that all machines will be removed from their present locations when arrangements for disposal are implemented. Work on termination of local lease arrangements is proceeding in this context.

The table, which is based on information received in the Department from Returning Officers, provides details of the annual costs for storage of the electronic voting equipment for 2009, and the lease arrangements for each property. Details of the number of electronic voting machines stored at each location are also included.

Figures for costs incurred by Returning Officers for the local storage of the electronic voting equipment in 2010 are currently being gathered and are therefore not yet available. Apart from these costs incurred by Returning Officers, a further €5,566 was expended in 2010 in relation to work undertaken on behalf of the Department by DTZ Sherry Fitzgerald in respect of the negotiation of local lease arrangements.

Storage of Electronic Voting Equipment

City/County	Number of machines	Storage Costs 2009 (incl. VAT)	Period of Lease Contract / Expiry Date
		€	
Cavan-Monaghan	280	21,754.32	25 years/February 2029
Clare	200	3,600.00	3-Monthly
Donegal	294	13,005.60	6-monthly
Galway (equipment stored in Castlebar, Co. Mayo)	310	2,800.00	Annual
Kerry	310	30,387.20	9 years 11 months/September 2013
Laois-Offaly	219	27,797.60	6-monthly
Longford	95	16,638.37	6-monthly
Roscommon	137	11,098.07	6-monthly
Louth	179	568.55	Not Applicable (State-owned property)
Meath	234	26,395.72	9 years 9 months/March 2012
Sligo	129	Nil	Not Applicable (State-owned property)
Leitrim	101	3,200.00	3-monthly
Wexford	240	25,277.71	Monthly
Total		182,523.14	

Departmental Funding

110. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government if he has issued instructions to the various local authorities the results of which is review of contracts already entered into in respect of water, sewerage or housing schemes being deferred; the degree to which this is likely to delay investment in infrastructure; the extent, if known, to which this is likely to postpone remedial or upgrading works necessary to prevent the issue of pollution of ground water, rivers, streams and lakes; and if he will make a statement on the matter. [4377/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): The Department has not issued any instructions to local authorities to review any contracts already entered into in respect of water, sewerage or housing schemes.

Social and Affordable Housing

111. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the number of houses currently held by voluntary agencies under the capital allowance scheme; if he is satisfied that rent reviews and other obligations have been complied with annually in all such cases; the action that is contemplated to ensure that all statutory requirements are met when and as necessary in respect of such schemes; and if he will make a statement on the matter. [4379/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Michael Finneran): In the case of standard accommodation provided under the CLSS, tenants are drawn from the local authority housing waiting list and rents are largely based on the local authority Differential Rents Schemes. Under the CLSS, the application of the rent formula as set out in the scheme may be modified, at the discretion of the approved housing body, in particular respects where they consider this appropriate. Rent payable under the scheme to an approved housing body, by a tenant, is based on household income in the previous tax year. Where this would result in hardship arising from a fall in income due to loss of employment, disability etc, the rent may be adjusted accordingly.

In the case of accommodation provided under the CAS, rents are charged at a reasonable rate having regard to tenants' income. In a case where the approved housing body contributes a minimum of 5% of the capital cost of a CAS funded project, the approved body may retain nomination rights for up to 25% of the units. In these circumstances, the normal landlord/tenant arrangements, including in relation to rent, apply.

The local authority has an overall responsibility to ensure that approved housing bodies comply with the requirements in relation to letting policy, as set out under the funding schemes, including the requirement for prior consultation and agreement on letting policies for each new project.

National Housing Survey

112. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the number of unoccupied houses available for sale or letting throughout the country in the private sector including incomplete developments on a county basis; and if he will make a statement on the matter. [4380/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): The National Housing Development Survey database, published in October 2010, established an authoritative baseline analysis of unfinished housing developments to assist in fully understanding the scale and extent of the issues involved; the analysis is informing the work of the high-level Expert Group on Unfinished Housing Developments established in November 2010.

A total of 2,846 developments were inspected where construction had commenced but had not been completed, and these included over 180,000 housing units with planning permission. Of these some 120,000 have begun or progressed through construction, while work has yet to commence on 60,000. Of the 120,000 dwellings, some 77,000 are complete and occupied; 23,000 are complete and vacant; 10,000 are near complete; and a further 10,000 dwellings are at various early stages of construction activity.

The content of the baseline National Housing Development Survey database is available in tabular form on a county by county basis, together with the methodology employed in conducting the survey, on the Department's website — www.environ.ie.

Water Supply

113. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the position regarding the augmentation of the domestic drinking water supply throughout Leinster with particular reference to storage, treatment and pumping facilities; and if he will make a statement on the matter. [4381/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): My Department's Water Services Investment Programme 2010-2012, which is available in the Oireachtas library, sets out the plans for investment in major water services projects, including wastewater treatment schemes, in order to meet key environmental and economic objectives over that period. The transposition of the Water Framework Directive in 2003 strengthened the catchment based approach to water management with the establishment of eight River Basin Districts on the Island of Ireland to provide a more coordinated delivery of water services. Leinster is served via three separate River Basin Districts — Eastern, South Eastern and Shannon. Contracts under construction, due to commence and schemes in planning are presented in a river basin district format in the Water Services Investment Programme 2010-2012. Details of contracts and schemes by water services authorities are also available on the Department's website (www.environ.ie).

Emergency Planning

114. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the action he proposes arising from lessons learned during the severe weather conditions of this winter with particular reference to issues for which he has responsibility; and if he will make a statement on the matter. [4382/11]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): A process to review the response to the latest exceptional severe weather began on 12 January 2011. The primary objective of this latest review is to enable a quick identification of lessons which should be learned — what worked successfully and what needs improvement, so that organizations/ agencies are facilitated to consolidate and further enhance preparedness and the response process. This latest report is intended to build on, and incorporate issues from, reviews of previous severe weather emergencies, including the flooding of November 2009 and severe cold weather of January 2010. Many learning points and changes were implemented from those earlier experiences, and were used to good effect in the latest severe weather response. Among the areas I refer to are the enhanced integration of public transport with the response effort, new salt supply/ management arrangements operated by the NRA and local authorities, more developed arrangements for community involvement in the response and an enhanced approach to the provision of public information.

The two-stage review of the latest severe weather response takes account of the lessons learned and changes implemented from the November 2009 and January 2010 experience. Headline conclusions will be available for consideration by the relevant agencies involved in the response effort before the end of January 2011, while a more detailed review report will be completed by mid-March 2011.

Air Pollution

115. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the extent to which excessive air pollution has been identified at any of the locations monitored in County Kildare; the action proposed or taken as a result of detection of excessive pollutant; and if he will make a statement on the matter. [4383/11]

116. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the extent to which air pollution as monitored at the various vantage points throughout the country has given indication of high levels of any particular of pollutant; the action or actions arising in any such case; and if he will make a statement on the matter. [4384/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): I propose to take Questions Nos. 115 and 116 together.

The monitoring, assessment and management of ambient air quality in Ireland is carried out according to the requirements of the EU Air Quality Framework Directive. This Directive was transposed into Irish law through the Environmental Protection Agency Act 1992 (Ambient Air Quality Assessment and Management) Regulations 1999. Under further regulations made in 2002, 2004 and 2009, specific ambient air quality standards have been prescribed for the following pollutants:

- sulphur dioxide, nitrogen dioxide and oxides of nitrogen, particulate matter and lead (2002);
- carbon monoxide and benzene (2002);
- ozone (2004); and
- polyaromatic hydrocarbons, arsenic, nickel, cadmium and mercury in ambient air (2009).

The Environmental Protection Agency (EPA) has responsibility for the monitoring of Irish air quality. The EPA continually monitors a range of atmospheric pollutants via a network of air quality monitoring stations located around the country.

The EPA reports the results of the air quality monitoring of the above pollutants on its website at: <http://www.epa.ie/whatwedo/monitoring/air/data/>. My Department keeps these data under ongoing review to identify any significant trends which might emerge and also meets periodically with the EPA on air quality issues.

The EPA also publishes a comprehensive annual report on air quality, the most recent being Air Quality in Ireland 2009 — Key Indicators of Ambient Air Quality (November 2010). This report provides an overview of ambient air quality trends in Ireland in 2009 based on data from 28 monitoring stations. Of these, 25 were fixed continuous-monitoring stations with a further 3 sites being visited by mobile monitoring units. Newbridge, Co Kildare, was among the locations visited by the mobile monitoring units and no exceedance of statutory limit values was recorded for any pollutant. In addition to the monitoring stations above, there were a further 15 monitoring stations operated by local authorities measuring black smoke. The report confirmed that air quality was generally good at monitoring stations throughout the country.

The report found that levels of nitrogen dioxide and particulate matter (PM10) remain a concern in larger cities owing to traffic levels. Elevated levels of nitrogen dioxide were recorded at the monitoring station at Winetavern Street in Dublin City Centre in April 2009. The EPA has advised that this was most likely due to meteorological factors rather than any significant increase in emissions. The Department has met with the EPA, Dublin City Council and the Health Service Executive to discuss this issue, and the four Dublin local authorities are now preparing an Air Quality Management Plan under Section 16 of the Air Quality Standards Regulations 2002 to address this. This plan is expected to be completed by December 2011. Provisional data indicate that levels of nitrogen dioxide in Dublin measured during the first 9 months of 2010 are below the statutory limit value.

[Deputy Éamon Ó Cuív.]

In addition to these structured arrangements for air monitoring, the EPA may also from time to time engage in additional air quality monitoring in specific locations where this is considered necessary. In the context of its role as the licensing authority for the landfill facility at Kerdiffstown, Naas, the Agency has installed a continuous monitoring station at Kerdiffstown House providing hourly feeds of data. I understand that the results to date from such sampling, which are also shared with the Health Service Executive, are within the relevant thresholds.

Waste Management

117. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government his policy on waste management, the use of landfill, incineration or other means of waste disposal; and if he will make a statement on the matter. [4385/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): It is the role of the Minister for the Environment, Heritage and Local Government and the Government collectively to set the national waste management policy framework. This process is informed by domestic policy goals, EU and wider international policy and practice, and EU legislation and commitments, particularly the revised Waste Framework Directive and the associated waste hierarchy set out in Article 4 of the Directive.

Building on engagement with key stakeholders, the goal is to ensure that waste management policy represents a balanced approach to the delivery of optimum environmental and economic performance, and protects health and minimises the risk of environmental pollution. In that context, the Government is determined to pursue a sustainable, resource-based approach to waste management. This involves a shift in focus from traditional residual waste management options, such as landfill, to technologies which can maximise the energy or material value to be extracted from what should be viewed as a resource rather than as a waste. This is the direction outlined in the draft statement of waste policy published for consultation in July 2010 and in respect of which submissions received are currently under consideration.

Social and Affordable Housing

118. **Deputy Caoimhghín Ó Caoláin** asked the Minister for the Environment, Heritage and Local Government if the full details of changes to the tenant purchase scheme for local authority tenants are available; and if he will make a statement on the matter. [4408/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Michael Finneran): I refer to the reply to Question No. 796 of 12 January 2011, which outlined the current position on this matter.

Planning Issues

119. **Deputy Phil Hogan** asked the Minister for the Environment, Heritage and Local Government further to Parliamentary Question No. 362 of 18 January 2011, in the context of his reply, if he is prepared to seek information from local authorities in respect of difficulties in the implementation of part five agreements in the Planning and Development Act 2001 for properties in receivership; and if he will make a statement on the matter. [4412/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Michael Finneran): While the operation of Part V is a matter for local authorities, I

have asked my Department to identify, through contact with the City and County Managers Association, whether specific implementation issues have recently arisen.

Water and Sewerage Schemes

120. **Deputy Emmet Stagg** asked the Minister for the Environment, Heritage and Local Government if he has received the revised contract documents for the Castlewarden to Ballygoran water supply scheme in County Kildare. [4439/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): The Kildare Water Supply Scheme Phase 2 (Castlewarden to Ballygoran) is included in the Water Services Investment Programme 2010-2012, as a scheme to advance through planning during the period of this Programme. I understand that Kildare County Council will shortly be submitting the contract documents for the scheme to the Department.

Question No. 121 answered with Question No. 109.

Foreshore Leases

122. **Deputy Pearse Doherty** asked the Minister for the Environment, Heritage and Local Government the date the proposed lease (details supplied) in respect of reclaimed foreshore at Burtonport Harbour will be transferred to Donegal County Council; his views on the length of time this lease has taken to be issued in view of the fact that this issue had been agreed more than eight years ago and that a European grant of €465,000 has been lost to the development of a marina due to time elapsing; and if he will make a statement on the matter. [4452/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): Donegal County Council only recently accepted the valuation terms offered by the Department for a 99 year lease of the foreshore in question. The Department has instructed the Chief State Solicitors Office to finalise drafting of the lease.

The Department understands from Donegal County Council that the provision of EU funding for marina development was not or is not conditional on the grant of a foreshore lease at Burtonport Harbour.

Turbary Rights

123. **Deputy Denis Naughten** asked the Minister for the Environment, Heritage and Local Government further to Parliamentary Question No. 795 of 12 January 2011, the provision made in the 2011 Estimate to compensate turf cutters; and if he will make a statement on the matter. [4454/11]

Minister for the Environment, Heritage and Local Government (Deputy Éamon Ó Cuív): Provision to meet costs arising from the acquisition of turbary rights and freehold under the voluntary bog purchase scheme, together with compensation for commercial and domestic turf cutters who have been obliged to cease activities within designated bogs, will be included in the Revised Estimates for 2011, and supplemented as necessary by support from the Environment Fund over the coming year.

Fishing Licences

124. **Deputy Joe McHugh** asked the Minister for Communications, Energy and Natural Resources the position regarding the withdrawal of licences for native oyster fishing in the Swilly estuary, County Donegal; the reason the licences have been withdrawn; the identities of

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the persons or organisation who made the decision; if appeal avenues are open to the affected fishermen; the penalties for non-compliance; the compensation avenues open to affected parties; and if he will make a statement on the matter. [4300/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Carey): As the Deputy may be aware, Inland Fisheries Ireland (IFI) is responsible for issuing oyster fishing licences, in accordance with the Section 278 of the Fisheries (Consolidation) Act 1959, as amended.

By way of background, I am advised that Lough Swilly is a Natura 2000 site. It also contains a wild oyster fishery. The assessment of the fishery and its compliance with the Habitats Directive as transposed by the European Communities (Natural Habitats) Regulations 1997 (S.I. No. 94 of 1997) is, I understand, to be undertaken this year by the Marine Institute on behalf of the Department of Agriculture, Fisheries and Food and the National Parks and Wildlife Service of the Department of Environment, Heritage and Local Government. Therefore as of now, no appropriate assessment of the potential impact of the oyster fishery on the protected habitat has taken place.

Licences are issued annually upon receipt of applications. There is no question, therefore, of withdrawing licences. Pending the outcome of the assessment and in view of the need to ensure that no intensification of the wild oyster fishery takes place in the meantime in Lough Swilly, the number of licences that will be issued by Inland Fisheries Ireland for the first part of 2011 will be limited to no more than the average number of licences issued for the past five years.

Penalties for non-compliance with the conservation measures of the Fisheries Act are set out in Section 277 of the Fisheries (Consolidation) Act 1959 as amended in this regard.

Telecommunications Services

125. **Deputy Jack Wall** asked the Minister for Communications, Energy and Natural Resources the position regarding the roll out of broadband in the south Kildare area; when and if the national roll out will cover areas (details supplied); and if he will make a statement on the matter. [4248/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Carey): The provision of telecommunications services, including broadband services, is a matter for private sector service providers operating in a liberalised market regulated by the Commission for Communications Regulation (ComReg). Broadband services are provided by private service providers over various platforms including DSL (i.e. over telephone lines), fixed wireless, mobile, cable, fibre and satellite. Service providers' decisions to provide broadband services in areas are taken on the basis of commercial viability. Such decisions are matters for the service providers concerned.

In cases of market failure the Government will intervene, where it is appropriate and possible to do so. The National Broadband Scheme (NBS) represents such an intervention.

EU State Aid and competition rules govern how states can intervene in areas where there are existing service providers operating. Accordingly, the NBS is prohibited from providing a service in served areas where to do so would give rise to an unacceptable level of market distortion.

The mapping exercise undertaken by my Department at the time of designing the NBS found that a number of broadband suppliers were already active in the areas referred to in the Deputy's Question and consequently the localities were excluded from the scheme. In order to

comply with EU Commission State Aid rules, any market interventions by Government must be technology neutral and cannot specify a particular form of technology.

It continues to be a priority of the Government that there will be broadband coverage across the entire country. However, despite Government and private investment in broadband, I am aware that there continues to be a small percentage of premises throughout the country that will not be capable of receiving broadband services. This is primarily due to technical and other reasons (suitability of a telephone line, distance from an enabled exchange, no line of sight etc.).

The European Commission has set aside a portion of the European Economic Recovery Programme (EERP) funding for rural broadband initiatives. Using this funding, which will be augmented by an Exchequer contribution, I intend, subject to Government approval, to formally announce the launch of a Rural Broadband Scheme before the end of the year. This scheme will aim to provide a basic broadband service to individual un-served rural premises outside of the NBS areas.

Information in relation to acceptance of applications and the process of qualification under the scheme will be made available in due course when the scheme is launched.

ComReg's website www.callcosts.ie provides detailed information on the various private sector telecommunications products and services available on a county by county basis including County Kildare.

126. **Deputy Dinny McGinley** asked the Minister for Communications, Energy and Natural Resources if his attention has been drawn to the difficulties experienced by subscribers in the Drumkeen area, County Donegal regarding the provision of broadband and the plans that are in place to ensure that this service is provided to Drumkeen. [4313/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Carey): The provision of telecommunications services, including broadband services, is a matter for private sector service providers operating in a liberalised market regulated by the Commission for Communications Regulation (ComReg). Broadband services are provided by private service providers over various platforms including DSL (i.e. over telephone lines), fixed wireless, mobile, cable, fibre and satellite. Service providers' decisions to provide broadband services in areas are taken on the basis of commercial viability. Such decisions are matters for the service providers concerned.

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ComReg's website *www.callcosts.ie* provides detailed information on the various private sector telecommunications products and services available on a county by county basis including County Donegal.

Grant Payments

127. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the situation regarding the repayment of REP scheme 3 funding in respect of a person (details supplied) in County Cork arising from a successful appeal; and if he will make a statement on the matter. [4239/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The persons named joined REPS 1 on 1 January 1997 and received three years payment. The persons named failed to lodge their 4th year application for payment and their contract was terminated and full recoupment sought.

An application to withdraw from the scheme under *Force Majeure* (regarding ill health) was applied for on 3 August 2001. The Department were unable to apply Force Majeure at that time. Further medical evidence dated 1 June 2010 was received. The Department continued to seek recoupment of monies paid.

The persons named appealed this decision to the Agricultural Appeals Office on 10 August 2010. The Agricultural Appeals Office allowed the appeal. All monies recouped under the REPS 1 were refunded to the persons named on 18 January 2011.

128. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the position regarding the single farm payment in respect of a person (details supplied) in County Cork; and if he will make a statement on the matter. [4240/11]

129. **Deputy Michael Creed** asked the Minister for Agriculture, Fisheries and Food the reason persons (details supplied) in County Cork did not receive grant aid towards their dairy enterprise in 2010 as all other dairy producers did; and if he will make a statement on the matter. [4241/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): I propose to take Questions Nos. 128 and 129 together.

Further to my reply of 12 January 2011, I can confirm that an official of my Department did make contact with the person named. I can also confirm that the appeal by the person named against the proposed REPS penalties has been successful, as a result of which all monies recouped have been refunded. In this regard, I can confirm that the payment due to the person named under the Dairy Compensation Scheme was included in recent payments.

130. **Deputy John Cregan** asked the Minister for Agriculture, Fisheries and Food when a single farm payment will issue to a person (details supplied) in County Limerick. [4249/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under the 2010 Single Payment Scheme was received from the person named on 17 May 2010. The person named submitted an application with 19 land parcels, 5 of which required re-digitisation. Payments issued to the person named on the basis of the land parcels clear for payment on 18 October 2010 and 1 December 2010 respectively. My Department has now completed the re-digitisation process of the remaining parcels. The Single Payment Scheme application is currently being further processed with a view to a final balancing payment issuing in the near future provided no further errors are identified.

131. **Deputy Paul Connaughton** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Galway has not received their single farm payment and if entitlements from the national reserve have been assigned to them; and if he will make a statement on the matter. [4290/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): In 2005, the person named established 36.39 Single Payment Entitlements to the value of €5,588.41 and received payment under the 2005 and 2006 Single Payment Scheme. The person named did not declare any land on a Single payment application form during the years 2007, 2008 or 2009. One of the requirements of the Single Payment scheme is that entitlements must be used in full at least once during a 3 year period, otherwise unused entitlements are permanently lost to the National Reserve.

A letter issued to the person named on 25 January 2010 informing her that due to non usage her entitlements had now expired and were being lost to the National Reserve. She was offered an opportunity to appeal this decision to my Department and include any extenuating circumstances which may have prevented her submitting Single Payment application forms as required.

To date no appeal has been received by my Department.

132. **Deputy Bobby Aylward** asked the Minister for Agriculture, Fisheries and Food when single farm payment will issue to a person (details supplied) in County Kilkenny. [4292/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under the 2010 Single Payment Scheme was received from the person named on 17 May 2010. The 50% advance payment under the Single Payment Scheme, which issued on 18 October, the further 30% payment under the same Scheme, which issued on 1 December, and the 75% advance payment under the Disadvantaged Areas Scheme which issued on 21 September, were on the basis of those parcels cleared for payment at that stage, as a number of other land parcels listed on the application of the person named required re-digitisation. This process was recently completed, following which the balancing payments due under the Single Payment Scheme and the Disadvantaged Areas Scheme issued directly to the nominated bank account of the person named on 20 January and 26 January, respectively.

Farm Waste Management

133. **Deputy Jimmy Deenihan** asked the Minister for Agriculture, Fisheries and Food the reason persons who have qualified for the farm waste management grant are still awaiting 20% of the grant; and if he will make a statement on the matter. [4304/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): My Department has now paid out the final instalment of 20 per cent to all approved applicants for grant-aid under the Farm Waste Management Scheme. I have also announced that a special ex-gratia payment not exceeding 3.5 per cent of the value of the deferred amount will be made to farmers whose Farm Waste Management grants were partially deferred. This payment will be made in the early part of this year.

Departmental Schemes

134. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food the number of applicants to the agri-environment options scheme that have been approved to date; if it is envisaged that under the 2011 budgetary parameters this scheme will be expanded beyond this number and of so, to what extent; if the four year plan for his Department envisages an expansion of this scheme; and if he will make a statement on the matter. [4307/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): Some 9,236 applications were received for the Agri-Environment Options Scheme in 2010 of which 8,404 have been accepted into the scheme. The processing of the remaining applications is at an advanced stage and applicants will be notified of the outcome shortly.

I have already announced my intention to reopen the scheme in 2011 to allow entry of up to 10,000 new applicants and a maximum payment of €5,000 per applicant.

For 2012 and following years decisions on the scheme will be made in the context of the annual Estimates process and the financial constraints of the National Recovery Plan.

Grant Payments

135. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo can expect to receive the REP scheme 4 payment. [4314/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named commenced in REPS 4 on 1 December 2007 and payments have issued for 2007, 2008 and 2009. The 2010 REPS 4 application from the person named is currently under examination following a crosscheck with the 2010 Single Farm Payment application. My officials have been in contact with the REPS planner of the person named to resolve this issue.

136. **Deputy Pat Breen** asked the Minister for Agriculture, Fisheries and Food when payment will issue in respect of a person (details supplied) in County Clare; and if he will make a statement on the matter. [4407/11]

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 17 May 2010. This application was selected for and was the subject of a Ground Eligibility and Animal Identification inspection.

The inspection process is complete and the application has now been fully processed. Advance payment under the Single Payment Scheme issued on 18 October 2010 and balancing payment issued on 1 December 2010

In relation to the Disadvantaged Areas Scheme, the Terms and Conditions governing the Scheme require, inter alia, that applicants maintain a minimum stocking density on their holding of 0.15 livestock units per forage hectare declared, for at least three consecutive months, during the calendar year of application. However, where the holding of an applicant is iden-

tified as not meeting this minimum requirement, the person in question is invited to submit evidence of satisfactory stocking i.e. Flock Register, Horse Passports or details of a REPS or Commonage Framework Plan, which provides for a lower stocking level. My Department records currently do not show the person named as having yet achieved the minimum stocking density. On satisfaction of this requirement, the application will be further processed with a view to payment at an early date.

Harbours and Piers

137. **Deputy Michael Ring** asked the Minister for Agriculture, Fisheries and Food if he will provide funding for a pier (details supplied) in County Mayo; if any funding has been requested to carry out works at this pier to date in 2011; and if he will make a statement on the matter. [4409/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The pier at Killerduff, Ballycastle Co. Mayo is owned by Mayo County Council and responsibility for its maintenance and development rests with that Local Authority in the first instance.

My Department has not received any request for funding from Mayo County Council for the current year in respect of the pier at Killerduff, Ballycastle Co. Mayo. Any future application made, will however be given consideration subject to the availability of exchequer funding and overall national priorities.

Grant Payments

138. **Deputy Pat Breen** asked the Minister for Agriculture, Fisheries and Food when payment will issue in respect of a person (details supplied) in County Clare; and if he will make a statement on the matter. [4410/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named has thirteen suckler cows for the 2008 Suckler Welfare Scheme. To date, payment has issued in respect of five of these animals. However, during the validation process, errors were identified in case of the remaining animals i.e. seven calves were not meal-fed for the minimum requirement of four weeks prior to the weaning date, while no weaning data has been provided in respect of the eight calf. While the person named has responded to my Department's correspondence regarding this matter, as the specific issues i.e. meal feeding and weaning, have not been addressed, further payments cannot issue. However, the remaining eight animals may be reconsidered for payment if the person named satisfactorily addresses the outstanding issues.

139. **Deputy John O'Mahony** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will receive their full payment under single farm payment; and if he will make a statement on the matter. [4411/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under the 2010 Single Payment / Disadvantaged Areas Scheme was received from the person named on 7 May 2010. A land parcel listed on the application required re-digitisation. Payments on clear parcels were made to the person named under the Single Payment Scheme on 18 October 2010 and 1 December 2010. My Department has now completed the re-digitisation process and a final balancing payment will issue shortly.

140. **Deputy Willie Penrose** asked the Minister for Agriculture, Fisheries and Food the steps he will take to expedite REP scheme payment due to a person (details supplied) in County Westmeath; and if he will make a statement on the matter. [4422/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named commenced REPS 4 on 1 August 2008. REPS 4 payments have issued to the person named for 2008 and 2009. The REPS 4 2010 application from the person named has now been processed and payment will issue shortly.

141. **Deputy Billy Timmins** asked the Minister for Agriculture, Fisheries and Food the position regarding payment in respect of a person (details supplied) in County Wicklow; and if he will make a statement on the matter. [4455/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): An application under the 2010 Single Payment Scheme/Disadvantaged Areas Scheme was received from the person named on 17 May 2010. The 50% advance payment under the Single Payment Scheme, which issued on 18 October, the interim balancing payment which issued on 1 December and the 75% advance payment under the Disadvantaged Area Scheme which issued on 21 September, were on the basis of those parcels cleared for payment at that stage, as one of the land parcels listed on the application of the person named required re-digitisation. As this process has recently been completed, the application was further processed with the final balancing payments under both Schemes having issued in recent days.

Departmental Schemes

142. **Deputy John McGuinness** asked the Minister for Agriculture, Fisheries and Food the reason a person (details supplied) in County Carlow was refused support under the agri-environment options scheme and if their case will be reviewed based on the fact that a genuine error was made in their application. [4458/11]

Minister for Agriculture, Fisheries and Food (Deputy Brendan Smith): The person named submitted an application under the Agri-Environment Options Scheme (AEOS) on 10 May 2010. One of the eligibility conditions for the AEOS is that applicants who have land designated by the National Parks and Wildlife Service as a Special Protection Area or a Special Area of Conservation must submit a sustainable management plan prepared by a planner with their application. As the person named has designated land on his holding but did not submit the required sustainable management plan he is ineligible for the scheme. The person named will be notified in writing of this decision shortly and will be informed of his right of appeal.

International Agreements

143. **Deputy Jack Wall** asked the Minister for Enterprise, Trade and Innovation if Ireland has any agreements with Canada regarding the provision of employment visas; if so the mechanism available to a person to make such applications, or if not, if there are any proposals to do so; and if she will make a statement on the matter. [4327/11]

Minister of State at the Department of Enterprise; Trade and Innovation (Deputy Dara Calleary): I can confirm to the Deputy that Ireland has a reciprocal arrangement in place with Canada under the Working Holiday Programme. The Working Holiday Programme provides young people with a once off opportunity to holiday for an extended period, not exceeding one year, and to engage in employment as an incidental aspect of their holiday in order to supplement their income while travelling. Participants under the Programme are not allowed to extend their stay for longer than 12 months and may not avail of a working holiday a second time.

Working Holiday Programmes are administered by the Department of Foreign Affairs so that applicants in Canada wishing to apply under the Working Holiday Programme should

apply through their local Embassy or Consulate. Irish-based applicants should apply to the Department of Foreign Affairs.

Outside of this arrangement, the normal employment permit requirements currently applicable to non-EEA nationals wishing to work in Ireland apply. Further information and the specific conditions for new employment permits can be found on my Department's website at www.deti.ie.

Work Permits

144. **Deputy Noel Ahern** asked the Minister for Enterprise, Trade and Innovation the position regarding a work permit (details supplied); and if she will make a statement on the matter. [4387/11]

Minister of State at the Department of Enterprise, Trade and Innovation (Deputy Dara Calleary): My Department processes applications in respect of the different types of employment permits — Green Cards Permits, Work Permits, Spousal/Dependant Permits and Intra-company Transfer Permits. All applications are processed in line with the Employment Permits Act 2006.

I wish to advise the Deputy that it is current Government policy to issue new employment permits only in respect of:

- highly skilled, highly paid positions or;
- non-EEA nationals who are already legally resident in the State on valid employment permits or;
- where there is an officially recognized scarcity of workers of a particular type or qualification.

A list of the ineligible job categories for employment permits is available at my Department's website at www.deti.ie. The job category described as administrative positions is currently not eligible for the granting of new employment permits.

The Department of Justice, Equality and Law Reform determines the immigration status of persons within the State and whether they can remain in the State. Persons in the State on a Stamp 3 visa are present in the State as a visitor. Accordingly, my Department is not in a position to consider employment permit applications from persons present in the state with visitor status, apart from applications received under the Spousal/Dependant Permit Scheme. Further information and the conditions that apply to the obtaining of new employment permits can be found at my Department's website at www.deti.ie.

Grant Payments

145. **Deputy Willie Penrose** asked the Minister for Enterprise, Trade and Innovation if there are any start up grants available to a person who wished to engage in the insulation and or maintenance of windows and doors; and if she will make a statement on the matter. [4421/11]

Minister for Enterprise, Trade and Innovation (Deputy Mary Hanafin): My Department does not provide direct funding or grants to businesses but provides funding to a number of State Agencies, including the County and City Enterprise Boards (CEBs) and Enterprise Ireland, through whom assistance is delivered directly to businesses. The CEB's unique role positions them as a first point of contact for persons wishing to set up in business. The promoter should in the first instance contact their relevant local CEB to discuss what options may be available

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to them and their proposed business venture. Contact details for each individual Board can be obtained through the CEBs' national website address at www.enterpriseboards.ie.

To be eligible for CEB grant support an enterprise must be in the commercial sphere, must demonstrate a market for the proposed product/service, must have a capacity for growth and new job creation and must not employ more than 10 people. CEBs can provide both financial and non-financial assistance to a project promoter. The forms of financial assistance, which are available, subject to certain restrictions and conditions, include Priming Grants, Business Expansion/Development Grants, and Feasibility/Innovation Study Grants. The CEBs give priority to enterprises in the manufacturing or internationally traded services sector and must always give consideration to any potential for deadweight and displacement arising from a proposed enterprise. In addition, the CEBs deliver a range of non-financial supports to improve management capability development within micro-enterprises designed to help new and existing enterprises to operate effectively and efficiently so as to last and grow.