



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

TUAIRISC OIFIGIÚIL—*Neamhcheartaithe*

(OFFICIAL REPORT—*Unrevised*)

Wednesday, 23 March 2011.

[illegible]

DÁIL ÉIREANN

Dé Céadaoin, 23 Márta 2011.
Wednesday, 23 March 2011.

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

Paidir.

Prayer.

Leaders' Questions

Deputy Micheál Martin: Yesterday, a deeply disturbing report was issued on the award of the most valuable commercial licence given by any Government in the history of the State. By any objective measure, it is a profoundly disturbing report, yet the principal response of the Government has been to not comment publicly while privately briefing that it is only really relevant to the actions of one man. This Government is made up of people who have spent years, and made careers from, jumping to their feet in the House and demanding urgent responses on real and imagined transgressions far less serious than the matters dealt with by Mr. Justice Moriarty. However, yesterday not a single statement on the report was issued by the legions of Deputies on the Government benches.

Fine Gael has no difficulty privately briefing that it has no concerns about this report but it has still refused to make a spokesperson available to any of the main media or political programmes on this issue. The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, managed to deliver a statement on the report in the House yesterday without using the two words “Fine Gael”. The Taoiseach said yesterday that he had not read the report and Deputy Rabbitte said he had not read it in its entirety but said he believed the licence process had been hermetically sealed, or at least he was led to believe it had been so. The Labour Party’s silence on this issue today has been truly deafening.

Yesterday, the Taoiseach avoided all questions, pleading no knowledge of the report’s findings. As Taoiseach, Leader of Fine Gael, a participant in the fund-raising practices detailed in this report and as a member of the Cabinet which awarded an immensely valuable licence, he must have seen by now the report’s findings as they relate to his party. He must have seen the evidence, for example, about the concealed donation of \$50,000——

An Ceann Comhairle: Does the Deputy have a question?

Deputy Micheál Martin: Yes, I am coming to that. The Taoiseach must also have seen the role Fine Gael fund-raising played in the strategy to win the licence and he must surely have taken the time to reflect on Mr. Justice Moriarty’s decision to take the word of Mr. Mark Fitzgerald over that of Mr. Denis O’Brien and, critically, his colleague, the Minister for the Environment, Heritage and Local Government, Deputy Hogan. He must have taken time to recollect meeting an Esat representative or a member of some consortium two days before the licence was awarded. What has the Taoiseach done to check the tribunal’s statements concern-

[Deputy Micheál Martin.]

ing these matters? Has he taken the time available to ask the Minister, Deputy Hogan, to explain himself or, has he asked the other five members of the Government who were in the Cabinet when this licence was rushed through to comment on this report?

The Taoiseach: I noted Deputy Martin's opening comment. This is a report to the Clerk of the Dáil for the Houses of the Oireachtas. I have read the key points of the report. It is a serious report and makes particular recommendations. In consideration of those key points I have asked the Minister for Communications, Energy and Natural Resources to refer the report to the Director of Public Prosecutions, DPP, and to the Garda Commissioner for their consideration.

I have also asked the Government Chief Whip to make arrangements for a proper debate as early as possible next week in consultation with the Whips of the other parties. We will arrange for questions to be dealt with at the end of that debate. This is unlike what happened when the first report of Mr. Justice Moriarty on the activities of a former leader of the Deputy's party was published on 19 December 2006. There were no statements on it in the House until 14 February 2007 and no questions were permitted. Far from the insinuations the Deputy continues to make, I am anxious to ensure that what happens in this House is right and is in the best interests of learning lessons from the findings of the Moriarty tribunal. For that reason, I have asked the Minister for Communications, Energy and Natural Resources to refer the report to the competent authorities for their consideration with regard to any action they might consider necessary.

Deputy Micheál Martin: It is far more than just a report to the Clerk of the Dáil; it is a report on the most lucrative contract awarded in the history of the State. The Dáil record is full of examples of the Taoiseach demanding answers within much less than the 24 hours he has now had. The Taoiseach was in Government when the licence was awarded and he participated in fund-raising events targeted by Esat to help that company win the licence. The Taoiseach was already Leader of Fine Gael in 2003 when journalists tried, and failed, to get an answer or comment from him about the secret \$50,000 donation——

An Ceann Comhairle: Does the Deputy have a question?

Deputy Micheál Martin: If the Taoiseach has not asked his colleagues about the specific point raised in the report regarding their individual and collective actions, people have a right to ask why. Fine Gael and its handlers appear to hope the story will get lost in the crush of events in the next week, but that will not happen. Does the Taoiseach accept that the findings of the Moriarty report are very serious with regard to Fine Gael's fund-raising practices and the link between those and a major Government decision?

The Taoiseach: The Deputy has accepted the findings of the report. He is aware that the report exonerates party leaders and members of the Cabinet in its findings; that is part of the findings. The Deputy might like to clarify my involvement in fund-raising with Esat. I am anxious to hear his elaboration on that——

Deputy Micheál Martin: Quite clearly——

The Taoiseach: Let me finish. I regard the donation of \$50,000 to the Fine Gael Party as wrong. When the then leader of the party, former Taoiseach Mr. John Bruton, was made aware of it, he asked that it be returned immediately. I regret the circuitous route it had to follow before it was returned to Mr. O'Brien.

Fine Gael is criticised in the report for not overriding the legal advice it received from an eminent senior counsel. The party made available to that senior counsel all the documentation, evidence, notes and references to meetings so the counsel could give an opinion. That opinion was that the donation was not within the remit of the Moriarty tribunal. Mr. Justice Moriarty took a different view. When the matter was leaked and became public knowledge, the then leader of the party, Deputy Noonan, not only took the decision to refer the entire file to the Moriarty tribunal but waived a right to legal representation in respect of that matter, for which the Fine Gael Party was commended by the tribunal. Far from any cover-up taking place, the Fine Gael Party chose an eminent senior counsel to get an opinion, took that advice and when the matter became public in a different way, the then party leader referred the entire file to the tribunal.

I do not think anybody else has done that, namely, waived the party's entitlement to legal privilege on the basis of seeing that everything was absolutely above board and things were done as they should be. From my point of view, I want to see that the right thing is done. No leader of the Fine Gael Party ever pocketed the proceeds from whip-arounds at dinners.

Deputies: Hear, hear.

The Taoiseach: Deputy Martin has some record in talking about fund-raising activities and reputational damage to our country from party activities.

Deputies: Hear, hear.

Deputy Gerry Adams: I have two questions. This issue is being debated on the airwaves, in television studios, in coffee rooms and front rooms all over this island and, for all we know, in different parts of the world where there is an interest in Irish affairs. It is not being debated in this House. Why are we being prevented from having a change in the Order of Business to allow debate to proceed this afternoon? This is a pressing issue, one of the most important issues facing the Government at this time. I come back to what the Taoiseach has referred to consistently, the gap between the governed and the Government, between citizens and the people in the political class. That gap is widened by the refusal to have the type of debate that is required.

Second, I commend to the Taoiseach the part of the Moriarty report which deals with the \$50,000 donation to Fine Gael. It reads like a novel. It tells how a payment was solicited on behalf of Fine Gael, how this was to be done at a dinner which would be attended by the then Taoiseach and then Ministers, Deputies Lowry, Barrett, Ivan Yates, Kenny, and Mr. Peter Sutherland. We are also conscious that at the time Deputies Bruton, Howlin, Quinn, Noonan, Kenny, Lowry and Barrett were Ministers. The Minister for the Environment, Heritage and Local Government, Deputy Hogan, is also named in the report.

After many very convoluted processes it fell on that unfortunate man, Mr. Johansen, to make the donation. He said he would need "some form of paper documentation" and was told by the Fine Gael representative that he would be issued with an invoice and that this would be expressed as having been——

An Ceann Comhairle: I remind the Deputy that this is Question Time.

Deputy Gerry Adams: Yes, I am coming to the question. The invoice would be expressed as having been for consultancy work. Mr. Johansen then asked how Fine Gael could recognise this as a donation and was told——

An Ceann Comhairle: The Deputy must put a question rather than citing the report.

Deputy Gerry Adams: He was told this was no problem. We are informed that the money was lodged to an offshore account.

Can the Taoiseach explain how any of this, in terms of offshore accounts, invoices, money laundering of a very classical kind——

(Interruptions).

Deputy Alan Shatter: Deputy Adams would know a great deal more about that than would anybody on this side of the House.

An Ceann Comhairle: Deputy Adams's time has expired.

Deputy Gerry Adams: Well may you laugh, my friends. I made the point yesterday that if some unfortunate woman steals a loaf or a litre of milk she will end up in the Joy, but when this serious indictment of people on the Government benches is made they hurrah and laugh and guffaw.

Deputy Micheál Martin: Absolutely. This is not an issue for laughter.

An Ceann Comhairle: I have called the Taoiseach.

Deputy Gerry Adams: Fine Gael spent more than €2 million in the recent election. Will the Taoiseach let us know whether any other funds are being received from any of these sources?

A Deputy: What about Northern Bank?

Deputy Caoimhghín Ó Caoláin: It is funny that the counterfeiters laugh loudest.

The Taoiseach: I dtaobh an díospóireacht seo, tiocfaidh do lá. I want Deputy Adams to have a real opportunity to contribute to the debate arising from the report of the Moriarty tribunal. I have to go to Brussels tomorrow and prepare for a critical meeting of the European Council dealing with the legacy of the mess left by Deputy Martin and his party.

Deputies: Hear, hear.

The Taoiseach: That runs to well more than €100 billion. A previous incumbent who stood in this spot said that Deputy Adams and his party were in possession of knowledge about the Northern Bank raid some years ago. We did not have much information about that from Deputy Adams. Perhaps now that he is a Member of this House he will deal with those serious amounts of money when he contributes next week to the debate on the Moriarty report.

I have asked the Government Whip to meet the other Whips to ensure there is a real opportunity for all Members to contribute to the debate. We will have questions at the end of it. I note that the report's recommendations, at 62-04, refers to the fact that one of the most significant contributions was the donation of \$50,000 by Esat Digifone via Telenor to Fine Gael in 1995. That donation was unwelcome to the party and was rejected by the party leader. At section 6-23 — and I remind Deputy Martin that he has accepted the findings of the report — it is stated that the meetings that I and Deputy Bruton, as Ministers, had with Mr. O'Brien were "perfunctory encounters" and that "neither Minister in any event played any part in the decision taken by Government at the conclusion of the GSM process". If Deputy Martin accepts the findings of the report then I hope he is man enough in his statements outside the House to accept its findings in respect of the activities and participation of the members of that Cabinet who are represented in this Government. Those findings are very clear.

From that perspective I hope we can have a real debate on this matter next week unlike, as I said, in the case of the first Moriarty report——

Deputy Gerry Adams: A Cheann Comhairle, it was I who asked the question, not Deputy Martin.

Deputy Caoimhghín Ó Caoláin: The Taoiseach is supposed to be responding to Deputy Adams.

The Taoiseach: I am replying to Deputy Adams. I am reminding him that in the case of the first Moriarty report into the activities of Mr. C. J. Haughey, published on 19 December 2006, there was no series of statements until 14 February 2007 and no questions were allowed. I have referred the second report, through the Minister for Communications, Energy and Natural Resources, to the DPP and the Garda Commissioner. If they consider that action is appropriate then they are the competent authorities to follow suit. There will be a real debate here next week and there will be questions for the information of Deputy Adams. There might be some straying outside the remit of this where he might like to answer a few questions himself.

In so far as the activities of my party are concerned, it was the Rainbow Government that changed the legislation in respect of the contact between business and politics. As part of our programme for Government we intend to ban corporate donations completely, which the Fianna Fáil Party refused to do during its last three years in office.

Deputy Micheál Martin: The Taoiseach is coddling himself. His party raised money like hell up to the eve of the election. It raised massive funds in the past year. That is hypocrisy.

Deputy Alan Shatter: How can Deputy Martin say that word with a straight face?

The Taoiseach: I would also make the point when we speak about accountability that the Fianna Fáil Party would not even go so far as to publish the secret agreement it had with Deputy Lowry to stay in power.

Deputies: Hear, hear.

Deputy Gerry Adams: The Taoiseach did not answer one question.

A Deputy: You did not ask any.

(Interruptions).

Deputy Gerry Adams: I asked him detailed questions. He appears not to believe the person who sat in that seat when he made all sorts of statements, yet he chooses to throw a cheap jibe at us when we are, in a constructive way, trying to shed lights on these affairs. I will put the question again. Has Fine Gael received any moneys from any of these sources which have not been declared?

Coming back to the point about the Whips, there does not even need to be a meeting of the Whips; the Taoiseach could decide now to have a debate on these matters this afternoon. The only people being prevented from debating these matters are Teachtaí Dála and it is ludicrous that we are being prevented from having that debate. The Taoiseach is right about Fianna Fáil, but he cannot accuse Fianna Fáil of doing what it did when Fine Gael is doing the same thing.

The Taoiseach: I am not doing exactly the same; I am doing something completely different. I have asked the Minister for Communications, Energy and Natural Resources to refer the report to the two competent authorities, the Garda Commissioner and the DPP. I do not know

[The Taoiseach.]

what sources Deputy Adams is talking about that may or may not have made contributions to anyone. I assure the Deputy that Fine Gael complies strictly with the law in so far as any political contributions are concerned. We intend to move swiftly to ban corporate donations completely to demonstrate a total break between any business and politics.

Deputy Shane Ross: I have some sympathy with the Taoiseach when he receives abuse for the transgressions on the spoils of war from the quarters from which he has received it today. I find it difficult to take because I see those who are accusing him as being equally guilty of things of which they are now accusing the Taoiseach.

That does not mean, however, that he should not answer for what happened at that time; of course he should. He has a unique opportunity to end the culture of cronyism that has cursed Irish politics for many years, not just during the period to which the Moriarty tribunal refers, but over the past 14 years.

Is the Taoiseach going to take measures to stop this culture of cronyism by reversing the decisions made by those accusing him of involvement in this, the outgoing Fianna Fáil Government, to appoint people on a blatantly political basis to the boards of semi-State organisations on its last day in office? I refer specifically to a former Fianna Fáil TD and former Fianna Fáil councillor. Those appointments, and others like them, should be reversed immediately and the Taoiseach should make no apology for doing so.

Will the Taoiseach take the initiative in a more general way to end the culture of cronyism? About eight months ago, the then Fine Gael spokesman on enterprise, Deputy Richard Bruton, at the MacGill Summer School on Irish politics, declared it was Fine Gael policy to dismiss all the boards of semi-State bodies when Fine Gael came to power. That is not in the programme for Government but it should be done.

His cheerleader on that day is sitting beside the Taoiseach — the Tánaiste and Minister for Foreign Affairs, Deputy Eamon Gilmore, who supported that policy. Is it the Taoiseach's intention not only to dismiss those blatantly outrageous appointments on the last day of the interregnum, but also to move against the contamination of semi-State bodies that happened under the last Government?

The Taoiseach: I commend Deputy Ross on his comments. What happened in the hiatus between the election and the formation of the new Government was disgraceful and I am seeking legal advice on whether it is possible to reverse those decisions. One of the commitments in the programme for Government is for an oversight committee in the Oireachtas where those who wish to be considered for important positions on semi-State boards and in semi-State agencies would appear to put forward their credentials. I agree fully with the comments about the culture of cronyism and references to a previous Taoiseach who said many appointments he made were made on the basis of friendship, as distinct from merit.

Deputy Shane Ross: Will that the Taoiseach answer the question about moving against the semi-State boards, as pledged by Deputy Bruton? Will the Taoiseach end the system of political appointments to State bodies that has been so abused, not just by Fianna Fáil but by Fine Gael and the Labour Party in the past? There is no indication that the Government will end that abuse in the future. Many of us on the Independent benches see this as Tweedledum and Tweedledee, whereby when the Fianna Fáil guys go out, the Fine Gael and Labour Party guys come in. Can the Taoiseach give an assurance that will end by setting up a new system with an independent commission that is verified and passed by the Oireachtas, as promised by Deputy Bruton?

The Taoiseach: I am interested in men and women of competence and merit serving where they can contribute to the well-being of the country. The Fianna Fáil Government made appointments based on friendship as distinct from merit.

Deputy Micheál Martin: What about Fine Gael? What did Fine Gael do when it was in office?

Deputy Jerry Buttimer: Deputy Martin should look at his own record. Who did he appoint?

The Taoiseach: The Minister for Public Reform and Expenditure is currently preparing a memorandum for Government on appointments to semi-State bodies. We will debate that shortly. I am interested in putting an end to the blatant cronyism. I raised this before the former Taoiseach, Deputy Brian Cowen, left office, that between the election and the appointment of a new Government, no appointments should be made. It is a disgrace that appointments were made by a number of Ministers on their last day in office.

Ceisteanna — Questions

Northern Ireland Issues

1. **Deputy Gerry Adams** asked the Taoiseach when he plans to meet the British Prime Minister; and if he will make a statement on the matter. [5312/11]

2. **Deputy Gerry Adams** asked the Taoiseach when he plans to meet the First and Deputy First Ministers; and if he will make a statement on the matter. [5313/11]

3. **Deputy Gerry Adams** asked the Taoiseach if he will raise with the British Prime Minister the need for the British Government to accede to the unanimous request of the Oireachtas for all files and other relevant information in its possession relating to the fatal acts of collusion in this jurisdiction, including the Dublin and Monaghan bombings of 1974, to be made available for independent international scrutiny; and if he will make a statement on the matter. [5314/11]

4. **Deputy Gerry Adams** asked the Taoiseach if he will meet with the families of the victims of the Ballymurphy massacre of August 1971; and if he will make a statement on the matter. [5315/11]

5. **Deputy Micheál Martin** asked the Taoiseach his agenda for North-South relations. [5336/11]

The Taoiseach: I propose to take Questions Nos. 1 to 5, inclusive, together.

The British Prime Minister, Mr. David Cameron—

An Ceann Comhairle: Could we have order, please?

The Taoiseach: The British Prime Minister, David Cameron, telephoned me to pass on his congratulations following the general election in February.

An Ceann Comhairle: I ask Members to please be quiet.

Deputy Gerry Adams: Níor chuala mé an méid a dúirt an Taoiseach.

An Ceann Comhairle: Would Deputies please remove themselves from the House if they are not prepared to listen to the debate?

Deputy Caoimhghín Ó Caoláin: An féidir leis an Taoiseach é a rá arís?

The Taoiseach: I propose to take questions Nos. 1 to 5, inclusive, together.

The British Prime Minister, David Cameron, phoned me to pass on his congratulations following the general election in February. In the course of that conversation he invited me to meet with him at Downing Street in the near future. I have already met with the Prime Minister *en marge* of the extraordinary meeting of the European Council which I attended in Brussels on 11 March. I also expect to meet with him at the spring European Council meeting which will take place later this week.

I met with the Northern Ireland First Minister, Peter Robinson, and Deputy First Minister, Martin McGuinness, during my recent visit to Washington to attend the traditional St. Patrick's Day celebrations. At our meeting we discussed the general political situation in the North; the opportunities for North-South co-operation and the dissident threat.

As set out in the programme for Government, this Government supports the full implementation of the Good Friday Agreement and the St. Andrews Agreement. We are also committed to publishing and acting on the recommendations of the first review of the North-South implementation bodies and areas for co-operation, and we will progress the second part of the review to identify new areas for North-South co-operation.

Promoting greater economic co-operation on this island to accelerate the process of recovery and creation of jobs is also a clear part of our agenda. We will progress these issues through the work of the North South Ministerial Council. I will be chairing the next NSMC plenary meeting which will take place in the South in June.

The dissident threat unfortunately remains with us and we will continue to foster the co-operation between the Garda Síochána and the PSNI to deal with this.

I am also conscious that we are facing into a period of commemorative events which must be handled sensitively and inclusively. This is a matter to which the Government will give careful attention.

I understand that previously the Minister for Justice and Law Reform and the Minister for Foreign Affairs have met with the families of the victims of the Ballymurphy massacre and that officials from the Department of Foreign Affairs have ongoing contact with them.

I am open to meeting the families.

With regard to the Dublin-Monaghan bombings, Deputies will be aware that the Clerk of the Dáil received a reply from the Clerk of the House of Commons on foot of the Oireachtas resolution of 10 July 2008. Any future follow up to this should be considered in consultation with the parties and can be raised with the Whips. During my brief visit to Washington I met Senator Patrick Leahy, chairman of the appropriations committee which deals with the International Fund for Ireland, IFI. As the House will be aware this was included, on foot of a presidential recommendation, for consideration with the budget but has been removed as a result of the change in circumstances on Capitol Hill. There is a three-week gap in respect of this matter and, as a result of its importance, we made a strong case to the Senator for it to be reintroduced. The funding is particularly important to communities on both sides of the divide in areas of Northern Ireland that are vulnerable. A withdrawal of funds from such areas would send out the wrong signal and change the impetus in the context of seeking further funding for these areas from European sources.

Deputy Gerry Adams: I do not believe it is satisfactory that these five questions are being taken together. Each of them deals with a very serious——

An Ceann Comhairle: That is a matter for the Taoiseach's office.

Deputy Gerry Adams: Tuigim sin. However, it is a matter for me to express my opinion without interruption. These are extremely serious issues in respect of which there have been many developments. I also met Senator Pat Leahy during my visit to Washington, particularly as funding from the IFI is of importance to Border counties in this State, including Louth, which I represent. I am unsure of the nature of the supplementary I should pose because all of the matters with which these questions deal are so pressing.

The British Secretary of State recently and unilaterally scrapped the 50-50 representativeness required by the Patten Commission. This was done against the express wishes of some of the parties in the North and is in breach of the British-Irish Agreement. Was the Government consulted in respect of this matter and what is its position with regard to it? Is the Taoiseach in a position to insist that what was done in this instance was unacceptable and demand that the 50-50 requirement be reinstated until agreement is reached on how it should be formally removed? He is aware of how difficult it was to deal with this issue and of how hard everyone was obliged to move from old-style jackboot state policing to the new model of civic-community policing.

I wish to refer to an issue which was continually raised with the former Taoiseach, Mr. Brian Cowen, by my colleague, Deputy Ó Caoláin and which relates to the unanimous decision reached by the Oireachtas regarding all files and other information relating to collusion which took place in this State, including in respect of the Dublin-Monaghan bombings. The current Taoiseach undertook to meet the families of the victims of the Ballymurphy massacre, who, during the past week, took part in a congressional hearing in Washington. I acknowledge his openness and thank him for meeting the families. I request that he ask his officials to meet them as soon as possible.

The Taoiseach: I dealt with questions of this nature from an Opposition perspective for a number of years. It is the Office of the Ceann Comhairle that is responsible for grouping questions. There are five questions in the group under discussion. The first relates to the British Prime Minister, the second to the First Minister and Deputy First Minister, the third to the British Prime Minister and the Dublin-Monaghan bombings, the fourth to the Ballymurphy massacre and the fifth to the agenda for North-South relations.

An Ceann Comhairle: I apologise for interrupting but I must inform the Taoiseach that it is his office and not that of the Ceann Comhairle which is responsible for grouping questions of this nature.

The Taoiseach: I thank the Ceann Comhairle for providing that clarification. I have no objection to dealing with questions such as this on an individual basis if the Deputies opposite wish to do so. However, this would mean that they might get less of a run at dealing with the matters to which they relate. On Question Time yesterday I made the point that as part of the reform of the Dáil we should perhaps consider the way in which questions of this nature are grouped. I am open to suggestions in this regard. For many years, questions such as those before the House have been grouped in this fashion. They arise on a regular basis and Deputy Adams will discover that he will be asking the same questions with what he might term "monotonous regularity". Matters might not change as quickly as he would like but I am open, in the interests of all Members, to making the Dáil more effective in its operation.

[The Taoiseach.]

I am quite prepared to meet the families of the victims of the Ballymurphy massacre. We will arrange to hold such a meeting as soon as is appropriate.

I will return to the Deputy with information relating to the 50-50 requirement. The Patten Commission found that such a requirement should be put in place but there has been some change from the previous position. I will raise the matter with the British Secretary of State for Northern Ireland when next I meet him. I presume I will have the opportunity to do so in the near future. I will endeavour to discover what is the exact position.

An Ceann Comhairle: Where questions of this nature are grouped, it is my intention to give the Deputies who submitted them adequate opportunity to pose supplementaries.

Deputy Gerry Adams: Tá sin go maith.

An Ceann Comhairle: I was going to call Deputy Martin. However, if he does not object, I will allow Deputy Adams to pose a further supplementary now. I will also permit Deputy Adams to come back in later.

Deputy Gerry Adams: I wish to deal with the fact that the British-Irish Agreement remains to be fully implemented. For understandable reasons, the Government's focus has been on dealing with the economic recession. However, many matters have to a large degree been placed on hold. There should be a North-South consultative forum, which has not been established, and the bill of rights has not been introduced. Both Governments agreed to work with the North's Executive in respect of Acht na Gaeilge but this has not happened.

I accept that Deputy Kenny is new to his position as Taoiseach. However, there is a real need to focus. Many of the replies he gave earlier referred to the so-called dissident threat. We cannot ignore that threat but neither should we elevate those making it to a position where they feel some sense of self-importance.

The issues to which I refer are necessary parts of an international agreement between two sovereign Governments. In the past I have been critical of the Government sometimes behaving as a junior partner in its relationship with its British counterpart. I have no high regard for the current British Secretary of State. He is not good on these issues. By definition, a British Government is a Unionist Government. Mr. Owen Paterson is a Unionist of the old Tory school and is no friend of ours on these matters. His unilateral move in respect of the 50-50 representativeness requirement that was put in place on foot of the Patten Commission's recommendations is proof of that.

On the outstanding matters to which I refer, namely, the consultative forum, the bill of rights, Acht na Gaeilge and others such as the North-South parliamentary forum will require a great deal of focus on the part of the Government in the coming period. My party, and I am sure all others, will support it fully in its endeavours to have the provisions of the Agreement fully implemented.

The Taoiseach: As already stated, when I met the First Minister and Deputy First Minister in Washington last week a number of issues were discussed. Most of these related to employment, economic opportunities, incentives for the development of various sectoral industries in Northern Ireland, tourism, cross-Border activities and infrastructural developments. These are all matters of which the Deputy is well aware. We did not actually discuss the 50-50 requirement

or the question of a bill of rights. It may not be that easy to introduce a bill of rights, particularly in view of the implications that might arise in respect of other areas.

I have responsibility for this area and I wish to provide the Deputy with some information. When in opposition, the parties which are now in government were very supportive of the previous Administration in making every effort to ensure that the British-Irish Agreement and the St. Andrews Agreement would be implemented in so far as is practical and to the fullest extent possible. To be honest, I have not had an opportunity to discuss the real priorities we can achieve in this regard over a period. I would be happy to do so with the spokespeople on Northern Ireland affairs from the parties opposite in order to discover what priorities might be identified.

I have, for more reasons than one, an interest in the situation regarding language. Following my meeting last week with the First Minister and Deputy First Minister, I am aware that their immediate priorities relate to banking issues, the economies of the North and the South and the opportunities they perceive to be of importance to Northern Ireland. I undertook to follow through on a number of those issues and I will keep the House informed.

Deputy Micheál Martin: There are three outstanding issues with regard to North-South relations and the Good Friday Agreement. Some initial tentative steps have been made in the direction of the North-South consultative body and there have been good relations between the Speaker of the Northern Ireland Assembly and the previous Ceann Comhairle and Deputies. That has been slow, but not because of any lack of effort on this side. Rather, there has been a reluctance to engage although there has been change in more recent times from those in the Unionist community and others.

There is a specific commitment to a Northern Ireland specific Bill of rights. We should ensure that happens. People are trying to wriggle out of that commitment but given the unique circumstances that led to the Good Friday Agreement, this is a commitment we should honour and to which we should seek to get the British Government to commit.

The Taoiseach referenced the International Fund for Ireland. As Minister for Foreign Affairs, I took the decision not to preside over the ending of the remit of the IFI but to keep it going. That is why we lobbied intensively in the United States and brought the British Government — the Secretary of State for Northern Ireland was Mr. Shaun Woodward — on board with a view to getting collective financial support for the IFI from the United States and the EU Commission.

The one sector of society that has not reaped a dividend from the Good Friday Agreement and the peace process is what is termed the hard to reach communities on both sides of the divide. The health indices are still poor in the Shankill, as they are in other parts of Belfast and elsewhere. The education completion rates are appalling. We will regress again if we do not do something aggressively and proactively to focus on that issue. Much of this work is done behind the scenes with community groups on all sides. Notwithstanding our public finance difficulties, I appeal to the Government to retain and ring fence the direct conciliation fund in the Department of Foreign Affairs and the anti-sectarianism fund. Both those are small funds in the overall context, but they have been put to very good use in supporting community groups across Northern Ireland to build relationships and bridges and to work in areas that have significant economic and social disadvantage.

When the Massereene murders and some of the more recent atrocities happened, it was disturbing that people as young as 13 and 14 had no difficulty with what had transpired. Some of those young people were hardly three or four years old at the time of the signing of the Good

[Deputy Micheál Martin.]

Friday Agreement. There are inherent dangers here. We must work on the socio-economic side of the North-South issue if we are to reap dividends for future generations from the undoubted political successes of the peace process.

The Taoiseach: I will look at the question of the Bill of rights to see what preparatory work has been done. Before the election, I attended a meeting of North-South political representatives in Warrenpoint. The consultative group attended by the Ceann Comhairle's predecessor was a forerunner of the North-South forum. Having met people from deprived or vulnerable areas in Northern Ireland, I fully understand the implications of a withdrawal of funding and the potential regression into anti-social behaviour and other activities that no one wants to see.

I made that point to Senator Leahy in Washington last week in stressing the importance of continuing the IFI not only in its own right, but as a lever for acquiring other funding from the European Union for very valuable purposes. By the end of 2009, some €753 million had been made available to more than 5,800 projects, many of which have proven their validity. The fund focuses on Northern Ireland and the Border counties of Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo. It is estimated that the fund has created up to 39,000 jobs and a further 16,000 indirect jobs in Northern Ireland and the Southern Border counties. It has been of real value. For those reasons, I would not like to see the fund being withdrawn. I hope the contact we have continued with the American authorities will result in the fund being continued and that other funding will also be made available.

The fund can only be wound up under the terms of Article 14 of the Good Friday Agreement with both Governments agreeing to do so and giving six months written notice. I am a strong supporter of this fund and will do everything I can to keep it in place.

Deputy Micheál Martin: I welcome that. I also make the point that there are competing interests for that money. This may be a factor in what is happening in the United States. There is considerable lobbying of Irish-American representatives, who are key to ensuring the insertion of the funding. Others may be looking at ending the funding stream for the IFI with a view to getting some of the funding for their own activities and purposes. What is required is a singular lobbying focus by the Government to ensure that funding for the International Fund for Ireland continues. The IFI has developed a new mandate to target its efforts exclusively on hard to reach communities. The rationale for its continuation is a narrow targeted focus in the future. That is my view. Others are trying to queer the pitch and to get a slice of the funding for their own projects.

The Taoiseach: Other groups are lobbying hard for these funds on Capitol Hill. I do not speak for Senator Leahy, but I think he gave a very good hearing to what we had to say about the fund and its importance, with particular reference to it being continued for the benefit of vulnerable young people in hard pressed areas. In the next three weeks when decisions are made, I hope he will decide to continue the fund. I am aware of the pressures on him and of the general economic situation in the United States, where there is unemployment and other difficulties. However, this is an important fund. America is committed to continuing to support Ireland and I hope that commitment will be demonstrated by the continuation of this fund.

Legislative Programme

6. **Deputy Gerry Adams** asked the Taoiseach his legislative priorities for the 31st Dáil; and if he will make a statement on the matter. [5316/11]

The Taoiseach: The programme for Government outlines the Government's legislative priorities for the 31st Dáil. Ministers have begun the task of developing legislative proposals to give effect to the commitments in the programme. The Government will shortly approve a programme outlining its legislative priorities between now and the end of the summer session and this will be published. The Government will publish a similar programme at the start of each Dáil session.

With regard to my Department, the legislative priority will be the preparation of legislation to enable a referendum to be held on the abolition of the Seanad.

Deputy Gerry Adams: May I say in passing, there is no reason that a Bill of rights should be confined to the Six Counties. We need a Bill of rights for the whole island.

With regard to the legislative priorities, yesterday the Taoiseach said he intended to establish a constitutional convention. How will that be made up and what legislation is required for it? We have a firm view that it should be on an all-Ireland basis. Will that be done? There is also a commitment to a referendum to amend the Constitution to cut the salaries of judges. Does the Taoiseach know when that Bill will be published? When will the children's rights constitutional amendment Bill be published? Will it be based on the wording agreed by the Committee on the Rights of the Child?

The Taoiseach: I told the Deputy yesterday that I would give consideration to the inclusion of someone from Northern Ireland in the constitutional convention. As he knows, the convention will not be the final determinant of what will actually happen. It will be a convention at which citizens and others will give their views on a range of issues which I outlined to the House yesterday. Arising from any such report, the Government will consider how best to proceed with its recommendations. The terms of reference and make-up of the convention will be published as soon as I can get around to doing so.

With regard to the referendum on children's rights, to which the Government is committed to holding, I met all of the children's advocacy groups before the general election. A great deal of work was done by the all-party Oireachtas committee on children's rights and it came up with an agreed formula of words which was accepted. Subsequently, the Attorney General made a number of observations on the wording, with which the children's rights groups were disappointed. Having met them, I know they are of the view that it should be possible to reach agreement on a formula of words which could be put to the people in a referendum on the same date as the Presidential election. While I cannot confirm this, I am prepared to consider the matter. The Minister with responsibility for children will work intensively to find whether it would be possible.

The issue of judges is obviously one for a referendum. The Government will consider what is the best course to take in respect of a number of these issues. We must also give consideration to asking the people not only to consider the abolition of the Seanad but also the issue arising from the *Abbeylara* case. We would like authority to be given to specialised committees of the Dáil to carry out investigative work, with powers to compel attendance. The Deputy will be aware that the Oireachtas has been constrained due to a court decision in the matter.

For each of the referenda mentioned, a Bill will have to be produced and brought before the Dáil. The Government is working diligently to ascertain how quickly they can be produced.

Deputy Gerry Adams: I want to press the Taoiseach in as positive a way as possible on the convention. People from the North make up one quarter of the population on the island of Ireland. Therefore, they should have one quarter of the representatives. I ask the Taoiseach to

[Deputy Gerry Adams.]

consider this. Will the Diaspora be invited to be part of the convention? We are talking about an opportunity to do many good things, reflect the views of the people on this island and the wider Diaspora, see how we are governed and the way in which our society should be built. I want to press this issue, as of right. We cannot talk to others in the North or the Brits who are reticent about aspects of the Good Friday Agreement when we ourselves do not, either in vision or practice, have an all-island or all-Ireland approach.

While the Taoiseach may not have the answer, there has been a rumour that the referenda might be held on the same date as the Presidential election. Will the Taoiseach clarify this point?

The Taoiseach: When I met the children's advocacy groups, they made the point that we should not have to go back and start the process all over again from scratch, that we should instead start from the point that the all-party Oireachtas committee had produced an agreed wording. With that wording and the Attorney General's views on a changed wording, it should be possible to get agreement on a formula of words that could be put to the people on the same date as the Presidential election. The same could apply to the issue of the abolition of the Seanad. Preparing a Bill dealing with the removal of articles from the Constitution and the implications for other articles in respect of the abolition of the Seanad is not as simple as it sounds. I have asked my Department to start work on this immediately and we will report progress.

On the Deputy's comment concerning the Diaspora and Northern Ireland representation, the convention will deal with recommendations in so far as the Constitution, *Bunreacht na hÉireann*, is concerned. Obviously, there are issues that will have an impact in a cross-Border sense or in respect of the wider Diaspora. I do not have a fixed view on the constraints and either the terms of reference for or the membership of the convention. I will give consideration to the two points raised by the Deputy, although perhaps not in respect of the actual percentage. I accept the Constitution of the Twenty-six Counties has implications in many ways for cross-Border activities and so on. In that sense and in seeking to reach a view on the constraints and the terms of reference, we will give consideration to the two points raised by the Deputy.

Deputy Gerry Adams: Particularly the rights of Irish citizens in the North.

The Taoiseach: Yes.

Deputy Micheál Martin: With regard to the composition of the constitutional convention, I have concerns on the potential for elitism.

The Taoiseach: As the Deputy knows, these are only recommendations.

Deputy Micheál Martin: It is very difficult conceptually to envisage a convention that will be truly representative of the different strands of society. It might be useful, therefore, to produce a template or a number of templates or scenarios of what is envisaged in order that people could buy into this, as there is a danger that the great and good of Irish society, particularly those who fancy themselves more than others in terms of their contribution to Irish life, will predominate in such a convention. We must ensure, therefore, that this proposal is considered carefully.

With regard to children's rights, the Oireachtas joint committee engaged in consultations for some two and a half years. The last Government then considered the issue, took advice from

the Attorney General and produced proposals which were published by the outgoing Minister of State with responsibility for children, Mr. Barry Andrews. While the Government may have issues with the last Government's final template, it is now decision time. We must be practical and decisions must be taken. The constitutional amendment on children's rights should have priority and I do not believe such a referendum should be held on the same day as the Presidential election. I strongly believe that if the amendment to the Constitution is a substantive one, it merits treatment on its own. The election of a President is a very serious issue in its own right which merits treatment on its own and consideration by the electorate. My position is that we should separate the two.

With regard to the abolition of the Seanad, I am struck by the Taoiseach's statement that it is not as simple as it sounds. The only ones who made it sound simple were the people in the Fine Gael Party for the past two years. I am struck by the Taoiseach's comment that it is not as simple as it sounds and that there must be considered deliberation in this regard.

An Ceann Comhairle: A question, please.

Deputy Micheál Martin: We look forward to that deliberation. Does the Taoiseach accept that the constitutional amendment on children's rights should be separate from the Presidential election?

The Taoiseach: The Deputy will recall that it was de Valera who abolished the Seanad without reference to anybody. At least we will have a full consultation process and ask the people. I am not watering it down; I just want to get the matter right. In order to ask the people, we must first produce a Bill and bring it before the House.

Deputy Micheál Martin: Of course.

The Taoiseach: In addition, there are constitutional implications. We want to get the matter right and are working on this.

My views on the Presidency and Presidential elections are well known. My view is that the term of office should be shortened and that in the future Presidential elections should be held on the same date as fixed-term European and local elections which occur at five year intervals, although that is also a matter for the people. In any case, the constitutional convention will give consideration to this question and how one might bridge the gap between the current five and seven year terms.

Deputy Micheál Martin: That is cosmetic.

The Taoiseach: The issue of children's rights is real and sensitive and there are arguments on both sides. The Government has decided to hold a referendum on children's rights. The newly appointed Attorney General will consider the decision of her predecessor and advise the Government on the wording.

The children's rights groups I met had very serious views and were disappointed about the changed wording brought in by the previous Attorney General. They made the point this wording will not do the job required in respect of children and their rights. I am sure every Member will want to do what is in the best interests of children and at the same time have a correct constitutional balance. Deputy Martin can take it that the Minister for Children and the Attorney General will look at this as a matter of priority and will take into account a continued interaction with the children's rights groups.

[The Taoiseach.]

Whether the referendum will be held on the same date as the presidential election is a matter to be considered. I do not have a hard and fast view on that but I take the Deputy's point about the importance of both, and whether the people should be asked to decide these questions on separate days. The Government has not made a decision on this but the children's groups are of the belief it would be possible to hold a children's referendum on the same date as the presidential election.

Deputy Micheál Martin: The reason I asked the question is that the issues pertaining to a children's referendum are serious and people from different strands of society may wish to articulate on them. When one mixes this matter up with a presidential election there is a great danger the accusation could be made that the issues are being squeezed and are without full articulation in regard to a proposed amendment to the Constitution. I do not say that is the Taoiseach's intention. In terms of good practice, unless the amendment to the Constitution is completely harmless, namely, without contention, generally speaking where there are substantive amendments to the Constitution with substantive issues involved the matter should be separate from any other. That great danger is present. Various groups will try to be helpful to Government and say they will work with it to have the matter ready for November. However, it does not have to be in November but could be before then if the Government were to agree a proposal in terms of wording, and so on.

That has always been my position. Different Governments have held such referendums on the same days as other matters but I have always had concerns about that in terms of the democracy aspect.

The Taoiseach: Not only did de Valera abolish the Seanad he attempted to do so in respect of PR. Nothing is more substantive than that, as the Deputy is well aware from history writings.

Deputy Micheál Martin: The people spoke.

The Taoiseach: I reiterate I have not fixed the terms of reference or composition of the convention. Other locations, for example, British Columbia, have done this from a jury list system with a representative group emerging from all the different strands. What is done is allowing citizens to have a direct input into the way their country is run, with recommendations being offered which a government then considers. This matter will return to the House for discussion. I would like to hear the views of Deputies about how this can best be done in the interests of everybody.

Departmental Functions

7. **Deputy Micheál Martin** asked the Taoiseach his plans regarding the structure and staffing of his Department. [5337/11]

8. **Deputy Micheál Martin** asked the Taoiseach the staffing numbers of his Department in December 1996 and December 2010 and his proposals for the future staffing of his Department. [5342/11]

The Taoiseach: I propose to take Questions Nos. 7 and 8 together.

A key condition of a successful turn-around strategy for the country is a more joined-up strategic centre at the heart of government. My Department will play a key role at the centre of Government with a more explicit focus on its role as a Cabinet office and with particular

oversight of the programme for Government to ensure that the overall priorities of Government are reflected across all Departments. Its core responsibilities will also include ensuring that the Government's deliberations take place with the benefit of an up-to-date assessment of the overall economic, political and social situation, ensuring that the budget preparation process takes account of and reflects strategic priorities of Government, ensuring that the overall priorities of Government are reflected in departmental strategy statements and other strategic documents of Government, such as fiscal strategies and social policies, ensuring that departmental work plans reflect strategic priorities, and keeping the Cabinet informed on delivery of the Government's key priorities.

Over the coming weeks, sections and posts in my Department which have been engaged in work which now comes within the responsibility of the Department of Public Expenditure and Reform will transfer to that Department. The precise details of the sections and posts to be transferred are being finalised.

The reductions in the size of ministerial private offices and constituency offices that were announced by the Government last week will be applied in respect of my offices and those of the Ministers of State assigned to my Department. Although the relevant staffing arrangements have yet to be finalised, I can assure the House that following the restructuring, the overall size and cost of the Department and of the ministerial offices will be significantly reduced.

There were 167 staff in my Department at the end of December 1996. At the end of December 2010 there were 191 whole-time equivalent staff in the Department.

Deputy Micheál Martin: In his reply the Taoiseach appears to outline a role for his Department in terms of the budget and an overseeing budgetary strategy. Perhaps he might elaborate on his reply. He also referenced fiscal strategy. Did I hear correctly that a section located within the Taoiseach's Department that dealt with public expenditure and public service reform is now to be moved out of that Department to the new Department of Public Expenditure and Public Service Reform? Is that in addition to the numbers working within the former Department of Finance, who will also form a new office?

The Taoiseach: Yes. An assistant secretary and a small number of staff in the Department of the Taoiseach who had been dealing with public service reform will move to the new Department of Public Expenditure and Public Service Reform. I consider one of the important roles of the Office of the Taoiseach is to be able to ensure that the priority of the Government is achieved and this will involve interaction with Ministers on a regular basis to see that the programme for Government is followed through. The Office of the Taoiseach has the opportunity to interact directly with senior members of the public service and also to work with Ministers in ensuring that whatever difficulties exist in regard to elements of the programme of Government can be addressed.

In respect of budgetary matters this will mean that the budgetary preparation process takes account of the priorities of Government. In other words, its purpose is to keep an eye on things.

Deputy Micheál Martin: That is interesting. In a written reply on this matter earlier this week the Taoiseach stated he would not have executive functions and I believe I detected a Sir Humphrey moment in the composition of that reply. However, if the Taoiseach does not mind my saying so, this reply seems somewhat different. He spoke of keeping an eye on things. In essence we will have two Ministers for Finance, one responsible for public expenditure, the other for taxation and budgetary matters. Now the Taoiseach appears to indicate he, too, will have a role in budgetary strategy. Ultimately, there must be some sense of coherence.

[Deputy Micheál Martin.]

What appears to be happening is that the Taoiseach is scrambling around trying to build up an edifice for the Tánaiste. It reminds me of the team Dick Spring had when he was Tánaiste within the Taoiseach's Office.

Deputy Emmet Stagg: It was very effective.

Deputy Micheál Martin: Of course, Deputy Stagg would say that. It was effective from his partisan political point of view.

An Ceann Comhairle: This is Question Time.

Deputy Emmet Stagg: It was very effective.

Deputy Micheál Martin: It did not turn out so effective at the end of the day.

An Ceann Comhairle: Speak through the Chair, Deputy.

Deputy Emmet Stagg: It got results.

Deputy Micheál Martin: That is fine. The Deputy obviously forgets——

An Ceann Comhairle: Deputy, please speak through the Chair. This is Question Time.

Deputy Micheál Martin: Of course, I will speak through the Chair, a Cheann Comhairle, but you might direct your comments to Deputy Stagg——

An Ceann Comhairle: I have already directed my comments to Deputy Stagg and he knows that.

Deputy Micheál Martin: ——to tell him to refrain from interfering, as he is wont to do.

Deputy Emmet Stagg: The first to be thrown out of the House.

Deputy Micheál Martin: The office referred to seems to be——

An Ceann Comhairle: Let the Deputy move on and ask a question.

Deputy Micheál Martin: ——under a different name in a different context.

The Taoiseach: Deputy Martin may not realise it but there is a different Government in office.

Deputies: Hear, hear.

The Taoiseach: One important point is our realisation this is not a Government of independent Departments. It is a Government that will focus on co-ordination and an effective decision making process.

A Deputy: Hear, hear.

The Taoiseach: I have not assumed, or tried to assume unto myself, executive authority for every decision. It is an honour and a privilege to appoint Ministers to Cabinet and to accept their responsibility. However, that responsibility is not individual or locked into a tunnel, a rut or a silo. It is part of joined up Government thinking to implement the programme for Govern-

ment in the interests of the people, the betterment of the country and according to the mandate we received. From that point of view, as the Deputy is well aware, the Office of the Taoiseach must take an interest and an oversight view of the work of Government. Politicians are here for two purposes; they must find solutions and they also make decisions. In the role of Taoiseach it is my privilege to encourage and motivate people in order to assist them in their work in achieving the objectives and targets of the Government for the overall benefit of the country. In that sense the issues I have outlined do not take away from an individual Minister or responsibilities; it is a real attempt to have a co-ordinated response through all the Departments in the interests of our people and country.

Deputy Gerry Adams: We recognise that there is another Government in office. Whether it is different remains to be seen and we are still trying to spot the difference.

The Taoiseach (Deputy Enda Kenny): It is very different.

Deputy Gerry Adams: I have a couple of ceisteanna. There was a practice where staff in Departments were assigned to constituency work. How many staff, if any, in the Taoiseach's Department are assigned to this? In the last Dáil an adviser from the Department of the Taoiseach was seconded to the office of the Minister for Health and Children. Have steps been taken to rectify that position?

There is another point on which to reflect. At a time when the British had direct responsibility in the North, it may have been appropriate that we were dealt with through the Department of Foreign Affairs. The Assembly is now ending its first term ever since partition so we are clearly at a different dispensation. There may be merit in the Government considering having somebody in the Taoiseach's Department dealing directly with that part of the island. I know many Irish citizens, not just Nationalists and republicans, do not feel happy that we are dealt with by the Department of Foreign Affairs. We are all part of the one island and one nation. There might be something there to reflect on and perhaps we could discuss that informally at some other point.

The two main questions concern whether there are advisers assigned to constituency work and if so, how many; second, has the position of person who was seconded to the office of the Minister for Health and Children been rectified?

The Taoiseach (Deputy Enda Kenny): The programme for Government indicates that the size of the Department of the Taoiseach will be reduced. As I stated, a number of staff will transfer to the Department of Public Expenditure and Reform. There are 20 people working in that area, and that is in addition to the previously planned reductions in the staffing of the Department in any event.

The Government made a decision at its meeting last week that in respect of Minister's private offices, there would be a reduction from a maximum of ten to a maximum of eight people engaged. In respect of Minister's constituency offices there would be a reduction from a maximum of six to a maximum of four people engaged. In the private offices of a Minister of State, the maximum of seven people would be reduced to a maximum of five; in a Minister of State's constituency office, the maximum of five people would be reduced to a maximum of three. Where a Minister of State is assigned to two Departments, the maximum would be reduced from nine to seven. These changes will be put in effect.

The other person mentioned by the Deputy was a press officer for the Progressive Democrats and was covered in remuneration by the Department of the Taoiseach. That person is no longer an adviser on health or politics.

An Ceann Comhairle: That completes the time for questions.

Deputy Richard Boyd Barrett: A Cheann-Comhairle——

An Ceann Comhairle: The time is up.

Requests to move Adjournment of Dáil under Standing Order 32

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

Deputy Martin Ferris: Under Standing Order 32 I seek to adjourn the House in order to debate the need to revisit the Lost at Sea issue and act on the Ombudsman's report in order to discover the circumstances in which some individuals were granted compensation while other families such as the Byrne family from County Donegal were turned down in circumstances which have not yet been fully investigated and to examine the roles in the dispensation of compensation of those who were responsible for drafting, administering and overseeing the original scheme.

Deputy Aengus Ó Snodaigh: Ba mhaith liom cead a fháil an Dáil a chur ar athló chun déileáil le gnó rí-thábhachtach ar a bhfuil gá le díospóireacht a dhéanamh. Is é sin the urgent need for the Government to deliver on its promise to close unsuitable psychiatric institutions, improve access to modern mental health services in the community and implement A Vision for Change; to this end, the Government must now produce a fully costed step by step plan including a timeframe. Responsibility must be clearly allocated for each action. Mental health has been ignored by Governments for too long and the new Government must treat it as a real priority.

An Ceann Comhairle: Having considered the matters raised, unfortunately I must announce that they are not in accordance with Standing Order 32.

Order of Business

The Taoiseach (Deputy Enda Kenny): The Order of Business is No. *a3* — motion re restoration of Bills to the Order Paper; No. 5 — statements on the response to the aftermath of the earthquake and tsunami in Japan; and subject to the agreement of No. *a3*, the Road Traffic Bill 2011 — Second Stage. It is proposed, notwithstanding anything in Standing Orders that No. *a3* shall be decided without debate and that the following arrangements shall apply with No. 5: the statement of a Minister or Minister of State and the of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order, shall not exceed 15 minutes in each case; the speech of each Member called shall not exceed ten minutes in each case; Members may share time; and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes. Private Members' business shall be No. 6 — motion re. corporation tax (resumed) to conclude at 8.30 p.m. if not previously concluded.

An Ceann Comhairle: There are two proposals to be put to the House. Is the proposal for dealing with No. *a3*, motion re. restoration of Bills to the Order Paper, agreed to?

Deputy Gerry Adams: It is not agreed. I made the point earlier that this is the only gathering anywhere in this island which is not allowed to discuss the Moriarty report. This is the Taoiseach's call and there is no need for a Whips' meeting or elaborate coming together. This

is a pressing issue that reflects very badly on the Oireachtas, particularly as the Government has set an ambition to clean up the system and end the culture of corruption which existed for a long time. I hope it can be brought to an end in this term. We disagree profoundly with proceeding with this Order of Business without leave to have that necessary debate.

Deputy Micheál Martin: It is strange that the Taoiseach has not come forward with proposals on how and when we will deal with this. I have already suggested that we could bring the Dáil back, specifically for this issue, next Monday.

An Ceann Comhairle: I apologise for interrupting but am I reading this correctly? We are discussing a motion for the restoration of Bills to the Order Paper.

Deputy Caoimhghín Ó Caoláin: We are objecting to the order.

Deputy Micheál Martin: It relates to the order in which items are being taken. We are putting the question to the Taoiseach.

An Ceann Comhairle: This is dealing with the restoration of Bills to the Order Paper.

Deputy Micheál Martin: Yes, and I am entitled to comment.

An Ceann Comhairle: Go ahead.

Deputy Bernard J. Durkan: The Deputy does not want them restored.

An Ceann Comhairle: I want to be clear and we all should know what we are talking about.

Deputy Caoimhghín Ó Caoláin: We know very well.

Deputy Micheál Martin: Given the performance of those opposite in previous Dála, we are being most constructive and responsible in our demeanour and disposition. It is strange that we have not had any proposals from the Taoiseach on this and the Whips will only discuss it at 5 p.m. I asked yesterday that there be a debate and a separate session where Ministers and the Taoiseach would be prepared to answer questions on what happened around the Cabinet table at the time of the decision to award that licence. The Taoiseach yesterday gave a commitment that this would happen so does that stand? Will there be a separate session, apart from the debate, in a forum that can be agreed?

The Taoiseach: We are discussing the restoration of Bills to the Order Paper. I am not sure how many times I have to say this for the Deputy. I have already made some proposals of a serious nature in the matter he raises. I have asked the Minister for Communications, Energy and Natural Resources to refer the report of the Moriarty tribunal to the Director of Public Prosecutions and Garda Commissioner, who are the appropriate authorities, for their consideration. I have also instructed the Fine Gael Party Whip to interact with the Whips of the other parties to have a real discussion on the issue next week, including questions at the end. That discussion will be an opportunity for all Deputies to have their say.

Deputy Martin has accepted the findings of the report, which make perfectly clear that members around the Cabinet table were exempted from decision making because the process was to be removed entirely from politics. If the Deputy accepts the findings of the report, he will accept that. In any event, as I indicated to him yesterday, I do not have a problem dealing with any questions he may wish to ask in regard to the Moriarty tribunal. I am happy to contribute on the matter.

An Ceann Comhairle: I will put the question.

Deputy Gerry Adams: I wish to make a point. There is no reason the House cannot have the debate today.

An Ceann Comhairle: I am on my feet.

Question put:

The Dáil divided: Tá, 101; Níl, 42.

Tá

Breen, Pat.
 Broughan, Thomas P.
 Bruton, Richard.
 Burton, Joan.
 Butler, Ray.
 Buttimer, Jerry.
 Byrne, Eric.
 Cannon, Ciarán.
 Carey, Joe.
 Coffey, Paudie.
 Collins, Áine.
 Conaghan, Michael.
 Conlan, Seán.
 Connaughton, Paul J.
 Conway, Ciara.
 Coonan, Noel.
 Corcoran Kennedy, Marcella.
 Costello, Joe.
 Coveney, Simon.
 Creighton, Lucinda.
 Daly, Jim.
 Deering, Pat.
 Doherty, Regina.
 Donohoe, Paschal.
 Dowds, Robert.
 Doyle, Andrew.
 Durkan, Bernard J.
 English, Damien.
 Farrell, Alan.
 Feighan, Frank.
 Ferris, Anne.
 Fitzpatrick, Peter.
 Flanagan, Charles.
 Flanagan, Terence.
 Gilmore, Eamon.
 Griffin, Brendan.
 Hannigan, Dominic.
 Harrington, Noel.
 Harris, Simon.
 Hayes, Brian.
 Heydon, Martin.
 Hogan, Phil.
 Howlin, Brendan.
 Humphreys, Heather.
 Humphreys, Kevin.
 Keating, Derek.
 Keaveney, Colm.
 Kehoe, Paul.
 Kelly, Alan.
 Kenny, Enda.
 Kenny, Seán.
 Kyne, Sean.
 Lawlor, Anthony.
 Lynch, Ciarán.

Lynch, Kathleen.
 Lyons, John.
 McCarthy, Michael.
 McFadden, Nicky.
 McGinley, Dinny.
 McHugh, Joe.
 McLoughlin, Tony.
 McNamara, Michael.
 Maloney, Eamonn.
 Mathews, Peter.
 Mitchell, Olivia.
 Mitchell O'Connor, Mary.
 Mulherin, Michelle.
 Murphy, Dara.
 Murphy, Eoghan.
 Nash, Gerald.
 Neville, Dan.
 Nolan, Derek.
 Noonan, Michael.
 Ó Ríordáin, Aodhán.
 O'Donnell, Kieran.
 O'Donovan, Patrick.
 O'Dowd, Fergus.
 O'Mahony, John.
 O'Reilly, Joe.
 O'Sullivan, Jan.
 Penrose, Willie.
 Perry, John.
 Phelan, Ann.
 Phelan, John Paul.
 Quinn, Ruairí.
 Rabbitte, Pat.
 Reilly, James.
 Ryan, Brendan.
 Shatter, Alan.
 Sherlock, Sean.
 Shortall, Róisín.
 Spring, Arthur.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Twomey, Liam.
 Varadkar, Leo.
 Wall, Jack.
 Walsh, Brian.
 White, Alex.

Níl

Adams, Gerry.
 Boyd Barrett, Richard.
 Browne, John.
 Calleary, Dara.
 Collins, Joan.
 Collins, Niall.
 Colreavy, Michael.
 Cowen, Barry.
 Crowe, Seán.
 Doherty, Pearse.
 Donnelly, Stephen.
 Dooley, Timmy.
 Ellis, Dessie.
 Ferris, Martin.
 Halligan, John.
 Healy, Seamus.
 Higgins, Joe.
 Kelleher, Billy.
 Kitt, Michael P.
 Mac Lochlainn, Pádraig.
 Martin, Micheál.

McConalogue, Charlie.
 McDonald, Mary Lou.
 McGrath, Finian.
 McGrath, Michael.
 McLellan, Sandra.
 Moynihan, Michael.
 Murphy, Catherine.
 Ó Caoláin, Caoimhghín.
 Ó Cuív, Éamon.
 Ó Fearghaíl, Seán.
 Ó Snodaigh, Aengus.
 O'Brien, Jonathan.
 O'Dea, Willie.
 O'Sullivan, Maureen.
 Pringle, Thomas.
 Ross, Shane.
 Smith, Brendan.
 Stanley, Brian.
 Tóibín, Peadar.
 Troy, Robert.
 Wallace, Mick.

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Aengus Ó Snodaigh and Seán Ó Fearghaíl.

Question declared carried.

An Ceann Comhairle: Is the proposal for dealing with No. 5, statements on the response to the aftermath of the earthquake and tsunami in Japan, agreed to? Agreed. I call Deputy Martin on the Order of Business.

Deputy Micheál Martin: No. 6, a Fianna Fáil motion on corporation tax, is designed to reflect publicly the stated views of the majority of Members of this House. It also closely mirrors public commitments which the Taoiseach has given in recent weeks. However, the Government has tabled an amendment to the motion which in no way reflects the spirit of consensus articulated by the Taoiseach last week.

An Ceann Comhairle: I ask Deputies to have respect for the speaker.

Deputy Dara Calleary: Hear, hear.

Deputy Micheál Martin: The Government amendment asks that we note the programme for Government statement on corporation tax and, unfortunately, leaves the door open for our participation on CCCTB. There can be no doubt in regard to the House's opposition to any reduction in the corporation tax rate and to our participation in CCCTB. To maintain the unanimity that applied in the previous Dáil, when the then Government supported a similar motion from the Opposition, I ask that the Government amendment be withdrawn before the vote on the motion tonight. It is a serious enough manoeuvre which could allow the charge to be made that we could ultimately participate in CCCTB.

12 o'clock

The Taoiseach: The circumstances in regard to this matter have changed somewhat. I will explain the reason for this. It is important——

(Interruptions).

An Ceann Comhairle: I ask Members to listen to the Taoiseach's reply.

The Taoiseach: —that there be no ambiguity about this matter. There is no ambiguity in terms of Ireland's position in respect of the corporate tax rate. The European Commission is legally entitled to bring forward any paper to initiate legislation. The Commission is to bring forward a proposal in respect of a common consolidated corporate tax base. I, nor anyone else, cannot prevent that. Our view in respect of a common consolidated corporate tax base has been well known for some time. We are prepared to involve ourselves in the discussions on the paper produced by the European Commission, taking into account our position.

The Deputy will be aware that what will happen is that the Commission will publish its paper following which it will be discussed around the table. We are prepared to involve ourselves in that discussion, taking into account our position, but within the parameter of the requirement of unanimity were that to become an issue. Following the long and tortuous process of discussion on the issue of CCCTB, unanimity would be required. I do not want any ambiguity in this regard. The Fine Gael amendment in the name of the Minister for Finance leaves no room for ambiguity.

Deputy Micheál Martin: Unfortunately, it does leave room for ambiguity.

Deputy Willie O'Dea: It creates ambiguity.

Deputy Micheál Martin: This is a new development. During statements in the House yesterday on the forthcoming summit, no reference was made to this change in the corporation tax and the CCCTB. This is a significant development, as articulated by Government. The Commission has in the past brought forward proposals in regard to CCCTB and these were resolutely opposed by previous Governments of different hues and colour. We have been told during the past two weeks that Ireland will resolutely oppose any introduction of CCCTB. We are now being told that while the Government is highly sceptical of some aspects of the CCCTB proposal, it will involve itself in discussion and elaboration on the issue. I believe that is a grave mistake.

The Taoiseach: I am sure Deputy Martin does not expect us to sit at the table and not say anything.

Deputy Micheál Martin: No. I expect the Government to oppose the CCCTB proposal.

Deputy Billy Kelleher: The Government should oppose it here too.

An Ceann Comhairle: Please allow the Taoiseach to continue without interruption.

The Taoiseach: That is what I said. Ministers of the previous Government did not even bother to turn up at such meetings.

Deputy Micheál Martin: That is not true.

Deputy Timmy Dooley: The Taoiseach would be better off staying at home.

The Taoiseach: It is a fact.

(Interruptions).

An Ceann Comhairle: This is not Question Time. This matter will be debated this evening at 7 p.m. I allowed a brief question on the matter from Deputy Martin and a brief reply from the Taoiseach. Please respect the liberty I have granted on this issue. The matter will be debated at 7 p.m. this evening, when Members will have an opportunity to have their say.

The Taoiseach: I will be brief. The paper to be published by the Commission will be debated. Obviously, Ireland is opposed to it. Ireland has a particular view of opposition to it. As the Deputy is aware, countries which agree with the proposition of the Commission are entitled to have enhanced co-operation measures implemented. However, we want the principle of the issue of unanimity preserved and absolute clarity comes from the amendment in the name of the Minister for Finance.

A Deputy: That is shadow boxing.

Deputy Timmy Dooley: It is Labour's way.

Deputy Caoimhghín Ó Caoláin: I will confine my questions to promised legislation.

An Ceann Comhairle: Thank you, Deputy.

Deputy Caoimhghín Ó Caoláin: I note that on the list indicated by the Government for re-introduction in the House the opening paragraph states that the Bills shall be proceeded with at commencement of the Stage each Bill had reached. With specific reference to the Child Care (Amendment) Bill 2009, I recall the Taoiseach's party colleague, the then spokesperson on children, Deputy Charles Flanagan, the Labour Party spokesperson on children, Deputy Jan O'Sullivan, and I in that role each had amendments presented on Report Stage that sought to ensure there would be after-care provision for children in State care when they reached 18 years of age. Do I take it that the Government, made up of both parties which were strong advocates of the point I have just shared with the House, is now going to return to the commencement of Report Stage and intends to present new amendments to the Bill as presented by the former Government and that this is now afforded to the Government by returning to the commencement of Report Stage? It is a hugely important matter and it was the key focus of each of the three Opposition voices on children's matters. If he is not in a position to give this absolute clarity in response to my question, I appeal to the Taoiseach to take it on board and ensure that it will be the case.

There is only one other tranche of legislation under the health portfolio in the list on the schedule, the Nurses and Midwives Bill 2010. The Criminal Justice (Female Genital Mutilation) Bill was published in January of this year but it is not listed. There was cross-party support for the Bill which seeks to ensure women and young girls would not be subjected to this outrageous abuse either here in this country or to be taken from this country and subjected to this outrageous practice. Will this legislation, which had the unanimous support of all voices in the House, be brought forward? Will the Taoiseach indicate that he is willing to bring it forward?

Last year, a Private Members' Bill was introduced by the Labour Party spokesperson on health, Deputy Jan O'Sullivan, to ban the use of sunbeds by those under 18 years of age. Has the Government had the opportunity to agree further legislation in the health area and will this important legislation to protect young people be part of the programme?

The Taoiseach: It is an important matter for amendments to be able to be tabled at the recommencement of Bills and that will apply. The Bill in question will be reintroduced and there will be an opportunity for Deputies to place amendments on Report Stage. The Minister

[The Taoiseach.]

may wish to introduce some new amendments as may other Members. Bills will be introduced at the point at which they were before the election and before the Government fell. There will be an opportunity for amendments.

The barbaric practice of female genital mutilation is a highly sensitive matter. This Bill is before the Seanad at the moment and when it completes its route through the Seanad it will be introduced in this House. Regarding the sunbed legislation, I have asked all the Ministers to produce their lists for legislation. We will have a full list of legislation inside two weeks and the Minister will consider the position in so far as the sunbed legislation is concerned.

Deputy Michael Colreavy: Micheál Colreavy is ainm dom. I live in the northern half of the politically divided county of Leitrim and in the Sligo-North Leitrim constituency. Regarding proposed legislation, I note the Government proposes to reduce the number of Dáil Deputies. This will mean a re-drawing of the constituency boundaries. It was wrong that Leitrim was split and the fact that I won a seat against the odds — although I live in Country Leitrim — does not right that wrong.

Deputy Caoimhghín Ó Caoláin: Hear, hear.

Deputy Michael Colreavy: Will the Taoiseach give an assurance that the terms of reference of the Constituency Commission will be changed to ensure that low-population counties such as Leitrim will no longer be politically divided in future?

An Ceann Comhairle: I do not like to interrupt any new Deputy making their maiden speech——

Deputy Finian McGrath: Do not forget Dublin North Central.

Deputy Michael P. Kitt: Congratulate him on being elected.

An Ceann Comhairle: Could I remind Deputies that we are on the Order of Business, which, strictly speaking, is regarding promised legislation and not for debating purposes. I congratulate the Deputy on his maiden speech; I did not wish to interrupt you. However, please do not take it that I am going to be as liberal to others in the future. I look forward to the promised review of Standing Orders such that we can have an orderly way to raise issues of a topical nature without my having to intervene and knock you down every time. I hope that will be introduced in the near future.

The Taoiseach: Since it is the Deputy's maiden speech I congratulate him on his election as well. Having had to swim against the tide in Leitrim, the Deputy is to be congratulated. Independent commissions draw up constituency boundaries based on census and population figures. They are given a remit but there is no interference from the political process after that. No matter where you start in the country, there are knock-on effects. Having met many of the people in Leitrim I know of their concern that the county was divided. It causes some difficulties for people at electoral time in the case of any county that loses a portion of its traditional ground to another county. I cannot give any guarantee that the Deputy will get a specific result from whatever commission is appointed. It will be based on the census and population figures when they are available. We take into account the point the Deputy makes about a small county with a small population being divided but the Deputy has proven to be the exception to the rule.

Deputy Caoimhghín Ó Caoláin: Perhaps the re-unification of Sligo-Leitrim could be a template for bigger things.

An Ceann Comhairle: I call Deputy Willie O'Dea, who is not making his maiden speech.

Deputy Willie O'Dea: The programme for Government contains a commitment to introduce new anti-corruption laws to punish white collar crime such as bribery and corruption. Will the Taoiseach give priority to that legislation?

The Taoiseach: This is certainly not Deputy O'Dea's maiden speech. The Minister for Justice and Law Reform is examining this and will bring forward his legislative proposals shortly. He has already commented in respect of white collar crime being a matter of priority and he will report shortly.

Deputy Pearse Doherty: The programme for Government and the Fine Gael general election manifesto referred to burden sharing in respect of banking debt. We are to have burden sharing and the Taoiseach has clearly stated in one of his first addresses that there will be no additional money put into the banking system other than the money already committed. We will have the stress tests later next week which will probably require us to put in additional money. On the Taoiseach's word, that will not be forthcoming until burden sharing takes place. Legislation will be required to have burden sharing on senior bondholders.

An Ceann Comhairle: What is the promised legislation in question?

Deputy Pearse Doherty: This legislation is promised. Given that the amendment I submitted on behalf of my party in December was defeated, that legislation will need to be amended. When is it proposed that this legislation will come before the House such that burden sharing could be applicable to senior bondholders within our banking system?

The Taoiseach: The Deputy has tabled a series of questions to the Minister for Finance today. He will give a detailed response to any of the questions the Deputy wishes to raise then.

Deputy Pearse Doherty: On a point of order——

An Ceann Comhairle: It had better be a point of order.

Deputy Pearse Doherty: It is. As a relatively new Deputy, something struck me. I am asking about proposed legislation. The Minister for Finance will be answering questions later. When will the Government present to the Houses legislation on dealing with burden sharing with senior bondholders in our banks?

An Ceann Comhairle: Is this promised legislation?

The Taoiseach: The Deputy will have a full legislative programme inside the next two weeks. I have already said that today. It will be published, at which time Deputy Doherty can ask any question he wishes.

Restoration of Bills to Order Paper: Motion

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): I move:

That, notwithstanding anything in Standing Orders, the Bills which lapsed on the dissolution of the 30th Dáil, and are set out in the Schedule to this motion, shall be proceeded

[Deputy Paul Kehoe.]

with at commencement of the Stage each Bill had reached prior to dissolution unless specified otherwise in the Schedule.

SCHEDULE

| Bill Title | Stage reached at dissolution of 30th Dáil |
|--|---|
| Biological Weapons Bill 2010 | Order for Report Stage |
| Child Care (Amendment) Bill 2009 [Seanad] | Report Stage |
| Communications Regulation (Postal Services) Bill 2010 [Seanad] | Second Stage |
| Criminal Law (Defence and the Dwelling) Bill 2010 | Committee Stage |
| Environment (Miscellaneous Provisions) Bill 2011 | Order for Second Stage |
| Immigration, Residence and Protection Bill 2010 | Committee Stage |
| Nurses and Midwives Bill 2010 | Order for Report Stage |
| Property Services (Regulation) Bill 2009 [Seanad] | Committee Stage |
| Road Traffic Bill 2011 [Seanad] | Second Stage |
| Tribunals of Inquiry Bill 2005 | Order for Report Stage |

Question put and agreed to.

Response to the Aftermath of the Earthquake and Tsunami in Japan: Statements

Tánaiste and Minister for Foreign Affairs (Deputy Eamon Gilmore): We have all been deeply shocked and saddened by the recent events in Japan, including the devastating earthquake and tsunami and the ongoing crisis at the Fukushima nuclear power plant. I am sure the entire House will join me in extending our heartfelt sympathy to the Japanese Government and people at this especially difficult time.

At magnitude 9 on the Richter scale, the earthquake that struck north-eastern Japan on 11 March was one of the ten largest quakes ever recorded anywhere in the world. The strength was such that the residents of Tokyo, some 373 km from the epicentre, felt major tremors. Closer still to the epicentre, the prefectures of Miyagi, Iwate and Fukushima were hit by a deadly tsunami with ten-metre high waves that destroyed everything in their path. In the worst hit Miyagi prefecture, houses toppled over or collapsed, killing or burying thousands of people, while the waves washed away entire towns and villages. Extraordinary television images showed a tide of muddy water sweeping cars and houses across open land at high speed.

While Japan has a long history of coping with natural disasters and has one of the best developed systems of civil protection anywhere in the world, the sheer scale of these tragic events left thousands of people dead or missing and many thousands more destitute. More than 500,000 people have been evacuated from their homes, with many of these forced to take refuge in community centres or temporary shelters. Hundreds of thousands more were left without electricity or water.

It is against this backdrop that the situation at the Fukushima nuclear power plant has arisen. In the hours following the earthquake, the Japanese authorities declared a heightened state of alert at the plant. Three of the plant's six reactors were not operating when the earthquake occurred and although the other three shut down automatically, power supplies to the plant were damaged by the tsunami, resulting in the failure of the plant's cooling systems. On 12 March, an explosion occurred at one of the plant's reactors. In the following days, explosions

occurred at two other reactors and a fire broke out at a spent fuel storage pond in a fourth reactor.

Work is ongoing to control the situation at the power plant. Sea water is being used to cool the reactor pressure vessels and the spent fuel ponds, while work is ongoing to restore power to the plant. Although the International Atomic Energy Agency, IAEA, has now indicated that the situation at the plant seems to be stabilising, it has warned that the overall situation remains serious. In response to the risks posed by the plant, the Japanese authorities have evacuated the area within 20 km of it and are advising people within a distance of 20 km to 30 km of the plant to stay indoors, keep windows and doors closed and not use ventilation.

There are two aspects to the Department of Foreign Affairs' response to the aftermath of the earthquake and tsunami. The first relates to the consular functions of the Department in providing assistance to Irish citizens overseas. The second relates to the humanitarian assistance offered to Japan through Irish Aid. I will deal with each of these aspects in turn.

Upon learning of the earthquake, the Department of Foreign Affairs opened its crisis centre on Friday and Saturday, 11 and 12 March, to offer assistance and advice to families in Ireland who may have had concerns about relatives in Japan. When the earthquake struck, 12 Irish citizens were in the affected area. The ambassador in Tokyo travelled to Sendai and contacted all the Irish citizens in the region and arranged for their safe passage out of the area. Our ambassador and his staff at the embassy have now accounted for the safety of all of the Irish citizens known to be living or working in the affected areas in Japan. I am greatly relieved that no Irish citizens were injured or suffered serious loss.

The Department, both in Dublin and through our embassy in Tokyo, is continuing to provide assistance to Irish citizens in Japan. The embassy has been in daily contact with Irish citizens in the Tokyo area. The Department continues to advise citizens to avoid non-essential travel to Japan, including Tokyo, and not to travel to affected areas in the north-eastern part of the main, Honshu island of Japan.

I would like to take this opportunity to express my appreciation for the work of the Department's crisis centre and, in particular, the ambassador and staff of the embassy in Tokyo who, under difficult conditions, worked throughout the crisis to ensure the safety and well-being of Irish citizens in Japan.

Aside from the problems experienced at the Fukushima nuclear power plant, the overall situation remains difficult, with potential disruptions to the supply of essential goods and services. In light of this, we have encouraged Irish citizens, particularly people with small children, to consider leaving the north east of Japan and the Tokyo region. We have advised people seeking to leave these areas to make a travel reservation as soon as possible. Those Irish citizens who wish to leave are doing so by commercial means, many options for which are available. As of now, we are not aware of any Irish citizen who wishes to leave and has been unable to do so. The embassy in Tokyo is ready to provide assistance to any citizen who requires it. We are continuing to monitor the situation closely. The Department's travel advice for Japan is being kept under review and will be amended as the situation develops.

I will now deal with the second part of our response to the earthquake and tsunami, namely, the provision of assistance to Japan. In the hours following the earthquake and tsunami, the Government placed the Irish Aid rapid response corps on standby to deploy to the areas affected by the disaster. The corps is composed of highly skilled individuals with the type of knowledge and experience that is most required during a humanitarian emergency. In addition, we informed the Japanese authorities that we would be making available our emergency stock-

[Deputy Eamon Gilmore.]

piles from the UN-managed humanitarian depots in Dubai and Subang, Malaysia. These supplies include emergency shelter equipment such as tents, tarpaulins and blankets as well as water and sanitation kits and provide a basic infrastructure to help those who have lost their homes.

Japan is probably the best equipped country in the world to deal with major disasters of this kind. Nevertheless, the fact that it has been obliged to deal with three major emergencies simultaneously — an earthquake, a tsunami and a nuclear crisis — has meant that its response capacity has been pushed to the limit. Therefore, it appealed last week to the European Union and its member states for practical and financial help. The Government immediately responded by providing €1 million to the Japanese Red Cross, which is playing a leading role in the delivery of essential support to the many people left injured or homeless by the disaster. We are also in close contact with the EU's Humanitarian Aid and Civil Protection department, ECHO, which is helping to co-ordinate the delivery of the requested European assistance with the Japanese authorities. We are co-ordinating the delivery of relief supplies such as blankets and water tanks from our stocks in Dubai with those of other member states.

The current situation facing rescue workers and those delivering assistance to those most in need remains highly challenging, with a combination of the destruction caused to the country's infrastructure and poor weather conditions making access to the areas affected extremely difficult. The Japanese Government has been working tirelessly to manage an extremely complex situation and has mobilised more than 120,000 troops and emergency services for the relief effort and the clean-up operation. In the longer term, the focus will shift towards addressing the needs of the thousands of people who have been displaced by the disaster, many of whom cannot go home even when services such as water and electricity are eventually restored because their houses were washed away by the tsunami or levelled by the earthquake.

With the World Bank placing the cost to the Japanese economy at a staggering \$232 billion, the recovery and reconstruction effort is likely to be long and difficult. However, it is extremely gratifying that the Japanese people are not alone in this moment of tragedy. The Japanese Government has so far received offers of assistance from 128 countries all over the globe, including Ireland. There is no doubt whatsoever that Japan will be capable of rebuilding and recovering from these tragic events, given the strength and determination shown by the Japanese people since the crisis began. We have witnessed an outpouring of spontaneous generosity, with millions demonstrating acts of kindness and solidarity towards their fellow countrymen and women. At the Shibuya crossing in Tokyo, one of the most instantly recognisable spots in the city for a foreign visitor, one young worker told a journalist: "I think human beings survive because they help each other". In these difficult times, this strength and spirit is what gives us confidence in Japan's future. In the coming days, we will continue to do everything we can to aid and assist those affected and to ensure the safety of Irish citizens in Japan.

Deputy Michael P. Kitt: As a Galwayman and as a Deputy from the parish of Caltra, I congratulate Deputy Gilmore on his appointment as Tánaiste and Minister for Foreign Affairs.

I thank him for his contribution. The earthquake that struck Japan on 11 March has resulted in the biggest crisis to face the country since the Second World War. I would like to extend my sympathies and those of the Fianna Fáil Party to the people of Japan in what is one of their darkest hours. They have not only endured a devastating earthquake measuring 9 on the Richter scale but they have also had to contend with a tsunami and a nuclear crisis. The scale of this disaster is difficult to imagine. Reports indicate that more than 21,000 people lost their

lives in the disaster and the World Bank said it may cost Japan as much as €145 billion to repair the damage.

One cannot put a price on the human scale of the disaster. There has been a devastating loss of life. At least 50,000 people are homeless and millions are without fuel, food or running water. The scale of the disaster is unprecedented and terrifying. I was shocked that much of the immediate coverage of the crisis was accompanied by reports about its impact on share prices and interest rates. I found such coverage in the wake of the earthquake insensitive, given the scale of the disaster.

As the world has followed events in horror and in sympathy, many of us have been impressed by the quiet stoicism and dignity with which the Japanese have dealt with their plight. According to websites monitoring events, foreign observers have been amazed at the orderliness of the Japanese, even among the homeless. There has been a remarkable lack of looting and of civil disorder. The Japanese people have endured natural disasters previously and they are better equipped than most to deal with such a disaster. However, even they are struggling to deal with the scale of the challenge.

I was glad that the Minister of State at the Department of Foreign Affairs, Deputy O'Sullivan, confirmed yesterday that the expertise and services of our Irish rapid response unit set up in the wake of the Asian tsunami was offered to the Japanese Government following the crisis. I appreciate that our offer was not taken up on this occasion but perhaps, as the crisis continues, these highly trained experts may be deployed where they can make a contribution. I worked with this unit when I served as Minister of State in the Department and we had to deal with other humanitarian crises.

The Irish response to the crisis has been channelled through our membership of the European Union and the UN. Recently the Japanese Government appealed to the EU for assistance and the Government made €1 million available to the fund. Perhaps as the crisis unfolds, the Government will consider making a further contribution to the fund because this would have the full support of the people. The reality is the Japanese have a long road of recovery ahead of them.

An EU civil protection assessment and co-ordination team arrived in Tokyo last Saturday to co-ordinate an operation at EU level, bringing together assistance of the member states. I am not sure what role Ireland has in this effort but perhaps the Minister will refer to this later. Furthermore, the issue is to be raised at the EU Council in Brussels at the end of the week, which is a welcome development. I am a little disappointed that the new Minister has only issued two press releases on the subject since he took office. Given the scale of the disaster I expected that he might have been more vocal on the issue but I appreciate he is reading himself into the brief. Will he comment on this?

The magnitude of the earthquake was equivalent in power to 30,000 Hiroshimas and it generated a wave that wiped out entire towns and cities. As if this was not bad enough, there is now a nuclear crisis. There have been explosions, fires and releases of radiation at the Fukushima Daiichi nuclear power plant. Latest reports indicate it may take some time to stabilise the reactors in the plant. Understandably, this has caused huge concern in Japan and abroad, as there is a long history of cover ups and controversy surrounding nuclear power in Japan. Those living and working near the plant face a terrible dilemma about whether to go or stay. There are reports that those living and working in the vicinity are completely unprepared for such an eventuality. They have not received training on how to avoid radiation or what to do in the event of a nuclear emergency. Almost 250,000 people living within a 20 mile radius of the plant

[Deputy Michael P. Kitt.]

are directly affected in the short term. News reports suggest that no manuals about emergency plans have been provided to local residents, as is standard practice in other countries with nuclear plants such as the US and the UK.

This has raised concerns in Japan regarding the other 54 nuclear reactors and about the location and design of some of the other plants. The UN nuclear watchdog, the International Atomic Energy Agency, has expressed serious concern about the Fukushima plant. Questions have also been raised about the role of regulation, after it was revealed that last year regulators gave the all clear to a 10-year extension for Fukushima's No. 1 reactor, its oldest, which began operating in 1971. Apparently, faults were found in the plant but the owners were given five years to address the problems. Please God there is no risk to public health but this crisis once again puts the issue of nuclear power on the international agenda. This issue of nuclear power is sensitive in this country given our long history with the Sellafield power plant. Over a 50-year period there were more than 20 serious incidents in Sellafield and successive Governments have campaigned for its closure.

Nuclear power was adopted in Japan due to their lack of natural energy resources and for reasons of security of supply. However, a key component of any nuclear power strategy is transparency and accountability. This crisis may signal the end of the trust the Japanese people placed in nuclear power and it will surely make many Japanese people rethink this strategy. This is Japan's worst nuclear crisis for 25 years. For critics of nuclear power, it has highlighted several problems, particularly the need to acknowledge risks and the need to prepare for worst case scenarios. This crisis has also succeeded in putting the issue of nuclear power on the European agenda. The EU agreed this week that 143 reactors in Europe should be subject to new safety standards and I welcome the inclusion of Sellafield on this list.

Like the Minister, I compliment our ambassador and embassy staff in Tokyo. I acknowledge the efforts of the Ireland Japan Association, which has set up a special fund for those who wish to contribute in a practical way to help those affected by the earthquake disaster. I offer my condolences to the people of Japan on the terrible tragedy they are enduring.

Deputy Pádraig Mac Lochlainn: I express deepest sympathy on behalf of myself and Sinn Féin to the people of Japan. It was an event that evoked a genuine outpouring of grief in this country and across the globe. It was dreadful, and we are only beginning to realise now the full extent of the disaster with the numbers of people missing and killed exceeding first estimates. It may be some time before we realise the actual numbers involved, and longer before the communities affected begin to return to normality.

The tragedy caused by the earthquake and the tsunami was exacerbated by the scare over the impact the earthquake had on nuclear power stations in the region. For a while it appeared the environmental disaster might have been exacerbated to a horrific level by an accident at one of the power stations. Thankfully, the initial fears have not been realised, although dangers remain.

While it is not the time or the place to make lengthy political arguments on the back of these awful events, the danger posed by a possible leakage of high levels of radiation from the reactors must be mentioned. It is hoped that danger is not as serious as was first feared but we have already heard reports of radiation contamination of food and the threat that poses to the Japanese people. Some food products have been withdrawn. We are not yet aware of the full impact that leaking radiation may have had on the food supply and on people's well-being. That again highlights the dangers associated with nuclear power. We are fortunate here in that

when the building of a nuclear power station at Carnsore Point was given serious consideration in the late 1970s, the popular opposition to it forced the then Government to change its mind. It is clear now that the Irish people made the right choice.

I am conscious that there are always concerns regarding the Sellafield plant in Britain. Now would be the time for the Tánaiste and Minister for Foreign Affairs, or the relevant colleagues in Cabinet, to re-engage with the British Government about the long-standing concerns of the Irish people in that regard, and in particular to get an update on the review of its emergency plan. That would be an importance occasion to re-engage with them.

Energy supply is a serious issue and one that will arise more frequently in the coming years. That is all the more reason we must examine alternative forms of energy supply globally that will both guarantee that energy needs are met but also provide a safer option to nuclear power. However, this is not the time to dwell too much on that aspect of the terrible events in Japan. Such a debate can wait another day.

One of the positive aspects of the crisis, if there can be any in such circumstances, was the evidence of the manner in which the Japanese people, and the international community, responded to the effects of the earthquake. There was a genuine outpouring of grief that transcended cultures and that manifested itself in practical aid in terms of ensuring that the after effects of the tsunami and the dreadful damage it wreaked were immediately addressed. It demonstrates that there is a positive aspect to international solidarity that transcends the more brutal manner in which it is sometimes manifested in military actions involving the major powers.

In the context of that international solidarity and aid, it is important to refer to the new Ceann Comhairle, Deputy Seán Barrett, who, in his time as Fine Gael's spokesperson for foreign affairs, raised the concept of a citizens' corps that would be ready to be deployed to provide international assistance in the event of a disaster such as that which took place in Japan. He referred to the possibility of people who are unemployed taking part in such a corps. There is a fantastic culture here of people wanting to assist in these circumstances, as we know from all the Irish organisations that assist people overseas. It is an excellent idea. In the aftermath of the disaster, and as we reflect on what happened and offer our sympathy, that might also be the time to pursue that idea.

Such a corps could comprise volunteers who are specialists in various fields who would be ready and prepared to travel immediately to disaster zones to participate in aid missions. There would be scope for medical personnel, civil engineers, members of the fire service and so on who could participate in such a group. As we saw from Japan, the early deployment of experienced search and rescue personnel from overseas played a crucial part in the aftermath of the tsunami and undoubtedly contributed to the saving of many lives that might otherwise have been lost.

I am not certain what branch of Government would be responsible for establishing such a citizen corps. It might be something the Department of Foreign Affairs might examine and set in train the process of establishing such an initiative. It would constitute a real and practical contribution on the part of the people of this country to helping in the event of any future disasters should they occur anywhere on the planet.

While international aid was important, I would also like to pay tribute to the manner in which the Japanese people responded to the disaster. It is a very different culture to our own, although human beings of whatever nationality or culture share the basic common attributes. It is heartening to know that in the midst of such a calamity, the vast majority of people respond

[Deputy Pádraig Mac Lochlainn.]

in a humane way, even in circumstances where much of the basic structures of civilised society have temporarily broken down.

There is a bleak view of humanity as expressed, for example, in the film “The Road”, which was set in the aftermath of a huge disaster, possibly nuclear. That human society is portrayed as being unable to survive such a shock, and people revert to a barbaric state. The response to the Japanese disaster may offer hope that human beings are perhaps better than that, and that society is able to respond to and survive in such circumstances.

Deputy Finian McGrath: I am thankful for the opportunity to contribute to the debate. I am sharing time with Deputies Maureen O’Sullivan, Catherine Murphy and Mick Wallace.

It is a very sad day for the Japanese people, and it is important that we offer our deepest sympathy and our condolences to them on behalf of the people of Ireland on their major loss. It was an horrific thing to happen to the Japanese people. To lose so many people in this way is a nightmare for all of their families and friends. I offer my deepest sympathy to the Japanese community in Ireland also on their loss. To see images of mass graves is deeply saddening and, once again, the families have to bear the brunt of the hurt and loss.

To make the situation worse, they must deal with the nuclear issue raising its nasty head to add more doom and gloom to their grief. This is a very serious issue. The families and the country must deal first with the aftermath of the earthquake and the tsunami. In addition, they must deal with the restructuring of their country, including the infrastructure and so on, and the hurt and loss of families, and now they are looking over their shoulders at the nuclear issue.

I feel very strongly about this issue because I am very concerned about the devastation that could happen in Japan but also across the world. Nuclear devastation in Japan could have worldwide health repercussions. The nuclear crisis in Japan, with effects occurring in all six reactors on the site in question, is now officially ranked as level 6 and is not yet resolved, if it ever can be resolved. To put that in context, Chernobyl was ranked at level 7. The United States is expecting nuclear contamination to hit that country within two days, and western Europe later. There has been and will be increased seismic activity worldwide, and there are other reactors built in fault zones. Japan’s disaster, therefore, will become a world disaster. That is something we must pay a great deal of attention to, particularly in our own country.

In February and March, earthquakes occurred along the ring of fire in Chile, New Zealand and Japan. If this continues, the west coast of North America might take the next hit. Geologists are already predicting that. The washing up of fish and whales on beaches may have to do with electromagnetic disturbances under water, which could cause earthquakes and tsunamis. I say that in regard to an international health issue. Not only is this a crisis for the Japanese people, but it is now becoming a major international crisis for all the countries around the world.

In fairness to the Japanese and their resilience, they were probably one of the most well-prepared in the world in terms of this disaster. They had erected the barriers and their buildings were prepared for earthquakes, yet they got caught as well. It is important that we are aware of that. They had erected huge walls to protect against tsunamis, and in fairness to them a higher number of people could have lost their lives. They had a nuclear back-up system as well but they did not calculate for an earthquake as high as 9 on the Richter scale occurring. Their protective measures were not enough and, once again, an improbable chain of events has happened. It is important that we raise this issue from an international health and safety point of view. It is now at the point where workers will be asked to volunteer for suicide missions and sacrifice themselves to save Japan by going into the deadly radioactive areas to try to fix

the problems and get the electricity supply reconnected to run the pumps and so forth. Again, I commend the bravery of the Japanese people, particularly those who are taking those risks in the interests of their country. As this was not foreseen as a possibility, there are no manuals to follow for dealing with six reactors in a meltdown or potential meltdown process.

It is important that these issues are mentioned, but the main focus must be our sympathy and support for the Japanese people, who have suffered a sad loss. I offer my deepest sympathy and support to the Japanese community in Ireland. I am sure many of their families and friends have been deeply affected by the earthquake and tsunami.

Deputy Maureen O'Sullivan: This is an appalling tragedy for the people of Japan. They have the sincere sympathies of this House and the Irish people. This is just the latest disaster of epic proportions following those in New Zealand, Pakistan and Haiti. We cannot but admire the heroism and calmness of the Japanese people as they come to terms with what has happened.

People in Ireland, particularly on the eastern seaboard, also face the possibility of nuclear fall-out from Sellafield. There is concern about the safety of aging nuclear power facilities, particularly following what happened in Japan. The Government has agreed to set aside €1.3 million in 2011 to carry out scientific and legal research into the risk posed by the Cumbria plant. There was money allocated to the Department of the Environment, Heritage and Local Government last year and reining in any of that money would not make sense.

There should be more discussion of the reports from the Radiological Protection Institute of Ireland. It received approximately €10 million over the past three years but how seriously are we taking its reports? According to the institute, the most significant source of radioactivity in the Irish Sea is liquid discharges resulting from reprocessing operations at Sellafield. These discharges are authorised within prescribed limits by Britain's environment agency but what about our rights? Successive Irish Governments have expressed concerns about Sellafield and have met the Nuclear Decommissioning Authority. I support the call by Senator Mark Dearey to the Taoiseach to seek an immediate commitment from the British Energy Secretary on these aging reactors.

I had to turn to page 16 of *The Irish Times* world news section to get the latest news. How quickly these stories move from the front pages. There is no mention of Pakistan these days. Japan's nuclear plant is still emitting radiation but it is not clear from where. I, too, acknowledge the heroic sacrifices of those who are working at the plant and putting their lives at risk every minute of their working day. It is frightening to read of the high levels of radioactivity in food at locations south of Fukushima and in the water supply in Tokyo. All those who gathered at Carnsore Point many years ago to protest against nuclear power must feel totally vindicated. It is also interesting to read about Chancellor Merkel's U-turn on this matter. The further difficulties for Japan's industries are also being highlighted. The plant was supposed to be proof against the strongest seismic events but its cooling systems were knocked out by the earthquake and tsunami. How can we believe claims of technological impunity?

The buildings in Tokyo were built with the best materials, and there are lessons in that regard. We saw what happened in Haiti and China. To return to the human stories, one cannot look at the photographs today without being reminded of the photographs taken after Hiroshima and Nagasaki. The Japanese people recovered from that and I have no doubt that they will recover again.

Deputy Catherine Murphy: Everybody acknowledges that this was a major natural disaster which caused significant loss of life. That is the most important concern we should have.

[Deputy Catherine Murphy.]

Second, what must be acknowledged is the heroism being demonstrated not only by those who are risking their lives and health trying to reduce the contamination from the Fukushima nuclear plant but also by those who are working at search and rescue in appalling conditions. These include sub-zero temperatures, daily aftershocks and the risk of another significant earthquake.

As the Minister said, if there is a country in the world which has buildings that can withstand earthquakes, it is Japan. Every time an earthquake occurs people refer to Japan as the example of best practice. Every month children in preschools and primary schools participate in drills, and that practice permeates every walk of life. This country was prepared. However, what could not be prepared for was the scale of the earthquake and the damage done by the massive tsunami. Much of the news footage of the tsunami was horrific and early estimates of the damage done run to \$200 billion.

Although to date nobody has died as a result of damage to the Fukushima nuclear plant, it is already ranked by nuclear authorities as the second worst nuclear disaster after Chernobyl, and that is a situation that is contained. The consequences of such a disaster are not immediate. They cannot be easily captured on television screens. There are reports of food contamination and high radiation levels in the oceans, which obviously will have a knock-on effect in the food chain. Problems with the water supply are also beginning to emerge. These are the early problems and the world, particularly Japan, hopes they will be contained.

The economic fall-out has become obvious as well. This is a matter to which we should give a great deal of attention. There is an economic fall-out from the high dependency on nuclear power. The rolling blackouts are unlikely to be temporary and not only will they hinder normal domestic life but they will impact on industrial production. The knock-on effects include, for example, consumers of Japanese goods switching to other markets. The car industry is a case in point. The most serious questions raised relate to long-term matters such as a secure power supply, particularly in a situation of peak oil. The degree of panic in Japan is understandable but it appears to have spread to neighbouring countries, where there is evidence of panic buying of food, iodine tablets and so forth.

While Ireland is not in a part of the world that is prone to earthquakes, radioactive material was found in parts of Ireland following the Chernobyl disaster, which demonstrates the reach of contamination. Nuclear accidents are disasters that do not follow a script. While such plants provide a secure energy source that is relatively cheap over the lifetime of the plant, when there is an accident there is nothing minor about the consequences and nothing cheap about the human, economic and environmental problems. If this awful tragedy produces anything positive, it must be that it will open the debate on nuclear power. We cannot express concerns and condemn others if we are prepared to accept the product by way of a pipeline from other countries to secure our supply. We must pull out all the stops to become a world leader in alternative energy production. That will give this country authority on the issue.

Deputy Mick Wallace: It is heart-rending to watch what is happening in Japan. I had the good fortune to visit the country twice. I went there for the World Cup in 2002 and I liked the country so much I returned a couple of years later. The Japanese are the most incredible people on the planet. I have been reading about the 200 guys who are working in the plant at present to try to save everybody in the surrounding area. They run the risk of losing their lives. It is unbelievable, but that is the type of people they are. They are among the most civilized people

on the planet. It was like living on a different planet when I was there. They are amazing people.

It appears that the nuclear problem could have been a great deal worse. It is frightening to consider that the nuclear energy of the Japanese, who prepare for everything probably better than any other people, is not safe. I am old enough to have been at Carnsore Point. It is huge relief we do not have a plant here. There was an earthquake in L'Aquila in Italy two years ago and most of the houses there collapsed because they were not built as well as houses in Japan. However, Italy has many nuclear power stations and it is frightening to consider if the earthquake that occurred in L'Aquila had happened near one of those plants, it could have caused unbelievable devastation.

The Government should play an active role in highlighting that no matter how safe we seek to make nuclear energy, it poses a massive risk to the people of Europe. There is no such thing as safe nuclear power. That has been brought home to us clearly by events in Japan.

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): The massive earthquake which struck off the coast of Japan on 10 March and the resulting tsunami are stark reminders of the forces nature can unleash and how vulnerable and powerless humanity can be in the face of them. The scale of devastation in northern Japan is enormous. I offer the Government's sympathy on behalf of the Irish people to the Government and people of Japan who have been so badly affected.

In crisis management terms, the Japanese people have faced enormous difficulties, as Deputy Wallace outlined. In addition to the coastal communities swept away by the massive wall of water, resulting in many thousands of deaths, hundreds of thousands of people have been displaced and are being accommodated in temporary shelters. There are issues of power and water supply outages, fuel and food shortages, damage to critical infrastructure and transport networks, all making it difficult for relief efforts to function and for the grim task of searching and body recovery to be undertaken. Nonetheless, the manner in which the resources of the Japanese state have been mobilised reflects the degree of preparedness that had been achieved, although the people had hoped never to be struck by the record-breaking earthquake measuring 8.9 on the Richter scale.

The extent to which we in this country have a generic emergency management system in place which is understood by all, is capable of effective response and is supported by specific preparedness for anticipated emergency scenarios is one of the Government's priority concerns. Events in Japan show the economic consequences as well as the human, social and environmental costs of natural disasters on this scale. While the scale of challenges nature has thrown at us in recent years cannot be compared with the massive Japanese earthquake, the lesson is that we must do our utmost to be as prepared as possible. While no level of preparedness can necessarily prevent or avoid the impact of severe natural events, we must be confident that we can respond to and manage issues that emerge regardless of the type or scale of the challenge faced. Among other endeavours, this involves a planned inter-agency approach, mobilising all necessary responses at local level, as well as clear communication with the public of what is being done. I will be keeping our arrangements in this regard under review with my Government colleagues in the period ahead.

Added to the difficulty faced by the Japanese authorities and people has been the impact of the earthquake on their nuclear power plants, where the loss of cooling capacity has resulted in explosions and fires in several nuclear reactors at the Fukushima power plant. Japanese authorities have battled since the earthquake and tsunami to regain control of the damaged

[Deputy Phil Hogan.]

facilities and to minimise the impact of the loss of containment and release of radioactive material. They have provided information for and worked with the relevant international bodies including the International Atomic Energy Agency, IAEA, and the World Health Organisation, WHO. The incidents to date have been rated as a five on the seven-point international nuclear and radiological event scale, INES, indicating the serious nature of the events and that the impact is in a wider area than the immediately affected power plant.

The occurrence of this serious nuclear event in Japan has led people and Governments across the world to ask searching questions about safety in the nuclear industry. In Ireland, a non-nuclear state, we prioritise safety over all else in matters of nuclear policy, but we are also concerned about the potential economic consequences arising from releases of radioactive material. Those whose responsibility it is to protect the world's citizens and environment from the consequences of a nuclear accident must never approach this task with complacency.

I welcome, therefore, the timely response from the European Commission to the events in Japan and their implications for the approach to nuclear safety across Europe. Nuclear safety is by its nature an international issue. The Chernobyl accident 25 years ago caused widespread releases of radioactivity across many countries. Thirty years previously, and closer to home, the 1957 fire at Windscale, now Sellafield, in Cumbria also led to the unplanned release of radioactivity. The potential for trans-boundary impacts from a nuclear accident, however unlikely, means that nuclear safety must be a priority consideration for nuclear and non-nuclear states alike.

The planned stress tests of all European nuclear sites announced this week are welcome. In order to play an effective part in improving nuclear safety in Europe, these tests must involve independent experts, be based on a stringent and comprehensive set of criteria, and their findings must translate into action where required to improve safety. The process should be transparent so that the public can be properly and realistically informed. The stress tests should also be informed to the fullest extent possible by what occurred in Japan. It will be some time before a full analysis can be carried out, but it seems clear even now that a combination of factors contributed to the seriousness of the Fukushima event. This underlines the importance of considering nuclear safety from a broad perspective, of identifying not only the possible risks but the possible interactions between those risks, or what is called the "domino effect".

Ireland has long been a strong promoter of nuclear safety internationally. Events in Japan underline how important it is that this perspective be articulated clearly and with conviction. I will work with my colleague, the Tánaiste and Minister for Foreign Affairs, and other ministerial colleagues to ensure this continues. Our position on nuclear safety is also informed by our proximity to the United Kingdom's large civil nuclear industry and, in particular, to the Sellafield complex whose environmental impact and accident potential have been a source of concern in Ireland for many years. It is our expectation that the Sellafield facility will be stress tested in line with the new arrangements being agreed at European Union level.

Ireland has a bilateral agreement in place with the United Kingdom on the early notification of a nuclear accident or incident of radiological significance and the exchange of information. My Department is in regular contact with the relevant British Government Departments and agencies on nuclear safety and radiological protection matters. I expect to have the opportunity to discuss this strategy with the British Secretary of State, Chris Huhne, at the meeting of EU Environment Ministers this weekend. The Radiological Protection Institute of Ireland, RPII, has bilateral arrangements with the regulatory bodies responsible for radiological protection

and nuclear safety in the United Kingdom and keeps my Department fully briefed on these matters.

Since the beginning of the emergency in Japan, the relevant authorities in the State have been monitoring the situation, taking account of information available through the International Atomic Energy Agency and the European Union information exchange system. My Department is the lead Department for nuclear scenarios. In accordance with its national emergency plan for nuclear accidents, NEPNA, the National Directorate for Fire and Emergency Management has convened a national co-ordination group of the relevant Departments and agencies to review the available information and to provide advice, via the Department of Foreign Affairs, for Irish citizens in Japan.

This group met first on Saturday, 12 March and again on Monday, 14 March and Friday, 18 March, and continues to monitor the evolving situation on a daily basis. The national co-ordination group is advised by the relevant specialists in this field from the Radiological Protection Institute of Ireland, Met Éireann, the Food Safety Authority of Ireland and the public health section of the Health Service Executive. Its best assessment remains that the release of radioactivity in Japan is extremely unlikely to impact on Ireland. Advice and information on the situation has been provided by expert spokespersons from these organisations and is also available on their websites.

The importance of having access to good information and the best scientific advice in this type of situation cannot be overstated. The RPII is an independent public body under the aegis of my Department and was established in 1992 under the Radiological Protection Act 1991. The RPII's role is to ensure Irish people and the environment are adequately protected from the harmful effects of ionising radiation. The RPII does this by providing advice to the public and the Government, monitoring people's exposure to radiation, regulating and licensing those who use radiation sources for our benefit such as health care facilities, providing technical support to Ireland's plan to deal with radiation emergencies, NEPNA, and co-operating with similar bodies internationally and with international bodies including the International Atomic Energy Agency and the European Commission

The RPII, with support from Met Éireann, local authorities and the Defence Forces, operates a national monitoring network for the detection and measurement of radioactivity in the air and the deposition of contamination on the ground. The network has been updated recently to increase reliability, range of measurements and geographic coverage. It consists of continuous gamma dose rate monitoring systems at 14 sites. These measurements are carried out 24 hours a day and continuously fed back to the RPII with an alarm system for elevated readings. An additional 27 non-automated gamma dose rate measurement sites are operated by the Reserve Defence Forces. The agencies of the State charged with the responsibility to monitor radiation are active and meet regularly.

I assure the House that we will update the Dáil on a regular basis so Members have the fullest possible information so we can be clear the events in Japan, while tragic for the Japanese, do not have consequences for the Irish people.

Deputy Robert Troy: Almost two weeks ago a massive earthquake struck Japan, followed by a tsunami and a nuclear emergency. This is the worst crisis the country has faced since the Second World War. Having no history of natural disasters, it is difficult for us to imagine the scale of the devastation and destruction. Since the crisis began the number of people who have lost their lives has dramatically increased and Sky News has reported this morning it now totals 24,000 people.

[Deputy Robert Troy.]

Thousands of people have lost their lives, millions are displaced and there is a lack of food and water. Entire villages were swept away by a wall of water up to ten metres high and the threat of radiation from Fukushima power plant is looming. We are also told that rescue efforts have been hampered by adverse weather conditions. For survivors who have lost their homes and all their belongings this is more hardship to be endured.

The Japanese have a long history of earthquake planning and were better prepared than most but even so, the scale of the challenge they face is enormous. This was, after all, the biggest earthquake in 140 years. Within 24 hours of the disaster, Japan had mobilised 50,000 military and other rescue personnel to spearhead the rescue effort. Its defence forces have also been working night and day, with hundreds of ships, aircraft and vehicles in the devastated areas. Emergency staff from Britain and Australia, who have specialist skills and experience, have been sent to the area to help with the rescue effort.

When the earthquake struck the US already had 38,000 troops stationed in Japan. The American military has committed dozens of aircraft and thousands of marines and sailors to the rescue effort in the past week. This demonstrates how a humanitarian crisis can bring together two countries with very different cultures and experiences.

According to the latest information from the UN Office for the Coordination of Humanitarian Affairs on the aftermath and response to the Japanese earthquake and tsunami the Government of Japan has received 128 offers of assistance from countries, as well as 33 offers from international organisations. It has accepted relief items from 14 countries and more than 78,000 blankets have been received and then channelled through the Japan Red Cross Society. In total, 890 international search and rescue specialists and 37 rescue dogs, from 20 teams representing 15 countries, have supported the Japanese rescue teams in this disaster response. The majority have now completed their assignments and only four teams remain. It is expected that all teams will finish their missions this week.

The Irish Government has pledged €1 million to the Red Cross effort and Irish Aid has also provided blankets, mattresses and water tanks from our stockpiles in Malaysia and Dubai. The Irish response to the crisis has been led by our embassy official in Tokyo and our crisis centre in Dublin. The European Commission's monitoring and information centre is in the process of receiving and compiling offers of assistance. So far, the MIC has received confirmed offers from 12 EU member states. Perhaps the Minister for Foreign Affairs could confirm if we have offered assistance in this regard. The rapid response unit set up in the wake of the Asian tsunami would I am sure provide excellent support and assistance to the Japanese at this time.

Last week the European Commission dispatched a 15 member EU civil protection team to Tokyo, which is working with the Japanese authorities. One of the most alarming aspects of this crisis is the threat of radiation from the nuclear power plant in Fukushima. The earthquake and tsunami shattered the plant, allowing radiation leaks that have seeped into vegetables, raw milk, the water supply and even seawater. The situation remains serious, with the authorities still struggling to stabilise the plant and radiation levels are still far too high.

Even if the short-term risk is limited for now, scientists have made comparisons with the 1986 Chernobyl disaster when some radioactive particles travelled up the food chain and stayed in the environment for decades. The US Food and Drug Administration has placed an import alert on all milk, dairy products, fresh vegetables and fruits from Fukushima.

The scale of the fall-out and the long-term effects will only be revealed in time. Here nuclear power is a very sensitive and emotive issue. We have campaigned for the closure of Sellafield for many years and we are all too aware about the risks nuclear power presents.

Fianna Fáil supports the Government in terms of providing aid or personnel to Japan at this very difficult time. The Japanese people have endured so much and have so many challenges ahead of them, we cannot but be impressed with the solidarity, endurance and resilience they have shown in the past two weeks. I extend my deepest sympathies to the Japanese people at this very difficult time.

Deputy Joanna Tuffy: I express my sympathy to those who lost family members in Japan in the aftermath of the earthquake and to the Japanese people and Government in general. I have family living in Japan; my cousin, Shane Cahill, works in the embassy in Tokyo and my brother and his family live in Japan. Thankfully all are safe and well, although I still have concerns. My brother and his family live in Nagoya, which is quite far from the area of Japan that was affected by the earthquake and from the Fukushima plant but extended family live in Utsunomiya in the Tokyo area so I am concerned about the nuclear plant in Fukushima.

I welcome the work the Department of Foreign Affairs has done on the issue, and the assistance that has been provided to Irish citizens, along with the work that has been done by the Radiological Protection Institute of Ireland to inform people of the risks that arise in Ireland from radioactive leaks in Japan.

The debate on nuclear energy has arisen again following the incident in Japan. There can be a knee-jerk reaction with some people saying this disaster puts an end to the argument. We cannot say that because there are many nuclear plants around the world, with many situated near Ireland, and we cannot just close them down. There are also issues about energy provision in future. We must engage with this debate in a proper and informed way.

The Prime Minister of Japan, Mr. Naoto Kan, has stated that he will provide the European Union with as much information as possible regarding the difficulties at the Fukushima nuclear plant. Apparently he had discussions with the President of the European Council on yesterday. It is important that information relating to events at Fukushima, the steps being taken there and the dangers of that have arisen be freely available. Such information must be verifiable and trustworthy. I have been watching broadcasts by the NHK television channel in Japan and it is clear there appears to be a certain amount of distrust among people there with regard to their Government and the information it is providing. It is essential that good, transparent information which people can trust should be provided. In that context, all efforts must be made by the Japanese Government, the international community and entities such as the European Commission.

It is important that the necessary steps be taken to minimise the dangers which might arise as a result of the leaking of any radioactive materials. The international community must carry out a full investigation of this matter and that investigation must be lead by the International Atomic Energy Agency, IAEA. We must ask whether the difficulties that have arisen at the Fukushima nuclear plant could have been avoided if better procedures had been in place. We must also ask whether we can learn lessons from the problems that have arisen following the earthquake and the subsequent tsunami.

The IAEA issued a statement in the aftermath of a meeting held by its board of governors earlier in the week. The statement, which was issued by the chairman of the board, refers to information that was exchanged with the authorities in Japan. It says:

It was emphasized during the Board meeting that the international community had a shared responsibility to ensure that the general public were provided accurate and reliable information of such emergencies to alleviate their concerns and that they must be kept aware of how the respective national authorities were responding to those emergencies.

[Deputy Joanna Tuffy.]

This is a matter of some importance to Ireland and people here must be kept really well informed because this matter could affect us in the future. It is vital, therefore, that we should engage with the process that is envisaged. The statement of the IAEA also indicates:

The Board welcomed the Agency's close cooperation, since the beginning of the crisis, with other international organizations and partners, such as the United Nations, the World Health Organization, the Comprehensive Test Ban Treaty Organization, the World Meteorological Organization and the Food and Agriculture Organization through the IAEA-FAO Joint Division. The Board emphasized also the need for the enhancement of such cooperation.

The need for Member States' continuous commitment to the application of the highest standards of nuclear safety, and to draw conclusions and learn from the Fukushima nuclear accident was also highlighted.

It is extremely important that we should learn from what has happened.

Nuclear energy exists across the globe. We do not have it in Ireland but countries nearby produce it. Ireland is part of the international community and must do its part to learn from this incident. Any improvements necessary to improve safety at nuclear plants throughout the world must be made in order to ensure that the type of problems which arose on this occasion do not recur. In that context, Ireland must, as much as any other country, engage with that process. Just because we do not utilise nuclear energy in this country does not mean we do not have a responsibility to participate in the process that will arise on foot of this matter.

An article in yesterday's *Irish Examiner* referred to a number of nuclear plants in California which are located close to fault-lines or in areas which could be affected by tsunamis. It is important, therefore, that in the context of what might happen in the future we should consider what is happening and that we should try not to repeat some of the mistakes which may have been made on this occasion. We must consider the steps that can be taken to ensure that any new nuclear plants to be constructed in Europe be located in safer areas. I welcome the proposal that Sellafield be included in the stress tests the European Union is planning to carry out.

There is a need to consider the use of alternative energy sources. We must also consider whether there are other options relating to nuclear energy which might prove safe in the future. Research in this area must continue. We cannot just state that we have reached the end of the argument with regard to nuclear power. We must engage fully in the discussion in respect of this matter because nuclear power is in use throughout the world. We must ensure that such power is produced in as safe a manner as possible. In addition, we must ensure that the other options which are available are the subject of close examination.

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): I thank the Members who contributed to the debate on this matter. I assure them that I will convey to the Government of Japan the unanimous sympathy, concern and solidarity that has been expressed in the House in respect of the Japanese people and the difficult circumstances in which they find themselves.

I thank Deputy Kitt for his good wishes and for what I interpret as his advice that I perhaps need to be somewhat more forthcoming in singing the praises of the Department of Foreign Affairs. Such praise is deserved because the Department responded both quickly and appropriately to the crisis that has arisen. A crisis centre was established in the immediate aftermath of the earthquake and tsunami and this enabled Irish people who were concerned about their

relatives in Japan to make contact, to establish the whereabouts of the latter and to obtain advice. The embassy in Tokyo responded quite rapidly in the context of contacting Irish citizens who are living in Japan. A number of the staff travelled to the affected area in order to bring back people who were stranded there. The embassy is continuing to provide assistance to these individuals.

Ireland was one of the first countries to respond to this disaster by offering aid and assistance to the people of Japan. We have now made a contribution of €1 million to the efforts of the International Committee of the Red Cross. We are continuing to monitor the position in respect of the incident at the Fukushima nuclear power plant. As the Minister for the Environment, Community and Local Government indicated, we are already learning lessons from what has happened in Japan in this regard. In that context, I was particularly heartened by the contribution of Deputy Finian McGrath, who chose not to repeat in the House the baseless criticisms attributed to him in some weekend editions of the newspapers.

We remain in close contact with the Japanese authorities regarding how best we might assist. We are working to identify a partner in Japan to distribute emergency supplies from this country, including 18,000 blankets. The Japanese Government has asked the EU to restrict assistance to funding for the International Society of the Red Cross and to the emergency supplies to which I refer. The European Council will discuss the situation in Japan — including the EU's response to the crisis and the part to be played by the Irish airlift therein — at its meeting to be held in the coming days.

Deputy Pádraig Mac Lochlainn referred to an issue that was raised in the past — and in a previous capacity — by the Ceann Comhairle, namely, the possibility of establishing a citizens corps. Irish Aid operates two corps of highly-skilled volunteers who are deployed to humanitarian crises. These individuals include engineers, logisticians and others who possess the skills most required in emergency situations. These corps were developed in co-operation with the UN and other humanitarian agencies. At present, the two corps comprise 155 members.

We have been provided with a telling reminder of the concerns that exist in respect of nuclear energy, nuclear waste, etc. The Government will pursue the issues that have arisen in this regard. We must focus on the fact that the crisis in Japan is ongoing. As Deputy Maureen O'Sullivan stated, coverage of the crisis has been relegated to the inner pages of newspapers. We will, however, continue to work to provide assistance in respect of the crisis. We will also continue to monitor the position in respect of the nuclear issue, particularly in the context of the concerns that exist. In addition, we will ensure that assistance is provided to those Irish citizens in Japan who need it.

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

Ceisteanna — Questions (Resumed)

Priority Questions

An Ceann Comhairle: For the benefit of those who may not be used to it, 30 minutes are allowed for Priority Questions, that is six minutes per question. The Minister is allowed two minutes for an initial reply. There are, effectively, six minutes per question.

Department of Finance

9. **Deputy Brian Lenihan** asked the Minister for Finance if he will provide the precise arrangements for the division of the Department of Finance into two Departments; the pro-

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posed distribution of the current business of the Departments between the two new Departments and the implications for staff; and if he will make a statement on the matter. [5517/11]

Deputy Michael Noonan: It is intended to establish a new Department of public expenditure and reform which will have responsibility for all public expenditure as well as the modernisation and reform of the public service. The Minister for Finance will retain responsibility for overall budget, tax and spending parameters while the Minister with responsibility for public expenditure and reform will be responsible for managing public expenditure within the overall envelope set by the Minister for Finance.

The setting up of the Department of public expenditure and reform and the transfer of public expenditure and reform functions from the Department of Finance to the new Department will require primary legislation. The functions and responsibilities which are being transferred to the new Department and Minister need to be clearly identified in the legislation to ensure that there is a sound legal basis underpinning the new Department and ministerial responsibilities, as well as ensuring there is clarity of roles and responsibilities. Work on the legislation has commenced and is being given top priority. The public expenditure and reform functions will formally transfer to the Minister, Deputy Brendan Howlin, and the new Department of public expenditure and reform when the necessary legislation has been put in place.

Broadly speaking, the sectoral policy division and the public service management division of the Department of Finance will transfer to the new Department, as will the modernisation functions from the Department of the Taoiseach. Precise arrangements in relation to functions, responsibilities and staff are being finalised at present.

Deputy Brian Lenihan: I thank the Minister for his reply; I wish him well in his office and congratulate him on his appointment. I had not done so in the Chamber yet. He has an onerous task before him.

I take it the Vote officers in the sectoral policy division will be transferred to the new Department so that the detailed supervision of expenditure on an ongoing basis will be the responsibility of the new Department.

I would like to probe the question of the overall envelope, which will be set by the Minister for Finance. I take it that overall envelope will be subject to a Government decision collectively agreed by the Government and implemented by the new Minister. At what stage in the budgetary cycle will that matter come before the Government?

Deputy Michael Noonan: I thank Deputy Lenihan for his good wishes and congratulations.

The manner in which responsibilities are now being allocated in the Department is new. However, it is not entirely new. Deputy Lenihan will recall that it was quite common, over the years, to have a Minister for the Public Service with full Cabinet rank. It was also the practice to combine that portfolio with the functions of the Minister for Labour. Labour and the Public Service was quite frequently the designated ministry. Social partnership brought about a situation where everything was rolled together into the Department of Finance. The Department of the Taoiseach then seemed to take a primary role in relationships with the social partners. There were advantages and disadvantages in this procedure.

In opposition, when we began looking at the situation Deputy Richard Bruton, who is now Minister for industry and commerce, produced a document. That is probably not the correct title, but I am old-fashioned in my titles.

Deputy Brian Lenihan: I wish we all were.

Deputy Michael Noonan: Deputy Bruton produced a document containing the analysis that public service reform had failed over a series of Governments for two reasons. First, the person responsible, whether a public servant or a Minister, did not have full Cabinet rank. Second, even when the Minister with responsibility for public service reform had full Cabinet rank he did not have the influential policy levers to deliver the reform in Departments. Two decisions were made in the documents we developed in opposition. One was to vest full responsibility for reform of the public service in a Cabinet Minister. The second was that the Cabinet Minister would have the supervision and allocation of the expenditure within Departments so that he would have the influential levers to encourage Departments to reform along the lines he indicated. That is the background to it.

The functions will be divided along the lines Deputy Lenihan has suggested and in accordance with the legislation. The Minister for Finance will draw on the expertise of the staff who are experienced in public expenditure in drawing up the budget. When the legislation has passed and rolls are clear, legally, we will look at the budgetary cycle to see at what point these things will come before Government. It is intended that both Ministers will operate very closely on the budgetary cycle.

Deputy Brian Lenihan: What is the timescale for the legislation? I welcome the appointment of two Cabinet Ministers at the Department of Finance. However, my principal concern is with the Department itself and the transferability of staff within the Department. We will be left with two very small Departments when one Department has been divided in two. The number of public servants of high quality will diminish in each Department and promotional opportunities will be reduced. The reform agenda will have to start now in the Department itself.

Jobs Fund

10. **Deputy Pearse Doherty** asked the Minister for Finance the way the new jobs fund will be resourced in view of the fact that the measures contained in the jobs fund will have a cost to the Exchequer; the way the revenue will be made up following the introduction of these measures; the fiscal impact of these proposals given the commitment to the aggregate adjustment as set out in the National Recovery Plan for the period 2011 to 2012 and the expenditure on these proposals will need to be offset by further revenue raising measures; if he has undertaken an economic impact assessment, or commissioned one, into these proposals and any measures that will be taken to offset this expenditure; and if he will make a statement on the matter. [5514/11]

Deputy Michael Noonan: To the extent that the proposals for a jobs fund as set out in the programme for Government involve additional costs, these costs will have to be counterbalanced by offsetting measures to reduce expenditure or raise revenue. Over the coming weeks, I will be examining the options in this regard in conjunction with colleagues on the Economic Management Council and with the wider Cabinet. Full details of the measures, including the impact in 2011 and subsequent years, will be provided in the context of the Government's jobs fund, to which we are fully committed and will be bringing forward as a matter of priority.

The programme for Government sets out the measures that will be implemented as part of this process. These include, among others, a commitment to reverse the cut in the minimum wage, reduce the lower rate of VAT, halve the lower rate of PRSI, abolish the air travel tax conditional on the airlines fulfilling certain conditions and provide for an additional 15,000

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places in training, work experience and educational opportunities for those who are out of work.

The Deputy will be aware that the Government has committed, in order to enhance international credibility, to adhere to the aggregate fiscal adjustment for the combined period 2011-12, as set out in the national recovery plan. As such, it is expected that the fiscal impact of the measures to be introduced will, in itself, be broadly neutral.

We are fully conscious of our responsibilities in terms of commitments that have been set out in the context of the joint EU-IMF programme of financial support for Ireland, both with regard to the fiscal adjustment measures that are to be implemented and the quantitative fiscal targets that must be met. During the recent meetings which the Minister, Deputy Howlin, and I attended with the programme partners, the external authorities agreed in principle that the conditions set out in the memorandum of understanding which underpinned the programme entered into last November could be amended to accommodate the new programme for Government, provided the overall targets remained unchanged.

As part of the new European semester to ensure proper *ex ante* co-ordination and surveillance of economic policies, member states, including Ireland, are required to submit an updated stability programme update to the European Commission by the end of April. Work is currently ongoing in the Department of Finance, in the context of the stability programme update, to update the economic and fiscal outlook. The stability programme update will contain revised economic and fiscal projections for 2011 and the period 2012-15.

Deputy Pearse Doherty: The Minister stated that the budget he will introduce following the first 100 days will be counterbalanced. That is the key to this question. If we consider three of the proposals referred to in the programme for Government, namely, the cutting of the 13.5% VAT rate to 12%, the halving of the lower 8.5% employers' PRSI up to 2013 and the abolition of the airport travel tax, those measures will in a full year cost €779 million, based on Fine Gael's estimates — €327 million for VAT, €369 million for PRSI and €83 million for the airport travel tax. Given that two of those measures will extend to 2013, they will result in a reduction of the take by the Government of €1.8 billion up to the end of 2013. While the Government has announced it will introduce a jobs budget, this will include the offsetting of those two measures at a cost of €1.8 billion, and the other measures will add to that figure. Therefore, we are facing revenue raising measures in excess of €2 billion in regard to the resources that will be part of this jobs fund. In addition, the Exchequer returns are very sluggish at this time and if they continue on the same trajectory, we are probably facing a deficit of €900 million.

Is this the reality? Will we see a mini-budget from the Government that will entail a significant revenue raising exercise to offset or, as the Minister said, counterbalance the proposals outlined in the programme for Government and which will total in excess of €2 billion up to 2013?

Deputy Michael Noonan: In our discussions with the IMF and the European partners, they made it quite clear, and we assented quite willingly because we made it quite clear during the election, that whatever changes we made to the conditions in the memorandum of understanding would be fiscally neutral. In other words, if we substituted a range of measures, whether taxes or expenditure savings, by another range of measures, the fiscal impact would be the same. That is the position. Of course, we will bring forward counterbalancing measures. The Department of Finance is examining a range of such measures and we will announce them in the context of the budget in due course. We will not resile from any commitment we made

given that one set of measures will be substituted by another set of measures of equal value or, to put it more correctly, equal fiscal impact.

Deputy Pearse Doherty: I take it from the Minister's response that the proposed budget will include measures which will increase revenue in the period up to the end of 2013 by in excess of €2 billion. For this year alone, the three measures I outlined will cost €779 million. Is there any indication what measures the Minister proposes to introduce to bring in this money to the State? Are we facing a finance Bill and a social welfare Bill as part of this budget? What economic impact assessment has been undertaken in regard to the measures the Minister has outlined in the programme for Government and the counterbalancing measures that are being discussed in the Department at this time?

Deputy Michael Noonan: With regard to the measures I outlined in my reply, the measures for 2011 have a cost of €220 million and €640 million in a full year. We slightly overestimated our costs during the campaign so they are somewhat lower than the figures the Deputy has quoted.

National Debt

11. **Deputy Richard Boyd Barrett** asked the Minister for Finance his views on the future sustainability of the States debt burden arising out of the EU/International Monetary Fund loan package and the banking crisis; if he will reveal the names of all the bondholders of the Irish banks; if he will now consider unilateral re-structuring of Irish bank debt to ease the penal debt burden being imposed on citizens and our economy; and if he will make a statement on the matter. [5516/11]

13. **Deputy Pearse Doherty** asked the Minister for Finance the stage the State's debt burden becomes unsustainable; the measures being explored to safeguard debt sustainability; the cost of interest payments in the period to 2015 and the projected tax take for the same period; and if he will make a statement on the matter. [5515/11]

Deputy Michael Noonan: I propose to take Questions Nos. 11 and 13 together.

An Ceann Comhairle: Is that agreed? Agreed.

Deputy Michael Noonan: The purpose of the joint EU-IMF programme of financial support is to provide the necessary funding while Government continues the process of repairing the banking system, restoring the public finances to a sustainable position and assisting the economy to return to a path of sustained growth and job creation. The programme provides access to a secure source of funding which the State can avail of in the coming years. It is important to bear in mind that a large element of the borrowing that will take place under the programme replaces borrowing that would have been undertaken in any event to fund the day to day activities of the State.

The State's debt burden has increased substantially over recent years as a result of the significant deterioration in our public finances, owing to the economic downturn, and the significant level of State support provided to the banking sector. Clearly, a gross general Government debt level of €148 billion, or approximately 94% of GDP, as it is estimated to have been at the end of 2010, is very high and one that needs our ongoing and close attention. Both the nominal level of the debt and the debt to GDP ratio are forecast to increase further in the coming years, albeit at reducing levels, as we will have to continue to borrow to fill the gap between revenues and spending, and economic growth remains relatively subdued.

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The stress tests being conducted at present to determine the extent of additional support required by the banking sector have the potential to increase the level of debt over and above the most recent Department of Finance forecasts, with resulting increases in the level of resources that must be diverted to servicing the interest on that debt. It is my view that an amount above the previously identified €10 billion sum will be required but I cannot give a definitive figure until the outcome of the current stress tests is known.

There is no one rule that states that if one's debt is above a particular level, it is unmanageable. Clearly, however, a debt level on the scale the State is currently at is one that warrants our attention and requires that action be taken. Stabilising and then reducing the debt ratio to lower levels is a key priority of the Government's policy objectives. The narrowing of the gap that currently exists between revenues and expenditure through additional fiscal consolidation, coupled with the implementation of policy measures that will assist in boosting economic growth, will assist in this regard, as will the achievement of a primary surplus — that is, an excess of revenues over expenditure excluding interest expenditure — by 2014.

The budget 2011 forecasts projected debt interest costs at €4.8 billion, €6 billion, €7 billion and €7.8 billion in the years 2011-14 respectively. The budget 2011 forecasts for tax revenue for the years 2011-14 were €34.9 billion, €38.3 billion, €41.3 billion and €44.4 billion respectively. The budget 2011 public finance forecasts are based on a capital injection of €10 billion for the banking sector, which, as I have said, is likely to be higher.

One measure which may be referenced in forming a judgment of whether a particular level of debt is sustainable is the proportion of tax revenues that must go towards servicing the interest on that debt. Based on the forecasts I have just outlined, it is estimated that approximately 14% of tax revenues will be required to service the interest on the State's national debt this year. By 2014, approximately 18% of our total tax revenues will be required simply to service the debt. While this is undoubtedly significant and high, the level of tax revenue devoted to servicing the debt in the 1980s was higher. In regard to the forecasts of debt interest costs and tax revenues for 2015, the current forecasts do not extend that far. However, the projections for both are currently being worked on by the Department of Finance in the context of the upcoming stability programme update which is due to be submitted to the European Commission and subsequently published.

Additional information not given on the floor of the House.

I turn specifically to Deputy Boyd Barrett's query on the names of bondholders of the Irish banks. Credit institutions do not have access to comprehensive information on the holders of their senior and subordinated debt, because such debt is publicly traded and dealt with through clearing house systems. Issuers do not have access to the records of those systems and the issuer has no means of establishing the underlying ownership of its bonds at any given time. Unlike the position of shares, the holders of credit institutions' senior and subordinated debt instruments are not subject to a disclosure regime. Therefore, such information as a credit institution may have on the holders of its debt would be indicative only and based on an institution's client-specific and general market information. Any such information would be commercially sensitive and subject to the normal provisions on client confidentiality, where applicable.

Government consideration of the approach to burden sharing will be further informed by the outcome of the important capital assessment exercise currently being undertaken by the Central Bank as well as international developments on burden sharing.

Deputy Richard Boyd Barrett: Are we failing to look reality in the face in respect of the unsustainability of the debt burden imposed as a result of this package? It is not only I who say this — this is a view widely held, including by people such as the Nobel Prize-winning economist, Joseph Stiglitz, lead writers for the *Financial Times* and economists in this country such as David McWilliams and Constantin Gurdgiev, who all say the burden is unsustainable. It is shocking that some 18% of tax revenue in 2014 will go to service only the interest repayments on this debt, never mind the capital debt. Many people say we are sinking into a morass of debt which will cripple this economy as well as cause untold suffering for working people and the poor and vulnerable in our society. Again, it is not only I or all those economists and international commentators who say that. I remind the Minister of his own words in February: “It is neither morally right nor economically sustainable for taxpayers to be asked to beggar themselves to make massive profits for speculators”. That was said at the launch of the Fine Gael Party banking policy when the Minister stated he believed the new Government, of which he is now a member, would be forced to restructure unilaterally the debt of Irish banks if agreement cannot be reached with Europe regarding senior bondholders sharing the cost of recapitalising the country’s insolvent banks.

The Minister was absolutely right. I could not have put it better myself. At that time, he was in line with what everybody in the country felt and what all serious commentators were saying. What has changed? Why has the debt now become sustainable when at that time the Minister said it was not so?

An Ceann Comhairle: I ask the Minister to reply.

Deputy Richard Boyd Barrett: Is it not time to consider the Iceland option of defaulting or, at least, giving the people the opportunity to debate issues concerning the possibility of defaulting so that instead of bailing out banks we might put the National Pensions Reserve Fund into a job stimulus programme?

Deputy Michael Noonan: As the Deputy pointed out, there is an ongoing and far-reaching debate on these issues. However, there is not a consensus, as he suggested. There are different views and the debate continues.

I never said our debt was not sustainable; I said it could become unsustainable, which is a different issue. It could become unsustainable and we must be very careful to ensure it does not become so. There are variations regarding that and one such will be known at the end of the month. When the stress tests on the banks are made public, we will know what level of capitalisation is required for the banks in order that they can continue to trade profitably. However, there are other variables including, obviously, the level of growth one builds into the economic model and the actual level of growth achieved. Therefore, no matter how wise one is, it is not possible to say the debt will be unsustainable next week, next month, next year, or in three years’ time. However, the total burden on Ireland at present would leave one to believe there could come a time when it would be unsustainable and we must consider all options to guard against that possibility.

An Ceann Comhairle: I call Deputy Pearse Doherty.

Deputy Richard Boyd Barrett: Has my time finished?

An Ceann Comhairle: Yes. Six minutes are allowed per question.

Deputy Pearse Doherty: I presume there will be supplementary questions.

An Ceann Comhairle: There are only six minutes so, if one multiplies that by two, taking into account the two questions, there are 12 minutes of which three minutes and 37 seconds remain.

Deputy Pearse Doherty: I refer to debt sustainability. The Minister stated we could arrive at a position in which the State's debt could become unsustainable and the programme for Government mentions a danger of this burden becoming unsustainable. Therefore, this is the position of the Government, not mine. I believe we have already reached that point, as do many other economists and, indeed, the bond markets. Last week saw the highest rates for ten-year bonds, at 9.75%. They continue to rise and, unfortunately, will hit the 10% mark very soon because of the Government's policy.

The Minister stated it was hard to say whether this would happen next week, next month or next year. Surely to God the Minister for Finance's Department must have some kind of analysis that will tell him that if Ireland takes on additional debt burden it will become unsustainable. Let him not tell me that he, as Minister for Finance, is walking us through the dark of the night towards the big iceberg in front of us and that when we finally hit it he will turn around and say, "By the way, folks, our debt now is unsustainable".

What projections have been made in the Department that led the programme for Government to state a time would come when debt unsustainability might become a factor? The Minister announced that to RTE in Brussels. Is the additional amount to be put into the banks €10 billion? Is it €2 billion or €100 billion? I ask the Minister to tell us the honest to God facts, the truth. That is what he argued on this side of the House and the Taoiseach said he would be honest with the people. What is the level in question? Will we have to put in additional money if the stress tests show it is unsustainable to do so at this point? That is my first supplementary question.

The second question relates to the stress test.

An Ceann Comhairle: There will be no time for an answer.

Deputy Pearse Doherty: The Taoiseach announced he will not commit any further money other than the €10 billion already committed to the banks unless burden sharing is on the table. Will the Minister confirm that, regardless of the figure that emerges from the analysis next week, we will not put anything in excess of €10 billion into the banks unless burden sharing is achieved in this State?

Deputy Michael Noonan: In pressing my position Deputy Doherty seemed to slide over the key word. I never said, as he did, that our position is unsustainable. I said it could become unsustainable if too much of a burden is placed——

Deputy Pearse Doherty: What is the figure?

Deputy Michael Noonan: The simplest way of looking at unsustainability is the following: if the State were to reach a point whereby we could no longer afford to service our debts, then we would be coming to the point of unsustainability. However, there are many variables that would build up to that and we are a long way from that position. I have great confidence in this economy. In tandem with the jobs budget we discussed that will put growth back into the economy, we can change the profile and the arithmetic. However, we are certainly in a serious situation.

The stress tests will be available at the end of the month. People whose opinion I respect tell me the figure will be more than €10 billion but I cannot give the Deputy a precise figure.

The figure of €10 billion is built into the arithmetic and therefore there will be an additional burden put onto the Irish taxpayer. We will look at the situation then but must move in the context of a bailout agreement being in place with the agreement of the IMF, the European Central Bank, the European Commission and the Irish Government. That Government, our predecessor, spoke for the Irish State. Therefore, the contract is not with the Fianna Fáil-Green Party Administration but with the Irish Republic and one must remember that when considering these issues.

Fiscal Policy

12. **Deputy Brian Lenihan** asked the Minister for Finance asked the Minister for Finance the way he has progressed the work of the past Government in regard to the reduction of the interest rates applicable to facilities available under the EU-IMF agreement in respect of the proposed 1% reduction in the facility rate; and the projected savings in the interest bill on an annual basis and over the lifetime of the loan. [5518/11]

Deputy Michael Noonan: There is now a general appreciation of the importance of debt sustainability considerations in the pricing of EU and euro area financial assistance loans to member states.

In this regard, the Heads of State and Government of the euro area decided on 11 March that the pricing of the EFSF — loans — should be lowered to better take into account debt sustainability of the recipient countries, while remaining above the funding costs of the facility, with an adequate mark up for risk, and in line with IMF pricing principles.

The Council also decided that the interest rate on the loans to Greece will be adjusted by 100 basis points. The position in regard to the pricing of Ireland's loans was also considered in the context of wider political discussions and the Council did not take any decision in the matter. Following the meeting of euro area Heads of State and Government on 11 March, finance Ministers are now considering arrangements for the implementation of the changes announced on pricing. The meeting of eurogroup finance Ministers on Monday agreed the term sheet for the European Stability Mechanism, ESM, which will replace both the EFSM and the EFSF from June 2013. This term sheet includes a pricing formula, similar to the IMF approach for ESM loans. The pricing formula provides for a lower margin than currently applies for either the EFSF or the EFSM.

It is not possible at this stage to provide definitive estimates on the level of savings which would arise if reductions were agreed in the pricing of the EU loans to Ireland. However, I understand from preliminary analysis undertaken by the NTMA that a 1% target reduction in the interest rate could yield overall savings of the order of €725 million over the life of the €12.6 billion EFSM and EFSF loans which have been committed to so far. The estimated equivalent annual savings would be of the order of €130 million.

That is the saving on the amount drawn down so far but the fund reaches to €85 billion so we are talking about savings on the draw-down of €12.6 billion.

I emphasise that these are estimates based on the amounts committed to or drawn down to date. The actual savings that would arise from any interest rate reduction secured would depend on the total amount of funds drawn down and on the maturity profile of any such loan. We have yet to decide how much we will draw down and the schedule for any such draw-downs.

Deputy Brian Lenihan: Does the Minister accept that at the time of his accession to office, the Commission already strongly supported this reduction but that his difficulty has been in

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persuading the other sovereign states participating in the EFSF arrangement of the validity of our case? That is where matters lay when the Minister took up office and they have not really changed since. There is still a difficulty with other member states using the fact that sovereign consent is required for the facility moneys; essentially that would impose further conditions on the State.

The Minister gave a figure of €130 million as the annualised sum involved. I take it that is on the basis of a current envisaged drawn-down, or is it on the basis of a current actual draw-down?

Deputy Michael Noonan: It is the actual draw-down. The Deputy will recall that when I became Opposition spokesperson for finance at the start of the autumn session, this became an issue. At the time the advice was that a reduction in the interest rate was not possible. That changed as we came to Christmas and Commissioner Ollie Rehn in particular seemed to move his position. I know the Deputy had discussions with him at the time. The Commission was moving in advance of the politicians, which is usually the way in Europe if progress is to be made. The Commission proposes but the political people make decisions.

After Christmas the process began to move to the political side and very significant progress has been made. Considering the drafting of the communiqué after the meeting of the heads of state, it is indicated that a 1% reduction will be given on the Greek loans and the term will be extended in return for a €50 billion privatisation programme in Greece. It is also indicated that the pricing on the EFSF will be reduced by 1% but the only country availing of that is Ireland. The Greek arrangements were in place before the EFSF was introduced. It is agreed by the 27 members that there will be a 1% reduction. There have been interventions on the *quid pro quo* involving Ireland but there is no *quid pro quo* written into the communiqué; there is a reduction in the price of moneys drawn from the EFSF, with Ireland the only country drawing down from it. I hope this will be resolved in the coming weeks but it is difficult to know what will happen in the next few days in Europe as there are many other issues.

Deputy Brian Lenihan: Does the Minister accept that the amount of the reduction does not impact significantly on the question of debt sustainability in the future and the risks which the Minister has identified in that regard?

Deputy Michael Noonan: It is helpful and will become increasingly helpful as draw-down increases both on the sovereign side and with any potential additional draw-down on the banking side. A 1% reduction is a significant amount of money. This has also influenced the pricing on the new European stability mechanism, which will apply from 2013. There is a complex pricing blend but it ends up at approximately 1% less than the EFSF fund. That is progress and we need the price to be low for the bail-out as a whole. My major policy position is that whatever the negotiations are, the policy objective is to reduce the cost in total of the bail-out, whether on the sovereign or banking side.

Other Questions

Tax Code

14. **Deputy Michael McGrath** asked the Minister for Finance when the planned review of the universal social charge will be completed. [5420/11]

18. **Deputy Aengus Ó Snodaigh** asked the Minister for Finance when he will review the universal social charge; the persons who will undertake the review; the terms of reference that will be used for the review; and if he will make a statement on the matter. [5404/11]

Deputy Michael Noonan: I propose to take Questions Nos. 14 and 18 together.

There is a commitment in the new programme for Government to review the universal social charge. The terms of reference and other matters relating to the review have yet to be finalised. I expect the terms of reference to be finalised shortly. I anticipate that the review will be completed in time for the 2012 budget.

Deputy Michael McGrath: I thank the Minister for his brief reply. Since the universal social charge was introduced in last December's budget, it has been the subject of very strong criticism from what were then Opposition parties and it formed an important part of the general election campaign, where it was made clear there would be changes to the charge. People were led to understand those changes would happen sooner rather than later. There will be much disappointment that any review would now be in the context of the 2012 budget.

What is the Minister's thinking at this stage with regard to changing the universal social charge? I know he commented in the past on the impact on people with low incomes and those who have become known as the working poor. Without pre-empting the process, can he give an indication of where changes are likely to be made? Given that changes must be fiscally neutral, where will savings be made to offset the reduction in income from the charge?

Deputy Michael Noonan: The incoming Government cannot do everything at once and certainly not in the first ten days in office. Our commitment to review does not equal immediate reductions. I indicated during the election campaign that options were given to the Department of Finance; those which were worth doing seemed to cost too much and those which cost little did not seem worth doing. We made it clear at the end of the election campaign that we would not bring forward policy proposals at that point but we committed to a review. The terms of reference of the review are being drafted and we will have them shortly. The review can then take place and we will see the options in the context of budgetary decisions for 2012.

Deputy Pearse Doherty: The universal social charge breaks the basic fundamental principle of progressive taxation because it asks those who have the least to pay. It is a tax on the working poor and very low income earners, with those on as low as €77 per week paying the charge. The exemptions which previously existed for income levies — such as for those with medical cards, working lone parents, working widows and those over 70 — are all gone. They have been hit particularly hard. We know about the review but we also know people in our constituencies who are suffering as a result of this universal social charge. Reviews do not cut it for such people as it does not put bread on the table or food in the cupboards. We need early movement on this.

With regard to the terms of the review, when the universal social charge was debated in this House the Minister stated that the floor of the universal charge — at approximately €4,000 — represents a very low income and the Minister should have accepted an amendment to raise the threshold by €1,000. Is that still the view of the Minister? Would it be acceptable, in the Minister's own words, to increase the threshold to €5,000? That would, in effect, mean that those earning €97 per week would pay a universal social charge on all of their earnings. Is that the basis of the review? The Minister replied on the terms of the review and I hope they will be published and debated well in the House before the review takes place.

Deputy Michael Noonan: I am sure the Deputy, in his part of the country, would be familiar with a phrase common in my part of the country. It is that if somebody has a dog, that person should not bark. If we are to have a review, we will let that process formulate proposals. If I followed the Deputy's request and announced my views before the review, it would prevent a valid review. We will have a valid review of the issues and take up many of the points made. If any Deputy or party in the House wishes to make a submission to the review, it would be welcome and carefully considered. While we all know the charge impacts heavily on certain people, we also know the reasons the previous Government decided to introduce this imposition. Submissions to the review will be taken into account and carefully considered.

The country is in such a dire fiscal and economic state that all assistance from the parties opposite is welcome as are any progressive moves that will assist individual citizens or help to relieve the problem as a whole. The review will culminate in measures in the 2012 budget. In the meantime, I invite the Deputies and parties opposite to participate by submission.

Deputy Richard Boyd Barrett: The Minister stated that there will be a review of the universal social charge, that the charge must be examined and so forth, which is fair enough in as far as it goes. However, given the cruel injustice that the charge represents for low and middle income workers and families, the review must be undertaken urgently. The universal social charge is damaging people who are barely making ends meet. In some cases, people are in danger of going under in terms of meeting bills, paying mortgages and so forth.

The review must address the injustice of imposing the universal social charge on those who cannot afford to pay it. Instead of imposing it on people who cannot afford it, will the Minister examine or consider examining the case for taxing those with enormous wealth who have been untouched? Was he not as shocked as I and most of the country were to learn in the Sunday newspapers published the weekend before last that the 300 richest people in this country have €57 billion in personal wealth and that their wealth increased by €6.7 billion in the past year?

An Ceann Comhairle: The Deputy should confine his remarks to the universal social charge.

Deputy Richard Boyd Barrett: This is the same as the amount the previous Government took from ordinary people in its final budget. The Government should tax those who are wealthy and have acquired more wealth in the past year and relieve the burden imposed on those who cannot afford to pay the universal social charge.

Deputy Brian Lenihan: Considerable progress was made in the previous budget on the unification of the amount of PRSI at the employee level. Will the review examine whether PRSI should be consolidated with the universal social charge in the next budget?

Deputy Gerry Adams: Sinn Féin does not accept that there must be a review, although we may have to deal with it as a *de facto* consequence of Government policy. The universal social charge is an oppressive tax which the Minister stated he inherited from another Government. Does he agree it is bad economics to cut the incomes of people who cannot afford not to spend the money they have? By taking money from such people we stop cashflow in local communities. Not only do people become impoverished but they are driven further into depression, anxiety and distress. Another approach is available. As others have suggested and Sinn Féin has argued, a new tax band should be introduced for those who can afford to pay in order that we can proceed without the awful social consequences which have been created by this oppressive tax on the working poor.

Deputy Michael Noonan: In the current context if Deputies want to participate in a movement for change on this tax, they should participate in and submit proposals to the review. Proposals cannot be one sided. Everybody knows what people are against. I ask the parties and Deputies opposite to include with their proposals alternative suggestions for raising the tax foregone, possibly along the lines of the suggestion made by Deputy Boyd Barrett.

On Deputy Lenihan's question, the terms of reference of the review are being considered and have not yet been drafted. I will consider his comments on the consolidation of PRSI in the universal social charge and ascertain whether his suggestion is a runner.

Bank Guarantee Scheme

15. **Deputy Pearse Doherty** asked the Minister for Finance his plans to renew the bank guarantee scheme when it runs out in June 2011; the consultation he has had with his European counterparts on the bank guarantee scheme and the possibility of its renewal; and if he will make a statement on the matter. [5392/11]

Deputy Michael Noonan: The issuance window under the eligible liabilities guarantee or ELG scheme runs in national law until 31 December 2011. This is subject to a renewal of the current European Union state aid approval for the continuance of the so-called issuance window for the scheme beyond 30 June to 31 December 2011. The issuance window is the period during which a guarantee can be applied to a new bank liability. The guarantee is then in place for the duration of the term of the liability.

The State authorities, in particular the Central Bank, monitor funding conditions for the guaranteed credit institutions on an ongoing basis. A formal assessment will be undertaken by my Department shortly which will be communicated to the European Commission for the continuation of state aid approval to the end of this year. In this regard, the views of the Governor of the Central Bank on how best to continue to maintain confidence in Irish banks, in particular that of depositors, will be a key part of this assessment.

It is also important to ensure there is no uncertainty regarding guarantee arrangements. In that context, I confirm that debt and term deposits issued during the relevant issuance windows continue to be guaranteed for the duration of the term of the debt or deposits regardless of what happens to the ELG issuance window in future.

The capital and liquidity assessments being carried out by the Central Bank together with the deleverage plans being developed by the banks are critical steps in restoring market confidence in the Irish banking sector. This is expected in due course to facilitate the return of the banks to broad based market funding. The necessity for State guarantees of bank liabilities will be reviewed by the authorities in light of the progress achieved in restoring the banks to conventional funding mechanisms. This is a key medium term objective for the Government — one that is fully in line with the programme agreement with the EU and IMF — to differentiate fully bank debt from that of the sovereign to underpin Ireland's overall fiscal sustainability.

Deputy Pearse Doherty: In light of conversations in recent weeks and the Government's claims that it is arguing for burden sharing which would result in some senior bondholders taking a hit on their investments in private banks, does the Minister agree that it would be sensible and prudent for the Government not to guarantee new debt in private banks when the bank guarantee scheme is extended at the end of June? As he indicated, he, his Department and the Taoiseach do not know when this debt will become unsustainable. Given that is the

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case, why would the State guarantee future debt in private banks when such debt could become unsustainable and significant new debt is being added to the burden on the State?

Has the extension of the bank guarantee scheme been on the agenda in the ongoing dialogue on the pact for the euro? Has the Government, as part of this dialogue, signalled that it will extend the bank guarantee as part of the specific commitments Ireland must make over the 12 month period? I understand the objective of the meeting to be held this weekend is to lay out a 12 month programme. Is the extension of the bank guarantee scheme among the commitments the State will make in that regard?

Deputy Michael Noonan: There appears to be a misunderstanding that the guarantee only includes a guarantee for persons who bought bank bonds. It guarantees all creditors and the largest creditors in the banks are those who have money on deposit. If an individual opens a savings account and places his or her savings on deposit in a local bank, the bank owes the person in question the sum of money on deposit. One of the main features of the guarantee is that it guarantees deposits. It also guarantees certificates of deposits, commercial paper, senior unsecured bonds and notes and other senior debt specified by the Minister in accordance with EU state aid rules. At present, €117 billion of assets of creditors is covered by the guarantee. The Deputy should not forget when calling for the plug to be pulled on the guarantee that the people who will suffer are people like himself, his family, friends and neighbours whose deposits are guaranteed.

Deputy Pearse Doherty: The Minister well knows that we are not calling for a lifting of the guarantee for depositors. A banking resolution Bill could be introduced, legislation Sinn Féin has been seeking for some time, to distinguish between creditors and bondholders. We are speaking here about the gamblers in Irish banks who have taken out investments or taken a punt which has come up wrong. The State is to guarantee new debt in those private institutions, thereby walking us down the road of a possible sovereign default rather than that for which Sinn Féin is arguing, namely, an orderly banking default in relation to the bank and private debt. It is disingenuous of the Minister to muddle the issue and to suggest we are asking that depositors in the banks take the hit. The Minister knows well that we are asking that bondholders not be guaranteed and that the guarantee not be extended. The Government has the option of bringing in a different guarantee that would distinguish between depositors and bondholders, senior debt and creditors and depositors and banks.

An Ceann Comhairle: Only six minutes per question is allowed. The longer Members take asking their questions or replying, the less time there is available for supplementary questions. To ensure every Member gets a chance to speak, I intend to stick rigidly to the six minutes allowed per question.

Deputy Richard Boyd Barrett: On a point of order, may I, as a new Member, ask a question?

An Ceann Comhairle: If the Deputy comes to my office following Question Time I will discuss the procedure with him.

Fiscal Policy

16. **Deputy Michael McGrath** asked the Minister for Finance his estimate of economic growth here for each of the years 2011, 2012, 2013, 2014 and 2015 [5421/11]

Deputy Michael Noonan: Based on the domestic and international economic and financial data that was available last October, the Department of Finance prepared macroeconomic and fiscal forecasts which subsequently formed the basis of the budget forecasts published in early December. These forecasts, which at the time identified risks, positive and negative, remain the latest official forecasts.

These estimates are set out in the following table. A forecast for 2015 was not published at that time and is currently being developed.

| Year | GDP | GNP |
|------|------|-------|
| 2010 | 0.3% | -2.0% |
| 2011 | 1.7% | 1.0% |
| 2012 | 3.2% | 2.6% |
| 2013 | 3.0% | 2.4% |
| 2014 | 2.8% | 2.4% |

As part of the new European semester, Ireland, along with all the other EU member states, is required to submit a revised stability programme update, SPU, to the EU Commission in April. The SPU will contain updated macroeconomic forecasts which will take on board the latest available data, domestic and international, and will also set out the Department's latest risk assessments.

Deputy Michael McGrath: I thank the Minister for confirming the Government's position that the official figures remain at 1.75% GDP for 2011 and a projected average growth of 2.75% for the period to 2014. The Government has committed in its programme for Government to a €6 billion correction this year, as provided for in the recently enacted Finance Bill 2011, and to a €3.6 billion correction for 2012. However, it has not gone further or provided details of how it proposes to correct the deficit in the subsequent years. For example, the EU-IMF deal contains a commitment to a €3.1 billion correction in 2013, on which point the programme for Government remains silent. I acknowledge the Government has indicated it will look at this by way of a review towards the end of 2012.

What is the Minister's current estimate of the deficit reduction that must be achieved between now and 2015 to achieve the 3% deficit? The Minister will be aware that in the programme for national recovery it was estimated that achieving 3% by 2014 would require a €15 billion correction, €6 billion of which is being achieved this year, with the remaining €9 billion to be achieved in subsequent years. What is the Minister's current estimate based on the level of deficit reduction that must be achieved by 2015 to achieve the 3% deficit?

Deputy Michael Noonan: The figures I read out were provided by the Department of Finance in advance of preparation of the budget introduced by the former Minister for Finance, Deputy Brian Lenihan. These figures will obviously vary. I am giving the current set of figures available in the Department, without saying whether I believe them to be correct. I am aware that the IMF and EU Commission figures, both of which are at 0.9% for 2011, differ from ours. Reuters run a consensus growth figure across ten economies. The consensus growth figure from Reuters last week was 1.2%. The latest figure from Davy's, published yesterday, is 1.6%. There are variations on growth figures. I am not suggesting the Department of Finance figures will not change, are absolute or were not correct. Depending on the assumptions used and the perspec-

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tive various growth figures emerge. When one builds these into the model one gets various results.

As regards the Deputy's other question, we have stated in the programme for Government that the level of correction in 2011 and 2012 will be adhered to by the Government in the quantum envisaged and that after 2012 we will undertake a review of the position and will make the necessary adjustments in the budgets for 2013, 2014 and 2015 to bring the deficit below 3% of GDP by 2015. It is not possible to say at this stage what the quantum will be because of the variables, one of the principle being what will be the actual growth rate and the cost of the bailout as time goes by.

Deputy Michael McGrath: I would like to probe the Minister's view of economic growth versus the Department's forecasts. What is the Government view? Is it consistent with the figures last published by the Department of Finance? Surely, there must be a clear Government view in that regard. What level of growth is the Government expecting in 2011 and subsequent years?

Deputy Michael Noonan: I do not want any misunderstanding in regard to what I am saying, namely, that the figures I have given are those provided to my predecessor in advance of preparation of the budget. The 2011 budget is built on an estimated economic growth of 1.7% . I am pointing out there are variations between respected agencies in relation to the growth figure. I am also saying that I fully accept that the figures I have given are those which are acceptable across Departments, in particular the Department of Finance, as we speak. However, as the year goes on these figures will be revised. I am not resiling from the figures but am simply pointing out that the Government has not changed its position on some whim and continues to work on the Department of Finance figures. That is the only way we can work.

Deputy Brian Lenihan: As of today, the Government stands over the budget.

European Council Meetings

17. **Deputy Pádraig Mac Lochlainn** asked the Minister for Finance if he has received any counsel or consultation on the Pact for the Euro; the measures that will be presented at the European Council meeting as those pledged to be implemented under the pact for the first year; and if he will make a statement on the matter. [5409/11]

Deputy Michael Noonan: The President of the European Council, Herman Van Rompuy, held bilateral consultations with member states, including Ireland, in relation to the pact for the euro in the run up to the meeting of Heads of State and Government on 11 March last. The proposed pact focuses primarily on improving growth and competitiveness in the euro area. It outlines objectives in the policy areas of competitiveness, employment, the sustainability of public finances and the reinforcement of financial stability.

The bilateral preparatory discussions were wide ranging and took place against the background of the comprehensive package of policy measures to strengthen EMU which is under preparation for this week's European Council. The pact for the euro is due to be formally adopted by the Council tomorrow. In the context of the new European semester, member states will outline plans for the next 12 months in their national reform and stability programmes which are to be submitted to the EU Commission by end-April. This new timetable is

intended to assist member states to take better account of the EU dimension in the preparation of budgetary and economic policies.

Assuming the pact is agreed as planned, we will incorporate its overall objectives as appropriate in our national plans. As the Deputy will be aware, however, Ireland's budgetary and economic strategy must be viewed in the context of the EU-IMF programme. The Government has confirmed its commitment to returning order to the public finances and to achieve a deficit of less than 3% of GDP by end-2015 in line with the agreement with the ECOFIN Council. It is also the case that our recently agreed programme for Government differs in terms of the detail of the policies which this Government plans to adopt within the broad fiscal targets. I have committed to discussing any consequent proposed changes to the programme with the IMF, European Commission and ECB and in this context the forthcoming review of the programme provides such an opportunity. It is clearly understood that any changes to the EU-IMF programme that have cost implications will have to be compensated for with alternative measures.

Deputy Pearse Doherty: As the Minister stated, the pact for the euro to which we will agree tomorrow commits the State to announce specific measures. These are concrete commitments to be achieved in the next 12 months. What commitments will the Government will make on behalf of the people? What concrete commitments are laid down? The pact also refers to the need for these concrete commitments to be included in the national reform and stability programme to be submitted in April. There is a short window. Commitments must be given tomorrow and they must be in the new programme submitted by April. What are the concrete commitments that the Government will enter in to on behalf of the people?

One of the points that has come out of the pact for the euro is the establishment of the European stability mechanism, ESM, a new fund to come into effect in 2013. This new fund alters the way money will be paid to the funds it will replace and capital will be required upfront. What is the timetable for the gradual payment of the capital to the ESM? What amount of money will this State have to pay to this fund? Over what period will this capital have to be paid? I understand it will be paid at a no-interest cost and then, when we want or need it back, we will be charged above the market value. What will the cost to the State be and over what period with the establishment of this new funding mechanism, the ESM?

Deputy Michael Noonan: The general approach on the pact for the euro is made up of measures to increase competitiveness, which are strongly endorsed by the German Government and have the support of all the AAA-rated countries in Europe, measures to promote greater economic growth and job creation and measures to have a sustainable public finance regime. There is nothing in place we cannot buy into immediately. The ways and means may be difficult but this is the way forward. The Deputy is correct about the new fund, the European stability mechanism, ESM. It will replace the European financial stability facility, EFSF, in due course but not until 2013. There were various discussions on how it would be funded. One can put in capital, there is callable capital and there are guarantees in the hierarchy. Of three options, the one which puts in the most capital upfront was the most acceptable because it gets a AAA-rating from the credit ratings agencies and is more likely to be sustainable.

I will send the Deputy a note on the cost to Ireland. I recall the figures represented to us were approximately €1.7 billion over four years, starting in 2013. However, if there is no drawdown from the fund — it is a contingency — Ireland will get dividends on the money. On the other hand if there is a drawdown, the equivalent will be paid back into the fund. Over the

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spread of the period involved it is not a heavy imposition from Ireland's point of view and it is important that the fund is in place.

The Deputy has a strong interest in these matters. Let us consider the issue overall. What happened was that Europe organised a common currency area but those involved did not put in place the architecture for protecting it at the time they initiated it. Effectively, they are retrofitting the architecture now. We have been unlucky because our crisis has occurred before the response mechanisms have been put in place. The new fund will be significant. As well as allocating money to euro countries in trouble, it will be able to buy sovereign bonds on the primary market. It also has a provision that received no coverage in the media, such that the Finance Ministers of the eurozone countries will be governors of the funds and they may alter the policy instruments of the fund as they see fit. It has the organic potential to put in place a great many tools or policy measures to protect the eurozone post-2013. This is one of the most significant developments that has taken place. If we had our crisis in 2015 or 2016, much of the architecture of the euro land would be in place. The crisis hit and when the architecture was tested it was insufficient and the policy instruments were not in place. They are now being retrofitted and Europe is chasing very hard to catch up. In this context, much progress has been made.

An Ceann Comhairle: Questions Nos. 19, 27 and 28 will be taken together.

Banks Recapitalisation

19. **Deputy Michael Colreavy** asked the Minister for Finance the position regarding negotiations on burden sharing; if there has been any serious consideration given to debt for equity swaps as a method of burden sharing; in the absence of burden sharing, his plans to ensure that the cost of the bank bailout does not fall on the taxpayer; and if he will make a statement on the matter. [5408/11]

27. **Deputy Dara Calleary** asked the Minister for Finance his position on burden sharing with bondholders in Irish Banks; and if he has decided not to make representations on this matter to the relevant authorities [5418/11]

28. **Deputy Jonathan O'Brien** asked the Minister for Finance the burden sharing arrangements being discussed; the discussions taking place at European level regarding burden sharing with bondholders; the extent to which his partners at European level are willing to allow for burden sharing; and if he will make a statement on the matter. [5406/11]

Deputy Michael Noonan: I propose to take Questions Nos. 19, 27 and 28 together.

Government consideration of the approach to burden sharing will be further informed by the outcome of the important capital assessment exercise currently being undertaken by the Central Bank as well as international developments on burden sharing.

As Deputies will be aware, the prudential capital assessment review, PCAR, exercise to determine the capital needs of the Irish banks is being carried out by the Central Bank and will be concluded by the end of this month. While the work is at an advanced stage it is not yet complete. Deputies will appreciate that it is essential that the results of this exercise are, and are seen to be, the outcome of a detailed and rigorous process undertaken on a wholly independent basis by the Central Bank. I have no information available to me which would allow me to speculate about the eventual outcome of the PCAR nor would it be appropriate for

me to speculate on what it might be because there is a significant degree of market sensitivity in this area.

The Government has made clear that based on the results of the PCAR it will then assess how the capital needs of the banks should be met to ensure that international market confidence in the Irish banking system can begin to be restored. In this context, a key priority of Government in line with the programme for Government is to maintain the creditworthiness of the State. Therefore, the overarching objective must be to ensure that all appropriate options for supporting debt sustainability are factored into the Government's decision making process.

Deputies will appreciate that at this juncture while we await the results of the PCAR it is not possible, nor would it be prudent, to debate in detail the options open to Government. Naturally, it is the case that the issue of appropriate burden sharing comprises one of a range of important issues we are discussing with our European partners. These discussions are sharply focused on ensuring that the implementation of the EU-IMF programme agreement — the objectives of which we are strongly committed to achieving — is fully consistent with ensuring that a sustainable path for our debt in the future and our return to market funding for the State and for the banks in due course.

While the debate at EU level is, for now, focused on the issue of debt restructuring in the context of sovereign debt, from an Irish perspective, given that sovereign and bank debt are so closely linked, the wider debate at international level on burden sharing of bank debt is of equal importance.

On bank debt, several international organisations including the EU Commission, the Financial Stability Board and the Basel Committee on Banking Supervision are currently investigating the potential for various forms of burden sharing or “bail-in” tools such as debt write-downs, debt for equity swaps and contingent capital. There is not yet a clear international consensus as to the specifics of how such tools should work in practice. The Government is giving close attention to this issue to ensure that the cost to the taxpayer of supporting the banking sector can be kept to an absolute minimum.

An Ceann Comhairle: We have only six minutes left before concluding so perhaps the Deputies will share time.

Deputy Pearse Doherty: I listened to Fine Gael Deputy Peter Mathews commending debt for equity swaps and he referenced an economist who made the suggestion some weeks ago. He may not have been listening to what Sinn Féin has been stating for a long time but debt for equity swaps are among the proposals that we have put forward. I hope the issue will be considered.

We are dealing with burden sharing and I seek a clear answer on the matter. This is an important issue for all of us, especially taxpayers. The Minister has referenced the fact that the stress tests will be known to us in the next week or so. We are unsure what the figure will be but we all estimate it will be in excess of €10 billion. The Taoiseach has committed that no more than €10 billion will go into those banks until burden sharing is on the table. We will not get burden sharing from the European Union tomorrow or, at least, I do not imagine it will be agreed to. Am I mistaken or is it not the case that, as announced by the Taoiseach last week, no more than €10 billion will be invested in the banks regardless of whether the stress tests call for €12 billion, €25 billion or €35 billion until burden sharing has been achieved in some form, be it debt for equity swaps, the European Central Bank taking equity in some of our banks or a direct hit on senior bondholders?

Deputy Brian Lenihan: Burden sharing is established in respect of subordinated instruments. When the Minister refers to burden sharing, I take it that he is discussing unguaranteed debt in the banks rather than guaranteed debt or sovereign debt. I would like clarification on this issue.

Regarding the rather undifferentiated language about burning bondholders, does the Minister accept that our banking system is significantly dependent on attracting funding from abroad and that the constant extension of this debate is not of assistance to the banks in attracting funding?

An Ceann Comhairle: I will allow Deputy Boyd Barrett to ask a quick supplementary question.

Deputy Richard Boyd Barrett: I asked a question that related to this subject but to which I did not receive a response. Can we know the names of the bondholders, including those we have already paid? I do not believe we should be paying them. Can the names of the bondholders be made available to the House and the public?

Deputy Michael Noonan: Deputy Boyd Barrett's question was addressed in part of the answer, which was too lengthy to read out in full. However, he will receive it in written form. In general terms, the names of bondholders are not known to institutions issuing bonds because there is an active secondary market on which bonds are constantly bought and sold. If AIB issues a bond, it may know who buys it in the first instance, but it has no idea of who is holding it once it starts moving around. Unlike the case of a shareholding in a company, there is no requirement in law to have a share book disclosing who the bondholders are. My answer is "No", but it is expanded upon somewhat in the written answer provided.

Regarding Deputy Lenihan's question, sovereign debt is sacrosanct. Any country would be foolish not to honour a guarantee given under the signature of the sovereign state. When we discuss burden sharing, we are not discussing that category of debt. It must be excluded. We must pay our way.

Deputy Doherty is pressing me to give him information in advance of the results being published. I am not in a position to do so. I must wait for the results of the stress tests to become available before the Government can adopt a policy position on the issues the Deputy raised.

Deputy Pearse Doherty: The Taoiseach has announced the policy position. Does the Minister for Finance agree with the Taoiseach's statement that the Government will not invest more in the banks than has already been committed to until burden sharing is on the table? The Taoiseach made this statement a number of times in the House in response to questions tabled by our party leader.

Deputy Michael Noonan: I am advising the Deputy to be patient. It is not long until the end of March.

Deputy Pearse Doherty: Will the Minister tell the House whether he agrees with the Taoiseach then?

Written Answers follow Adjournment Debate.

Adjournment Debate Matters

An Ceann Comhairle: I wish to advise the House that five Deputies have submitted matters under Standing Order 21, which will be listed in the Official Report, and the name of the

Deputy in each case: (1) Deputy Éamon Ó Cuív — the need to sanction a new school building in respect of the senior and junior schools of Scoil Cairtriona, Renmore, County Galway; (2) Deputy Michelle Mulherin — the reason for the delay in issuing a foreshore licence in respect of the Killala sewerage scheme, County Mayo, and the need to expedite a resolution; (3) Deputy Gerald Nash — the need to ensure that funding is provided to the group Dignity 4 Patients; (4) Deputy Michael Colreavy — the actions that will be taken to restore breast cancer services to Sligo General Hospital; and (5) Deputy Joe Costello — the proposals for the construction of Gaelscoil Bharra, Cabra, Dublin 7.

The matters raised by Deputies Ó Cuív, Mulherin, Nash and Colreavy have been selected for discussion.

Road Traffic Bill 2011: Second Stage

Minister for Transport (Deputy Leo Varadkar): I move: “That the Bill be now read a Second Time.”

This is the first legislation introduced by the new Government and indicates our commitment to road safety. Speaking on behalf of the Government, I assure the House of our ongoing commitment to make roads even safer over the course of the next five years. The House will be aware that the first ever recorded fatality as a consequence of a road traffic accident occurred in Ireland over 100 years ago. Since then, thousands of people have lost their lives on our roads.

Improving road safety has been one of the great successes of recent years and I would like to recognise the contribution made by my forebears, Mr. Noel Dempsey and Mr. Martin Cullen, the Opposition spokespeople who co-operated with them, the civil servants who supported them, the Road Safety Authority, RSA, and the campaign groups who kept the pressure on.

The number of deaths as a consequence of road traffic accidents are half what they were ten years ago, yet there are many more cars on the road. However, there is no room for complacency and I am disturbed by the increase in the number of road deaths in the year to date. Some 49 people were killed on the roads in the first two and a half months of 2011, 15 more than in the same period last year.

The Bill I am moving was approved by the Seanad in January and was due to be introduced in this House before its dissolution on 1 February. As with most issues relating to road safety, the Bill enjoys support from all sections of the political spectrum and contains the same provisions introduced by my predecessor. Following its enactment, it will allow for the early introduction of significant provisions in road traffic legislation to support and reinforce the existing drink driving enforcement regime. The obvious incompatibility between alcohol and driving has been discussed a number of times in the House, as has the need to communicate to those drivers who persist in drinking and driving that such behaviour will no longer be tolerated. The Bill's provisions will further communicate that message. Drivers who, in the opinion of the Garda Síochána, have consumed intoxicating liquor and drivers who are involved in collisions where injury is caused will be required to undertake preliminary breath tests following the Bill's enactment.

Since 2001, Ireland has seen a rapid improvement in road safety, with fatalities down by 48% following the implementation of a comprehensive set of road safety measures. In 2007, the year the current road safety strategy was published, 338 people lost their lives on the roads. Last year, that figure was reduced to 212. The ongoing advancement in road safety performance results from the response of the Oireachtas to supporting road safety initiatives through the promotion and support of legislation and the formation of a cohesive policy structure under

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the road safety strategies. The current strategy developed by the RSA, covering the 2007-12 period, has been the trigger for many of the major provisions contained in the Road Traffic Act 2010 and those being debated today.

This Bill is the seventh major legislative initiative taken on traffic law in the past decade. The legislative progression during that time has seen the introduction of the fixed charge and penalty points systems, a new structure of speed limits based on metric values, the introduction of mandatory alcohol testing checkpoints, the establishment of the RSA, the introduction of the mutual recognition of driving disqualifications between this country and the United Kingdom and, most recently, the rollout of a network of privately operated safety cameras. This year will also see the introduction of lower blood alcohol concentration levels for drivers and preliminary impairment testing by An Garda Síochána for drug driving enforcement. I expect these provisions to come into force in September.

Ongoing initiatives such as safety cameras have had a significant and positive influence on road user culture. It is fair to say that our roads have without question become increasingly safer for all users in recent years. Despite these significant gains, it remains unacceptable that so many people should still die on our roads in this way. It has never been more important for all of us to ensure that complacency does not set in. The Bill will help us to keep people safe on our roads.

I now turn to the specific provisions being promoted in the Bill. Like my predecessor, I am anxious that the necessary legislation be put in place as quickly as possible to provide for mandatory breath testing at collision sites where injury is caused. Once in place, no driver can avoid being tested for alcohol intoxication where serious road collisions occur. The legislation will also serve a dual purpose by sending a strong message to all drivers who still contemplate the notion of drinking and driving. It allows for the introduction of consolidated provisions relating to the obligation to provide preliminary breath specimens that are planned for commencement later this year under the Road Traffic Act. New evidential breath testing instruments will be necessary to measure the lower blood alcohol concentration levels provided for in the 2010 Act. The Medical Bureau of Road Safety is well advanced in procuring the new evidential breath testing equipment for detecting and measuring the lower levels of BAC. A successful tenderer designate has been selected, subject to the conclusion of contract under the terms and conditions of the tender. A significant amount of testing is now required by the MBRS before the instruments can be put to use. A detailed training programme for the Garda in the use of the instruments will also be undertaken. It is estimated that the testing and training programme will be complete and instruments distributed to Garda stations in the autumn.

Section 9 of the 2010 Act provides for the mandatory breath testing of a driver who in the first instance, in the opinion of a member of the Garda has consumed intoxicating liquor or, in the second instance, has been involved in a road traffic collision which has resulted in an injury. Section 14 of the 2010 Act, which is linked with section 9, provides for the mandatory testing of a driver of a vehicle involved in a road traffic collision where the driver is injured and is removed to hospital. This section also provides that a member of the Garda shall test that driver in the hospital unless, following consultation with a doctor treating the driver, such testing would be prejudicial to his or her health.

There is a close interrelationship in the 2010 Act between sections 9 and 14 and the provisions in the Act for the lower BAC levels. Based on legal advice received by my Department, it will not be possible because of this link to commence sections 9 and 14, either in part or in their entirety, until the new evidential breath testing apparatus is in place. It would be beneficial

if the mandatory testing provisions were introduced earlier than that and this Bill, therefore, provides for the early introduction of those provisions.

On previous occasions the question has been asked as to why there is no provision to test drivers involved in all road traffic collisions. The main reason is that, in many instances, the collisions result in material damage to vehicles only, are generally minor in nature and are settled by the drivers concerned and their insurers without Garda involvement as a civil matter. Gardaí are often not called to the scene and when they are, it is often an inappropriate use of Garda time and resources.

The issue of mandatory testing of drivers at collision sites was the subject of much debate during the passage of the 2010 Road Traffic Act. It was acknowledged during that process that road traffic legislation, particularly the provisions relating to intoxicated driving, is one of the most challenged in our courts. This necessitates that the drafting process of any new legislation must also focus on making the provisions as robust as possible. Consequently, we are all acutely aware of the need to strike a balance between the practicalities of the mandatory testing provision and the need for changes to be consistent with existing intoxicated driving legislation.

While the 2010 Act was being drafted, a concerted effort was made to consolidate all intoxicated driving legislation into a cohesive format that would be robust enough to withstand future challenges. In this context, it was important that the mandatory testing provision was knitted into the fabric of this legislation. Legal advice was sought on the relevant drafting of the Bill before us, given its association with so many other vital provisions in the Road Traffic Acts. In providing for mandatory testing, we did not want an oversight to undermine the entire testing regime and undo all that we are trying to achieve.

It is because of the detailed examination of the likely impact on other provisions that, following the advice of the Office of the Attorney General, sections 2 and 3 also recognise the powers of arrest conferred by law on Garda and the interaction between those provisions and the requirement for preliminary breath testing of drivers. This necessary and explicit clarification will avoid the undermining of those provisions when introducing mandatory testing. This clarification will also need to be reflected in the related intoxicated provisions of the 2010 Act. I intend to commence all of the intoxicated driving provisions of the 2010 Act later this year. Accordingly, I plan to amend sections 9 and 14 of the 2010 Act in a new road traffic (No. 2) Bill 2011 to be drafted and introduced in the Oireachtas soon. This will ensure all the necessary initiatives will come on stream together.

The key determinant of road safety performance is the behaviour of road users. Consequently, the primary focus of our road safety strategy is positively to influence that behaviour. This can be attained through initiatives across a range of areas including the enactment and enforcement of laws that promote good road user behaviour. Such laws must also be underpinned and supported by the application of fines, prison sentences and driving disqualifications as well as the necessary technological resources. This Bill is another element of that overall programme and will build on achievements in recent years. It will help to deliver additional improvements to the manner in which all drivers interact with our road system.

I am anxious, with the co-operation of Members, to secure the passage of this short Bill through the House as quickly as possible to allow for the early introduction of the provisions contained therein. Suggestions made by Members will be afforded detailed consideration within my Department with a view for their inclusion, if appropriate, in the next road traffic Bill, which I plan to introduce shortly. I look forward to the co-operation of Members in facilitating the speedy passage of the Bill, which I commend to the House.

Deputy Timmy Dooley: I congratulate Deputy Varadkar on his appointment as Minister and I wish him well in his endeavours. He has an important Department under his control and matters such as that we are dealing with are of critical importance. I look forward to co-operating with him in his efforts.

I welcome this critical legislation, which was introduced by Fianna Fáil in government earlier this year and which has passed all Stages in the Seanad. I hope, like the Minister, that it receives the cross-party support it deserves. We have dealt with many issues that have emerged in changing driver behaviour as part of a shared goal. Changing attitudes to the consumption of alcohol and driving vehicles is the most important issue. It has been a hard fought battle convincing certain sectors of society and industry groupings to take on this issue with a focus on saving lives. It has worked well with the co-operation of all parties in the House and I hope that continues.

The legislation must proceed as quickly as possible to ensure no driver can avoid being tested for alcohol intoxication where a serious road accident has occurred. It will also ensure gains made in changing driver behaviour following the passage of the Road Traffic Act last year will not be lost between now and its implementation in September. The Minister referred to his desire to deal with sections 9 and 14 of that legislation through the passage of another road traffic Bill later this year, which is probably the correct approach.

The provisions in this legislation send a strong message that drink driving will not be tolerated under any circumstances and we have succeeded collectively in improving driver behaviour, particularly among younger drivers. Statistics show cohorts of people still fail to recognise the seriousness of drink driving but a sustained push to emphasise that such behaviour is no longer acceptable within and outside the House will filter down through society. The approach of the Garda is helpful in that regard.

The Bill has come at a critical time following the release of figures last week by the Road Safety Authority, RSA, and the Garda highlighting a worrying trend so far this year. The Minister referred to the latest road collision statistics, which show that there have been 15 more road deaths to date in 2011 compared with the same period last year. This is an increase of almost one third in the first 12 weeks of this year. The increased number of deaths among pedestrians and motorcyclists is of particular concern with 49 people overall killed on the roads this year. It is an extremely worrying trend and perhaps a sense of complacency has set in.

We must also be careful, however, that we do not try to read too much into such a small statistical base. There are peaks and troughs in the figures for various reasons over the course of a year and I hope they will level out as the year progresses. The fact that we have experienced a peak should give us the impetus to ensure we continue to take a strong approach in the House and in the media to highlighting the issue. When road safety is debated in the House or flagged or discussed in the media, it raises awareness in the minds of people, which ultimately save lives.

The chief executive officer of the RSA, Mr. Noel Brett, recently expressed disappointment that there has been such a bad start to the year from a road safety perspective. I compliment and recognise his input over the past number of years working with departmental officials and successive Ministers to put in place a good regime within the authority and I wish him and his staff well in their continued efforts. I acknowledge the great work they have done.

The good work in improving road safety standards and reducing the number of fatalities in the past five years appears to be at risk as a result of this trend. I say “appears” because I am conscious that by their nature statistics, when measured over the more elongated period which

is generally a year, may indicate a trend that is hoped will be less concerning, but we will have to debate that at a later stage.

The new Government must not allow any complacency to set in or any bad habits in driver behaviour to return. Based on the Minister's comments earlier, I am sure he is acutely aware of the necessity to ensure that does not happen. This must be an urgent priority for the Minister for Transport, particularly as he settles into his new Department.

The core objective of the Road Safety Strategy 2007-2012, which Fianna Fáil brought in while in Government, is to reduce road deaths to no greater than 60 fatalities per million, which is an equivalent of 252 deaths per annum. It is difficult to say that we are prepared to accept 252 deaths per annum on Irish roads but if the statistics across Europe are taken into account, it is a target that has been surpassed. Last year we went beyond that target with the lowest number of road deaths on Irish roads at 241. That was a decrease of more than 41% from the period 1999 to 2000. Any death on the road is unacceptable and we must strive towards ensuring that we have the greatest safety standards in place to eliminate, in so far as possible, all unnecessary deaths on the road.

The number of road deaths per 1 million of the population was halved from 107 in 2001 to 54 in 2009. That downward trend continued in 2010. The new Government must now ensure that the figure of 252 is not exceeded between now and the end of the strategy in 2012. I hope the new Government maintains the same level of commitment to road safety and to the road safety strategy as the outgoing Government did from 2007 to 2010. I recognise the co-operative approach the previous Opposition and now Government had in regard to working with previous Ministers in this regard.

While significant gains have been made, the Government must avoid the pitfall of complacency at a political and a road user level because we have seen that where complacency sets in or where there is not a continued focus or emphasis, whether it be through legislation or through debate in the media, people tend to go back to their old habits. It is clear there is a volume of work to be done in that regard.

The first of the mandatory alcohol testing provisions were introduced by the Fianna Fáil Government in 2006 and the current position regarding mandatory testing is that it is only carried out at a Garda checkpoint as per the Road Traffic Act 2006 or where gardaí believe a driver is intoxicated. Testing for alcohol at the scene of a collision is currently only done on a discretionary basis. The legislation before the House today is necessary to ensure that mandatory testing for all drivers involved in a collision is put on a statutory footing.

The number of people killed on the roads since the introduction of the Garda checkpoints has declined and the success of mandatory provisions can be attributed in part to a robust system of detention and scientific analysis. This is essential to maintain the public perception that there is a real risk of being detected and prosecuted, and it is an integral part of the effectiveness of the deterrent.

During 2009, more than half a million breath tests were carried out under mandatory alcohol testing. The Road Traffic Bill 2011 amends the existing legislation, the Road Traffic Act 1994, to allow for the introduction of mandatory alcohol testing for drivers involved in collisions in advance of the coming into force of sections 9 and 14 of the Act of September 2010.

The Road Traffic Act 2010, which was passed into law in July last year, introduced mandatory alcohol testing in specific circumstances as well as a lowering of the permissible blood alcohol content, BAC, of 50 mg per 100 ml and 20 mg per 100 ml for novice drivers. I mentioned at the outset the difficulties that arose from various interest groups in ensuring that this was

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adhered to. In that regard I compliment both the then Opposition also, whose members had to deal with some people within their own ranks who had a different viewpoint. The then Minister had to do the same in respect of some of the backbenchers in our party. Ultimately, the right decisions were taken and a level of recognition is necessary of those on both sides of the House for their doggedness in working towards a zero tolerance approach to the blood alcohol content level.

Section 9 of the Act of 2010 is one of the intoxicated driving related sections in Part 2. It provides that where a driver, who in the opinion of a member of the Garda Síochána has consumed an intoxicant, he or she will be required to give a preliminary breath specimen. The section also provides for mandatory testing where a driver has been involved in a road traffic collision, where injury has been caused.

That is linked with section 9 of the 2010 Act. Section 14 of that Act provides for the mandatory testing of a driver of a vehicle involved in a road traffic collision where he or she is injured and is removed to hospital. The section provides that a member of the Garda Síochána must test that driver in the hospital unless, following consultation with a doctor treating the driver, such testing would be prejudicial to the health of the driver. The knowledge that such drivers will be tested in these circumstances, in my view and in the view of most right-minded people, will have a positive impact on improving driver behaviour. This is ultimately about driver behaviour in all respects.

There is a close inter-relationship between these two sections and the provisions in the Act for lower BAC levels. Unfortunately, these sections of the Act were unable to come into force as the evidential breath testing equipment could not be recalibrated to the lower BAC level of 20 mg per 100 ml before September 2011. The Minister has indicated his desire to deal with that.

In the interim period, the Road Traffic Bill 2011 amends current legislation, the 1994 Act, to provide for mandatory alcohol testing at the scene of collisions, albeit at the current BAC levels of 80 mg per 100 ml. The new lower levels will be tested from September 2011 once that recalibrated equipment is in place. The Medical Bureau of Road Safety is well advanced in procuring the new equipment. The Minister might update the House in his concluding remarks on progress in that regard and ensure there is not any deviation from the original timing set out. It is essential that this equipment is entirely robust due to the highly litigious nature of road traffic law in Ireland, particularly in the area of drink driving. The most important aspect is that we get this legislation right.

Like many others who have an interest in road safety, it is disconcerting that people continue to challenge the law, particularly with the support of their legal representatives, despite the fact that the basic premise is clear, namely, if someone has drunk above a certain limit they must suffer the consequences of the law. We are concerned here with changing driver behaviour. We also must change people's attitude to the deterrents. There is a criminal conviction if one is found driving having consumed too much alcohol but people continue to believe that is not a criminal act. That is the reason they put such a huge effort into trying to get out of such a conviction. We must work on emphasising the criminal nature of the act. When somebody drives a car having consumed copious amounts of alcohol they are no different to somebody who plays with a gun in the company of young children. Sadly, people do not understand that it is a criminal act and for that reason they fight vigorously against the implications in court.

This Bill is the seventh major legislative initiative taken on traffic law in the past decade by the Fianna Fáil led Government. That is a record we are hugely proud of and it has made a real difference to saving lives. I have no doubt that the Minister will continue his efforts in that regard. I would like to pay tribute to former Ministers including the late Séamus Brennan, who was at the forefront of legislation in this regard; Martin Cullen more recently; and the previous Minister, Noel Dempsey. They all had a strong record, with the support of the Opposition at the time, in dealing with the problem.

Our roads, without question, have become increasingly safe for all users in the past decade. That is a significant achievement in terms of our legacy in Government, despite some other elements which we will have to debate in other fora in terms of what we did or did not do in respect of other matters. Our approach to road safety and the development of the road network, road infrastructure and public transport generally was excellent and as the Minister reads his way into his new role in his Department he will see a strong legacy of investment that was based on a vision for the development of the backbone infrastructure of this country.

I have no doubt the Minister will continue to develop that with his own vision and strategy, and I wish him success in securing funding for it in a far different environment. However, there is a good backbone on which to build.

Unquestionably, our roads have become increasingly safe for all users in the past decade and this has been recognised by others. In the past ten years we have seen the introduction of the penalty points system, the introduction of mandatory alcohol testing checkpoints in 2006, the reduction of the blood alcohol concentration, BAC, levels for drivers from 100 mg to 80 mg in 2006, the establishment of the Road Safety Authority, the introduction of the mutual recognition of driving disqualifications between this country and the United Kingdom which was an issue for some time, the completion of the inter-urban road network and the roll out of a network of privately operated safety cameras.

With regard to the latter, there has been a worrying development in the past week or two. A second speed camera-carrying vehicle has been subject to criminal damage which put at risk the lives of two individuals. That is deeply disturbing. It demonstrates the efforts people are prepared to make to avoid detection. While I accept this involves a contract that was awarded to a third party, I ask the Minister to examine this from a health and safety perspective to ensure the drivers or operators of these vehicles are protected. I understand from media reports that the operator of the vehicle involved in the latest incident had a narrow escape when the vehicle was set on fire. It is important that the State ensures the safety of those who operate these vehicles on behalf of the State. As it involves a third party it might be somewhat complicated but perhaps the Minister will examine the matter.

As a result of the Road Traffic Act 2010, this year will see the introduction of lower blood alcohol concentration levels of 50 mg for drivers and 20 mg for novice drivers and preliminary impairment testing by the Garda Síochána for drug driving enforcement, the first major step to tackle and identify drivers driving under the influence of drugs. These are just some of the recent measures introduced by the previous Government.

In recent years, Ireland could proudly say it had one of the best records in the EU for reducing the number of road deaths. Last year, the former Minister for Transport, former Deputy Noel Dempsey, accepted the 2010 Road Safety PIN Award in recognition of the Government's sustained successful strategy in reducing road deaths. The award was made by the European Transport Safety Council and marks outstanding road safety performance among the 27 EU member states. The key determinant of road safety performance is the behaviour

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of road users and the primary focus of any strategy is positively to influence that behaviour. We tried to achieve this change by implementing initiatives across a range of areas.

One of the most important changes in driver behaviour has been the creation of a zero tolerance attitude towards drink driving. Fianna Fáil showed continued commitment to lowering the maximum legal blood alcohol concentration limit and this has played a critical role in bringing about a zero tolerance attitude towards drink driving. We lowered the limit in 2006 and it will be lowered again this year under the 2010 Act from the current limit of 80 mg to 50 mg for qualified drivers and from 80 mg to 20 mg for novice and professional drivers. Even one drink could result in a driver being over the limit.

The publicity and media comment about the implications of that legislation has created doubt in the minds of many people who have believed for some time that they could drink two pints or two glasses of wine and drive successfully and, more importantly from their perspective, without being over the limit. The fact that doubt has been cast on that has been a great deterrent and is a great push towards a zero tolerance approach. It has played a significant role in ensuring that the level of deaths on the roads has been reduced to the extent it has over the last 12 months.

The Bill also introduces administrative fixed penalties for certain drink driving offences which came into place from January 2011. This is another key step in changing driver behaviour. While the strategy to tackle drink driving is working, much more must still be done. Evidence of this is the number of people that continue to be caught; for example, 323 drivers were detected drink driving during the St. Patrick's Day holiday period last year.

On the other hand, however, 849 people were arrested for speeding during that same period last year. Speeding continues to pose an even greater risk of road deaths and serious injuries in Ireland. In November last year, the safety camera contract was signed, with a network of safety cameras coming into operation in early November 2010. The cameras are deployed in areas that have been identified as black spots. Donegal, Cork and Meath have the highest number of locations. All of us, myself included, have form with regard to speeding. We must make a greater effort in planning our journeys and changing our behaviour. Many have accepted the attitude to drink driving but we have some way to go with regard to speeding. I have to do that as much as others. Perhaps there should be a greater focus on that issue.

Another issue that is often overlooked is sleep deprivation, where people continue to drive when tired. In that context I ask the Minister to discuss this with the National Roads Authority, NRA. There is now a fantastic network of motorways but some of the lay-bys that are in place remain fenced and inaccessible for drivers. There must be a greater effort to put road stops in place. They need not be as elaborate as those on the M1 that fall within the greater curtilage, as it were, of the Dublin commuter belt. There was an initiative in the NRA to try to do this through public private partnership but with money no longer available it was not possible. Far less sophisticated road stops could be put in place at much reduced cost. What is involved is a basic rest area with access to coffee, whether that be from a vending machine or otherwise. I do not believe it requires the multi-facility type of rest areas which we are familiar with, where there are larger volumes of traffic that make their provision economically possible. We must become far more focused on dealing with impaired driving as a result of sleep deprivation. Perhaps the Minister will examine this matter in association with the NRA in due course.

Reducing excessive and inappropriate speed on our roads is a key road safety issue for all road users, and the safety cameras should have a major impact both in deterrence and enforce-

ment. The announcement was a major milestone in our efforts to reduce the number of fatalities on our roads as a result of speeding. The scheme, which was rolled out by An Garda Síochána in partnership with the GoSafe consortium, provides 6,000 hours of monitoring and 1,475 hours of surveying per month. Perhaps in a review of that contract it will be possible to deal with the safety issue that has emerged with regard to how people appear to deal with the operators of those vehicles.

The modernisation of driver training and licensing is another key foundation stone of the current road safety strategy and is one on which progress has also been made. Following a consultation process, the RSA presented proposals for a graduated driver licensing system, GDLS, for Ireland to the former Minister for Transport, former Deputy Noel Dempsey, who considered and approved them. The RSA published its proposals on 1 September 2010. The Road Safety Authority announced nine additional measures to protect learner and inexperienced drivers. These new measures will enhance the way in which drivers are trained, tested and licensed in Ireland. The first phase of the modernisation project has already been completed.

Some of the new measures include a requirement on first-time learner permit holders to undertake mandatory basic training of 12 hours with an approved driving instructor and to produce a log book signed by their instructor. This will come into effect from April this year. There are also a number of good programmes in secondary schools throughout the country. I am aware of a number of companies which provide that service in association with private finance. It is provided as part of transition year. I am aware that the Department of Education and Skills considered this previously but there was resistance to involving driver training in the curriculum. Perhaps this is something the Minister could reconsider. If the system that is currently available to schools through these private operators is successful, I ask the Minister to consider it for his future programme now that he has taken over this brief. Perhaps he will include it in that programme as something to be considered. Unfortunately, by the time many young people commence their formal driving instruction they have already developed habits, ideas or views that may be contrary to good driver behaviour. By ensuring the appropriate level of information is available to young people at the earliest possible opportunity, the State will reap dividends at a later stage. Penalty points for specified offences will also be increased for learner and novice drivers, posing a greater threat of disqualification. I urge the Minister for Transport to proceed with the next phase in the GDLS modernisation project.

It is not just driving under the influence of drink that continues to be a cause for concern; it is also illegal to drive while under the influence of drugs. Drug driving poses a serious threat to road safety, not least because it is so hard to detect. Unfortunately, there has been no feasible solution found in Ireland or Europe for the introduction of a preliminary roadside test for drugs as testing devices are still at the prototype stage. However, I understand advances have been made in Australia, and the Minister might look into the system in that jurisdiction. When a garda suspects that a motorist is driving under the influence of an intoxicant, whether it be drink or drugs, he or she may arrest the driver. However, unlike alcohol, there is no legal limit for drugs.

The current road safety strategy provides for a review of the legislation and appropriate enforcement options. It also provides for the development of testing of impaired drivers based on the incidence of drink or drug driving or both. The Road Traffic Act 2010 provides for such preliminary impairment testing, including additional powers for gardaí to ask drivers to perform a series of simple roadside tests to assist gardaí in forming an opinion as to whether a driver is under the influence of an intoxicant. According to Professor Denis Cusack, director of the Medical Bureau of Road Safety, gardaí are to receive new powers and training in the detection

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of drug driving. I understand direction in field impairment training for officers began in January.

While the Road Traffic Act 2010 is the first item of legislation to deal with the threat of drug driving to road safety, much remains to be done in this area. I urge the new Minister for Transport to prioritise this issue. I appreciate it is in its infancy in terms of the equipment available to the Garda, but a person of the Minister's zeal will be eager to take on the challenge. During the St.Patrick's Day festivities last week, the Garda Síochána made clear it would not tolerate dangerous behaviour, in particular driving under the influence of drink and drugs. We must continue to get that message out to ensure there is the same zero tolerance attitude towards drug driving as we have succeeded in achieving in respect of drink driving.

The transformation of our road network in the past ten years, particularly in the mid-west, has undoubtedly greatly improved the safety of our roads. Since entering government in 1997 Fianna Fáil invested more than €8 billion in the road network. In 2005, we launched Transport 21, a ten-year plan for the delivery of an investment of €34 billion in infrastructure. There is no doubt that the completion of the major inter-urban routes has greatly added to road safety records. We also completed the 32 km M50 upgrade scheme in 2010, four months ahead of schedule. The provision of more than 750 km of motorway linking Dublin with the principal cities has reduced journey times, increased the reliability of journeys and improved road safety. It has not been about enabling motorists to drive faster but rather facilitating safer travel on roads which meet standards that are necessary and appropriate. This will ensure that fewer people die in road accidents.

The key determinant of road safety performance is the behaviour of road users, and the primary focus of our road safety strategy in government has been to influence that behaviour positively. One of the most noticeable trends in the latest statistics is the number of men killed. Of the 49 deaths thus far in 2011, 38 were male and 11 female. I urge the Government to look at ways to target and change the behaviour of young male drivers in particular, including through school-based initiatives. By the time many young men purchase or have access to their first car they have already made up their mind what a vehicle should symbolise, which is often an extension of the personality or ego of the individual. We must break that link by intervening at a much earlier stage in young people's lives in terms of driver education. The emphasis of the Government must be to ensure the figure of 252 committed to in the Road Safety Strategy 2007-2012 is not exceeded for each of the remaining years of the strategy and that it continues vigorously to pursue and build on Fianna Fáil's achievements in tackling road safety in the past ten years.

Deputy Dessie Ellis: I dtús báire, ba mhaith liom comhghairdeas a ghabháil leis an Aire, an Teachta Varadkar, a bhfuair jab nua le déanaí. Is mian liom tacaíocht a thabhairt don Bhille seo. Sílim go bhfuil sé an-mhaith ar fad. I welcome the Minister and look forward to meeting with him on a regular basis. I welcome this Bill on behalf of my party despite some issues which I will discuss later and which I hope the Minister will take on board. I intend to table amendments on later Stages.

I commend such bodies as PARC Road Safety Group, Alcohol Action Ireland and the Road Safety Authority on their tireless efforts in forcing the Government and the general public to take action on an issue which has touched every person on this island in some way. Sinn Féin supports mandatory roadside breath testing, as this Bill proposes albeit at the current higher blood alcohol rate. Great strides have been made in dealing with road accidents and drink

driving, with the number of road deaths steadily reducing year on year. This year's figures are particularly disappointing in that context but it is to be hoped that they are a statistical variation and that the number for the year as a whole will show a reduction on last year. The measures in this Bill should have a positive effect on those figures.

The link between alcohol and narcotics use and road deaths is recognised internationally as a major concern. The European Commission estimates that at least a quarter of road deaths can be attributed to alcohol. The World Health Organisation, WHO, estimates the role of alcohol in road deaths to be even greater. Too many crashes and deaths on our roads are alcohol related and therefore avoidable. The introduction and enforcement of randomised breath testing in July 2006 led to an immediate decrease in the number of road deaths as well as a reduction in the number of hospital admissions resulting from road crashes. In the first six months after the introduction of random breath testing, provisional data show there was a 10% reduction in hospital admissions following road crashes compared with the corresponding six months in the previous year. In 2006 the Garda made 17,868 arrests for driving while intoxicated, an increase of 34% on the figure for 2005.

It is unacceptable that it has taken this long to get the ball rolling and enact these laws, which all parties in the House support. Every effort should have been made to ensure evidential breath testing equipment was made available instead of having to wait until September 2011 for that to be done. I have a concern regarding subsection 2(1), paragraphs (a) (b) and (c), of the Bill. There is some confusion around this subsection, as PARC Road Safety Group has pointed out. These paragraphs should be separated by the word "or". This little word makes all the difference and I ask the Minister to take this on board.

There are other issues, such as the lack of a definition of "prejudicial to the health of the person". We need a clear definition of what this means. How is a garda to ascertain whether to conduct a breath test would be "prejudicial to the health of a person" or not? This reference, without a clear definition, places an undue burden on the gardaí yet again; under the present law they have to "form an opinion" before testing. We have seen the consequences of such a burden, with 92% of surviving drivers in fatal collisions not being tested for alcohol in the years 2003 to 2005, the latest available statistics. Is it really feasible or right for a garda to be making any decision about health without consulting a medic? I ask the Minister to examine this important point.

There are no proposals in this Bill to deal with the issue of "drug driving". Incidents of drug driving are on the rise, with research showing that it could be as serious a problem as drink driving. Research conducted by the Road Safety Authority states that as many as 22% of 17 to 34 year olds admitted they were a passenger in a car driven by someone under the influence of drugs. This is a serious problem and I ask the Minister to address this as a priority.

Another point that must be made relates to investment in public transport. In Dublin, our bus services have been on the receiving end of seemingly unending cutbacks which have meant huge curtailment of routes. We must get our public transport services in order as a priority; this will also pay dividends in advancing road safety. Rural transport has also seen serious cuts over the past couple of years, which could lead to a fall in safety standards. The Government should make investment in public transport services as a priority. We have one of the lowest State subsidies in public transport in the European Union, an issue that must be looked at.

Transportation of waste materials on the roads is another issue. The Minister should examine the idea of applying penalty points for vehicles that do this. I have been pressing for this for many years because it would have a deterrent effect on those who are illegally dumping.

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The Government should explore the idea of a widespread public education campaign to accurately inform drivers of the effects of alcohol and drugs and how long it takes before a person can safely drive a vehicle after consumption. It should promote a culture of intoxicant-free driving. This campaign should be implemented in schools as well as in the general community, in the media and wherever alcohol is sold.

We need preventative education and good strong laws to challenge the widespread culture of impaired driving, but these are not enough on their own. It must also become socially unacceptable to drive while impaired. We therefore must develop a widespread “counter-culture” of designated or intoxicant-free driving. Young people in particular have a leadership role to play in this regard, although older people also have a responsibility to lead by example.

There have been serious incidents lately with speed cameras and vans being attacked and burnt out. This must be carefully considered and I share the Minister’s concerns about that.

I welcome this Bill. It is overdue and I will be proposing amendments on Committee Stage to deal with some of the issues I have mentioned.

Deputy Finian McGrath: I congratulate Deputy Varadkar on his appointment as Minister. I thank the Cathaoirleach for giving me the opportunity to speak on the Road Traffic Bill 2011. Before I go into the detail of the Bill, it is important to state here and now that drink driving is a no no for all motorists. Driving is dangerous enough so it is essential that drink driving is put beyond the Pale.

There are issues about having one pint and the problems faced by rural pubs — I understand that — but there are other solutions and ways to save the local pub. Allowing drinking and driving is no solution and we must all face that. Too many people have been killed or maimed, and too many families have had to suffer the loss of a loved one. That is why I support this Bill.

The Bill amends the existing legislation to allow for the mandatory alcohol testing of drivers following a collision in specific circumstances. The Bill was introduced following a delay in commencing the Road Traffic Act 2010. When we look at the details of that Act, it provides for the mandatory testing at collisions where an injury has occurred, as well as lowering permitted blood alcohol content levels to 50 mg per 100 ml and 20 mg per 100 ml for novice drivers. The Acts will not be commenced pending completion of the testing of evidential breath testing machines that are capable of testing at the new lower levels. Testing and training in their use will be completed this autumn.

Until the 2010 Act is commenced, breath testing is not mandatory and permitted blood alcohol content levels remain at the higher level of 80 mg per 100 ml. The Road Traffic Bill 2011 provides for mandatory testing where a collision leading to an injury takes place at the higher blood alcohol level of 80 mg per 100 ml. This is the main point of the Bill and it is a very important issue.

There is a lot of emphasis on alcohol but I would like to address the issue of drugs. We must face up to the reality that many young people are on drugs, often when they are driving. This is a major issue for society and for road safety. We must tackle this and I do not accept for a minute any blame being placed on disadvantaged young people for being involved in drugs when most of the market now for drugs like cocaine is driven by wealthy individuals; they are keeping the drug barons in business. Recent convictions in the courts prove my point.

Speeding is a major problem because of some of the new roads and the speeds of which modern cars are capable. The motor industry must look at this. Most young male drivers and

many older male drivers, when they get into the car and see a clear run, will put the boot down and the reality is that the vast majority of these people do not realise how powerful the cars are.

I heard people in the last Dáil talking about the crisis in rural pubs. That is an issue, where senior citizens face difficulties in getting to the pub for a pint or two. I accept that point but we must come up with other solutions. A proper rural bus service would be one solution and publicans themselves can often be creative and put in place services to collect and bring people home. In many rural areas, the pub is the focal point for community and voluntary groups and fundraising activities. We must face that reality while recognising that the solution is not drinking and driving but coming up with other radical and sensible ideas. I call on publicans to be creative about this because they must face up to the issue. Elderly people who want to frequent their local pubs should be provided with transport. We must, therefore, re-examine the idea of community spirit. This country enjoyed ten to 15 years of massive wealth but one of the greatest mistakes we made during that period was to lose that concept. We need to bring back a sense of community spirit among people, particularly as it is relevant to the debate on the legislation relating to road traffic accidents.

I take this opportunity to commend the people directly involved in providing accident and emergency services. I commend ambulance drivers, nurses and doctors who do a tremendous job in this regard. Such people are obliged to deal with the results relating to the issues with which we are dealing in this legislation. Theirs is not an easy job and it is important to ensure that they are not hammered on a regular basis by those in the media or by some elements in this House. Many of those individuals are obliged to work late shifts and must deal with anti-social behaviour or with being assaulted. I am aware of many cases where ambulance drivers and others who work in accident and emergency departments have been assaulted while trying to do their job. These people should not be subjected to violence. In that context, we must ensure that the real issues are dealt with as part of this debate.

In dealing with issues relating to road safety, alcohol and drugs, we must also consider the position with regard to our roads. I welcome the fact that a number of fantastic motorways and roads were constructed in the past nine to ten years. I also welcome the fact that the putting in place of these carriageways has led to a reduction in the number of accidents and has improved the position with regard to road safety. We must, however, focus on the condition of minor roads. This is an issue up to which the Government must face.

It is not just a case of building roads for the sake of doing so or in the context of commercial interests in order to ensure that our economy gets back on track. In the context of job creation, major potential exists to develop, restructure and repair minor roads to a proper standard. Consideration should be given to this matter when the capital expenditure programme is under review. The Government should not run away from this issue because we are not just discussing road safety; we are also concerned with the many tens of thousands of workers who were laid off following the downturn in the housing market.

The putting in place of ramps on many roads and streets throughout the city of Dublin has also been of assistance in the saving of lives. In my constituency, people prefer to refer to them as speed cushions. These ramps have been extremely successful and the doctors who work at the National Children's Hospital in Temple Street will say that the reduction in speed to which they have given rise has led to many children's lives being saved. These are all matters of importance.

The Minister should inform the NRA that it must wake up and smell the coffee in respect of our motorways. The latter built a number of fantastic motorways but there are no areas

[Deputy Finian McGrath.]

where, during long journeys, people can pull in to rest, use the lavatory or have a cup of coffee. Such areas must be provided. During the past 20 years, I and my family have driven around France while on holiday. In that country, one can pull in and get a cup of coffee or avail of other services. This is a fantastic plus for people who are obliged to drive long distances. In addition, it generates employment in the catering industry. The Minister should tell the NRA to get its act together and provide some of the services to which I refer, particularly as this would lead to job creation and would also be of assistance in saving lives.

Section 3(4) provides that before making a requirement under subsection (1) the member of the Garda Síochána shall consult a doctor treating the person and if a doctor treating the person advises the member that such a requirement would be prejudicial to the health of the person, the member shall not make such a requirement. This is an important subsection and I hope that its provisions will not be abused.

Section 3(5) provides that for the purpose of making a requirement of a person under subsection (1), a member of the Garda Síochána may enter without warrant any hospital where the person is or where the member, with reasonable cause, suspects him or her to be. This is an important additional power that is being bestowed on the Garda. Again, I wish to impress upon the Minister and his officials, particularly in the context of section 3(5), the fact that an approach more geared towards the community policing model is required when dealing with issues of this nature. Officers with good communication skills will be required in order to deal with the type of situations which might arise.

There is also a need to deploy additional community gardaí to patrol accident and emergency departments, particularly on Friday and Saturday evenings. One can practically predict the times at which rows will break out in certain accident and emergency departments. As stated earlier, this is an area where action must be taken.

Section 3(4) and (5) deal with the question of Garda powers. Such powers should never be abused. Gardaí are meant to serve members of the public and society as a whole. That is a crucial consideration they must be reminded of when it comes to exercising the powers envisaged in the Bill. Members of the force must be both professional and objective. I welcome the fact that there are no costs associated with the proposals contained in the legislation.

I support the Bill. As an Independent Member of the Oireachtas, I will vote on individual items of legislation as they arise. If a Bill is sensible and is in the public interest, then I will support it. If the opposite is the case, I will oppose the relevant legislation.

Deputy Catherine Murphy: This is a temporary measure which is designed to fill a gap until September. I was in favour of the primary legislation so I will be supporting the Bill. It is strange that it has taken until now to introduce this worthwhile item of legislation. In the context of this and other Bills, I will be seeking to evaluate how their provisions will be applied. Too often we are told that there are sufficient laws on the Statute Book but that these are either not applied or not fairly applied. We must, therefore, anticipate this in the context of any legislation we pass and seek a remedy in parallel.

Mandatory breath testing will apply from later this year. While the only evidence available to me is anecdotal in nature, it appears that breath testing is generally applied in areas where large numbers of gardaí are stationed. It is unusual, for example, to see gardaí engaging in breath testing on a weekly basis. However, it is not unusual to witness this type of activity in Dublin's city centre — which has quite a good public transport system — on such a basis. Prior to Christmas, I was stopped at a random checkpoint and asked to submit to a breath test. I

was happy to do so and I am delighted to say that no issues arose and I was permitted to drive on.

I know several people who live in the city centre and I am aware that it is not unusual for them to be pulled over and asked to submit to a breath test. However, in the area where I live, which is located just 11 miles from the city centre, such an occurrence would be much more unusual. The reason for this relates to the disparity that exists in the context of the numbers of gardaí stationed in different parts of the country. It is typically the case that at long weekends or at times when anti-drink driving campaigns are in train one will see many checkpoints.

There is far too much localism in national politics. The reason for this is that decisions taken at national level sometimes give rise to inequities. The ratio of gardaí to population is part of this. I obtained some statistics from the *www.kildarestreet.com* website on this matter. They were compiled on foot of a number of parliamentary questions that were tabled last year, including some from Deputies who represented my constituency at the time. The statistics show that Kildare, which has a population of 186,000, is at the worst end of the spectrum, with just 328 members of the force stationed there. I expect that the forthcoming census will show an increase in the population of the county. At the other end of the spectrum, there are three more gardaí stationed in Sligo-Leitrim, where almost 100,000 fewer people live, than in Kildare. This has a direct impact on how the law is applied and on the quality of the service supplied by the Garda.

I understand this matter does not fall directly under the Minister's brief. However, there is an overlap. The areas worst affected when it comes to the number of gardaí stationed there are Kildare, Meath and Wexford. All three were the subject of rapid increases in population in recent years but the services on offer in each have not kept pace with the level of increase. A 33% increase in the number of gardaí stationed in Kildare would bring it up to the average. That is an indication of how bad is the position.

I am anxious to ensure that adequate resources will be available to implement the provisions contained in Part 2 of the Road Traffic Act 2010 when they come into operation in September. In light of the current embargo on public sector recruitment, the only way to resolve the problem with regard to the deployment of gardaí is by way of transfers. The Garda Commissioner is obliged to manage the resources available to him within the constraints which apply in respect of the embargo. He is responsible for deploying resources, and I understand this separation of functions. However, it is not unfair to seek a level of equality, because it will impact on this issue. I accept that extra resources must be deployed to city centre areas where specialised divisions may be based. No one objects to gardaí being deployed to specific areas, such as Border counties or areas of conflict, such as small pockets of Limerick. Nevertheless there is an equity issue and it will impact on the Minister's task of managing road safety.

Road safety is an issue for all of us. It is not a simple matter of passing laws but also of looking at how the law is applied. That is the primary point I wish to make.

Deputy Thomas P. Broughan: With the agreement of the House, I will share my time with Deputy Michael McCarthy.

I am glad of the opportunity to speak on this Bill. I wish the new Minister for Transport and the Minister of State, Deputy Alan Kelly, the best of luck in their new Department and hope that road safety will assume the highest priority on their agenda. In the past, the Minister and I have clashed on economic policy but I hope we will agree on transport matters.

[Deputy Thomas P. Broughan.]

I also wish the former Minister, Mr. Noel Dempsey, well in his retirement. Unfortunately he was very lethargic in many areas that were key transport responsibilities and there were particularly unacceptable delays in many critical road safety programmes. In fact, it is part of this lethargic legacy that we are here today discussing this Bill, given the legislative agonies we went through last year over the 2010 Road Traffic Act. Colleagues spent a long time invigilating and amending the 2010 Road Traffic Act, which was supposed to be the most comprehensive legislation in years to deal with all outstanding road traffic and road safety issues, especially in relation to the lowering of the drink-drive limit.

A critical element of the 2010 Act was the introduction of mandatory breath testing of all drivers involved in a serious road collision, a provision which had cross-party support. Yet, apparently, we need to introduce an amending Bill to immediately implement the mandatory breath testing provision that was provided for in the 2010 Act. The incredible explanation for this legislative mess that we received from the former Minister is that the mandatory breath testing provision was inextricably linked to the introduction of the lower drink driving limit to 50 mg in Sections 9 and 14 of the Road Traffic Act 2010, which will not come into effect until September 2011. This delay in implementing the lower drink driving limit means that the mandatory breath testing provision has also been pushed back until the autumn. The question of why the lower drink driving limit and the mandatory breath testing of all drivers involved in a serious collision have to be introduced at the same time remains.

The lower drink driving limit has resulted in the need for recalibrated evidential breath testing machines for the decrease from the 80 mg to the 50 mg limit. It is still not entirely clear why mandatory breath testing had to wait for the lower drink-drive limit and the recalibrated evidential breath testing machines. I hope the new Minister may be able to provide some explanation for this astonishing legislative cock-up of the previous Minister.

Mr. Gay Byrne and Mr. Noel Brett of the Road Safety Authority, RSA, continue to do an outstanding job. While one death on the road is one too many, last year we had one of our best years ever for reducing road deaths and serious injuries. Unfortunately the Garda figures for this year are disappointing and there has been a worrying trend of an increase in road deaths in 2011. Some 56 citizens have tragically lost their lives on Irish roads so far in 2011, compared to just 39 for the same period in 2010. The Minister may remember that the number of accident casualties also increased in the year 2005. It will be a key responsibility for the Minister to ensure that we continue this downward trend. There can be no room for complacency. Maintaining a high level of road safety depends on being ever vigilant and maintaining high levels of enforcement.

During the debate on the 2010 Road Traffic Act, research by Dr. Declan Bedford was cited which indicated that only approximately 8% of surviving drivers from fatal road collisions are tested. The introduction of mandatory breath testing will clearly have a much needed deterrent effect on dangerous and intoxicated driving. It should also end the unacceptable anomaly of why some drivers are tested after a serious collision and others are not. This has had serious consequences after fatal collisions in the past. During my time as Labour transport spokesperson I was briefed on a number of tragic cases that involved these appalling types of circumstances, where it could never be determined if a surviving driver had been negligent, at fault or even over the limit.

Mandatory breath testing regimes are standard practice in a range of other countries including France, Poland and in the Australian states. I understand that in Great Britain and Northern Ireland the police are instructed to test all drivers for alcohol consumption at collision scenes.

Section 2 of the Road Traffic Bill 2011 amends the 1994 Road Traffic Act in terms of the provision of a preliminary breath specimen. During the Seanad debate on that Bill my colleague Senator Brendan Ryan, now Deputy Brendan Ryan, raised an important issue that has also been highlighted by outstanding national, Donegal-based road safety campaigners PARC. I understand their outstanding leaders Ms Susan Gray, Ms Ann Fogarty and Ms Donna Price are in the Visitor's Gallery again today. Deputy Ryan asked whether the 2011 Bill creates more ambiguity than the 2010 Act in terms of mandating for the provision of breath specimens, given that a test does not have to be carried out if it may be prejudicial to the health of the driver in the opinion of a Garda, as outlined in Part 2 (6) of the Bill. If a driver is clearly in a particularly serious state of ill-health and distress after a devastating crash it may be impossible to immediately carry out a breath test. However, as was raised numerous times during the debates on the 2010 Act, how can a garda make a medical judgment on a driver and the extent or limit of their injuries and whether they appear to be life threatening? This puts a massive onus on an individual garda to make a serious medical judgment for which he or she is clearly not trained. The PARC organisation has always suggested that breath testing should be medically-led. A medically trained professional should determine whether it may be prejudicial to a driver's health if they are subject to breath testing in the aftermath of a serious or fatal road collision.

Another valuable critique of the 2011 Bill by PARC is that there should be a follow-through clause for a driver who it has been decided will not be tested at the scene after a serious collision because of health or medical concerns for that same driver. If there is no follow-through clause, will the driver be sent straight home even though a devastating and fatal collision may have occurred? Why is the driver not directed to a Garda station or a hospital so their medical state can be properly evaluated to see whether a breath test is then possible? It would be very disappointing if the 2011 Act diluted this provision of the earlier Act.

There is an unquantifiably tragic human cost to thousands of families across the country each year due to deaths and serious injuries on our roads, but the carnage on our roads also creates a large economic and social cost to society. In 2008, for example, the estimated cost of the total number of fatalities and injuries in road collisions recorded by the Garda Síochána was €1.2 billion. This is a standard cost benefit analysis estimate. In this context, one of the ongoing sagas in the last Dáil was the issue of the need for new and recalibrated intoxilyser machines to implement the reduced drink driving limit. When I raised this issue with the former Minister in July 2008 he said then that it would "take to the end of 2009 or early 2010 to complete." I understand the current deadline for the introduction of the new recalibrated breathalyser machines is the autumn of this year. I understand a preferred bidder has been selected by the Medical Bureau of Road Safety and I hope the Minister will be able to tell us at the conclusion of this debate where we stand on this matter.

I would also like to bring to the Minister's attention the impact of the Road Safety Authority's TV advertisement campaign, following a cut of €5 million from the RSA's budget in last December's budget. These advertisements are, undoubtedly, often shocking, but chief executive of the RSA, Mr. Noel Brett, has previously stressed that TV is one of the most powerful medium's to get the road safety message across. We need to do that, following recent tragedies.

In addition to initiatives in detecting illegal and dangerous driving on our roads, the other critical element of road safety is enforcement. This can be clearly seen on bank holiday weekends when a massive road safety campaign is undertaken by the Garda Síochána and the RSA to detect speeding and other dangerous driving behaviour. There is usually a clear and obvious reduction in collisions and fatalities on our roads during these holiday weekends when the

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Garda traffic corps is out in force. It is a pity that we cannot see this level of enforcement throughout the year.

On 12 January last, in a reply to a parliamentary question, the Minister for Justice, Equality and Law Reform, Deputy Dermot Ahern informed me that in December 2009 there were 3,439 mandatory alcohol testing, MAT Garda checkpoints and that 47,994 roadside breath tests were carried out at those checkpoints during the same month. Yet, in December 2010 there were just 2,813 MAT Garda checkpoints and only 26,640 roadside breath tests at the checkpoints in the same period. The Minister rightly highlighted the different weather conditions in the most recent Christmas. Even allowing for that, there has clearly been a decline in the number of checkpoints. Last June, former Garda Commissioner Fachtna Murphy confirmed to me at the Committee of Public Accounts that there was a massive drop in mandatory alcohol tests from 79,423 in 2008 to 55,285 in 2009.

In addition, he explained there had been a massive drop in the number of Garda checkpoints from some 80,000 in 2008 to 55,000 in 2009 and fewer again in 2010. This highlights one of the problems of road safety, namely, that two Departments are involved and the Department of Transport does not have the ultimate enforcement powers.

Another issue I wish to raise with the Minister is the increasing problem of drug driving. I welcome the focus the RSA has put on this issue, with new media campaigns highlighting the devastating impacts of drug driving. The Road Traffic Act 2010 introduced preliminary impairment testing for drug driving. I welcome the report in yesterday's *Irish Independent* that up to 9,000 gardaí are in training for a significant clampdown on drug driving through the use of roadside checks. However, I hope that, in contrast to the former Minister, Mr. Noel Dempsey, the new Minister will finally push forward even stronger new initiatives to tackle the growing and pernicious problem of driving while under the influence of drugs.

The Minister should strongly investigate the suitability of random roadside drug testing programmes which would also introduce a significant deterrence factor for those drivers who have taken illegal drugs. I have previously cited a 2008 investigation by the Hibernian insurance company which reported that more than 20% of drivers under the age of 35 had driven while under the influence of drugs. A July 2009 survey from the CSO survey indicated an 81% increase in drug driving since the previous year. This is probably just the tip of the iceberg, however, as there is no random roadside drug enforcement and testing regime.

I repeatedly asked the previous Minister, Mr. Dempsey, during the last Dáil to consider the initiatives already in place in the Australian states, in particular New South Wales, Tasmania and Queensland, where saliva testing equipment is available and a police officer simply asks a driver to give a small specimen, with the result that the use of a range of intoxicating drugs can be identified. For some peculiar reason, the previous Minister and the Department seemed to suggest this was not possible in Ireland. When the Acting Chairman, Deputy Costello, was spokesman in this area, he raised the same issue.

We must address not only the issue of impairment through alcohol use but also impairment through the use of a range of other drugs, which is still not being sufficiently tested. I hope the Minister will address these issues in his reply and on Committee Stage. Again, I wish the Minister well and welcome the Bill.

Deputy Michael McCarthy: I wish the Minister, Deputy Varadkar, and the Minister of State, Deputy Kelly, well in the Department in the years ahead. If we can make a serious improve-

ment in terms of reducing fatalities and ensuring safer roads, it would be a very healthy aspect of this Administration.

This is my first contribution to the House. I consider it an honour to be elected as a Labour Party Deputy for Cork South-West. I am the fifth Labour Deputy for the constituency and the fourth from my home town of Dunmanway. I am particularly pleased to speak on the Bill. Road safety is obviously a very important issue nationally, and a critical one in my home area. It is a particular honour for me to contribute to such an important debate in my maiden speech in the House.

It is very welcome that we have experienced a decline in the number of road deaths in the past decade. I read in today's newspaper that from January 2011 up to this week, 55 people have died on our roads, and that figure is 16 more than for the same period last year. It is a reminder, if we need it, that we cannot become complacent in terms of taking our eye off the bigger picture or of assuming that when the figures are positive, this will continue to be the case into the future. Such statistics remind us, unfortunately, this is not the case.

There is probably no one in the House who has been unaffected by the issue of fatalities on our roads. In our families, neighbourhoods and communities, we readily see the devastation and trauma that occurs throughout the country. It is particularly difficult for families and communities to recover from this. When one considers the circumstances that lead to such fatalities, including the mindlessness and the attitudes concerned, one can arrive at the conclusion that everything about the issue is pointless. The circumstances that allow a person to drive under the influence of alcohol or drugs with the result that lives are lost because of such mindless behaviour, are particularly difficult to stomach.

In the case of rural communities, we have long had a situation where there was almost an assumption that a person was entitled to have a few drinks and get behind the wheel of a car. Changing that type of mindset was a major task in terms of trying to address the fundamentals of where we were going wrong in terms of road fatalities. We have made major improvements. One need only cast one's mind back to the early 1990s when Mr. Michael Smith was Minister for the Environment and introduced legislation to reduce blood alcohol limits, which met huge resistance at the time.

As a society, it has taken us a long time to become absolutely minded that we must eliminate this behaviour entirely. While it causes huge difficulty in terms of getting people to shift to this way of thinking, nonetheless, it is an important place for us to be. Changing attitudes and the behaviour people have become used to is a fundamental task. Although we have overcome it to an extent, driver behaviour remains a challenge into the future.

In terms of contributing to legislative change, the change required in behaviour and social habits is important in terms of ensuring we reduce the number of fatalities on our roads. It is possible to make changes in terms of improving the road network and improving driver behaviour through coercive measures such as the shock advertisements on television. I ask the Minister, Deputy Varadkar, to take up this important issue. In terms of communicating the devastation involved, it is important we examine television advertising and the resources made available to the Road Safety Authority in this regard. Early intervention through, for example, the schools is also important. Showing advertisements with this kind of shock value to the young helps to inculcate in them an understanding of the evils of drink driving, speeding and the unfortunate tragedies that follow in terms of lost lives.

When one qualifies for a provisional licence at 17, there is a huge sense of excitement and enthusiasm in regard to getting behind the wheel of a car for the first time and asserting one's

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independence as a young adult. It is important in terms of Government policy that we use the schools to get into the minds of younger people from a very early age so, when they arrive at the exciting point where they qualify for a provisional licence, they are extremely cognisant of the responsibilities on them as young drivers, particularly in terms of the downsides of driver behaviour. If one begins with the younger generation, it is much easier to influence and even change behaviour.

The smoking ban serves as a comparison. It is now socially unacceptable to smoke in this country, which is a major sea change from the position some years ago when one could smoke on buses, trains, aeroplanes and in all aspects and walks of life. Changing the mindset is critical in this regard.

We in the House must ensure we provide the legislative framework for the Garda Síochána to make our roads safe. I appreciate the Bill is an interim measure until the Road Traffic Act 2010 comes into effect later this year. My main point is that while it is all very well to introduce laws, we must ensure sufficient resources are available for the Garda to enforce the law, as well as for the Road Safety Authority to do its job.

When it comes into effect, the Bill, although not as stringent as the 2010 Act, will provide the legal basis for the mandatory testing of drivers in certain circumstances. While this is to be welcomed, we must ensure the technology that will be deployed by the Garda is capable of dealing with the issues that arise. We must ensure a situation does not develop whereby people who want to avoid prosecution and penalties will test the legality and constitutionality of this type of infrastructure in the courts. There would be an enormous backlog of cases. We must be cognisant of that before we set out.

The developments contained in this Bill and those that will come into effect later in the year will reinforce our drink driving enforcement regime and will also give out the constant message that drink driving simply will not be accepted. There is absolutely no ambiguity with regard to the law in this area and that is why I believe it is prudent to postpone the introduction of evidential breath-testing devices until later in the year. This will allow time until the testing of and training with the machines is complete and we will avoid the possible vista I outlined.

The Bill is an interim measure. It maintains the current permitted alcohol levels in advance of tighter regulations to come into effect later in the year. When the new blood alcohol concentration levels for drivers come into effect, including lower levels for recently qualified and younger drivers, they will bring about a very stringent approach to drink driving. For learner drivers, if we begin this type of regime early on in driver life and for those driving for the first time, it will be a particularly proactive and effective measure towards what we seek. We have seen much progress in recent years on these issues and it would be unacceptable to let such progress slip away. We must ensure that resources are in place for the Garda Síochána and the National Safety Council.

I have no hesitation in supporting this Bill and I wish the Minister, Deputy Varadkar, and the Minister of State, Deputy Kelly, the very best in the Department in years to come.

An Ceann Comhairle: Is Deputy Kitt sharing his time?

Deputy Michael P. Kitt: I wish to share time with Deputy McConalogue.

An Ceann Comhairle: The Deputies have ten minutes each.

Deputy Michael P. Kitt: I welcome the Minister to the House and congratulate him on his appointment and for introducing this legislation. He can be assured of my party's support in making Irish roads safer in the coming years and for many years to come. I recognise the contribution, as did the Minister, of his predecessors, Noel Dempsey and Martin Cullen, the various spokespersons on transport and the Road Safety Authority civil servants who worked on this most important legislation. I do not forget the campaign groups which kept pressure on all of us in respect of road safety.

As other speakers mentioned, next September there will be an introduction of lower blood alcohol concentration levels for drivers and drug driving enforcement, which I believe to be very important. There has been a greater emphasis on the involvement of drugs in accidents and this must be tackled. It is also important to say that in supporting the reduction in blood alcohol levels we must ensure the rural transport initiative is further enhanced. It is a very good scheme and although I would like to see more taxis available in rural Ireland, of which we do not have enough at present, there is a rural transport scheme in place which could be improved. I would like to see the Minister achieve that.

Other speakers noted we have a better road system now than we had ten years ago. One of the first motorways from Dublin was the one to Galway city which has been most successful. People in Ballinasloe, near where I live, always say they are nearer to both Dublin and Galway than they used be, which is a great boon for people in the area. I shall return to that matter because there are certain problems arising from motorways which lead to many accidents. We can be thankful there is very good driver behaviour on motorways at present but I am not satisfied we have enough service areas. I shall return to that.

Although my party supports the basic tenets of the Bill I wish to raise the matter of driver tiredness. One of the publications of the RSA offers advice for fighting sleep at the wheel, making the point this behaviour is as dangerous as driving over the legal alcohol limit. It gives three recommendations for a driver who wishes to continue driving even for one more hour. The first is to find a safe place to park; the second to drink two cups of strong coffee or stimulant drink with caffeine, the third to take a nap for no longer than 15 minutes. People who drive a great deal, as politicians do who live in rural Ireland, must be aware of that advice.

This raises the issue of service stations. Like many of my colleagues, I have been in contact with the National Roads Authority as to what can be done about them. There is a very good service station on the road I know best, at Enfield on the Dublin to Galway road but there is no other service station between that and Galway city, which is a problem. When I contacted the NRA I was given a great deal of detail about what is planned in regard to service areas. Seven are planned, one of them is in Athlone. Another was proposed for Rathmorrissey in County Galway as part of both the Dublin to Galway route and the motorway known as the M17, the proposed Galway to Tuam road, which was rejected by An Bord Pleanála. Perhaps the Minister might be able to get more information on this matter. I tried my best to promote the idea of a service station for that area. We hope the Gort to Tuam motorway will begin and I hope the Minister might press the issue with the NRA.

An interesting aspect is that some of these projects were done under the public private partnership mechanism, which is welcome. Is there a chance that private developers might be able to offer proposals for service areas? Many speakers noted that we do not need elaborate service areas, merely a basic place where people can stop. I do not mean anything as elaborate as some of the proposals made which are very expensive and would not be sustainable in the

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long term. The proposals made by some developers are fairly simple, basic and straightforward. I hope the Minister and his Department will look at this matter.

There is another issue concerning road safety, namely, the testing of cars. The people who carry out car testing, the NCTs, are very flexible. One can have one's car tested at the weekend, early in the morning or late in the evening. However, there appears to be a shortage of centres. For example, there is no centre between Athlone and Galway city. That is not the way to go — we should make the process much simpler. Towns and smaller places such as Ballinasloe or Mountbellew, for example, should have that facility made available. It would be simple enough to set up a test centre of that kind.

The other issue I wish to consider is research into driving with safety. There is a project called the safe drive system which I understand to be a monitoring system that will catch speeding and a company in Waterford, Big Bro Trackers, is very involved in this. Such a scheme would be most helpful to parents with young drivers in the house. It has featured in some of the research carried out. However, that is only one issue. I hope others will be examined by the Department and the Road Safety Authority, for example, the types of materials we use on our roads, the surface dressing. This issue has even been brought to Europe in consideration of safety. There are issues such as skid resistance and traffic growth predictions. There are many more cars on the road than there used to be. There are issues relating to green solutions and alternative energy sources, which the Ceann Comhairle was active in pursuing in the last Dáil. There is also the question of understanding driver behaviour. I hope such areas can be dealt with.

I was very encouraged by figures given to us by the Garda Commissioner last October, when he spoke about the change in driver behaviour. He made the point that in 2008, one driver in 150 tested positive for alcohol, in 2009 one driver in 200 tested positive for alcohol but up to October last year, one driver in 400 tested positive for alcohol. That is a significant improvement and I very much welcome it.

My next point relates to road development. I have been on a western inter-county railway committee with Fr. Michéal MacGréil, who Members know as one of the great advocates of rail. I mention this because I believe in a dual road and railway system, which is in place in parts of Ireland. A new service has operated since last year from Ennis to Athenry and I would like to see a dual system rolled out as far as possible along our motorways. It would be sensible to do so and I hope the section of the railway from Athenry to Tuam will also be progressed. Perhaps the Department will consider that in conjunction with the road network. We would have a very good system if we had both road and railways networks.

Deputy Charlie McConalogue: I congratulate the new Minister, Deputy Varadkar, on his appointment. He faces a big challenge and I am delighted to see somebody as young as Deputy Varadkar in the Cabinet. During my election campaign I picked up from the public the need for new blood and an infusion of new people into politics. I am delighted to see the Minister in his new role; although I am a little disappointed not to see more young members in the Cabinet we will also need experience in these challenging times. I wish the Minister well.

As this is my first time addressing the House I will take the opportunity to thank those who worked so strongly for me in the constituency of Donegal North-East to ensure I was elected here to represent the area and work for its people as a representative at national level. I will work on the issues of importance to the constituency, driving them in the Chamber and ensur-

ing there is progress. I will also make a contribution during this Dáil term to the big issues and challenges facing the country now.

As it is my first time speaking, it is appropriate that I speak to the Road Traffic Bill 2011 because of where I come from. As we are all aware, Donegal is one of the areas at national level which has suffered disproportionately in this regard. I welcome Ms Susan Gray, who is in the Gallery, a founding member of the Public Against Road Carnage, PARC, road safety group. She is from my own parish and I have met her in the past. Like many other families in my local area and nationally, she has suffered loss due to a road traffic accident. She dealt with the issue by taking the initiative and working with other people to set up the PARC safety group to try to improve our road safety. It is a remarkable and commendable act. With the PARC group she achieved a petition signed by 40,000 people calling on the Government to introduce compulsory testing of people involved in road traffic collisions.

Up to now if there is a fatality in a road traffic collision, certain people can be tested but others involved in the incident may not. A very important measure would ensure that the message would go out that drink-driving will not be tolerated. It is also important to ensure that those involved in incidents are tested in order to clarify where alcohol is not involved.

The Bill will be key in allowing for the early introduction of the significant provisions in road traffic legislation to support and reinforce existing measures against drink-driving. The Road Traffic Bill 2011 amends existing legislation and the Road Traffic Act 1994 to allow for the introduction of mandatory alcohol testing of drivers involved in collisions in advance of the coming into force of sections 9 and 14 of the Road Traffic Act 2010 in September this year.

The Road Traffic Act 2010, which was passed into law in July last year, introduced mandatory alcohol testing in specific circumstances, as well as a lower permissible blood alcohol count of 50 mg and 20 mg for novice drivers. Section 9 of the Act provides for the mandatory breath testing of a driver who in the opinion of a member of the Garda Síochána has consumed intoxicating liquor or been involved in a road traffic collision resulting in an injury. Section 14 of the Act, which is linked to section 9, provides for the mandatory testing of a driver of a vehicle involved in a road traffic collision where the driver is injured and removed to hospital. It provides that a member of the Garda Síochána shall test that driver in hospital unless, following consultation with a doctor, it is not possible. There is a close relationship between sections 9 and 14 with regard to blood-alcohol limit levels.

Unfortunately, these sections of the Act were unable to be put in force as the evidential breath-testing equipment could not be recalibrated to the lower blood-alcohol limit of 20 mg s per 100 ml of blood until September 20011. In this interim, the Road Traffic Bill we are currently discussing amends current legislation to provide for the mandatory alcohol testing at the scene of collisions, albeit within the constraints of the higher blood alcohol levels.

The provisions of the Bill send a strong message that drink-driving will not be tolerated. Importantly, it also clarifies the powers of arrest conferred by law on the Garda Síochána. The legislation must proceed as quickly as possible to ensure no driver can avoid being tested for alcohol intoxication. I am particularly delighted, on that basis, that the Minister has put the Bill before the Dáil today, following the strong work done by the outgoing Minister for Transport. This will ensure that any gains made in changing driver behaviour following the passing of the Road Traffic Act last year will not be lost between now and September this year.

This is the seventh major legislative initiative taken on traffic law in the past decade by various Governments. In the past ten years we have seen the introduction of the fixed charge and penalty points system, a new structure for speed limits based on metric values, the introduc-

[Deputy Charlie McConalogue.]

tion of mandatory alcohol testing checkpoints in 2006 and the reduction of blood-alcohol count levels for drivers from 100 mg to 80 mg in 2006. The Road Safety Authority was also established and there is a mutual recognition of driving disqualifications between this country and the United Kingdom. Last October a network of privately operated speed cameras was rolled out.

The key determinant of road safety performance is the behaviour of road users. The primary focus of a road safety strategy has been to positively influence that behaviour, and this Bill is another element of that programme, which we should continue. I recognise that the Minister has recognised the work done by predecessors such as former Deputies Noel Dempsey and Martin Cullen. I congratulate the current Minister, Deputy Varadkar, on this and I hop he will manage to continue this success.

The previous Minister, former Deputy Noel Dempsey, accepted the 2010 Road Safety PIN award in recognition of the outgoing Government's successful and sustained strategy in reducing road deaths. The award was made by the European Transport Safety Council and marked an outstanding road safety programme among the 27 EU member states. I hope we will continue to build on that record.

Speed remains a major cause of road traffic deaths and serious injuries. In November last, a contract was signed on the provision of safety cameras which appear to be operating successfully. Those of us who have received feedback on the use of such cameras will be aware of a degree of public annoyance caused by the issuing of fines for speeding. This is a sign that the system is working and indicates that drivers will take note of developments in this area.

The focus of the operation of speed camera vans should be on ensuring they are in place for the greatest possible number of hours rather than on catching the greatest number of people. Recently, I encountered a case of an older person who had never before been fined receiving two fines within ten minutes while travelling to a shop to buy milk. A good appeals process must be in place to address such cases and ensure the system enjoys public confidence.

The psychology and culture of speed is a key factor in road traffic accidents. While many measures have been introduced to address the behaviour of recently qualified drivers and improve driver education, I am not aware of many cases of inexperienced drivers causing road traffic deaths. Speed is usually the main factor involved in road traffic fatalities.

The prevailing culture among a certain group of young people, specifically young men, is that those of them who have had repeated court appearances or received multiple fines enjoy a certain amount of street credibility. We need to focus on this issue. A person who is disqualified from driving for six months can engage in the same behaviour once his or her licence is returned and gain enhanced status among his or her peer group as a result. We should consider imposing on repeat offenders a requirement that they may only drive cars with low powered engines — perhaps 1.0 or 1.2 litre engines — for two or three years. This would address the problems arising from the ego aspects of driving at speed in high powered cars, while acknowledging the right of individuals to continue to drive.

I welcome the measures in the Bill and commend the legislation to the House. I extend my best wishes to the new Minister and hope he will progress work in this area.

An Ceann Comhairle: I congratulate Deputy McConalogue on his maiden speech and wish him the best of luck.

Deputy James Bannon: I congratulate the Ceann Comhairle on his appointment and wish him well in his new role. I have no doubt that, with his vast experience, he will do the country

proud. I also congratulate the Minister for Transport, Tourism and Sport, Deputy Varadkar, on his appointment and wish him every success in his new portfolio. I extend good wishes to all the Ministers and Ministers of State appointed by the Taoiseach and look forward to the new Cabinet delivering many ambitious programmes in the months and years ahead.

I am pleased to have an opportunity to speak to this important Bill. Although my perspective on the legislation is from a new position on the Government side of the House, much of what I said in February 2010 on the Road Traffic Bill 2009 still holds good. Road safety is conditional on the provision of safe, well maintained roads. If changes are to be enacted on blood alcohol content, the appropriate number of gardaí required to enforce such changes must be made available. I am aware that the economic constraints we have inherited from the previous Administration will impact on Garda numbers, as they do elsewhere across the civil and public service, the fact remains that without manpower to back it up this legislation will amount to empty rhetoric.

Many of our roads are in a shocking condition. While it is admirable to amend legislation to help curb drink driving, which is a major cause of accidents, it is just one of the issues which urgently need to be tackled. Coming from Longford-Westmeath, which has some of the worst roads in the country, I am aware that speed on substandard roads plays a major part in road fatalities and must also be tackled.

The Ceann Comhairle will forgive me for being parochial for a moment. This week, we signed off on the project to build a new bypass for Longford. The allocation of funding for the project, one of the few to proceed in 2011, will, I hope, improve safety in and around the town. County Longford has one of the highest crash rates in Leinster and substandard roads have played a major part in the problem. The funding of slightly more than €9 million provided for the bypass will increase driver safety.

Severe weather conditions over the past two winters have had a detrimental effect on already poor roadways. We must bear in mind the increased burden placed on local authorities as they seek to cope with the fallout from unprecedented levels of snow, ice and flooding. The Minister, who is from an urban constituency, is only too aware of this problem, having visited counties Longford and Westmeath on numerous occasions. While I know he is busy reading into his new brief, I would welcome an opportunity to show him some of the worst roads in the country when he next visits the midlands. I have every confidence he will bring new thinking to what is a matter of life and death.

The Bill essentially serves as a rubber stamp to facilitate the introduction of mandatory alcohol testing of drivers prior to the coming into force of the Road Traffic Act 2010. The restrictions the Government has inherited mean the provisions of the Act will not commence before September of this year owing to a lack of suitable evidential breath testing, EBT, equipment to physically implement the changes. The apparatus used to measure the alcohol in a driver's breath cannot be recalibrated to 20 mg. per 100 ml. until 2011. Again, we are being forced to overcome restrictions arising from a lack of forward planning by the previous Administration.

We must not overlook the fact that Ireland is subject to the targets set by the European Transport Safety Council, ETSC. The council's stated objective was for all European Union member states to cut road deaths by 50% by 2010. To achieve this target, the number of road fatalities in Ireland should not exceed 205 per annum from 2010 onwards. The Government's Road Safety Strategy 2007-12 proposed to reduce the number of road fatalities to not more

[Deputy James Bannon.]

than 252 per annum. While admirable, this figure remains almost 50 higher than the figure laid down by the ETSC.

I welcome the fact that various measures have resulted in a reduction in the number of road deaths in recent years. While recent figures show that the number of road fatalities declined by 41 to 238 between 2008 and 2009, we must bear in mind that the human face behind this figure is the bereavement of 238 families and loss of 238 lives in shocking circumstances. Some 40% of these fatalities were young people aged under 25 and Sunday was the most dangerous day of the week, with 51 deaths. Some 49% of road deaths happened at the weekend and the hours between 6 p.m. and 8 p.m. were the most dangerous, with 30 deaths. The average monthly fatality rate in 2009 was 20 compared with 23 in 2008 and 28 in 2007 and the safest month of the year was September, when 13 deaths occurred. This was also the safest month on record.

I welcome any initiative to reduce such fatalities, including the introduction of speed limits and television advertising campaigns. A young person with whom I spoke during the general election campaign expressed concern about the television advertisement campaign on road accidents and fatalities, which he believed was very frightening. This proves the effectiveness of that advertising campaign, which I welcome. Other initiatives introduced to reduce fatalities include penalty points, random breath testing at Garda checkpoints, the reduction in blood alcohol content from 80 mg to 50 mg and improved roads infrastructure in some parts of the country. I referred earlier to the problems being encountered in this regard in the midlands, in particular, Longford-Westmeath. It is hoped the new Minister for Transport, Tourism and Sport and the Minister for the Environment, Community and Local Government will take note of my concerns in relation to the condition of the roads in Longford-Westmeath and will raise them at the Cabinet table, resulting in a substantial increase in the allocation for roads in next year's budget.

As a rural representative, I must talk out of both sides of my mouth this evening. I could not be more committed to making Ireland a safer driving environment for all our citizens, drivers, pedestrians and tourists and to removing the all too present spectre of death on our roads. However, I must also consider the business and social aspects of this legislation as they apply in remote rural areas, in particular, remote areas with a public house. It is essential that we take a long hard look at the issue of rents and rates on public houses as publicans are under immense financial pressure owing to the current recession and the reduction in the number of people drinking outside the home.

The other side of the coin in relation to legislation such as this is the reluctance of people to leave their homes to enjoy a social occasion. Therefore, falling consumption rather than a major increase in cross-Border trade is impacting adversely on publicans, in particular, in Longford-Westmeath and other Border counties. I am asking the Minister to look at night time public transport provision in rural areas. Such provision is essential to allow people, in particular, the elderly, to enjoy a night out in their local pub as it is not safe for people to walk home on dark and often dangerous roads. Elderly pedestrians are particularly vulnerable to accidents and robbery on lonely country roads at night. It is essential that such provision is put in place. This is about doing the right thing for the well-being of our communities. We must focus on what is best for our fellow citizens from a safety and social perspective.

When in conversation with an older person recently, I was told that growing old is not a matter of age but of a lack of mobility. For those who are unable to keep in touch with the outside world over a couple of pints owing to a lack of transport, the resulting lack of movement is a form of death. A lack of social contact for people in remote areas leads them to believe

they would be better off dead. Many rural Members will know of elderly people in their 60s, 70s and 80s who are isolated.

Rising suicide rates in Ireland, amounting to more than ten per week, are perhaps too easily attributed to the recession. The economic fall-out during other recessionary periods did not lead to the same level of suicide or anything near it. Rural isolation is a new phenomenon and is a cause of great concern to me and other rural representatives. A combination of job losses, a lack of transport and of social interaction are a recipe for disaster. Loneliness is a major contributor to suicide and the destruction of the fabric of rural communities is leading to increased isolation and depression. Let there be no mistake, I am in no way advocating or condoning drink driving. What I am seeking this evening is balance. Let us bring in every imaginable regulation to prevent the abuse of alcohol by drivers but let us also pledge to put the necessary public transport initiatives in place to allow our citizens to avail of social interaction in a manner that safeguards everyone. Solutions to the pressing issues on both sides of the coin can only be found in a comprehensive cross-departmental approach, comprising the protection of life through every possible means to promote safe driving, improved roads infrastructure, driver education, measures against drug driving, a scheme to protect the Irish way of rural country life, the Irish way of socialising and to allow people to remain living, working and spending in their own locations, and, most important, a rural transport network that allows isolated people to leave their homes and meet their neighbours. People living in rural areas do not have the same facilities as people living in towns and cities. Many do not even have access to a reasonable transport service, something with which I am sure the Minister will become familiar in the future.

In addressing the issue of drink driving and road deaths, consideration must also be given to drivers under the influence of drugs and those who abuse the speed limits. Every crossroads in the country is marked by a series of black rings which are evidence of high speed chases and doughnut spins. Perhaps the Minister will in his response provide us with the number of fatalities as a result of such actions or drug misuse. Is it the case that fatalities as a result of drug abuse are recorded as having been caused by fatigue? I am sure the Garda Síochána could provide the Minister with statistics in this regard.

Driving under the influence of drugs has been a statutory offence in Ireland since enactment of the Road Traffic Act 1961. This Act prohibits driving in a public place while under the influence of an intoxicant to such an extent as to be incapable of having proper control of a vehicle. However, there is currently no legislation in place — the Minister can correct me if I am wrong — to allow for road testing of drivers believed to be under the influence of drugs. While one can acquire penalty points for drink driving, no penalty points grading system is in place in relation to the concentration of drugs found in a person's system.

It is to be welcomed that this legislation will provide the Garda Síochána with the powers to form an opinion, following a preliminary test, that a driver is or is not under the influence of an intoxicant. In a recent road safety report Ireland is ranked as the sixth safest country in the EU. I hope that one day everyone in the Chamber and all our citizens will see this country become the safest place in Europe to drive and free from alcohol. I thank the Minister and I compliment him and wish him well in his new portfolio. I am sure he will have answers to some of my questions later on.

Deputy Aengus Ó Snodaigh: Tá sé tábhachtach labhairt ar an Bhille seo. Gabhaim comhghairdeas leis an Aire, ní bhfuair mé deis sin a dhéanamh go dtí seo. Tá súil agam go leanfaidh sé ar aghaidh le Billí den sórt seo i rith a thréimhse mar Aire mar tá tacaíocht aige ón taobh

[Deputy Aengus Ó Snodaigh.]

seo den Teach dá leithéid. Although this Bill is short, it is important. In some ways it is simply a stop-gap measure between certain dates to take account of the Road Traffic Act 2010. The Bill is important because it gives the new Dáil an opportunity to send a message loud and clear to the public that we will not tolerate drink driving or drug driving and that we will take the necessary steps to reduce the level of drink driving and drug driving in our society.

Despite much legislation and many initiatives from previous Governments, the level of such driving is horrendous. Thankfully, the level of deaths on our roads has dropped in recent years although this year the number of road deaths is creeping up again. Not all of these deaths are related to drink driving but many of them have some element of drink driving or they involve people driving while intoxicated on drugs, whether prescription or illegal drugs. This is one area in which we must carry out a good deal more work. I welcome the Bill. I maintain that it is important legislation because it sends out the necessary message.

It is regrettable that the equipment required is not to hand and that the Bill had to be produced to create a stop-gap measure. The evidential breath testing machines used to measure the level of alcohol in a driver were not fully in place or tested before the deadline. I understand they will be in place by September 2011. They should have been in place as soon as the legislation was passed because we knew the legislation was being prepared, that it was under discussion and that it should have come into effect when it was passed in 2010. Having said that, we have a commitment that the whole system will be fully rolled out in 2011. Hopefully, despite these stricken times, the Minister will ensure that whatever finance is required to ensure there is enough equipment is made available to the Garda Síochána.

We must ensure the message goes out from this House that such driving will not be tolerated. I welcome the fact that mandatory alcohol testing will not only take place at checkpoints but at the location of the collisions as well. Mandatory breath testing will take place where an injury requiring medical assistance is caused. I have several small concerns and I am keen to ensure this legislation does not fall foul of the courts as has other legislation which required further amending legislation. Who will form the view that those injured require medical assistance? I raise the question because we have no wish for a situation where people are not seeking medical assistance simply to avoid testing.

Where any injuries occur and not only those requiring medical testing, mandatory breath testing should take place. At the moment this is only the case where medical assistance is required. Sometimes, people bang their head and take the view that they are fine and that there is no problem. I presume the person making the decision on medical assistance will be from the Garda, the Fire Brigade or the ambulance crew which attends the scene of a given collision.

At present and under this legislation, in the case where someone fails to comply with the law he or she is punishable by up to six months imprisonment or a class A fine. If a person refuses the test or is unreasonable we must ensure the reasons for this are clear and we must ensure there is more than simply a class A fine in place because the people involved may have something to hide in some ways. We must consider whether the threat of the loss of a licence should be another punishment for those who do not comply with the requirement. It may not be necessary in every case but it may be worthwhile for a given offence to be punishable by the loss of a licence if a person is caught over the limit. At the moment a person can refuse to take part in a sample test in the hope of delaying long enough such that he or she may comply with the law. This proposal is worth considering and it is a case of hardening up the law to ensure the message gets out that this activity will not be tolerated.

Another aspect which I welcome is the obligation to provide a blood or urine sample while in hospital. Some practicality may need to be worked out with the Irish Medicines Board and in how we ensure doctors comply with the legislation. I presume this has been or will be worked out in some way and this is not my concern. My concern is that there may be incidents where the injured person is unconscious after an accident. Such a person would be in no fit state to give the required consent for such a sample or to communicate with a doctor to the effect that such consent is given or otherwise. Although my views are not hard and fast on the matter, I am forming the view that where the Garda is of the view that an accident was as a result of drink driving or drug driving, we should consider in the case where someone is unconscious whether a medical person could take a sample and hold it pending consent or when the person involved regains consciousness.

It may be the case that by the time a person regains consciousness the effects of the intoxicant may have worn off. This may be something we could tease out on Committee Stage. Perhaps the Minister could seek advice on whether this is an appropriate mechanism to ensure testing of those involved. Some people have been in horrific accidents leading to the loss of life. There have been cases where people have survived an accident which they caused by their activities, including drink driving, and those in the other vehicle may have suffered fatalities. We have seen young families wiped out in a car accident caused by someone who has ended up in hospital.

Due to the delay caused by his being unconscious and so on, that person has managed to avoid supplying the sample or proof that would confirm he or she had been driving a lethal vehicle while intoxicated by alcohol, legal drugs or prescription medication. Indeed, that last is often forgotten by people who are on various prescriptions despite the warning not to drive after taking their medicines. Yet people on high doses of medications, sedatives and so on are getting behind the wheel and causing accidents and injuries, and not only to themselves.

If we are to roll out the plan contained in the Bill, more gardaí will be required. This means beefing up the road traffic corps and ensuring the numbers in the Garda Síochána are retained at the highest level currently authorised. Vacancies should be filled, not fall under the embargo. Most front line services are looking for an exemption from the embargo and I hope the Garda will continue to be allowed to recruit.

For many years, drink driving was acceptable behaviour in Irish society, but it is no longer acceptable. In recent years, the support of all Deputies for every Road Traffic Bills sent the message that a change in behaviour across the country was necessary. When I discussed the Road Traffic Bill 2009 and other Bills, I mentioned that the key element was the need to ensure a proper rural transport network. For obvious reasons, people will take a chance and get behind the wheel of a car after a night out in a rural town to make the ten or 15-mile trip home. In Dublin, taxis are to hand and the Luas operates late into the evening. We can walk the distance, but that is not an option in an isolated rural area. Regrettably, the easy option for some people is to head home after having a few pints. The culture must be changed but investment in rural transport is also required.

Recent times have seen an increase in the amount of road rage and speeding on our roads. Some of this has to do with higher capability cars, newer models that make it difficult for people to hear how fast they are going and blaring radios. Some of the people in question are young, but most of those I have seen engaging in road rage or driving at mad speeds are not exactly spring chickens and should know the consequences of speed and drink driving better.

[Deputy Aengus Ó Snodaigh.]

Continuing the investment in the Road Safety Authority, RSA, and its campaigns is necessary. Those campaigns are effective, although some suggest they are not. Time and again, they bring home the message about speeding and drink driving.

The state of the roads must also be addressed. Not all accidents relate to drink or speed. Rather, some are because of the state of our roads. The ramps put down by Dublin City Council across the city to deter speeding are collapsing at a significant rate.

Deputy Bernard J. Durkan: That is right.

Deputy Aengus Ó Snodaigh: They are a danger to road users. This problem must be addressed. I assume the Minister for the Environment, Heritage and Local Government will be receiving a number of calls from various local authorities concerning road repairs. I urge him to explain the urgency of this situation to the Minister for Finance. Serious accidents are being caused by the state of our roads and, unless we address the problem, more people will be injured. This matter is not directly related to the Bill but we are discussing road safety as a whole.

I welcome the Bill and hope we will be able to tease out on Committee Stage some of the points I have raised.

Deputy Bernard J. Durkan: I congratulate the Minister for Transport on his elevation to his important office and wish him well in his Department. I hope he will have a long and successful term as Minister. As it is my first time speaking in this Dáil, I congratulate all Members of the House, including the Ceann Comhairle, on their emergence or re-emergence, as the case may be, into the hallowed limelight of this august Chamber.

I agree with Deputy Ó Snodaigh concerning the ramps that have been lain all over the country, not just in Dublin city. They are a disgrace. They were not laid to deter speed, but to wreck the cars of people who happened to slow down. The only hope one has is to drive at them at speed, which might allow one to bounce over them. Their surfaces have also unravelled, creating dangerous conditions that are not conducive to the safety of the pedestrians or drivers who must cross them.

There is one aspect of this Road Traffic Bill I cannot understand. One of its purposes is to propose a reduction in blood alcohol concentration levels from 80 mg per 100 ml to 50 mg. If one is wrong, the other must be as well. I am not an ultra conservative, as I believe in allowing a certain amount of latitude on both sides, but if the purpose of the exercise is to reduce the alcohol level to such an extent as to make roads safe, there should be no alcohol allowable at all. The difference of 30 mg will not make a significant impact on the number of road accidents. I am sure the Minister will want to refer to this matter in his reply.

If I was asked whether a person could take a drink before driving, my advice would be “No”. If so, surely the blood alcohol concentration figure should be reduce to 0 mg. There must be a reason for the 30 mg, one I would like to know. Otherwise, the provision will defeat the purpose of the Bill. It would be a different story if its purpose was to catch more people with a certain level of alcohol in their blood, although it can be debated whether that approach would help reduce the number of road traffic accidents.

We all agree that everything that can be done to reduce the number of road traffic accidents must be done. Some previous measures have been helpful while others have not but the evidence seems to suggest that the regulations on blood alcohol levels have worked so far. There

are down-sides and glitches. For example, some periods have seen a spate of accidents for which no one can offer an explanation. It is on this subject I wish to concentrate. Not all accidents are attributable to alcohol and some Deputies have already referred to the other reasons. For example, vehicle failure can cause accidents. People might point to how well DOE testing and NCT testing have worked. I am not so sure that it has. If a car is more than four years old, it must undergo the NCT every two years. It is usually a good test and it should not be necessary to test the vehicle again for at least two or three years unless significant mileage has been clocked up. I have some mechanical knowledge, like many Members. DOE tests on the other hand, must be undertaken annually. It should not be necessary to test on an annual basis. If the vehicle is mechanically sound in the current year, it should be possible during the test to determine its likely condition over the coming two years unless it is subject to extraordinary abuse. This issue needs to be examined. If the test is conducted properly and effectively and the vehicle is deemed to be mechanically sound, it should be possible to operate a vehicle safely for two years. It would probably make for greater efficiency and scrutiny during the test because it would not be tested again for two years. The Minister might examine this to make sure the tests are sufficiently stringent to identify the risks of failure over a two-year period and leave it at that.

A number of Members referred to road surface difficulties. Every driver must be able to point to scores of roads that are inadequate for vehicles travelling at more than 35 kph. On some sections of road, usually on a bend where a speed limit of 100 kph applies, one comes across a series of potholes interlinked with rivulets or minor canals and one is in danger of going off the road unless one knows the territory. This presents a serious problem to drivers and creates a difficulty from a health and safety point of view. Account should be taken of road conditions and the extent to which they have been found to contribute to traffic accidents in recent years. I can think of several high profile cases in which the condition of the road was a factor. In those circumstances, it behoves us to concentrate on those issues with a view to eliminating this contributory factor to road accidents in the course of road maintenance works. We need to identify poor conditions, which are worse in inclement weather, before something tragic happens.

Driver fatigue has also been found to be a major contributory factor to road accidents in recent times. The effects of fatigue vary greatly from driver to driver. There is no sense in saying drivers should take a rest at set intervals and walk up and down the road. One may need to do that but no two drivers are alike. Some people can drive for four or five hours non-stop without the slightest difficulty while others cannot drive for 30 minutes without needing to stop. I will let the Ceann Comhairle into a secret, although he discourages this practice in the House. When I was young I recall having to stop regularly, having to get out of the car to walk up and down the road, despite only driving for half an hour because I was in danger of falling asleep. Many times, while driving my parents, that happened to me. I have not been affected by this problem since and I wonder whether it is possible that I grew out of it. However, I reiterate that no two drivers are alike and I totally disagree with the suggestion that every driver should take a break at set intervals. Some drivers may need to take longer breaks more frequently than others depending on their metabolism. Based on my experience, we should take greater care with this issue.

Recently, while driving on the motorway a vehicle passed me travelling at least double the maximum speed limit while being pursued by two Garda vehicles. The speed the vehicle was travelling at was so great that within three seconds, it was out of sight. It had a large exhaust pipe, similar to a number of vehicles I have witnessed from time to time on the roads being

[Deputy Bernard J. Durkan.]

driven in a peculiar fashion. The car made a distinctive noise because of the modification that had been made to the exhaust pipe. I cannot understand why the owners of vehicles that have been modified like this are not questioned about whether they use them for road racing and so on. It is a frightening experience to see a vehicle travelling at the speed I witnessed, even on a straight road.

We live in a liberal society but some people take drugs and drive and no more than driving under the influence of alcohol, it is unacceptable. It is a contributory factor in some accidents and, unfortunately, innocent road users rather than the drug taker have paid the ultimate price. It is high time unequivocal and clear action was taken regarding drug driving. A number of cases have come before the courts and, notwithstanding that, we need to be much clearer and less ambiguous about this issue than we have been in the past. There is not much sense in improving the road network and road safety and addressing the questions of drink driving and vehicle failure and the other issues that contribute to accidents while at the same time saying we cannot do anything about people driving under the influence of drugs. We can do something about this and we need to be emphatic about it so that we are seen to apply the law right across the board without exception.

Deputy Thomas Pringle: Along with other Members, I take this opportunity to congratulate the Minister on his appointment and wish him well in his term of office.

I will make several general points on road safety before addressing the Road Traffic Bill 2011. I come from Donegal and as Deputy McConalogue mentioned earlier, we have seen the devastation caused by fatal accidents on our roads. In recent years a number of multiple fatal accidents have occurred in the county and we have seen the devastation that brings to communities and families. It is something nobody would want to see happening in any community and anything we can do here through legislation to ensure that our roads are made safer and our drivers drive more safely, and reduce the impact of these devastating deaths is to be welcomed.

Donegal County Council has an active road safety working group which has been working in recent years to raise awareness of road safety by working with schools. All the statutory bodies are represented on the working group, which has contributed to improving our safety standards in the county also. That is an area that should be examined by the Department of the Environment, Heritage and Local Government or perhaps the Department of Transport with a view to increasing funding for those vital preventative and educational measures.

Talking to young people in our schools, advising them and showing them the horrors that can happen when driving and things go wrong will help to keep them safe when they get behind the wheel, contribute to overall safety on our roads and, it is hoped, reduce the number of deaths.

Deputy Durkan and other speakers mentioned the condition of our roads, and I refer particularly to Donegal where we have more than 7,000 kilometres of roads. The condition of our road surfaces is a main contributing factor to many of the accidents that occur in the county. We must find ways to ensure that extra funding can be provided to Donegal County Council to ensure that the road surfaces can be kept in a reasonable condition. This would contribute to road safety and reduce the number of accidents we experience. In the recent cold spell serious damage was done to our local road network and the legacy of potholes and surface damage is ongoing. Donegal County Council must acquire extra funding to ensure those roads can be repaired.

I echo the comments of other Members regarding the provision and enhancing of rural transport, which is vital. A rural transport system in a county like Donegal, where more than 50% of the population is rural based, is vital. The ability to avail of transport is a major factor for everybody within the county, and particularly for elderly and young people, in terms of getting out at the weekend to socialise.

The Government should consider increasing the level of funding available for rural transport to provide and enhance those services and ensure that the transport providers can meet the needs of the people in their communities. If they can give the level of service people need it may ensure that fewer people will make the choice of driving at night and particularly during the critical times at weekends from 6 p.m. on Friday evening to 8 a.m. on Sunday morning when most fatalities take place. Alcohol is probably a factor in most fatalities on our roads. If we concentrate on building a transport network that gives people the choice to leave their cars at home it would go a long way to contributing to overall safety and reducing the number of road deaths.

The Bill is welcome. I note that these measures are due to come into force in September of this year. Why could they not be brought into force earlier and so save valuable Dáil time on this legislation? I have no problem supporting the Bill because it is vitally important. Implementing these measures has been shown to help reduce the number of fatalities on our roads. Increasing the level of enforcement has contributed to the reduction in the number of road deaths in recent years from an average of 23 a month to 20 a month in 2009. I hope we will continue to see ongoing reductions.

I have a query about section 3 and the obligation to provide a blood or urine specimen in a hospital. It struck me as odd that under subsection (6) a designated doctor or nurse can enter a hospital to take a sample from somebody who has been involved in a collision. Would it not be possible for the gardaí to designate a doctor in the hospital as required to take the sample? Would that not lead to the measures in the Bill operating more smoothly in the future? There would probably be a list of designated doctors in the area but the difficulty may be in contacting them at the time of night accidents take place and getting them to attend the hospital to take a sample. That is something that should be examined. I ask the Minister to look at that before Committee Stage. My reading of it may be wrong or perhaps I have not grasped the impact of it but if a garda could designate a doctor or a nurse in a hospital it would streamline the operation of the Bill and ensure samples are taken in a timely fashion.

As Deputy Ó Snodaigh mentioned earlier regarding cases where the person involved in the collision may be unconscious, we should consider whether the designated doctor could take a sample or determine how that could be worked. Some mechanism could be devised that would allow for that kind of sample to be taken and for the blood alcohol levels to be ascertained at that stage.

Deputy Barry Cowen: I join other speakers in congratulating the Minister, Deputy Varadkar, on his appointment. He comes highly recommended. I hope and pray that he can live up to the aspirations of many, which I am sure he will, but I wish him well in his role.

The main objective and thrust of any road traffic Bill is to reduce fatalities and save lives. Recent years have seen reductions in that regard and I compliment the Minister who earlier paid tribute to his predecessors who played their part and to the various organisations associated with road traffic safety, both voluntary and in the public sector, for the work they have done and continue to do in that regard. We have had many initiatives in recent years which

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have had the desired effect. Our emphasis now is to continue that trend and I have every faith in the Minister and his Department in that regard.

Many Members have spoken about the quality of our roads and the detrimental effect of the adverse weather we experienced this winter and last winter on our county roads. Notice must be taken of that issue. In the context of finance being made available, every effort should be made by the Cabinet and the Minister to attract funding to deal with the detrimental effect on the county and regional roads. Otherwise, as Deputy Durkan said, our motorways and national routes have been hugely improved and advanced in the past ten to 12 years. That is to be commended and we all take advantage of it. It improves the viability of, and accessibility to, many of the country's regions for business and trade. However, it could allow us to become complacent with regard to road safety and that is a recipe for falling standards and allowing driver behaviour to fall below par. The modernisation of driver training and licensing has been and will continue to be the foundation stone of the Government's current road safety strategy.

The key to maintaining the emphasis on driver behaviour is to continuously seek to change and improve that behaviour. Part 2 of the Road Traffic Act 2010, which was signed into law last year, reduces the blood alcohol concentration levels for drivers from 80 mg to 50 mg and to 20 mg for learner drivers. There is provision for mandatory breath testing on the basis of an opinion being formed by the garda at the scene. As other Members have mentioned, in the case of an accident such mandatory breath testing is paramount. Even in a hospital a consent to that being carried out can be given by the doctor in charge, which is to be commended. These sections 9 and 14 now come into play but, due to testing, the equipment involved will not be ready until later this year. I commend the Minister for coming forward at this early stage to provide the legal basis for such testing of drivers.

I agree with Deputy Ó Snodaigh's comments on the issue of prescription drugs. Perhaps that could be considered in the context of future legislation. As has been said, the medical advice to people consuming these medicines is that they should not drive and if they do, they are putting themselves and other road users at risk.

While I have been allocated ten minutes to speak, there is no need to rehash what has been said already. I compliment the Minister on bringing forward the Bill and compliment his predecessors on its contents. It is obvious that everybody supports the measures in the Bill. However, like other speakers, I ask the Minister to consider making funding available in rural counties where county and regional roads have been adversely affected by past winters. Having made great strides with regard to road safety, road conditions and road improvements, it would be remiss not to address that issue in the short term and get us back on a level course for the future.

Deputy Joe McHugh: I acknowledge the presence in the House of my county colleagues, Deputy Charlie McConalogue and Deputy Thomas Pringle, and welcome them to the 31st Dáil. In the absence of Deputy Pádraig MacLochlainn and some of his Sinn Féin colleagues, I acknowledge the new addition to the political representation in County Donegal and I look forward to working with my new colleagues in this Dáil.

I acknowledge the prompt activity of the new Government on this Bill and commend the Minister, Deputy Varadkar, on taking a proactive approach and moving quickly to enact the legislation. The Bill provides for mandatory alcohol testing of all drivers who are involved in collisions that result in injuries. The Bill clarifies the powers of the Garda Síochána in dealing

with such issues by placing a requirement on gardaí to conduct a preliminary breath test if they believe alcohol has been consumed.

I was involved with this issue in 2007 and I commend and compliment the different campaign groups who were also involved. A woman from Inishowen, Ms Susan Grey, is in the Visitors' Gallery tonight. She has been very proactive in campaigning as a result of her personal experience. She wanted to bring that past experience and knowledge about the issue to bear and we are discussing this today because of the various campaigning groups. In 2007, I was in contact with the then Minister for Transport, former Deputy Noel Dempsey. I am pleased this Government is working so closely on this issue.

We should look at how we arrived at this legislation. It is here because so many families in this State have suffered personal tragedies and lost loved ones in road accidents. Road safety became an issue as a result of those tragic experiences. We are now at a stage where there is huge involvement of local authorities, local paramedics and gardaí, and there are tough measures to enable them to act swiftly. All the combined efforts and experiences have brought us to this position today.

This legislation should be accompanied by a concerted effort by the Government to work in partnership with publicans. The Minister, Deputy Varadkar, will be aware from the programme for Government that we have considered reviewing the role of the local publican and how we can be proactive in getting publicans involved in road safety measures and combatting drink driving. Pubs play an important role in rural communities, tourism and employment; Fine Gael's election manifesto acknowledged the importance of pubs in rural communities. We have also proposed a ban on below cost selling of alcohol. I urge the Minister to work with the Vintners Federation of Ireland and the rural transport initiative on this issue. There might be a solution that would address the drink driving problem, give support to publicans and boost local communities. We must get back to basics in terms of examining the role of the local publican and not seeing it as a problem but considering possible solutions in partnership with the publicans. I urge the Minister, Deputy Varadkar, to do that.

Road safety is a national issue but, as my colleagues from the county will know, it is an issue that has particular importance for County Donegal. A total of 19 road deaths occurred in Donegal in 2010. In one road accident eight people died. It was the worst crash on Irish roads since records began. In 2009, 35% of road deaths in Ireland involved people aged under 25 years; in Donegal, the figure was 50%. The figure for Donegal in 2010 was 63%. We all know what has happened in these tragic accidents. As legislators, we attempt to introduce preventative programmes and measures, be it through education or by looking to different countries for examples of best practice with respect to driver training, to complement rule enforcement.

The Minister should examine the Finnish model of training for a B class licence. This comprises 30 hours of instructed driving including a slippery driving course, 20 theory lessons, a computerised theory test and a driving test in the city centre. A development that was brought to this House's attention by my colleague, the Minister of State, Deputy McEntee, when he was road safety spokesperson, is the technology of driver simulation. I understand various driving instructors are looking at new technologies in this area as a way of advancing more sophisticated and relevant driving training operations.

Ms Susan Gray, who is in the Visitors' Gallery today, has been championing this legislation for several years. While there are, unfortunately, too many examples of people who have lost loved ones in road traffic accidents, I compliment, in particular, Ms Gray and all the families who continue to campaign for change in this area. As Deputy McConalogue is aware, the

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Farren family in north Inishowen, who lost their daughter some years ago, have been active in ensuring other families do not go through the same loss. The Farren family and families from other parts of the country came together to a meeting of the Joint Committee on Transport some months ago seeking some form of dialogue with the Department of Transport in regard to their goals and objectives. We must not forget about these people and the work they do in their areas. I am sure Deputy McConalogue will keep the House informed in that regard.

There is a great deal of good work being done at local level. In my county there is a road safety working group where young people are taken from school to meet paramedics and fire rescue teams who have gone through the horrible experience of attending the scene of road accidents. We should examine the possibility of implementing that pilot model at national level as a preventative schools-based measure that will familiarise young people with the negative outcomes of reckless and dangerous driving.

I congratulate the Minister on being proactive and prompt in regard to this legislation. I reiterate my commendation of all those families who have contributed through various campaigns and efforts to the introduction of legislation that will make our roads safer and will ensure other families do not suffer as they have done.

Minister for Transport (Deputy Leo Varadkar): I thank Deputies for their positive contributions, their support for the provisions in this Bill and their kind words of congratulations. The main purpose of the Bill is to allow for the early introduction of mandatory preliminary breath testing for drivers who, in the opinion of a garda, have consumed alcohol and drivers who are involved in road traffic collisions where injury is caused to another person. The latter provision will only apply where there is no overriding medical considerations in respect of the driver. The concept of mandatory testing in these circumstances has already been accepted and approved by the Oireachtas through the provisions of the Road Traffic Act 2010. The provisions of this Bill will cast a wider net over the circumstances in which drivers can be breathalysed and will provide a useful gauge of the role alcohol plays in causing road collisions. The purpose of extending the Garda's breath-testing powers is not to obtain increased numbers of convictions but rather to act as an effective deterrent, with success being calculated against decreasing detection rates. The ultimate aim is to have a direct impact on the number of road deaths that arise in future years.

Deputy Dooley referred to the burning out of two GoSafe vans. This is a matter for the Garda and the Department of Justice and Law Reform. However, I share the Deputy's concerns and undertake to liaise with the Garda Commissioner and the Minister on the matter. I suspect that those who damaged the vans did not do so because they were concerned about getting penalty points but because they are sinister criminals who do not want any form of surveillance in their area.

Deputies Dooley and Kitt raised the issue of service stations on motorways. I am informed that discussions are taking place between the Department, the Road Safety Authority and the National Roads Authority regarding the provision of additional rest areas. I agree with Deputy Dooley that smaller-scale facilities would be sufficient rather than having to go for the Rolls Royce option. Deputy Kitt makes the valid point that we should offer the opportunity to private developers to provide these service centres if the public private partnership system is not succeeding. Several such projects are not progressing in the way they did in the past largely because of the sovereign rating of the State, with private PPP bankers and finance houses

unwilling to lend to the State in the way they did in the past. We may have to fund such projects through traditional Exchequer funding or through entirely private funding.

Deputy Dooley raised the issue of driving testing in schools. I see no reason that pupils could not do the theory test, for example, but I will have to get more information on that. Deputy Dooley asked about progress in regard to the introduction of graduated driving licences. The Road Safety Authority undertook a consultation process on this issue in 2009 which contained several possible measures. The authority has considered the responses from the public and interested bodies and has submitted its recommendations to the Department. The approach proposed by the authority has been approved and preparations are under way for the introduction of the various elements. Many of these proposals will require primary legislation and will be included in the road traffic (No. 2) Bill later this year.

Several speakers raised the issue of drug driving. It is illegal in Ireland to drive while under the influence of drugs. Enforcement is a matter for the Garda and where a garda suspects that a motorist is driving under the influence of any intoxicant, he or she may address the driver. However, unlike alcohol, there is no legal limit for drugs. The Road Traffic Act 2010 provides for such preliminary impairment testing. The Medical Bureau of Road Safety, in association with the UCD school of medicine, is responsible for the provision of training for gardaí. That is scheduled to begin this month and I expect to commence the relevant provisions of the 2010 Act in the autumn.

In regard to roadside drug testing, I am advised there is no feasible basis in Ireland or Europe for the introduction of preliminary roadside tests for drugs as testing devices are still at prototype stages. Deputy Broughan referred to a saliva-based test in use in Australia. I am not fully aware of that but I will investigate whether there is a possibility of bringing it into operation here. I am advised that a test that works in Australia may not necessarily work in Ireland for climatic and other reasons, but I will examine whether it is an option. It is important, if we introduce roadside testing for drugs, that we get it right and do not end up with a fiasco by doing something that does not work out. In the meantime the Medical Bureau of Road Safety will keep me abreast of developments in this area. When suitable technology is available it is in everybody's interest that measures applying to roadside testing of drivers for alcohol should also be applied in regard to drugs.

Deputy Ellis expressed concern about the wording of section 2(12) and suggested that the word "or" should be inserted between paragraphs (a) and (b) and between paragraphs (b) and (c). I am advised by the Attorney General that it is standard to have an (a), (b), (c) or (d) arrangement and that the inclusion of "or" in the two indicated places might, rather than strengthening this legislation, undermine existing legislation in other areas. However, I undertake to examine that for myself and to ascertain whether in respect of legislation with similar formation of paragraphs, there have been any challenges in that regard.

Deputy Ellis also raised the issue of something being prejudicial to health. I understand the Deputy's concerns in this regard. We all share the same objective; we want to ensure gardaí are not forced to breathalyse a person who might need urgent medical attention. At the same time, we do not want gardaí to have too much discretion so they might inappropriately employ the power not to breathalyse someone who should be breathalysed. We do not want a situation where someone is in a condition where he cannot be breathalysed for supposed medical reasons but we then find out an hour later that he managed to go home without undergoing any breath test. The real difficulty is finding the right wording and exact definition for something being

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prejudicial or injurious to health. I will examine that on Committee Stage and I am open to proposals for better wording that will achieve what we all want to achieve.

It is not practical to have a doctor's opinion on every occasion; it will not be possible to have a doctor at the scene of every road accident to determine if breathalysing someone would be prejudicial to his health. I understand and share the concerns in this regard but the point is that we want to ensure those who are involved in accidents are breathalysed and the discretionary element is removed as much as possible. At the same time we must allow provision for people in need of medical aid to get it rather than being breathalysed first.

Deputy Broughan mentioned a follow-through clause for someone who is not tested at the scene. That might be sensible and I will endeavour to examine that. He also raised the number of Garda checkpoints. The number of checkpoints has fallen and that is related to the fact that Garda resources are more stretched than they were in the past.

On the implementation of the revised BAC, concerns have been expressed about the perceived delay in the introduction of the new equipment for the testing of lower BAC levels. There has been no delay and all necessary steps have been taken to guarantee the appropriate equipment will be in place as soon as possible. Deputies will be pleased to hear the bureau has selected a tender designate and is involved in contract negotiations with that company. Once the contract is signed, further tests will be undertaken on the approved instruments with the aim of installing the devices in Garda stations later this year. It is also intended to increase the number of instruments from the current number of 64 to 86 as part of this programme.

Deputy McConalogue asked about the possibility of limiting repeat offenders to a smaller engine car, which might take away from the "macho" achievement of being banned from driving. It is a good suggestion, although I do not know if it could be incorporated in this Bill. Perhaps it could be included in the No. 2 Bill later this year.

Deputy McGrath and other Members raised the state of many of our roads. I agree and accept that roads are in a poor state after the bad weather. The funds available to Government are limited and although the budget for road maintenance has been cut back considerably, a third of what we are spending comes from the IMF and that is not sustainable in the long-term, no matter how it is done. Pressure on the road budget will continue for the foreseeable future.

I am examining NRA funding and there are some projects the NRA had hoped to progress this year that may not go ahead for planning reasons and, as a result, it might be possible to divert some funds that had been intended for new roads to repair existing roads. That is my intention but it is too early at this stage to make an announcement on that.

Deputy Catherine Murphy raised the issue of Garda numbers in commuter counties. I understand her remarks; my constituency is also a commuter area with a relatively low ratio of gardaí to population. There is only one Garda station in the entire constituency, which would be unusual nationally. At the same time, if we look at the figures, the highest levels of road accident fatalities are on the western seaboard, where there are large numbers of gardaí. It is unfair to say there is a direct correlation between the number of gardaí stationed in a particular county and the number of road deaths.

Deputy Ó Snodaigh suggested there should be provision for the loss of a licence if a driver fails to cooperate with testing. That is an eminently sensible suggestion and if it is not already covered in the Bill, it should certainly be covered in the No. 2 Bill later in the year. He argued cogently that if the penalty for an offence is a loss of licence, a similar penalty should apply in the case of non-cooperation. He also raised provisions for samples from a person who is uncon-

scious or unable to consent to a sample being taken. That is covered in section 3, where the driver does not need to consent and a nurse or doctor can take a sample on direction from the gardaí.

Deputy Durkan mentioned vehicle failure causing accidents and he is absolutely right. The closest I ever came to an accident was when the brakes on my one year old car failed some months ago. Statistics may not show this up because people assume collisions happen for a reason and not necessarily as a result of vehicle failure, which happens more often than we may think. He also raised the issue of the annual car test, a reference to the NCT being needed every year after year ten. Evidence suggests that a huge number of accidents involve vehicles that are more than ten years old.

I thank Members for their cooperation with this Bill. I will examine the issues I mentioned with a view to including them on Committee Stage and I will welcome amendments on Committee Stage that will improve the Bill. To secure speedy passage of the Bill, however, I would prefer if new elements that expand the scope of the Bill would be left until the No. 2 Bill later in the year, with a view to introducing it before the summer recess.

Question put and agreed to.

Acting Chairman (Deputy Joanna Tuffy): When is it proposed to take Committee Stage?

Deputy Leo Varadkar: In two weeks time, although I cannot be sure because there are no committees yet.

Acting Chairman (Deputy Joanna Tuffy): As no committees have yet been established, Committee Stage will be taken in the House, unless a specific order is made.

Private Members' Business

Corporation Tax: Motion (Resumed)

The following motion was moved by Deputy Michéal Martin on Tuesday, 22 March 2011:

That Dáil Éireann:

- confirms its absolute commitment to the maintenance of the 12.5% rate of corporation tax;
- is opposed to any Irish participation in proposals to introduce a consolidated corporate tax base within either the eurozone or the European Union as a whole;
- notes the clear evidence that investment attracted to Ireland by our policy on corporation tax is largely won against non-European Union countries and is therefore a net benefit to the EU; and
- believes that any move away from these established policies would undermine Irish employment and prospects for a strong recovery with serious implications for the wider European economy.

Debate resumed on amendment No. 2:

To delete all words after “Dáil Éireann” and substitute the following:

- “— recognises that the Programme for Government clearly states that the Government will “Keep the corporate tax rate at 12.5%”;
- recognises that the 12.5% corporation tax rate will support Irish economic recovery and employment growth by attracting foreign investment;
- recognises that the Government, alongside other European member states, remains highly sceptical about many aspects of the Common Consolidated Corporate Tax Base proposal (CCCTB) but that the Government believes that a constructive and forthright engagement with all of our European partners on this issue will result in the best outcome for Ireland and for the European Union as a whole; and
- notes that, in particular, as confirmed in the Pact for the Euro, direct taxation is a matter of national competence and, more generally, that unanimity is required in respect of decisions on tax issues.”

—(Minister of State at the Department of Finance, Deputy Brian Hayes).

Deputy Peadar Tóibín: Ireland is in crisis. In American politics there is a saying, “Never waste a good crisis”. This means that a crisis is a good opportunity to push through policy which would normally be unpalatable to the people. President Sarkozy of France and Chancellor Merkel of Germany angered many European leaders earlier this year when they drew up a six-point competitive pact without consulting their peers. This precursor to the pact for the euro raised suspicions that Europe’s two most important leaders were using the current crisis as cover for driving through long-held and previously unrealisable goals.

The reality is that Europe is in crisis. This is a European problem. In January the six covered Irish banks owed €93 billion to the ECB. This arose because it had allowed insolvent or, in some cases, potentially insolvent banks and institutions to pay off private international bondholders. As a result, the position in Ireland became unsustainable and we were obliged to accept a bailout from the European Union and the IMF. The issuing of payments to bondholders was a prerequisite under the terms and conditions of the EU-IMF bailout. The European goal that governments should continue to back all senior bank liabilities is neither fair to taxpayers nor credible to the markets.

Sinn Féin has always maintained that the bailout fund is not about restoring growth or competitiveness to the economy. On the day on which the rescue package for Greece was agreed, the value of French banks rose by 24%. One can see, therefore, what the bailouts are really about, namely, rescuing the banks of the core European countries.

The European Financial Stability Fund, EFSF, can provide liquidity for Irish banks, but it cannot make them solvent. In order to maintain solvency, Ireland requires a return to solid growth. However, as a result of extreme fiscal tightening and imposed austerity, there are very few avenues through which such growth might be pursued. For Greece, the result of last week’s meeting of EU leaders was a fire sale of €50 billion worth of its national assets within four years. Last year the Greek Prime Minister, Mr. George Papandreou, signed up to a sale of €5 billion worth of his country’s national assets. This means that there has been a tenfold increase in the number of Greece’s national assets which must be sold.

What was agreed last week will come in return for a reduction of 100 basis points in the interest rate being charged to Greece. This will not restore it to a position of solvency because its debt spiral has already advanced to far for that to happen. Its debt to GDP ratio will approach 150% this year. In addition, its debt service costs are 14.4% of tax revenues. Meanwhile, austerity measures are biting harder. The level of unemployment jumped by a full 1% to

14.8% in January, while the level of youth unemployment hit 39%. Given that the pact for the euro states progress on fostering employment will be assessed on the basis of long-term unemployment, youth unemployment and labour participation rates, it is obvious that the pact has failed before it has been put in place.

The eurozone refers to competitiveness but seeks to deny Ireland and other struggling countries their competitive advantage. The financial crisis in this country has many causes. However, our rate of corporation tax is not one of them. Attracting foreign investment offers Ireland the best opportunity to grow out of the position of debt in which it finds itself. This fact was recognised by the eurozone when it granted the bailout. At the forthcoming summit Ireland cannot allow further fiscal instruments in the gift of the Government to be surrendered to Brussels. Ireland is in a different economic cycle to the remainder of Europe, particularly the core EU countries. The economy is experiencing contraction, while those of the core EU states are experiencing growth. As a result, different fiscal instruments are required here than those which are needed in the countries to which I refer. The implementation of the same fiscal instruments across the entire eurozone may control inflation in certain countries but may exacerbate economic contraction in Ireland. One size clearly does not fit all.

We have seen the proof of this in the centralisation of monetary policy in the ECB. The recent property bubble was significantly powered by the misapplication of ECB interest rates in Ireland. It is important to remember that owing to the country's size, the European Union will never implement fiscal or monetary policy for Ireland's benefit. Ireland only represents 1% of the EU economy and, as a result, does not even feature on the policy radar. Instruments are often implemented at levels which are bad for Ireland. As a result, the trading off of any other fiscal instruments by the Minister for Finance would be bad for this country in the long term and must be resisted. In its application, the common consolidated corporate tax base, CCCTB, is one such instrument.

During the debates on the Lisbon treaty, Sinn Féin publicly warned that the European Union was seeking greater competencies from member states and that, in turn, this would mean it exercising greater power over taxation matters. We were informed that we were wrong and that our arguments were ludicrous. However, we realised that the moves toward qualified majority voting would undermine our ability to retain full competence in taxation matters. The CCCTB is proof of this because it obliquely undermines Ireland's low corporate tax regime of 12.5%.

Amendment No. 2 to the motion recognises that the programme for Government clearly states the Government will "Keep the corporate tax rate at 12.5%". This statement is incongruous in the context of the pact for the euro. The reason for this is that companies which operate out of Ireland and which sell into the European Union pay their corporation tax in this country. However, the CCCTB proposal seeks to allocate profits by reference to where sales are made rather than to where assets are located and staff based. It is clear that the sales criteria would have an impact in the context of tax revenues currently paid by multinationals in Ireland being reallocated to various other countries in Europe. The rate of tax charged would become absolutely irrelevant under the CCCTB, particularly in view of the fact that use of sales by destination under the sharing formula would mean that export-generated profits would be taxed elsewhere. How can this proposal be revenue neutral for a small export-oriented economy?

There would be two extremely dangerous fallouts with regard to the CCCTB. Not only would a critical element of Ireland's attraction to foreign direct investment be removed, what

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is envisaged would also result in a serious loss of revenue at a time when we are suffering under the austerity measures imposed by the European Union and the IMF. The imposition of a CCCTB would mean that this will be doubly detrimental to the people of Ireland.

What is the position on Ireland's veto to changes such as that proposed? We have a veto when it comes to a direct challenge to the actual rate of corporation tax charged in this country. However, we may not be in a position to stop other EU member states from pressing ahead and changing their tax systems to a single system founded on the CCCTB. An EU-wide CCCTB is actually an unlikely eventuality, but a smaller group of countries may still proceed to establish some form of CCCTB under the system of enhanced co-operation. If this were to occur, it would reduce the flow of taxable income streams into Ireland. The enhanced co-operation model would shift the tax burden from large corporations operating in Ireland to ordinary people. Irish citizens are already shouldering the cost of bailing out bondholders in France and Germany, the universal social charge and cuts to public services. Are those opposite really of the view that their constituents could shoulder further burdens relating to this matter?

A report commissioned by the Department of Finance on the proposed implementation of the proposed CCCTB states Ireland would face a larger social welfare bill, that the funds available to pay this bill would be greatly reduced, that further cuts to public spending would be necessary and that this would all occur when the EU-IMF deal was in train. Yesterday, the Taoiseach listed a number of new European Council measures which would ensure fiscal discipline and avoid macroeconomic imbalances and stated they would involve reform of the Stability and Growth Pact to enhance surveillance of fiscal policies and apply enforcement measures earlier and more consistently. Even the most europhile members of the Taoiseach's party must see how this crisis is being used in an effort to radically dilute our ability to determine our economic future.

I call on all Members not to allow the financial crisis which has engulfed the country to lead to a debt for sovereignty swap. Further loss of critical economic instruments to Brussels will lead to a loss of competitive advantage to Ireland and an impoverished State in the future. We support this motion and oppose the Fine Gael amendment.

Deputy Paschal Donohoe: With the agreement of the House, I will share time with Deputies Robert Dowds, Terence Flanagan, Colm Keaveney and Aodhán Ó Ríordáin.

Today in the run-up to this weekend's EU summit, the German Chancellor, Angela Merkel, made a statement of her Government's stance on these negotiations, which is shared by some of the larger member states. She said, "We are still in talks with Ireland and the principle of *quid pro quo* must always be included". What does *quo* look like? In the negotiations that are taking place, what has Ireland already done and what are we being asked to do?

What has already happened and what changes have already been implemented in our country? We must put those changes in the context of other changes taking place across the euro-zone. Between the summer of 2008 and December 2010, combined changes of nearly €14.6 billion were implemented within this State. This represents approximately 9% of our gross domestic product. A recent study by the IMF on the scale of fiscal changes that can take place indicated that a change of that magnitude is the largest by a developed country in the last 30 years. This does not include the further changes that are required, and that we are seeking to make, to ensure that we have enough money to employ people in our public services and provide our public services. By the time those are complete, changes of nearly 20% of our national income will have been made. The largest change ever made by a sovereign state in

the eurozone was made by Greece between 1989 and 1994. Greece made a change of 11 percentage points of its national income. Ireland has already implemented changes of just under ten percentage points and is committed to implementing more. When people ask us what we have done to ensure that our State can play its part in exiting the arrangements that are in place — what does *quo* look like — the answer is very clear. It lies in the actions that have already been borne by the Irish people to ensure that our State can again be secure and sovereign at a point in the future.

This brings me to the issue of the corporation tax rates and the deal being sought by some of our colleagues in the European Union. The question is not simply what we think, or what I think, about whether this change should be made. We must also consider what the markets indicate as well as simple mathematics.

Currently, we must find a way to pay back approximately €45 billion to the European institutions in the next number of years. We already have an annual budget deficit of €9 billion, which we are seeking to close. Even if we were to secure a reduction of 1% in the interest rate on the deal we would save only €450 million. This is a huge amount of money, but not as much as we need. Given the pressure we are under and the commitment we have made to ensure our economy can remain secure and deliver the deficit reduction figures, why would we reduce the incentives and supports to the one sector of our economy that is making a huge contribution to ensuring that our tax revenues remain stable and grow in the future and to keeping the jobs we have and creating more jobs in the future? Why would we be asked to make a decision that would make it more difficult for our State to meet our funding commitments?

Yesterday, the blueprint for the European Stabilisation Mechanism, ESM, was published. This is the fund that will replace the fund we are in currently. The rate of interest in this new mechanism for a 7.5 year deal will be 260 basis points. If our State is currently paying a rate of interest greater than that, why should we not be able to access the lower rate of interest that will be available from the fund that will replace the one we are in at present?

What is the reaction of the markets to the negotiations of the last number of days? Yesterday, the rate of interest on two year bonds in our State exceeded 10%. This is the first time this has ever happened in the history of the eurozone. The rate of interest on the debt we might have to pay back in the next number of years is higher than the debt we will have to pay back in ten years time. The people we need to invest in our State look at the moves that are afoot and ask how, if such a huge change is to be made, we can retain, not to mention grow, international investment in manufacturing, pharmaceutical and international companies to ensure our State can exit from the current arrangements.

I asked what *quo* looks like. The Irish people have already paid this. A Government is in place that wants to find a fair way of ensuring our budgetary commitments are met.

What do solidarity and success look like? Success looks like our State exiting the arrangement we are in at present. It looks like Ireland being economically sovereign and borrowing at rates we can afford from the financial markets. That is what success looks like. A move that cuts off our ability to do that is one that must be fiercely resisted, which is what our Government is doing.

Deputy Robert Dowds: As this is my first occasion to speak in the House, I thank the voters of Dublin Mid-West for giving me the honour to represent them in Dáil Éireann. I acknowledge my huge debt to my campaign team for their successful efforts in getting me elected.

[Deputy Robert Dowds.]

I support the Government amendment to the motion. In doing so, I express my extreme disappointment at the actions of some European Governments, particularly the German Government and, more especially, the French Government led by President Nicolas Sarkozy, for pressing the Irish Government so severely on the level of our corporation tax. Both Governments, and the EU as a whole, know how severely pressed our country is, due to the previous Government's disastrous bank bailout, which has caused so much trouble to the Irish public, and to the Government deficit. What is the point of kicking a country further when it is already struggling to survive financially? If the French and Germany Governments got their way in increasing our corporation tax rate we would surely lose a great deal of potential inward investment that might not otherwise come to the EU at all. How would that help us get out of the mire we are in and how would it help the EU?

Much of the pressure on Ireland to increase our corporation tax rate has to do with local French and German politics. I base this belief on two things. The first is the local political situation in France and Germany where the Governments are electorally vulnerable. Second, the corporation tax rate in France is only a small proportion of the cost of doing business there. The effective rate of corporation tax in France is 8.2% compared to an effective rate of almost 12% in Ireland. What really makes the difference is that labour tax in France is 51.7% compared to less than 12% in Ireland. This, therefore, is much more the disadvantage under which France is working, rather than corporation tax.

Where Ireland is particularly vulnerable in regard to corporation tax is in regard to alterations upwards which would establish a situation of uncertainty and effectively discourage inward investment. As the last speaker pointed out, this would put us in a situation where we would be much less able to meet the pressing demands we face at present, which are in part due to the situation caused by the EU-IMF deal and the downturn Ireland has experienced.

In my constituency, well over 10,000 people are on the live register and parts of my constituency are severely marked by the blight of long-term unemployment, with all its negative consequences. We do not need more of this. The crazy point about the attacks on the corporation tax rate is that, should they succeed, it would only put us in a greater economic mess. In standing up for our corporation tax rate, we need to remember the meaning of the seanfhocal, ní neart go cur le chéile. We need to hang together for the sake of our country, and defending the corporation tax rate is a minor part of what we need to do. Unlike the previous Fianna Fáil Government, we must drive a hopeful agenda, of which defence of the corporation tax rate is but a part.

I would make the following practical suggestions, and it is important the Government takes these into consideration. While they are in the programme for Government to some extent, we need to flesh them out as much as possible. We need to campaign to bring people with Irish roots back to Ireland as much as possible to boost tourism. We must work out clever ways to encourage the many people with money in Ireland to actually spend it. We must design Government contracts in such a way as to increase the chances of Irish companies lodging successful tenders, which is done very effectively by some of our EU partners but which we do not do as well as we might. We must develop Ireland as a hub for the teaching of English as a foreign language. I hope these suggestions will be actively pursued for all of our benefit.

Deputy Terence Flanagan: I congratulate the Minister of State, Deputy Seán Sherlock, on his elevation to the ministerial ranks and wish him well for the many challenges that lie ahead. I am delighted to support the motion, which explicitly states our commitment to the 12.5%

rate of corporation tax and our desire that it continue. It is correct to state that this low rate of corporation tax has been one of the key ingredients of our country's growth and prosperity in the past ten years. I want to put on record that it was Fine Gael and the Labour Party which in the early 1990s introduced the 12.5% rate and it is the priority of the new Government that this low rate continues for the foreseeable future.

Unfortunately, our economy is almost bankrupt. The ship has hit the rocks and we are reliant on outside help from both the EU and IMF to try to get the situation back on track. It was Fianna Fáil's mismanagement of the economy and its economic recklessness that almost bankrupted the country. The massive bank bailouts provided have made it inevitable that the Irish people will have to pay taxes as contained in the four year plan published by the last Government, which puts a straitjacket on the new Government that has just come into office.

The notion put forward by the previous Government, namely, that bailing out reckless banks and investors was necessary to protect Ireland's credit rating, has proved to be a catastrophic misjudgment. The previous Government's policy of writing blank cheques for banks has destroyed the country's creditworthiness, which was shown clearly with our recent withdrawal from the various bond auctions. If it were not for the massive amount of money that must go into the Irish banks at present, the financial problems of the country might be manageable.

We are in a situation where we must renegotiate the interest rate charged on the moneys from both the EU and IMF because, if we do not, this country is facing the abyss. However, the fact we are seeking to renegotiate our interest rate has brought the issue of our low corporation tax to the fore. The last thing the country needs at this time, given massive unemployment, is for some of the 1,000 multinationals to leave these shores or stop investing in Ireland. We are clearly reliant on foreign direct investment. The multinationals make a huge contribution and employ thousands of workers. The motion before the House must be supported by all sides because it is critical for the survival of thousands of jobs that our low tax rate remains as it is. The message that should leave the Chamber today is that the issue of low corporation tax is one which is above politics, that the Members of Dáil Éireann are united in regard to retaining it and that we will not give in to outside interference from other countries.

The IDA has hundreds of staff worldwide working to sell Ireland on the basis of our low corporation tax rate, which has been a major selling point. To raise the rate will not work towards our continuing to attract large multinationals to this country. The corporation tax rate is the envy of Europe, particularly when compared to that of countries like Germany, where the rate is 30%, the United States, where it is 39%, the UK, where it is 28%, and China, where it is 25%. While I accept the effective tax rates are lower in some countries than our effective tax rate, overall, it has been a winning formula for Ireland and we need that to continue.

In this regard, I fully support the recent statement by the Taoiseach, Deputy Enda Kenny, that change in our corporation tax rate is non-negotiable. In fact, the programme for Government states explicitly that the Government will keep the corporation tax rate at 12.5%. It was in the context of the Lisbon treaty that a legal guarantee was given that our rate would remain as it is. It is not acceptable for larger states such as Germany and France to interfere or for there to be political posturing by Chancellor Merkel and President Sarkozy in order to bully the Irish people into changing the tax rate. Europe should be indebted to the Irish people for endorsing the European project and ensuring the Lisbon treaty went through.

What needs to happen is that Ireland and the other small nations would form an alliance to ensure our rate continues. My party was totally opposed to the EU being given control of corporate tax rates. It was Commissioner Olli Rehn who said last November that the Com-

[Deputy Terence Flanagan.]

mission will not put pressure on any country on this matter and that the rates of taxation are a matter for each sovereign Government. Let us hope this continues. I support the motion and hope all Members will do so.

Deputy Colm Keaveney: I am glad to speak in support of amendment No. 2. As with previous speakers, I beg the indulgence of the Chair in making reference to the good people of Galway East who took the opportunity to make history prior to the commencement of the 31st Dáil by electing the first Labour Party Deputy in the constituency in the history of the State. It is a great honour to represent hard working people who have great concerns on the issue being discussed in the motion.

I am from Tuam in east Galway, which is highly dependent on employment as a consequence of the foreign direct investment which has greatly benefited the western seaboard. It is important for me to make reference to research from the Western Development Commission that clearly identifies a greater dependency in my constituency on the industrial groupings which benefit from the corporation tax of 12.5%. These include employers such as Medtronic and Boston Scientific which are situated approximately 20 miles from my home town and have a combined employment in the order of 5,000-6,000. That is significant.

It is in that spirit we support the amendment. We state clearly the Government's position on the corporation tax is to be unambiguous — it is not at risk. The new programme for Government clearly states the Government will keep the corporation tax at 12.5%. That commitment is protected in an EU context by the principles of unanimity on taxation matters. Although taxation will play its part in restoring the balance of our public finances our corporation tax will remain unchanged.

Ireland is small open economy with a heavy concentration of foreign direct investment and the 12.5% corporation tax is critical to supporting our economic recovery and employment growth. This tax rate is one of the cornerstones in the new programme for Government that will lay the foundation for our recovery. It is a key element for international investors when they look at this country and we must maintain the strong international signal that the 12.5% rate is not up for grabs. That sort of confidence about recovery is clearly inbuilt into the new programme for Government.

As a Government, however, we are aware that for some time the Commission has had an intention to bring forward proposals with regard to the common consolidated corporate tax base, CCCTB. The Commission has the right to initiate proposals and introduce legislative proposals with regard to the CCCTB. This is not unique and has been flagged. The publication of the draft directive is only the beginning of a very long process in that regard. The question of harmonising company taxation in the European Union has been around for a number of decades and we can anticipate that many more years will pass before any final proposals will fall for consideration by the Irish people and by this House.

Ireland is not opposed to any greater co-operation within the European Union on tax policy matters but we favour focusing on targeted solutions to ensure that identified barriers to working to the internal market are addressed. The economic impact assessment undertaken on behalf of the Department of Finance clearly alerted this Government with regard to the situation and the concerns we share about the CCCTB. It points out that a reduction in overall economic activity within the European Union and any change in that regard are factors of which we would be most cognisant. In the context of the 12.5% rate I reiterate the Govern-

ment's position, namely, we will keep our corporate tax as clearly stated in the new programme for Government.

Ireland joined the European Union in 1973. In the 37 years since that understanding our economy has grown by almost 350%, which equates to an annual average growth of 4.5%. It is very much in our interest to protect the very framework that attracts foreign direct investment into this country. We are not in the business of creating, undermining or putting at risk a significant selling point for this Government with regard to attracting foreign direct investment. I noted that the people of Galway, in particular east Galway, can clearly identify with the strengths foreign direct investment has brought to the fabric of rural society. I am confident about the strong programme for Government which sends out very strong signals that this country has reopened for business. The one item which is not open for discussion is the 12.5% tax rate.

Deputy Aodhán Ó Ríordáin: It is a privilege to have the opportunity to address this House and it would be remiss of me not to do as other Deputies have done and thank the people who put me here, the constituents of Dublin North Central who have been trying to survive without a Labour Deputy since 2002. We can be thankful that famine is over.

I never thought that when I made my maiden speech in the Dáil I would be advocating low tax or supporting a Fianna Fáil motion but these are unusual times. Essentially, we are talking about our ability to survive as an economy. That is what this debate is about — employment, inward investment, survival. When we talk to our European neighbours who are putting us under pressure, or to the European Central Bank, it is very important that we make the case — which has often been made — that if the ECB had been doing its job properly, monitoring the crazy lending from European banks to our crazy banks, perhaps we would not be in our present predicament. That is an important point to make when we deal with our European partners. There is no evidence to suggest that any increase in our corporation tax rate would have any material effect on improving the situation in this country in terms of tax intake. It would probably make the situation very much worse, as I believe every Member in the Chamber would agree.

The point I wish to make in this debate concerns the language we use for the economic crisis in which we find ourselves. When we talk of unemployment we tend to refer to individual citizens as “economic units” and we talk about the “economic cost” of unemployment, the €20,000 per year lost in terms of VAT foregone and money given in social welfare payments. However, the real cost is a social cost. The real cost is a family without a working individual in the home, a person who has nowhere to go in the morning, a family without work, a community without work and, potentially, an entire generation without work. Until very recently, I worked in an area of the north inner city which was hit by a situation in the late 1960s and lost the very thing that kept everybody at work, as if a mining village had lost its mine. That is what we may be looking at as a nation. If we lost this corporation tax rate we would be like a mining village that had lost its mine. The area I taught in never recovered from that situation and had the sense of uselessness and the lack of dignity that go with unemployment. This has to become part of our language.

We must stop using the language of economic units and economic cost of unemployment. The loss is a social one — it is when people feel as if they have no worth. Unfortunately, that is the situation in far too many homes. When we trot out statistics such as 450,000 people unemployed we are really talking about everybody's aspirations, hopes and dreams.

[Deputy Aodhán Ó Ríordáin.]

In talking about the corporation tax rate I am struck that we are all singing from the same hymn sheet. Across parties we agree on this issue. I wish to focus briefly on that point because it is for that unity of purpose everybody outside this Chamber is hoping. All of us have been through a most bruising election campaign and have met people who are falling apart. If we have that unity of purpose in regard to corporation tax surely we can have the same in finding solutions to the problem of unemployment and tackling the fundamental issues about which I am passionate, such as educational disadvantage, literacy and equality, and making this the kind of republic of which we can be proud. Let this not be the last time we have a motion on an issue that has agreement across all parties. This country is far too important to all of us for that to be the case.

We all come from somewhere and represent the people who sent us here. People often correctly deride politics, particularly today and yesterday as events come to light that we all should be ashamed of and about which we should ask questions. If I come from anywhere, I come from Sheriff Street, where there is a little school with a big heart. The children in that school and their future depend on issues like this corporation tax rate of 12.5%. Employment, a place in society and sense of usefulness, dreams and aspirations are far too important for any of us to let the Irish people down. That is why the issue is so important and why I commend the motion to the House.

Acting Chairman (Deputy Joanna Tuffy): I understand Deputy Higgins is sharing time with other Deputies.

Deputy Joe Higgins: Yes. We must hand it to the very big business interests in this State. They have managed to make it an article of national faith that we dare not suggest that they pay a cent more from their profits to the upkeep of our society. It is a source of wonderment in this Dáil in the last day or so that Fine Gael, the Labour Party, Fianna Fáil and, apparently, Sinn Féin are prepared to lay down their lives in the economic trenches for the cause of ensuring that big business will not be called upon to pay a cent more in taxes against a background of massive crisis in our public finances and services.

The same political establishment pitilessly and without compunction is prepared to savage the meagre income of the disabled, the unemployed and low and middle income workers. What incredible hypocrisy the political establishment is guilty of. When its system went into a tailspin as an inevitable result of the outrageous racketeering in the Irish property market and because of the insane activities of the capitalist financial markets — in reality casinos — we had rallying cries from the right wing political parties to the effect that we are all in this together and must pull together to make sacrifices equally, although we must protect the vulnerable. In practice, the vulnerable were hammered with the universal social charge and cuts in social allowances and income. Hands were meanwhile left off billionaire and multi-millionaire business interests.

Labour Deputies have the audacity to come here claiming to represent areas of this country where the poorest and most hard hit of our people live and are being savaged by cuts which the party will implement in government. They come here to protect the millionaire and billionaire interests from paying a cent more, which is quite incredible.

The Fianna Fáil motion and the debate so far has kept clear of facts and figures relating to corporate profits and tax. I direct people to the amendment in the names of Deputy Clare Daly and myself, which gives the facts. In the five years from 2004 to 2008, inclusive, total corporate profits were €268.3 billion. Total tax was €27.1 billion, leaving an effective tax rate of 10.1%.

In that five years, €241 billion was made in clear profits by the corporate sector. Is it seriously being suggested that if corporation tax was required to be higher by a few percentage points, leading to another €10 billion or €20 billion over that time, corporate leaders would see €220 billion as not being enough and that companies would leave? Even if we did not require the sector to pay the Danish or Austrian rate but another €20 billion over five years, we would have an extra €4 billion per year for services, meaning the poor and vulnerable would not have to be hit. Corporations would scarcely feel this in the level of profits.

The establishment parties argue that multinationals will go if there is talk of a rise in corporation tax, which is doing a significant disservice to why they are here. What about our highly educated, skilful and intelligent workers, who have language skills and access to Europe? All these factors make it attractive for multinationals to come here. The Irish State failed to develop a solid and modern manufacturing basis arising from research and development over decades. Instead, there was an over-reliance on foreign investment, and the jobs now in existence must be defended. Private investment has fallen dramatically in the past three years, leading to the disaster of 440,000 unemployed in the country. Relying on private investment, whether foreign or domestic, is doomed to failure in current circumstances. Only major public investment in major infrastructural projects of a public nature will create the tens of thousands of jobs required.

In conclusion we must point to the nefarious role of the media, much of which is owned by billionaires, which has led this propaganda campaign against any talk of requiring big business to pay more. The sector is a major beneficiary of that low rate of corporation tax.

Deputy Seamus Healy: I am thankful for the opportunity to say a few words on this motion, which I will support. To bow to the demands of Mr. Sarkozy and Ms Merkel would be to compromise further Irish sovereignty and set this State on a slide towards unprecedented powerlessness. It would be the first of many demands as bullies always return for more. We simply cannot allow Ireland to be bullied by large European states, where the effective corporation profits tax rates are in many cases as low, if not lower, than effective Irish rates.

Such action would also fly in the face of assurances given to the Irish people during the course of both Lisbon referenda. In tackling the current unemployment problem, the first priority must be the maintenance of existing employment. Any perception which could affect this should and must be avoided.

Irish industrial development policy is seriously flawed and that current policy, which leaves an over-reliance on foreign direct investment, leaves people as well as the Irish State and economy at a great disadvantage. It could be said that it is a disaster waiting to happen, just as the case was with the misuse of bank borrowings from abroad by the Irish banks and Government, the establishment generally and the Irish super-rich.

That policy puts the employment of Irish people in the hands of the boards of multinational companies. The welfare of Irish people and workers is not a priority in decision-making by those bodies. The many employees of Dell, some from south Tipperary, know this to their cost. The policy also greatly depresses the return on Irish economic and social investment to an extent which undermines the sustainability of good public services. Investment by Ireland in multinational companies is far more than tax foregone. Multinational investment in Ireland is underpinned by Irish education and research expenditure, as well as investment in training, health and physical infrastructure. The effective tax return is even less than the approximate 10% quoted by various commentators. Furthermore, there is no prospect of multinational investment leading to the productive employment of most of the 450,000 people on the dole

[Deputy Seamus Healy.]

queues, the 3,000 post-doctoral researchers and the more numerous postgraduate researchers in third level institutions, not to speak of the 100,000 qualified persons who are also on the dole. Many of these people are emigrating which means the Irish investment that enabled them to graduate will now underpin economic investment in other countries, a drain comparable to the unjustified repayment of foreign bank debt, a *cíos dubh*.

The only way forward for modern industry and industrial development policy is for the State to invest as opposed to prioritising foreign direct investment. We need several Irish Nokias. The Finnish communications giant, Nokia, was originally developed as a State company and currently employs 40,000 people, 26,000 of whom are in Finland. Many feasible Irish projects in the fields of sustainable energy development, food and other areas should be undertaken. Rather than selling off State companies, as proposed in the programme for Government, the companies in question should be used to develop projects of this nature. To finance such investments there must be an end to paying the *cíos dubh* or rack-rent arising from the debts of Irish banks to finance houses in France, Germany, Britain and other countries. In addition, the €250 billion in assets held by the Irish super rich must be taxed seriously.

A fundamental change is required in industrial development policy. The changes I have suggested would put Ireland in a much stronger position to guarantee security of employment generally and to insist on a return on investment to the State which would underpin modern public services.

Deputy Shane Ross: Less than three years ago I went on a radio programme with the then Minister for Foreign Affairs, Deputy Martin, to discuss the Lisbon treaty mark one. I voted against the treaty because the French Government was showing signs of launching an attack on our corporate tax rate of 12.5% and introducing tax harmonisation. It is no credit to me that the Minister scoffed at me at the time and argued that such a prospect was impossible and the idea that we should be frightened of the French or that they had designs on our corporate tax rate was a conjuring trick I was using to oppose the treaty. Tonight, Deputy Martin, to his credit, is manning the barricades against the French.

Within weeks of the Lisbon treaty being defeated in the first referendum, President Sarkozy visited Ireland to reassure us that the 12.5% rate was not under threat and we should vote for the treaty the next time around because we had assurances from the French and European Union, of which France held the Presidency at the time. I was present in the room when Mr. Sarkozy gave assurances about harmonisation. Equipped with those assurances, as well as the assurances embodied in some type of protocol attached to the Lisbon treaty and the reassurance of the then Minister for Foreign Affairs that the treaty was not a threat to the 12.5% corporate tax rate, I voted for the treaty in the second referendum. Today, we stand in some danger of being taken on our corporation tax rate.

I note what the Government has said about the corporate tax base. I also note the weakness in its motion which states that it will stand fast on the 12.5% but believes constructive and forthright engagement is necessary on the issue of the tax base. This statement is code for engaging in preparation for a retreat on the issue.

Ireland should resist the considerable pressure it is under. There is no reason the Taoiseach should not tell the European Council that our corporate tax rate is of such importance to our economy that we will not give way and raise the rate but are instead prepared to lower it. If such a statement drives President Sarkozy and Chancellor Merkel mad, so be it because it is

time the rest of Europe realised that the corporation tax rate is our business and not theirs and taxation is a matter for sovereign governments.

Regardless of what any Member may say about the corporation tax rate and however much speakers, for good ideological reasons, may dislike the presence of multinationals in this country, these companies provide employment and are both the engine and the most vibrant part of the economy. It may not be a popular statement for me to make but multinationals, most of which are US companies, come to Ireland for two reasons. Ask Google, Microsoft, Hewlett Packard, Facebook or any of the other multinationals the reason they locate here and one will find that they are our 12.5% corporate tax rate and educated workforce. It is an uncomfortable truth that throughout the period of the collapse of the Celtic tiger multinationals remained a very powerful and important ingredient of our economy.

If we concede on the issue of the corporation tax rate, it will send a message to multinationals and investors in the United States and elsewhere that Ireland is not open for their type of business. There is no shame in competing with other nations through tax cutting. Competitive tax cutting, one of the few weapons left in our economic armoury, creates employment and has beneficial effects on the economy. Foreign direct investment should not be resisted on grounds of prejudice.

Given its importance, we must tell the French, Germans and others to keep their hands off the corporate tax rate. The House must send out a message that we support the Taoiseach who must show economic muscle and be prepared to take on these forces. He must also show that despite our economic weaknesses, of which we have many, we have the strength to say “No” to external threats to any tax incentive which remains within our power. The corporation tax rate is one incentive which we must preserve. There must be a definite and final message that a reduction in the rate may be introduced if it is necessary to give a further boost to our economy and such a measure would be accompanied by a referendum seeking the view of Irish people on the deal that has been given to us by the same powers who are threatening to influence our tax regime to our detriment.

Deputy Stephen Donnelly: As this is my first speech in the Chamber, I take this opportunity to thank the people of County Wicklow and east County Carlow for sending me here. I am delighted my first contribution in the House is to represent them on this critical topic.

The majority of Irish people are in favour of maintaining a low corporate tax base. It has been the cornerstone of Irish economic policy for decades and should continue to be so, at least in the short to medium term. Our low corporate tax rate is recognised as a critical component in attracting high levels of foreign direct investment to Ireland, particularly since the early to mid-1990s. Mr. Padraic White, a former IDA director, said that it became the IDA’s most distinctive investment incentive and over time its most single powerful weapon in the international industrial promotion battle. It works. By 2002, Ireland’s *per capita* foreign direct investment, FDI, was the second highest in the world, second only to Hong Kong.

The tax rate in the mid-1990s was one of a mix of factors which led to Ireland being able to attract such high FDI. We have a very low cost base, a highly educated workforce and had, and still have, a business-friendly environment. Ireland is ranked 9th in the world by the World Bank in terms of ease of doing business. At the time there was still relatively low competition from emerging economies such as India, China, Brazil and so on. Now, we are faced with not one but two critical issues in terms of our corporate tax rate. The tax regime is under pressure from not one but two fronts. The first front is Europe, with France, Germany and other countries applying pressure for tax harmonisation. Owing to the economic mismanagement of the

[Deputy Stephen Donnelly.]

previous Government, these countries now have enormous influence on our fiscal policies. At a time when our national debt is projected to grow to €200 billion in 2014 and as we grow closer to a potential default, their influence on our fiscal policy and their ability to apply pressure in relation to our corporate tax rate will increase.

The second front, not often spoken about, is the US. I was in the US during the Obama campaign. President Obama campaigned hard on shutting down tax loopholes for US multinationals, a live conversation in the United States. While I do not believe this poses an imminent danger for Ireland, it is something of which we need to remain cognisant.

8 o'clock This can be done, unlike with the Europeans, where we control our own tax rates by applying the same rules as apply to US citizens who are compelled, if living abroad, to pay the difference between the tax they pay in the country in which they are working and the tax they would pay in the US.

Critically, our corporate tax rate hides the fact that we have become increasingly uncompetitive in an increasingly competitive world. We need to protect the corporate tax rate but we also need to plan beyond it and to address several key issues. Our indigenous industry is not as strong as we would like it to be. In 2003, the enterprise strategy group, an independent group set up by the then Government, concluded:

Ireland's performance was driven primarily by a relatively small number of foreign owned firms who chose Ireland as their base for serving Europe. The effects of these firms on the economy was such that it masked the generally poor performance of the indigenous sector, with the exception of a small number of high performing firms.

Despite common perception and some of the rhetoric, we have an entirely average education system. Most worrying is the recent PISA report from the OECD which showed that we have had the biggest fall in educational standards in the developed world in a decade, which is of huge concern. At third level, we have no university among the top 50 in the world. Trinity College is ranked 76th and UCD is ranked 94th. Switzerland and Hong Kong have two universities in the top 50. We have one business school in the top 100, Smurfit business school which is ranked 78th. Three of Singapore's business schools are in the top 40.

Our businesses may have low tax but they have high business costs. Our energy prices are among the highest in the world and we are stuck with upward only rent reviews. Many councils, including Wicklow County Council, are raising council rates and non-internationally traded costs remain high. In its 2010 national competitiveness report, Forfás states that waste water costs, legal fees, education and health costs are extremely high for businesses in Ireland. Another issue we did not have to face in the 1990s is the huge emerging economies competing directly with us, including India, China and Brazil. Many of the eastern European countries are now capable of providing the same high end services and manufacturing as Ireland. They have world class universities, have moved into areas where Ireland operates and can produce services and manufacturing at a fraction of our costs.

Due to our lack of underlying competitiveness in education, business costs and so forth, if we lose our corporation tax or it begins to move, three things will quickly happen. First, FDI will stop dead. Second, foreign companies located here will begin to move to lower corporate tax bases. Third, many domestic firms will close down, including those serving the multinationals and those who depend on the low corporate tax rate to compete with European and international firms. While it does not seem right that the people of Ireland and the most vulnerable people in our society are being asked to bear the burden of banking incompetence and greed and Government incompetence and it seems reasonable that one could suggest to

our corporate sector that it could temporarily contribute through the introduction of a temporary rise in the corporate tax rate by 1% or 2% on the understanding that it was a temporary measure, my experience of working with multinational corporations suggests that they would quickly begin looking for plan B and that, unfortunately, even a marginal temporary move would send out the wrong signals.

In light of all of this, I call on the Government to act in two areas. First, it must protect the corporation tax rate by strengthening Ireland's current negotiating position with the EU-IMF teams. How do we do this? First, we do not pay back the unguaranteed bonds, which I believe amount to approximately €21 billion or €22 billion. We heard earlier today about appropriate burden sharing of this €22 billion. There is absolutely zero moral or economic argument for the Irish people to pay back unguaranteed bank bonds. The IMF agrees with this as do Nobel economists around the world. The arch-capitalist George Soros is on record as agreeing with it.

Second, we need a large-scale debt for equity swap. Third, we need to see beyond the two fundamental errors of the banks. It is okay for banks to fail. Banks around the world fail all the time. The markets will loan us money not based on what we have done, but on our ability to pay in the future.

Deputy Finian McGrath: Deputy Donnelly has provided some ideas for the Government.

Deputy Brian Hayes: I thank him. We never heard them before.

Deputy Maureen O'Sullivan: Why are we so unwilling to take on big businesses when we have no difficulty cutting disability payments or abolishing the Christmas bonus? Prior to this debate I believe I was the only Member of the previous Dáil, despite my short term in the House at the time, who questioned our corporate tax rate.

It appears that maintaining our corporate tax rate is the answer to all our woes and difficulties and that to increase it would be "economic suicide". It is ironic that one answer to our difficulties, namely, maintaining our natural resources for the good of the country, is not receiving the same consideration. I am concerned that our corporate tax has led to our country being a tax haven for foreign national companies to avoid paying just tax in their own countries, a sentiment expressed by President Obama when campaigning in 2008. He regularly questioned and criticised our tax friendly treatment of American corporations saying it caused many jobs to be lost in America's struggling mid-west. Are we willing to be complicit in allowing and facilitating giant corporations not pay their just taxes?

If an article in last Friday's *The Irish Times* is to be believed, there are companies who are paying hardly anything, either here where they have a base or in their country of origin. We are making a big deal out of retaining the rate at 12.5% when in actual fact it is considerably lower as the 12.5% is not being collected in some cases. Would a 1% or 2% increase mean an additional €600 million to us? Where is the hard evidence that a higher rate would make Ireland uncompetitive and drive multinationals away? These companies — I disagree on this point with the previous speaker — are profitable and will not leave Ireland given the availability here of highly trained graduates and a young English speaking workforce known for its creativity and hard work. Also, we are geographically and geologically stable. I believe we are undervaluing ourselves. There is an issue with regard to what exactly is being paid in other European countries because of the allowances and subsidies which vary so-called high tax rates in such countries as Germany, the United Kingdom and France and which are several percentage points lower. At least, can we ensure that 12.5% is collected? Can we have a balanced look at the advantages of increasing it? Can we ensure that multinationals pay their just taxes?

Deputy Michael Noonan: Last November, across the floor of this Chamber during a Private Members' motion on the retention of our 12.5% corporate tax rate there was consensus on all sides of the House. I hope tonight we can send a similar, strong message from this House, a message that the 12.5% rate is a red line issue for us and that we will not entertain any undue pressure to change it.

Last night, some scepticism was expressed about the Government's intention on tax harmonisation in the context of the ongoing debate on the pact for the euro. Let me be clear: the 12.5% rate is not a *quid pro quo* for any element of the pact for the euro. The message has been given and heard, loud and clear and I assure the House there will be no deviation from that position at the Council meeting tomorrow. What has changed since the Private Members' motion last November is that last week the European Commission published its proposal for a common consolidated corporate tax base, CCCTB. It is expected that the final formula of words in the pact for the euro will acknowledge that publication. In other words, it would simply be stating a fact.

Naturally, it is a fact that it is within the legal competence of the Commission to publish such discussion papers. Contrary to some suggestions last night, the mere mentioning of that fact should not be seen as some fudge or subtlety creeping into the question. The European Commission has the right of initiation in terms of bringing forward legislative proposals for member states to consider and there is nothing to be gained from pretending that this does not happen or from refusing to actively engage on the issue. In fact, the opposite is the case. It would be a gross diminution of our responsibilities not to engage actively and constructively on the issue of the CCCTB. Only in this way can we be absolutely sure that all of the arguments are brought to the table. Ireland has always been prepared to work with the Commission and other member states on tax policy issues and we have no problem in reiterating that fact. However, we will be ensuring that it is clearly understood that such co-operation is clearly on the basis that taxation is a matter for national competence and that the principle of unanimity is fully respected.

Much has been said about the difference between headline rate of tax and the effective tax rate. We have no axe to grind about the effective tax rates available in other countries but we merely wish to point out that the effective rates are more material to the debate on tax competition than headline rates. Several recent reports have suggested that the effective tax rates that apply in some European countries may be considerably lower than previously thought. The World Bank PricewaterhouseCoopers study suggests that 11 EU countries have effective tax rates lower than Ireland, while a KPMG study also highlights the various ways in which other European countries lower the effective tax rate by virtue of tax base narrowing.

There was a suggestion last night that the Treaty on the Functioning of the European Union somehow facilitated the passage of EU tax legislation by qualified majority voting as opposed to unanimity. That suggestion was also put forward during the debate on the Lisbon referendum, despite all the evidence and legal opinion to the contrary. The European Commission's draft CCCTB proposal is precise on this question when it states that "direct tax legislation falls within the ambit of Article 115 of the Treaty on the Functioning of the EU". Should one care to look up Article 115 of the TFEU, it clearly states "acting unanimously". The legal basis of the proposal is not Article 48 of the TFEU, to which I believe the Deputy was referring last night. In any event, Article 48 facilitates a shift from unanimity to qualified majority voting only if there is a decision by unanimity to do so.

Last night, a very useful suggestion was made by Deputy McHugh about the merits of greater engagement with members of the European Parliament across all parties and this is something that I will certainly be encouraging in the Department of Finance.

An Ceann Comhairle: I call on the Minister to wind up.

Deputy Michael Noonan: I thank everyone who has contributed. Let me conclude by reiterating the Government's position once again: there will be no change in the 12.5% rate of tax as outlined in the programme for Government.

Deputy Éamon Ó Cuív: I wish to share time with Deputy Brian Lenihan. The 12.5% rate of tax has long been a cornerstone of Irish industrial policy and I urge the Government in the strongest possible terms to withstand entreaties from our partners in Europe on this issue. I fear that any movement on the rate, even by a half a percentage point, would send a detrimental message to the inward investment community.

Above all, what any investor craves is certainty. Any movement whatsoever on the rate would destroy this certainty. From an investor perspective once the rate moves once, even if only marginally, there is nothing to stop it moving again. The resulting uncertainty and lack of confidence would be fatal to attempts to attract investment, create employment and grow the economy.

There was a good reason no sunset date was announced at the time of the introduction of the 12.5% tax rate. This is not an incentivised rate. It is not a tax holiday rate. This is simply the standard rate of corporation tax in Ireland. The message was clear and unambiguous, that is how Ireland chooses to do business. The 12.5% tax rate has the blessing of the OECD. It was introduced with the blessing and agreement of the European Union and it does not discriminate based on ownership, industry or activities. The only requirement is that there is an active trade. A similarly clear and unambiguous message must be issued by the Government and I acknowledge and applaud recent statements in this regard.

As anyone involved in the foreign direct investment sector is aware, tax is only one of a variety of factors taken into account by foreign multinationals when developing and implementing international expansion plans. Having a low tax rate for corporate profits does not win projects or investment. It is well known that in many other jurisdictions it is possible to get tax holidays and not pay any corporate tax whatsoever. Having a low rate merely makes Ireland competitive and gets us to the table. What wins investment is our flexible and open economy, the availability of skilled labour and the productivity and industry of our people.

Having worked so hard to attract investment over the years, Ireland is in many respects in an enviable position. It has a proven track record of providing a stable and reliable location from which to do business. It is the only English speaking member of the eurozone. It is home to marquee names and household brands, factors which attract interest and oftentimes further investment from other players and competitors. This work would be undone in one fell swoop even by a seemingly insignificant change to the corporate tax rate.

Typically, Ireland competes primarily with Switzerland and Singapore for the type of investment it secures. It is clear that any deterioration in Ireland's competitiveness *vis-à-vis* these jurisdictions would likely result in investment being lost by the EU as well as by Ireland. The prospect that France and Germany would reap an inward investment windfall if Ireland were to double its corporate tax rate is not based in reality and it is unlikely that France or Germany would contend otherwise. The primary beneficiaries would likely be non-EU countries.

We received a little more clarity on the next line of attack on the Irish tax system last week with the European Commission proposal and draft directive for a common consolidated corporate tax system. Although only a proposal at an early stage, it requires careful monitoring. It reminds me of the old nursery rhyme about the spider and the fly. No doubt the Minister will remember it. It runs: "Oh come into my parlour said the spider to the fly." We all know

[Deputy Éamon Ó Cuív.]

what happened to the fly once it became enmeshed in the web. I fear the Government's amendment and approach will ensure Ireland will wind up like the fly in the famous nursery rhyme.

What the common consolidated corporate tax base, CCCTB, seeks to do is reallocate profits earned by companies that operate in the CCCTB territories according to various factors such as physical assets, sales, payroll and employees. Interestingly from an Irish perspective, there is no allocation based on intangible assets, placing companies that have invested significantly in the creation and exploitation of intellectual property at a considerable disadvantage. The introduction of the CCCTB is clearly an attempt to take the rate out of the equation by allocating profits based on a new system, one that is completely incompatible with existing taxation and accounting principles and with the hundreds of the tax treaties currently in existence. These profits would then be taxed at the tax rate applicable in those territories.

As this proposal should be resisted in the strongest possible way, the terms of the Government's amendment in this regard are worrying. Any reduction in the interest rate being charged by the EU and IMF would be welcome and I would applaud the Taoiseach and the Government if it achieved such a result, but it is imperative that it not be achieved at any price. The 12.5% corporate tax rate and no CCCTB for Ireland is a line in the sand we should not cross in pursuit of a short-term gain on the interest rate. Its effect on corporate policy and our ability to attract long-term investment would be detrimental. Therefore, if a short-term gain were to lead to a significant long-term erosion of our competitive advantage in terms of the level of certainty we enjoy and the success we have built thanks to our current industrial policy, we should not sacrifice the long term for the short term. I will now share the rest of my time with Deputy Lenihan.

Deputy Brian Lenihan: This evening, we learned from Government sources that the question of an interest rate reduction will not arise in the discussions at the summit the Taoiseach will attend later this week. Plainly, the issue has been deferred to a later day. I understand there are important elections in Germany that make it difficult for Germany to agree or to be seen to agree any interest rate decrease for Ireland. Although such a rate decrease was on offer at the first summit the Taoiseach attended, some states attempted to attach conditions to it in terms of the CCCTB.

The issue is not about the rate, so I am disappointed that our side must divide the House on the motion. We fully support the Government in its exertions on this question in Europe, but the issue is about the CCCTB, not the rate of tax. In European terms the CCCTB is an attempt to generalise corporation tax arrangements in a way that would plainly put Ireland at a competitive disadvantage in attracting industry. The Government has wisely made a strong case about how our effective rate is at the average European level as opposed to below the average. The CCCTB is a dangerous proposal for Ireland. Once one starts relocating profits in other countries by law, the attractiveness of Ireland as an investment location is correspondingly reduced. This is why we must be careful.

Given that the interest rate issue will not be on the table during the coming days, I take it that the corporation tax issue will also be off the table. More will be heard about this matter in the days ahead, but it is clear that there has been a significant change in Government thinking on this matter since assuming office. In response to the private Members' motion tabled by my party, one that sent out a clear signal that Irish corporation tax policy was immovable and that we cannot participate in the CCCTB, the Government tabled an amendment that introduced language on being committed to "a constructive and forthright engagement with all of our European partners on this issue", not on tax issues generally. Press reports suggest that, at the previous summit, Mr. Herman Van Rompuy made an offer to the Taoiseach to the effect

that, if we were prepared to be constructive and to engage on tax co-ordination generally, we would receive an interest rate decrease. This proposal could and might have been examined, as it related to tax generally. However, the terms of the amendment commit the House to entering into a constructive engagement on the CCCTB. This is what the Government is inviting us to do, but Fianna Fáil is not prepared to be a party to it. It is regrettable. Although we will support Government efforts in this area, it is far too early to make such a commitment.

I will give the Government cautionary advice. If it insists on going down this road, it should ensure that the CCCTB discussions are held among the 27 member states, not the eurozone member states. Where the latter are responsible for the facility and, therefore, the interest rate attaching to it, the 27 EU member states will need to decide the CCCTB issue. This gives us a wider and better forum in which to voice our concerns. The quicker we can extract the issue from the eurozone Ministers, the better. If the Minister is determined on his course of action, I urge him to take the route I have outlined. Any attempt to resolve the issue within the framework of the eurozone will lead to a disproportionate influence by France and Germany. In particular, there seems to be a degree of obsession on this issue at the level of the President of the French Republic as opposed to at its official or political level. It is important that we broaden the discussion into ECOFIN, the group of 27 finance Ministers who represent the entirety of the member states and many of whom share our views on this issue and recognise that it is not envisaged as a natural or built up part of the European system.

The Government must be firm on this issue. I do not know what “constructive engagement” means or what signal it will send to those who want to invest in Ireland. As stated by Deputies on all sides of the House, the key issue is the fact that, the longer this debate continues, the more serious the psychological effect on investment becomes. A prolonged debate on this subject only serves to make more difficult the work of the IDA and the other worthy agencies that attract investment from abroad. Investors in California, India or China do not know the details of the CCCTB, the mechanics of European integration or what the President of France stands for. They see that our tax rate is, in some sense, under threat.

During the referendums on the Lisbon and Nice treaties this matter was regularly raised as a scare issue. If every other sovereign in the world decided that we should not have our corporation tax arrangement, we would not be able to sustain it. It is not sustainable in glorious isolation. However, it is sustainable if one builds alliances with other member states and is diligent in one’s lobbying on the Hill and in European circles to ensure the arrangement is maintained.

We are concerned that we are being asked to engage constructively in a process that may lead to our participation in the CCCTB. This is the bottom line. This afternoon, I asked the Minister how much we would save on an annualised basis if the interest on the facility was reduced by 1%. On the basis of what has already been drawn down, the saving would be small compared with the incalculable loss to the country of a common corporate tax base that would leave us open to exposure in our international investment policy.

This is my party’s position on the motion. I do not want to seem churlish to the Government. It is in its early days and I wish it well in its endeavours in terms of corporation tax. However, we all need to be realistic as well. There has been a file out there for many years called “Corporation Tax”. It is drawn down at every opportunity and we have to ensure it is put back in the cabinet and forgotten about.

Amendment put:

The Dáil divided: Tá, 101; Níl, 42.

Tá

Breen, Pat.
 Broughan, Thomas P.
 Bruton, Richard.
 Burton, Joan.
 Butler, Ray.
 Buttimer, Jerry.
 Byrne, Eric.
 Cannon, Ciarán.
 Carey, Joe.
 Coffey, Paudie.
 Collins, Áine.
 Conaghan, Michael.
 Conlan, Seán.
 Connaughton, Paul J.
 Conway, Ciara.
 Coonan, Noel.
 Corcoran Kennedy, Marcella.
 Costello, Joe.
 Coveney, Simon.
 Creighton, Lucinda.
 Daly, Jim.
 Deering, Pat.
 Doherty, Regina.
 Donohoe, Paschal.
 Dowds, Robert.
 Doyle, Andrew.
 Durkan, Bernard J.
 English, Damien.
 Farrell, Alan.
 Feighan, Frank.
 Ferris, Anne.
 Fitzpatrick, Peter.
 Flanagan, Charles.
 Flanagan, Terence.
 Gilmore, Eamon.
 Griffin, Brendan.
 Hannigan, Dominic.
 Harrington, Noel.
 Harris, Simon.
 Hayes, Brian.
 Heydon, Martin.
 Hogan, Phil.
 Howlin, Brendan.
 Humphreys, Heather.
 Humphreys, Kevin.
 Keating, Derek.
 Keaveney, Colm.
 Kehoe, Paul.
 Kelly, Alan.
 Kenny, Enda.
 Kenny, Seán.

Kyne, Seán.
 Lawlor, Anthony.
 Lynch, Ciarán.
 Lynch, Kathleen.
 Lyons, John.
 Maloney, Eamonn.
 Mathews, Peter.
 McCarthy, Michael.
 McFadden, Nicky.
 McGinley, Dinny.
 McHugh, Joe.
 McLoughlin, Tony.
 McNamara, Michael.
 Mitchell, Olivia.
 Mitchell O'Connor, Mary.
 Mulherin, Michelle.
 Murphy, Dara.
 Murphy, Eoghan.
 Nash, Gerald.
 Neville, Dan.
 Nolan, Derek.
 Noonan, Michael.
 Ó Riordáin, Aodhán.
 O'Donnell, Kieran.
 O'Donovan, Patrick.
 O'Dowd, Fergus.
 O'Mahony, John.
 O'Reilly, Joe.
 O'Sullivan, Jan.
 Penrose, Willie.
 Perry, John.
 Phelan, Ann.
 Phelan, John Paul.
 Quinn, Ruairí.
 Rabbitte, Pat.
 Reilly, James.
 Ryan, Brendan.
 Shatter, Alan.
 Sherlock, Sean.
 Shortall, Róisín.
 Spring, Arthur.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Twomey, Liam.
 Varadkar, Leo.
 Wall, Jack.
 Walsh, Brian.
 White, Alex.

Níl

Adams, Gerry.
 Boyd Barrett, Richard.
 Browne, John.
 Calleary, Dara.
 Collins, Joan.
 Collins, Niall.
 Colreavy, Michael.
 Cowen, Barry.
 Crowe, Seán.

Doherty, Pearse.
 Donnelly, Stephen.
 Dooley, Timmy.
 Ellis, Dessie.
 Ferris, Martin.
 Halligan, John.
 Healy, Seamus.
 Higgins, Joe.
 Kelleher, Billy.

Níl—*continued*

Kitt, Michael P.
 Mac Lochlainn, Pádraig.
 Martin, Micheál.
 McConalogue, Charlie.
 McDonald, Mary Lou.
 McGrath, Finian.
 McGrath, Michael.
 McLellan, Sandra.
 Moynihan, Michael.
 Murphy, Catherine.
 Ó Caoláin, Caoimhghín.
 Ó Cuív, Éamon.

Ó Fearghaíl, Seán.
 Ó Snodaigh, Aengus.
 O'Brien, Jonathan.
 O'Dea, Willie.
 O'Sullivan, Maureen.
 Pringle, Thomas.
 Ross, Shane.
 Smith, Brendan.
 Stanley, Brian.
 Tóibín, Peadar.
 Troy, Robert.
 Wallace, Mick.

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Aengus Ó Snodaigh and Seán Ó Fearghaíl.

Amendment declared carried.

Question put: "That the motion, as amended, be agreed to."

The Dáil divided: Tá, 100; Níl, 40.

Tá

Bannon, James.
 Barry, Tom.
 Breen, Pat.
 Broughan, Thomas P..
 Bruton, Richard.
 Buttimer, Jerry.
 Byrne, Eric.
 Cannon, Ciarán.
 Carey, Joe.
 Coffey, Paudie.
 Collins, Áine.
 Conaghan, Michael.
 Conlan, Seán.
 Connaughton, Paul J..
 Conway, Ciara.
 Corcoran Kennedy, Marcella.
 Costello, Joe.
 Coveney, Simon.
 Creed, Michael.
 Creighton, Lucinda.
 Daly, Jim.
 Deasy, John.
 Deenihan, Jimmy.
 Doherty, Regina.
 Donohoe, Paschal.
 Dowds, Robert.
 Doyle, Andrew.
 Durkan, Bernard J..
 Farrell, Alan.
 Feighan, Frank.
 Ferris, Anne.
 Fitzgerald, Frances.
 Fitzpatrick, Peter.
 Flanagan, Charles.
 Flanagan, Terence.
 Gilmore, Eamon.
 Griffin, Brendan.
 Hannigan, Dominic.

Harrington, Noel.
 Harris, Simon.
 Hayes, Brian.
 Healy-Rae, Michael.
 Heydon, Martin.
 Howlin, Brendan.
 Humphreys, Heather.
 Humphreys, Kevin.
 Keating, Derek.
 Keaveney, Colm.
 Kehoe, Paul.
 Kelly, Alan.
 Kenny, Seán.
 Kyne, Sean.
 Lawlor, Anthony.
 Lynch, Ciarán.
 Lynch, Kathleen.
 Lyons, John.
 Maloney, Eamonn.
 Mathews, Peter.
 McCarthy, Michael.
 McFadden, Nicky.
 McGinley, Dinny.
 McHugh, Joe.
 McLoughlin, Tony.
 McNamara, Michael.
 Mitchell, Olivia.
 Mitchell O'Connor, Mary.
 Mulherin, Michelle.
 Murphy, Dara.
 Murphy, Eoghan.
 Nash, Gerald.
 Naughten, Denis.
 Neville, Dan.
 Nolan, Derek.
 Noonan, Michael.
 Ó Ríordáin, Aodhán.
 O'Donnell, Kieran.

Tá—*continued*

O'Donovan, Patrick.
O'Dowd, Fergus.
O'Mahony, John.
O'Sullivan, Jan.
Perry, John.
Phelan, Ann.
Phelan, John Paul.
Quinn, Ruairí.
Rabbitte, Pat.
Reilly, James.
Ring, Michael.
Ryan, Brendan.

Shatter, Alan.
Sherlock, Sean.
Shortall, Róisín.
Spring, Arthur.
Stagg, Emmet.
Stanton, David.
Timmins, Billy.
Tuffy, Joanna.
Twomey, Liam.
Wall, Jack.
Walsh, Brian.
White, Alex.

Níl

Adams, Gerry.
Boyd Barrett, Richard.
Browne, John.
Calleary, Dara.
Collins, Joan.
Collins, Niall.
Colreavy, Michael.
Cowan, Barry.
Daly, Clare.
Doherty, Pearse.
Donnelly, Stephen.
Dooley, Timmy.
Ellis, Dessie.
Ferris, Martin.
Fleming, Sean.
Healy, Seamus.
Higgins, Joe.
Kelleher, Billy.
Kitt, Michael P..
Lenihan, Brian.

Martin, Micheál.
McConalogue, Charlie.
McDonald, Mary Lou.
McGrath, Finian.
McGrath, Michael.
McLellan, Sandra.
Moynihan, Michael.
Murphy, Catherine.
Ó Caoláin, Caoimhghín.
Ó Cuív, Éamon.
Ó Fearghaíl, Seán.
Ó Snodaigh, Aengus.
O'Brien, Jonathan.
O'Dea, Willie.
O'Sullivan, Maureen.
Ross, Shane.
Smith, Brendan.
Stanley, Brian.
Tóibín, Peadar.
Troy, Robert.

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Aengus Ó Snodaigh and Seán Ó Fearghaíl.

Question declared carried.

Adjournment Debate

Schools Building Projects

Deputy Éamon Ó Cuív: Tá an-díomá orm nach bhfuil an tAire féin sa Teach anocht agus go bhfuil an nós tosaithe cheana féin ag an Rialtas seo gan na hAirí sinseareacha a bheith i láthair. I am disappointed that the Minister is not present. I always considered it regrettable when senior Ministers did not attend Adjournment debates and when I was a Minister, I always tried to attend when at all possible.

In a growing community Scoil Chaitríona is situated on a potentially excellent school site. Built in 1974 when Government finances were stretched and the conservation of energy dictated the height of classroom ceilings, Scoil Chaitríona has exceeded the expected life span of

such schools by 17 years. The school population has more than doubled and prefabs have become a permanent feature of the school owing to lack of space. Resource and learning support teachers are forced to use cubby holes and cordoned off sections of corridors and classrooms to teach children with special needs. These children require space, light and a stimulating environment to cope with and overcome their special needs.

The main building of Scoil Chaitríona is falling to pieces and requires constant repairs and expansion. Owing to dampness, one of the ceilings fell in onto the class floor last year and a patch-up job was done on the roof under the summer works scheme. This year the school has applied for new doors and windows to be fitted and this will prove to be an extensive and expensive project because the roof is part of the window fixture. The roof could fall down in the process. The school is also making an application for floors to be redone throughout the building owing to wear and tear and asbestos exposure. Again, it has been faced with no alternative but to patch tile by tile as the tiles became undone. This can no longer be carried out because of the asbestos under the tiles.

A new school building project would be the best option for the Department of Education and Skills and the Renmore community. Scoil Chaitríona has been described by the Department's inspectors as a special school within a school. They have put great emphasis on this in the school's evaluation. To retain and improve the services the school offers to special needs children it must accommodate them in a suitable building. This forms a big part of its building plans, even down to the details of a shared sensory room.

Scoil Chaitríona is currently enrolling children with autism for September. As there is no accommodation available for an ASD unit, the school will be making an application for a prefabricated building comprising one classroom and one sensory room. This will be an added expense on the Department's funds when such a unit is included in the plans for a new building. Scoil Chaitríona is listed as being in Band 1:2, the provision of specialist accommodation urgently required for children with special needs such as autism, speech and language impairment, intellectual impairment and so forth.

The annual cost of the summer works scheme in 2010 was €316,000, with rental of prefabs costing €70,000. In 2011 the necessary works under the summer works scheme will cost €668,000, with the rental of prefabs costing €70,000. Speaking in Galway at the Labour Party annual conference, the Minister for Education and Skills, Deputy Ruairí Quinn, said: "Many of our school buildings are a national disgrace. One hundred and sixty five schools are spending over €50,000 a year renting prefabs. This would cover the mortgage on a permanent school building. Labour will change all that with a transparent building programme and replacing temporary prefabs." I hope the Minister will now honour his commitment, given when he was in opposition, and outline a clear road map for the provision of a new school for Scoil Chaitríona in Renmore.

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): I am replying to this Adjournment matter on behalf of my colleague, the Minister for Education and Skills, Deputy Ruairí Quinn. I thank the Deputy for raising the matter as it provides me with the opportunity to outline to the Dáil the Government's strategy for capital investment in school building projects and also to outline the current position on the building project to provide improved accommodation at Scoil Chaitríona junior and senior schools at Renmore, Galway.

[Deputy Ciarán Cannon.]

The Government, in its programme for Government, is committed to drawing up a new national development plan that reflects Ireland's changed economic circumstances, covering the seven-year period 2012-19. The plan will be based on a comprehensive study of Ireland's public investment priorities in that period. In the initial years, when resources will be most heavily constrained, the programme for Government commits to prioritising investment in a number of specific areas, including school buildings. The Government will insist that major capital projects are subjected to proper cost-benefit analysis and evaluation, improving future productivity and growth prospects, and that the value for money obtained is significantly enhanced compared to the most recent period. Modernising facilities in our existing building stock as well responding to the emerging needs in areas of rapid population growth will continue to be a significant challenge.

All applications for capital funding are assessed in the planning and building unit of the Department. The assessment process determines the extent and type of need presenting based on the demographics of an area, proposed housing developments, condition of buildings, site capacity and so forth, leading to an appropriate accommodation solution. As part of this process, a project is assigned a band rating under published prioritisation criteria for large-scale building projects. These criteria were devised following consultation with the education partners.

Projects are selected for inclusion in the schools building and modernisation programme on the basis of priority of need which is reflected in the band rating assigned to a project. In other words, a proposed building project moves through the system commensurate with the band rating assigned to it. There are four band ratings overall, of which band one is the highest and band four the lowest. Band one projects, for example, include the provision of buildings where none currently exists but there is a high demand for pupil places, while a band four project makes provision for desirable but not necessarily urgent or essential facilities, such as a library or new sports hall.

The project to provide new accommodation for Scoil Caitríona junior and senior schools has been assigned a band rating of 1.2 under the published prioritisation criteria for large-scale building projects. The project commenced with a brief to provide an extension and refurbishment of the existing accommodation for both schools. The schools both occupy a restricted site in Renmore. A review of the initial brief took place in 2006 at which time it was decided it should be revised to provide for two new schools on the existing site.

Due to the significant expansion of the brief, it was deemed necessary to terminate the appointment of the existing design team and commence the process of appointing a new design team using the *Official Journal of the European Union* tender process. This tender process commenced in May 2007. However, due to competing priorities on the Department's resources and the emerging need to concentrate on the provision of new schools in rapidly developing areas, this process was not completed. The project was not included in the school building work programme for 2011 published earlier this year by my predecessor.

The progression of all large-scale building projects, including this project, from initial design stage through to construction phase will continue to be considered in the context of the Department's multi-annual schools building and modernisation programme for 2011 and subsequent years. However, in light of competing demands on the capital budget of the Department it is not possible to give an indicative timeframe for the progression of this project to completion of tender and construction. I thank the Deputy for giving me the opportunity to outline to the

Dáil the current position regarding the school building project for Scoil Caitríona junior and senior schools in Renmore, Galway.

Foreshore Licences

Deputy Michelle Mulherin: I thank the Ceann Comhairle for allowing me to raise this matter. I welcome the Minister of State, Deputy O'Dowd, to the Chamber and wish him well. I hope he will have a long and fruitful ministerial career.

There has been a delay of several years in the issuing of a foreshore licence for the Killala sewerage scheme. This scheme is much needed and the delay arises even though there is already an outfall pipe that was used by private industry and which it is proposed will be used for the outflow from the sewerage scheme. In the meantime raw sewage is going into Killala Bay which is designated a special area of conservation as well as a natural heritage area for wild birds. As well as being a tourist attraction because of its scenic quality, the bay also attracts tourists as a place for deep sea fishing and is at the head of the River Moy, the most prolific salmon fishing river in Europe. The water quality in the Moy Estuary, which is part of Killala Bay, has been classified as moderate in the water basin management plan prepared under the water framework directive. This body of water is to be targeted for improvement under the management plan.

Why has there been a delay of many years in issuing the foreshore licence in this case? As I understand it, there are three other foreshore licences which remain to be issued in Mayo after significant delay, relating to works on slipways and another sewerage scheme. Delays in the issue of foreshore licences in general are of concern to us in Mayo where we are trying to tap into the huge wave energy off our coast as part of the county's renewable energy strategy which will also require a foreshore licence or licences in due course. The last foreshore licence issued in the county was to Shell in respect of the Corrib gasfield and it took only four months in that case. Clearly, where there is a will there is a way.

We have a new Government and a new Minister and I am hopeful there will be positive changes. In particular, I am hopeful that the bureaucracy surrounding the issue of foreshore licences can be tackled so that the delay in their issuing is no longer a stumbling block in the delivery of important infrastructure to regions, in particular the Killala sewerage scheme.

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Fergus O'Dowd): Ba mhaith liom mo bhuíochas a ghabháil leis an Teachta Mulherin as ucht an t-ábhar seo a chur romhainn anocht. Tá sé an-thábhacht go dtiocfadh toradh maith as. I thank Deputy Mulherin for raising this matter. What is important is that we have a follow-up to this debate. I assure her I will bring her comments to the attention of Department officials tomorrow. It is vital that there is continuity and resolution if possible.

Following the enactment of the Foreshore and Dumping at Sea (Amendment) Act 2009, the Department of the Environment, Heritage and Local Government assumed responsibility in January 2010 for a range of foreshore consent functions, including outfall pipes from waste water treatment plants. The proposal by Mayo County Council to construct an outfall pipe in Killala Bay from the Killala waste water treatment plant was one of a large number of projects for which foreshore applications had been submitted and on which decisions had not been finalised or conveyed to the project promoters prior to the transfer of foreshore functions. The application for the foreshore licence was originally made to the Minister for Agriculture, Fisheries and Food in August 2007 and is in respect of the proposed use of an existing outfall pipe which was the subject of a foreshore licence granted to another licensee in 1976.

[Deputy Fergus O'Dowd.]

The scientific and technical advisers to the Minister for Agriculture, Fisheries and Food assessed the fresh application lodged in August 2007 and were satisfied, subject to specific conditions, to agree to the use of the existing outfall pipe as proposed by the council. However, the file did not proceed to the point where a formal submission was made to the Minister to grant the licence. Following the transfer of responsibility for the application to the Department of the Environment, Heritage and Local Government the case was identified for attention as part of a comprehensive caseload analysis of all files, including those cases on which there were lengthy periods of inactivity prior to the transfer.

The reassignment of the licence from the existing licensee has raised complex legal issues regarding title requiring legal advice before a determination of the licence application can be safely made. Advice was sought from the Chief State Solicitor's office in September 2010 and work is ongoing in that office to clarify the legal basis upon which the case can be carried forward. Accordingly, because of the nature of this case, it is not yet clear when the legal advices will be available to the Department to enable the application to be determined. I will be pleased to bring this issue to the attention of the Department tomorrow morning, together with the Deputy's comments, with a view to advancing the matter, which has been ongoing since 2007.

Departmental Funding

Deputy Gerald Nash: I thank the Ceann Comhairle for allowing me to raise this important issue for the people of the north east, an issue of which the Minister of State, Deputy O'Dowd, is well aware. It will be greatly appreciated by those who depend on the services and supports provided by the Drogheda-based Dignity 4 Patients that my colleague, the Minister of State, Deputy Shortall, is available this evening to convey the view of the Department of Health and Children and the Health Service Executive in regard to that organisation's current funding crisis.

The Garda is dealing with 120 cases of alleged sexual abuse perpetrated against patients of the struck-off medic, Michael Shine. Almost 250 cases of alleged abuse have been brought to the attention of the Dignity 4 Patients group in recent years. The House will be aware that Mr. Justice Smyth carried out a review into the handling of many of these cases and reported last year.

The organisation received funding from the State's health authorities to support those who came forward during and after the Smyth review. Since December 31, however, the funding has been stopped, at a time when the Dignity 4 Patients group and those depending on it most need it to be resourced. Dignity 4 Patients must be allowed the space and resources to do its job. I implore the Minister and the HSE to establish financial certainty for this organisation so it can be ensured those who are alleged to have suffered abuse in the public health system receive the support of the State, support to which they are entitled.

The delay in bringing cases against Michael Shine to the DPP and the frustration felt by alleged victims at the handling by the previous Government of the fallout and aftermath of the Mr. Justice Smyth review have contributed to a growing and legitimate sense of grievance and injustice. By committing to restoring State funding in line with the application the organisation has already made to the Department of Health and Children and the HSE, and committing to making available the resources required to bring closure to the torment undergone by victims, the Minister and Government would be sending out a strong message indeed.

In the absence of funding, Dignity 4 Patients has been forced to terminate staff contracts, drastically cut services and place the burden of responsibility on to the shoulders of one sole founder, who has in essence become a counsellor, a helpline operator, a campaigner and advocate, an administrator and an accountant. Given the pressure and emotional focus required to deal with cases relating to abuse of this nature, this situation is no longer sustainable. Victims are still coming forward and complaints and concerns continue to be expressed. As the Garda investigations continue, existing clients of the organisation require ongoing and consistent support and advocacy.

This organisation, those who lead it and those who work for it have acted courageously and often defiantly in shining a light into the darker recesses of a system that has failed to acknowledge the extent of the damage done to lives and, indeed, to communities by the alleged activities of the disgraced medical practitioner. I implore the Minister of State to restore a sense of hope for this organisation and for those who depend on it. I am asking the Department of Health and Children and the HSE to fund the Dignity 4 Patients group to provide the organisation and those relying on it for support with a degree of certainty for the future.

Minister of State at the Department of Health and Children (Deputy Róisín Shortall): I apologise that written replies were not available until now. I do not know what glitch caused this but we will ensure this does not happen in future. I will be taking this Adjournment matter on behalf of my colleague, the Minister for Health and Children, Deputy James Reilly and I thank the Deputy for raising this matter.

In 2010, a grant of almost €172,000 was approved from the Department of Health and Children's allocation of national lottery funds to Dignity 4 Patients. This was given towards the cost of providing information and support to victims of abuse wishing to attend the Drogheda review. This independent review was established by the then Minister for Health and Children to advise on whether any additional information or insights were likely to be achieved from a further full investigation. A former High Court judge, Mr. Justice T.C. Smyth, was appointed chair of this review. The report recommended that a further investigation should not be held and, to avoid prejudicing any civil or criminal cases, the report should not be published.

The Attorney General concurred with this advice but agreed that a short summary of the report could be prepared and published. Accordingly, the Department, in consultation with the Attorney General and Mr. Justice Smyth, prepared a summary which was sent for information to two patient support groups, including Dignity 4 Patients, in January 2011.

An application for funding for the current year has been received by the Department from Dignity 4 Patients. The HSE has also received an application for funding. The Minister is considering the application to his Department having regard to the services that the HSE already provides for victims of abuse. It is most important that any services supported by departmental funding are fully compatible and supportive of similar services provided by the HSE. The Minister will consider Dignity 4 Patients' request with that in mind.

It is also very important to ensure that appropriate counselling is available to all those who wish to avail of it. Both the Minister and the HSE are anxious that all former patients of the consultant are made aware of the free counselling support that is available. The HSE has arrangements in place for counselling support using the National Counselling Service, which provides individual, couple, family, group and psychosexual counselling. The NCS employs more than 70 counsellors and therapists who are highly qualified and experienced in working with developmental trauma. Clients can refer themselves directly by calling a free phone

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number. This service is a professional, confidential, counselling and psychotherapy service available free of charge in all regions of the HSE.

Persons affected by these issues, but who do not wish to avail of counselling, can also speak with a psychologist or counsellor in confidence. The need for additional support will be continually monitored by the HSE. The HSE has assigned co-ordinating responsibility for these matters to the regional manager for consumer affairs in the north east, who will continue to liaise as required with former patients and support groups.

The Minister will respond to the application from Dignity 4 Patients as soon as possible when he has had an opportunity to examine the matter fully. I thank Deputy Nash for raising this matter.

Hospital Services

Deputy Michael Colreavy: Ar dtús, ba mhaith liom mo bhuíochas a ghabháil le foireann iomlán Theach Laighean, na huiséirí, foireann riaracháin agus foireann na bialainne as an fháilte fhlaithiúil agus an tacaíocht a thug siad dom ar mo chéad laethanta sa Dáil. I enjoyed some latitude from the Ceann Comhairle this morning but I did not have time to thank the staff of Leinster House; the ushers, the catering staff, the one stop shop and the administrative staff have given me a very warm welcome and have been very supportive during my initial days in Dáil Éireann. I deeply appreciate their very professional service. I also thank TDs from other parties who have been very supportive to me as a new TD; I appreciate it. I also wish the Minister and the Ministers of State in the Department of Health and Children well in their posts because the public health care system has been laid waste by their predecessors and will need a lot of hard work to restore services to their proper level.

Sligo General Hospital is a special place to me and to those I represent in Sligo-Leitrim. I worked there for many years, all of my children were born there, my mother, Lord rest her, died there and my grandchildren were born there. I saw it grow from a small scale hospital with medical, surgical and maternity services to a hospital that had many specialties and top class clinical specialists. It serves the people of Sligo, Leitrim, west Cavan, south Donegal and north Roscommon. If there was a proper cross-Border health care system, it would also cover Fermanagh.

Until 2009, the hospital provided a consultant-led breast cancer service to women unfortunate enough to develop the condition. It was originally intended by the HSE in all its reports that Sligo General Hospital would be one of the centres of excellence for breast cancer services. The hospital had the required specialist staff and the necessary facilities available and was providing a service that, in measurable terms, reached a standard of excellence which matched or bettered that on offer at any other centre in the country or abroad.

However, in 2009 breast cancer services were withdrawn from Sligo General Hospital and transferred to University College Hospital Galway. Despite massive public protests in Sligo, Leitrim, Donegal and at the gates of Leinster House — at which I was in attendance — and the wealth of information and evidence which clearly underlined the quality of the services being provided at Sligo, the previous Minister for Health and Children proceeded with the transfer. She did so with the connivance of the Health Service Executive and its scapegoat, Professor Tom Keane.

The former Minister has now gone on her way and Professor Keane has returned to Canada. However, women in Sligo, Leitrim, Donegal and west Cavan who have cancer and their families

continue to suffer. It is wrong that someone must spend up to six hours per day, five days per week travelling in order to obtain treatment in Galway. This should not be allowed to happen. In addition, it is scandalous that fine, hard-working staff at Sligo General Hospital are, on occasion, driven to tears as a result of the frustration they feel because they do not have time to provide patients with proper care.

It is not just cancer services which are at issue here. Some 60 orthopaedic beds have been closed at Sligo General Hospital during the past two years. The waiting lists are growing longer. That is scandalous, it is wrong and it should not happen. In the run up to the general election, the Labour Party and Fine Gael promised that cancer services would be restored to Sligo General Hospital. The Labour Party promised that this would be done within 100 days. There were no preconditions offered, the Labour Party stated that this was a red line issue when it came to its participation in Government. The target is 100 days and I am counting.

Deputy Róisín Shortall: I appreciate Deputy Colreavy's initial comments and thank him for them. I am sure the staff of the Houses also appreciate them. As everyone is aware, the staff are extremely helpful and supportive in the context of assisting new Members to settle in and I am sure that will continue to be the case.

I am taking this matter on behalf of the Minister, Deputy Reilly, and I welcome the opportunity to address the House in respect of it. In the first instance, I wish to refer briefly some of the key changes envisaged for health services in the programme for Government. These changes will form the context for decisions on the way that health services are organised and delivered in Ireland.

This is the first Government in the history of the State to commit to developing a universal, one-tier health service. We are also committed to reforming our model of health care in order that much more care will be delivered in the community. In this way we will seek to reduce the cost of achieving the best health outcomes and, most importantly, ensure that access to medical care is based on need, not income. In all of these changes, the Minister is committed to ensuring that quality and optimal care are at the heart of our health services, including cancer services, which must be delivered in line with best practice in a safe and quality-approved setting.

In the context of cancer services, the programme for Government contains two important commitments. First, the Minister intends to oversee the introduction of a human papilloma virus, HPV, vaccination catch-up programme for girls in secondary school. The Minister has been on record for some time as having called for this vaccine to be made available to all girls attending secondary school and he now intends to ensure this happens. Second, the Minister wants to extend the BreastCheck programme to include women who are aged 65 to 69 years of age. I am aware that this is an issue of great importance to older women. Many campaigns were carried out in recent years in the context of extending the programme to those to whom I refer. The commitment in this regard is welcome. Both of these programmes are vital in terms of prevention and early detection, which are central elements of cancer control.

Many Deputies will be aware that in 2006 A Strategy for Cancer Control in Ireland was published. This strategy was developed following considerable work by a group of clinicians and other stakeholders in the national cancer forum. It set out the rationale for the restructuring of cancer services which paved the way for the establishment of the national cancer control programme. In the interim, there has been considerable change in the way cancer services in our hospitals, in particular, are organised. It is clear that services were too fragmented and that many clinicians were dealing with patient numbers that were too low to guarantee best out-

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comes. For this reason, the national policy has been to centralise cancer diagnosis and surgery in eight hospitals and at a satellite centre in Letterkenny, while ensuring that chemotherapy can continue to be delivered at a more local level. This is in line with international evidence which shows that the best outcomes for patients are achieved by specialist teams operating in specialist settings and with access to ongoing education, training, research and peer review.

Breast cancer diagnosis and surgery were transferred from Sligo General Hospital to University College Hospital Galway in August 2009. However, chemotherapy services have remained in place in Sligo and are linked with the necessary multidisciplinary team at Galway. The medical oncologist in Sligo participates by means of video conference in the multidisciplinary team meetings in Galway relating to both the symptomatic service and BreastCheck. A breast care nurse based in Sligo follows up locally on women with minor complications and provides ongoing support and breast care if necessary.

Other cancer services at the hospital were not affected by the change. Other than skin cancer — which usually involves minor surgery — and a limited volume of bowel and rectal cancer cases, the vast majority of other curative cancer surgeries have never been undertaken at Sligo and are routinely referred to one of the eight designated cancer centres.

Those who opposed the transfer of breast cancer surgery from Sligo point to the distances women must travel for services in Galway or Dublin. Those who support the decision argue that women only travel for initial diagnosis and surgery and that other key services including chemotherapy are provided in Sligo. They also note that women now have their surgery in a centre which has the minimum volume of new cases recommended under the national quality assurance standards for symptomatic breast disease.

Whatever one's view, this is a key decision that was not reached lightly. The Minister intends to meet Dr. Susan O'Reilly, director of the national cancer control programme, in the near future. At that meeting, he will discuss with her a range of strategic issues relating to cancer services, including the best way forward for the provision of breast cancer services at Sligo. The Minister is committed to ensuring that the quality of care and outcomes is of paramount importance in decisions relating to health policy and cancer services. This principle will underpin all of the decisions to be made, including those relating to breast cancer services at Sligo General Hospital.

The Dáil adjourned at 9.30 p.m. until 10.30 a.m. on Thursday, 24 March 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].

Questions Nos. 1 to 19, inclusive, answered orally.

Tax Yield

20. **Deputy Niall Collins** asked the Minister for Finance his estimate of the impact on VAT receipts of the planned reduction in June in the lower rate of VAT from 13.5% to 12%. [5422/11]

Minister for Finance (Deputy Michael Noonan): The Government has committed in the Programme for Government, to lower the 13.5% reduced rate of VAT to 12% up to the end of 2013. It is intended that this VAT reduction will be undertaken within the first 100 days of office as part of a series of measures to resource a Jobs Fund.

It is estimated that a reduction of 1.5% in the reduced VAT rate would cost €353 million in a full year. If the proposed VAT reduction is introduced on 1 June 2011 it is estimated that this would reduce VAT receipts by €147 million this year.

Bank Guarantee Scheme

21. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Finance the plans for the six financial institutions under the bank guarantee scheme; when it is envisioned that the public stakes in the banks will be disposed of as per the programme for Government; and if he will make a statement on the matter. [5395/11]

Minister for Finance (Deputy Michael Noonan): The strategy for the future structure, functioning and viability of Irish financial institutions is being developed in detail and will be agreed with the IMF, ECB and the European Commission. Within the context of a comprehensive reorganization and downsizing of the banking sector, the strategy will identify the appropriate path to ensure that the banking system will operate without the need of further State support.

As provided for in the Programme for Government, this Government is committed to the disposal of the public stakes in the financial institutions as soon as possible at the best possible

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return to the taxpayer. A timeframe for this has not yet been developed, as our first priority is to stabilize the institutions to ensure they provide the economy with the credit required.

Fiscal Advisory Council

22. **Deputy Seán Crowe** asked the Minister for Finance the date on which the Fiscal Advisory Council will be appointed; the number of members who will be appointed to this council; the frequency with which this council will report to the Dáil; and if he will make a statement on the matter. [5405/11]

Minister for Finance (Deputy Michael Noonan): The establishment of an independent Fiscal Advisory Council is a key aspect of budgetary reform which the Government is committed to implementing under the terms of the Government Programme. My Department is already working towards strengthening fiscal and budgetary procedures, including the establishment of a Fiscal Council. I hope to review this work shortly and consider how best it can inform the wider debate on budgetary reform.

I will bring forward in due course detailed proposals, including those relating to an establishment date, membership of the Council and the nature and extent of its reporting relationship with Dáil Éireann. Furthermore, I would like to remind the Deputy that under the EU/IMF Programme of Financial Support, Ireland is obliged to establish such a Council by the end of June 2011.

It is very important for the effectiveness of the Council that it will be, and will be seen to be, transparent in its work and activities. With this in mind, it is intended that the modelling assumptions and inputs of the Fiscal Advisory Council will, as far as possible, be open to public scrutiny and its outputs would be freely available to external bodies, including, in particular, the opposition parties.

The House will be aware that the Joint Oireachtas Committee on Finance and the Public Service produced a detailed report in November 2010 entitled “Macroeconomic Policy and Fiscal and Economic Governance”. This report included proposals in respect of a Budget Review Council which would, among other things, evaluate fiscal policy outcomes relative to targets as well as the sustainability of the fiscal position adopted by Government.

Flood Relief

23. **Deputy Denis Naughten** asked the Minister for Finance the steps he is taking to address the summer flooding in the Shannon Callows; and if he will make a statement on the matter. [5413/11]

Minister of State at the Department of Finance (Deputy Brian Hayes): The Deputy will be aware of the on-going national programme of catchment Flood Risk Assessment and Management studies, which will lead to the development of comprehensive Flood Risk Assessment and Management plans for areas of significant flood risk. The Office of Public Works has assigned significant resources to this programme and it is intended that contracts to engage consultants to complete the programme by the end of 2015 will be in place by end 2011.

Jacobs International have been appointed as consultants to undertake a Catchment-based Flood Risk Assessment and Management Study for the River Shannon. The first principal reporting stage of this study will be the Preliminary Flood Risk Assessment which is required to be reported on at EU level by 22 December 2011 as set out in the EU Floods Directive.

The outcome of this assessment will be presented to the local authorities within the River Shannon catchment prior to that.

The summer flooding of the Shannon Callows between Portumna and Athlone will be specifically examined in this study to reflect the social and environmental damage which it causes in the catchment.

I will continue to review the efficacy of any interim measures, to assist in mitigating flood impacts, in the Callows area which may be pursued in advance of the completion of the Shannon CFRAM study.

In parallel with the commissioning of the CFRAM study for the River Shannon, the OPW continues to liaise with Waterways Ireland and the ESB to review water management protocols for the major storage areas in the Shannon system.

Fiscal Policy

24. **Deputy Pearse Doherty** asked the Minister for Finance the planned aggregate adjustments that will be made in the economy each year from now until 2015; if he will provide a draft summary of the consolidation plans beyond 2012; if he will provide growth projections for this period; and if he will make a statement on the matter. [5391/11]

39. **Deputy Brian Lenihan** asked the Minister for Finance his estimate of the fiscal correction for each of the years 2012, 2013, 2014 and 2015 in order to achieve the programme for Government's stated objective of reducing the deficit to 3% of GDP by 2015. [5417/11]

Minister for Finance (Deputy Michael Noonan): I propose to take Questions Nos. 24 and 39 together.

Firstly, let me make clear that this Government believes that sustainable public finances are a pre-requisite for economic stability and growth and we are committed to a determined deficit reduction strategy over the coming years.

The previous Government set out a multi-annual fiscal consolidation strategy in the National Recovery Plan 2011-2014, which projected the General Government deficit being reduced to under 3 per cent of GDP by 2014. While remaining fully committed to reaching the 3 per cent of GDP deficit target, we believe that the appropriate time-scale to achieve this is over the period to 2015. It is important to point out that this additional year had already been provided for by the Ecofin Council agreement of December last and as such is entirely consistent with the views of the EU Commission.

In relation to the budgetary consolidation to be undertaken in each of the years until 2015, the Government intends to adhere to the aggregate fiscal adjustment previously set out for the combined period 2011 to 2012. We believe that this level of consolidation is appropriate and that delivering on these targets will enhance our international credibility.

The details of the level of consolidation which will be necessary in the years 2013 to 2015 are currently being reviewed, in light of emerging economic and fiscal data and the extension of the adjustment period. My Department's view, based on its assessment last November, is for annual average GDP growth of around 2.75 per cent per annum over the period 2011 to 2014. As part of the new EU semester which applies to all Member States, revised economic and fiscal projections will be published with the Stability Programme Update next month. These forecasts will take account of the latest domestic and international data available and will present an assessment of prospects out to 2015.

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Of course, all projections are subject to a significant degree of uncertainty and this is why the Programme for Government foresees a review of the progress on deficit reduction in the approach to Budget 2013 in order to ensure a deficit below 3 per cent of GDP is delivered by 2015. This is an entirely sensible position as it will be important to reconsider the scale of the adjustment needed at that stage in the light of the circumstances that pertain.

That said, I would point out that the Government believes that achieving the 3 per cent of GDP deficit is an intermediate step in the process of restoring the public finances and that further reductions in the deficit to GDP ratio will be required thereafter.

The new Government is determined to restore sustainability to our public finances and we will work with our Programme partners to ensure that this is achieved.

Tax Reliefs

25. **Deputy Aengus Ó Snodaigh** asked the Minister for Finance if he will proceed with the standardisation of tax reliefs as set out in the national recovery plan; the property tax reliefs, tax reliefs and property shelters that will be reduced, capped or abolished; and if he will make a statement on the matter. [5403/11]

Minister for Finance (Deputy Michael Noonan): The Deputy may be aware that we undertook in the programme for Government to reduce, cap or abolish property tax reliefs and other tax shelters which benefit very high income earners. All tax reliefs are reviewed as part of the annual budget and Finance Bill process. The EU/IMF programme of assistance included commitments to, among other things; reduce tax relief over the period to 2014 on pension contributions. These proposals form part of the fiscal consolidation commitments agreed with the EU Commission, the IMF and the ECB. This approach has implications for the incentive for individuals to save for retirement and I will be examining the potential for alternative approaches in the coming months.

In relation to the property tax reliefs, the Deputy will be aware that the Finance Act 2011 provides for the progressive restriction and eventual abolition of the use of accelerated capital allowances under the various property and area-based tax incentive schemes and the relief for lessors of certain residential property, commonly known as section 23-type relief.

These restrictions are subject to a commencement order, which can come into effect 60 days after the publication of an economic impact assessment.

I am currently considering this matter.

State Banking Sector

26. **Deputy Peadar Tóibín** asked the Minister for Finance when the Strategic Investment Bank will be set up; the staff requirements needed in the new bank; the branch structure envisioned for the new bank; the way this bank will be established; the way this bank will be funded; and if he will make a statement on the matter. [5399/11]

Minister for Finance (Deputy Michael Noonan): The Government has published a comprehensive programme setting out its goals over the full range of policy concerns. The Government will address this programme over its term of office in a measured and prioritised way. I would draw the Deputy's attention to those elements of the programme for Government which refer to reform of the way in which Government spending is assessed, planned, decided and reviewed. Major projects, as the setting up of a Strategic Investment Bank undoubtedly is, will

require a detailed business case or, where appropriate, a cost-benefit analysis. When the necessary detailed assessment and planning work has been done, the Government will be in a position to decide on the timing and the structure for setting up the Strategic Investment Bank.

The detailed requirements of the Strategic Investment Bank in relation to staffing, branch structure, and funding will be decided at the appropriate time.

Questions Nos. 27 and 28 answered with Question No. 19.

Public Service Staff

29. **Deputy Mary Lou McDonald** asked the Minister for Finance the way he plans to shed 25,000 jobs in the public sector in the period up to 2015; the cost savings he hopes to achieve; the schemes that will be introduced to ensure that these reductions are made in the public sector; the grades within the public sector most likely to be targeted for job losses; and if he will make a statement on the matter. [5397/11]

Minister for Finance (Deputy Michael Noonan): The Government plans to bring about a reduction of between 18,000 and 21,000 in overall public service numbers by 2014, relative to the end-2010 position, with a further 4,000 reduction in 2015, subject to there being no compulsory redundancies and to the protection of front line services. As outlined in the Government programme, this will involve a fundamental change to the way in which the Government and the public service operates, including the rationalisation of core processes across the public service, a reduction in the number of State bodies and the elimination of non-priority programmes and outsourcing of non-core functions, where appropriate. The measures necessary to give effect to these reductions are being developed on by the Department of Public Expenditure and Reform, taking account of the existing projections for staff numbers over the coming years. The upcoming comprehensive spending review will also focus upon reform and new ways of delivering public services, and the opportunities and challenges arising under the Croke Park Agreement. This Review will identify the policy decisions within which these numbers reductions will be made.

Mortgage Arrears

30. **Deputy Denis Naughten** asked the Minister for Finance his plans to assist families in mortgage difficulty; the discussions he is planning with the Irish Family Services Regulatory Authority on the issue; and if he will make a statement on the matter. [5412/11]

Minister for Finance (Deputy Michael Noonan): As agreed in the Programme for National Recovery 2011 to 2016, the Government will examine a number of proposals aimed at helping mortgage-holders in difficulty. These will include: increasing mortgage interest relief to 30% for first time buyers in 2004-2008 (from the current sliding scale of 20% to 25% depending on the year the mortgage was taken out), financed in part by bringing forward the abolition of relief for new buyers from June 2011. Directing any mortgage provider in receipt of State support to present Government with a plan of how it intends to cut its costs, over and above existing plans, in a fair manner by a sufficient amount to forego a 25 basis point increase on its variable rate mortgage. Introducing a two year moratorium on repossessions of modest family homes where a family makes an honest effort to pay their mortgage. Fast-tracking personal bankruptcy reform needed to bring Ireland into line with best international standards, such as introducing a flexible discharge period for “honest bankrupts”, defined as one that has materially complied with the tax, NAMA and companies Acts among others. Converting the

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Money Advice and Budgeting Service into a strengthened Personal Debt Management Agency with strong legal powers. The agency will support families who make an honest effort to deal with their debts, including non-mortgage debt, providing protection from their creditors where appropriate, so that they have time to sort out their affairs. In order to do so, the Personal Debt Management Agency will have quasi-judicial status. Making greater use of mortgage interest supplement to support families who cannot meet their mortgage payments is a better and cheaper option than paying rent supplement after a family loses their home.

The Deputy will be aware that the Expert Group on Mortgage Arrears and Personal Debt produced two reports, an interim report published in July 2010 and a final report published in November 2010. All of the expert group's recommendations are listed in Chapter 2 of the final report. They can be accessed at www.finance.gov.ie

Since the publication of the reports, the Code of Conduct for Mortgage Arrears (CCMA) has been revised by the Central Bank to reflect many of the recommendations of the expert group including key recommendations relating to the introduction by all regulated lenders of a standardised Mortgage Arrears Resolution Process (MARP). The most significant changes in the revised CCMA include: borrowers in arrears who co-operate with the Mortgage Arrears Resolution Process (MARP) are not charged penalty interest charges; harassment of borrowers through unsolicited communications is outlawed; and borrowers in financial difficulties, but not in arrears, are allowed to come under the MARP.

The revised CCMA was published on 6 December 2010 and came into effect on 1 January 2011. The revised CCMA can be accessed at www.centralbank.ie. Lenders are required to comply with the CCMA as a matter of law but have been given a period of six months grace ending on 30 June 2011 to put in place the requisite systems and training of staff necessary to support the implementation of the MARP. In addition, the Central Bank has also written to lenders to issue directions under section 149 of the Consumer Credit Act 1995 which will mean that lenders cannot impose arrears charges or penalty interest on borrowers who are co-operating with MARP.

The Deputy will also be aware of the existing importance of the mortgage interest supplement (MIS) scheme and the Money Advice and Budgeting Service (MABS) in assisting consumers who have fallen into arrears or who are experiencing difficulties servicing their mortgage repayments. The MIS scheme currently supports approximately 18,000 mortgage-holders while MABS provides a national, free, confidential and independent service operating from 53 offices nationwide.

Bond Yields

31. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Finance his view on the fact that the ten year bond yields have reached record high levels since the publication of the programme for Government; his plans to ensure that bond yields do not increase further; and if he will make a statement on the matter. [5396/11]

Minister for Finance (Deputy Michael Noonan): The yield on Ireland's 10-year bond, which stood at 4.48% at the end of the first quarter of 2010, was 9.49% on 21 March 2011. The yield spread over the German 10-year bond increased from 1.38% to 6.35% over the same period. The secondary market in Irish Government bonds is negatively affected by a number of factors at the moment, including uncertainty about the implications for the capital requirements of the Irish banks arising from the PCAR and PLAR exercises. In addition, there is some uncertainty

regarding the final outcome of the current discussions on the various mechanisms for supporting the euro-area debt markets. The implementation of measures by the Government to create a healthy and vibrant banking system together with the resolution of the Europe-wide dimensions of the banking and debt crisis should help create the conditions in which confidence would begin to return to our bond market.

Furthermore, the Government's programme to support growth which will in turn underpin its jobs strategy will also assist in a more favourable view of Ireland over the medium term.

Jobs Fund

32. **Deputy Niall Collins** asked the Minister for Finance when he will announce his plans for a jobs budget. [5423/11]

Minister for Finance (Deputy Michael Noonan): The Government is very strongly committed to a jobs and growth strategy. We are also fully committed to bringing forward as a matter of priority a jobs fund to put this strategy into effect. While a specific date for the publication of such a jobs fund has yet to be finalised, the Government is committed to its introduction in the early stages of its term. I can assure the House that this issue is a key priority for this Government and work is advancing on bringing the necessary policy measures forward.

Departmental Reports

33. **Deputy Martin Ferris** asked the Minister for Finance when the McCarthy Review Group on State Assets will publish their report; if he has received a copy of this report; when it is envisioned that he will target the €2 billion in sales of State assets; and if he will make a statement on the matter. [5401/11]

Minister for Finance (Deputy Michael Noonan): The Review Group on State Assets and Liabilities is currently finalising its report and I expect that it will be brought to Government shortly. Publication of the report will be a matter for Government decision. On foot of Government's consideration of the group's recommendations, a programme of asset disposals will be drawn-up to meet the target that was agreed in the programme for Government. This will take account, *inter alia*, of the review group's recommendations as to the appropriate candidates for disposal and the timing of such disposals.

EU-IMF Fund

34. **Deputy Sandra McLellan** asked the Minister for Finance the discussions that he and other representatives from the Department of Finance have had within the past few weeks with the International Monetary Fund; the positions taken by him and the IMF; the outcome of the meetings; if he will provide a schedule of meetings he is due to have with officials from both the Commission and the IMF; and if he will make a statement on the matter. [5407/11]

Minister for Finance (Deputy Michael Noonan): The Minister for Public Expenditure and Reform, Deputy Howlin, myself and officials from my Department met with key officials from the IMF, the European Commission and the European Central Bank, in my Department on Wednesday, 16 March to discuss the implications of the programme for Government for the EU/IMF Programme of Financial Support for Ireland. I restated this Government's commitment to the fiscal targets set out in the EU/IMF programme while outlining this Government's intention to reconsider some of the spending and revenue measures within the EU/IMF programme. I have committed to discussing any proposed changes to the programme with the IMF,

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European Commission and ECB. It is clearly understood that any changes to the EU/IMF programme that have cost implications will have to be compensated for with alternative measures.

In relation to the financial sector, I explained that the Government's approach to the bank restructuring as agreed under the EU/ IMF programme will depend on the results of the stress tests which are not available until 31 March.

As you will be aware, the first EU / IMF programme quarterly review was due to take place last month. However, given the timing of the general election, the quarterly review was deferred and a technical mission took place in February in its place. The first quarterly review is being combined with the second quarterly review which has been provisionally scheduled to take place from the 5 to 15 April. The schedule for this review has yet to be finalised.

Finally, I would also point out that there are regular contacts at official level between the Irish authorities and the EU, the ECB and the IMF concerning the support programme.

Banks Recapitalisation

35. **Deputy Gerry Adams** asked the Minister for Finance the timeline for completion of the solvency stress tests of the banks; and if he will make a statement on the matter. [5393/11]

Minister for Finance (Deputy Michael Noonan): The Prudential Capital Assessment Review (PCAR) and Prudential Liquidity Assessment Review (PLAR) for AIB, Bank of Ireland, Irish Life and Permanent, and EBS Building Society will be completed by the Central Bank of Ireland by the end of March and form part of the economic and financial policies to be implemented during the period of the external programme to end of 2013. The PCAR includes stress tests based on adverse macro economic scenarios to establish the capital needs of banks over the next three years. Work is progressing to schedule and in agreement with the external authorities.

The PLAR will set banks specific funding targets consistent with Basel III and other international measures of stable, high quality funding. The PLAR will outline measures to be implemented with a view to steadily deleveraging the banking system and reducing the bank's reliance on short term funding.

Expenditure Reviews

36. **Deputy Martin Ferris** asked the Minister for Finance when the comprehensive spending review will be undertaken; the persons who will make up this comprehensive spending review; the deadline for the review to be completed; the terms of reference for the review; and if he will make a statement on the matter. [5402/11]

Minister for Finance (Deputy Michael Noonan): The Government intends to initiate a Comprehensive Spending Review shortly and to complete the exercise within approximately six months, so that its findings can be reflected in the Budget for 2012. The details of how the Review is to be conducted are now being finalised by the Minister for Public Expenditure and Reform.

Public Service Recruitment

37. **Deputy Mary Lou McDonald** asked the Minister for Finance the personnel from outside the current system that will be brought into the public sector as per the programme for Govern-

ment; the number of new personnel expected to be brought in; the proposed grades of these new personnel; and if he will make a statement on the matter. [5398/11]

Minister for Finance (Deputy Michael Noonan): In regard to public sector reform, the Programme for Government 2011 set out the following: the introduction of new personnel from outside the current system, particularly experts in change management. New talent and skills brought into the Department of Finance; new skills and rigour brought into policy-making across all Departments. All appointments at Principal Officer level and above will be open to external competition and at least one-third of such appointments will be reserved for candidates from outside traditional civil service structures for a 5-year period.

As the Deputy is aware, there is a recruitment and promotion moratorium in place in the Civil Service, local authorities, non-commercial State bodies, the Garda Síochána and the Permanent Defence Forces. Decisions in respect of future recruitment campaigns will be taken in the context of the business needs of the relevant organisation, the moratorium on recruitment and promotion and any redeployment arrangements agreed for the civil and public service. Open competitions have always been held for recruitment to entry level grades of Clerical, Executive and Administrative Officer. The Social Partnership Agreements, *Sustaining Progress and Towards 2016*, made provision for open recruitment to other Civil Service grades under the themes of Public Service Modernisation. A number of open competitions at Principal Officer, Assistant Principal Officer and Higher Executive Officer levels have been held since 2003.

The current situation is that appointments at senior level are already open to external applicants. It is already the case that for some grades, more than one third of appointments are offered to external candidates. Applicants from outside the Civil Service who make it to the final stages of the competitions do well.

In late 2010 the Revenue Commissioners recruited, by open competition, Principal Officers and Assistant Principals with relevant skills (taxation, IT, audit) and Solicitors. This resulted in a very significant proportion of appointments from the private sector. This shows that once there is a clear and targeted identification of specific skills to suit the needs of the organisation that appointments may be made, and are made, of people with the skills required, whether from public or private sector.

In relation to the grades above Principal Officer, since early 2007 the policy has been that open competitions are held for Assistant Secretary, Deputy Secretary and equivalent posts. More recently this policy has been extended to Secretary General Posts, with the exception of a limited number of Secretary General posts which are filled by the Government without a TLAC competition. In 2010, from 12 competitions for posts at Assistant Secretary level, the TLAC recommended the appointment of three candidates from outside the civil service, two from the private sector (one of whom did not take up the post) and one from the public service.

Economic Governance

38. **Deputy Pádraig Mac Lochlainn** asked the Minister for Finance the progress being made to finalise the work on the Commission's six legislative proposals on economic governance; the progress made in implementing the recommendations of the task force; the progress in putting together the National Reform and Stability Programme required by the European Council; and if he will make a statement on the matter. [5410/11]

Minister for Finance (Deputy Michael Noonan): The Commission published legislative proposals in September 2010, following its Communications earlier in 2010 on strengthening

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budgetary discipline and introducing new procedures to prevent the occurrence of harmful macro-economic imbalances and excessive divergences in competitiveness in the euro area. The Commission's proposals have been under consideration by a Council working group which has taken account also of the parallel recommendations of the Van Rompuy Task Force on economic governance which reported last autumn.

I understand that tomorrow's European Council is expected to adopt conclusions on the proposals. This will form a basis for discussion with the European Parliament with a view to implementation of agreed changes thereafter. The main aspects of the proposals relate to prudent fiscal policy making, greater emphasis on debt levels, prevention of macro-economic imbalances and strengthening of national fiscal frameworks in line with the Stability and Growth Pact. In the context of the euro area, there is also provision for financial sanctions in the event of persistent non-compliance with Council recommendations.

In line with the arrangements which have been agreed in the context of the new European Semester, a draft National Reform Programme (NRP) was submitted to the European Commission in December 2010. The NRP is currently being finalised and along with a Stability Programme Update will be submitted to Government for approval in the coming weeks. These programmes are due to be submitted to the European Commission by the end of April. The European Semester aims to allow for a simultaneous assessment of both budgetary measures (Stability Programme) and structural reforms (National Reform Programme) fostering growth and employment so that better account is taken of the EU and euro area dimensions when countries prepare budgets and economic reform programmes.

Question No. 39 answered with Question No. 24.

Legislative Programme

40. **Deputy Dara Calleary** asked the Minister for Finance the Government's policy is on the NAMA (Amendment) Bill 2010. [5419/11]

Minister for Finance (Deputy Michael Noonan): The NAMA (Amendment) Bill 2011 which was published on 26 January 2011 made provision for the transfer of sub €20 million land and development loans from Allied Irish Banks and Bank of Ireland with a view to achieving further deleveraging of those banks. The Government has clearly stated in the Programme for National Government that further asset transfers to NAMA are unlikely to improve market confidence in either the banks or the State. At this stage, it is not intended to proceed with the Bill. Consideration of a range of options in terms of reorganisation of the banking sector is ongoing in conjunction with the domestic and external authorities.

Banks Recapitalisation

41. **Deputy Gerry Adams** asked the Minister for Finance the medium-term, affordable, official financing that will be made available to the banks as per the programme for Government; the source of this funding; the cost at which this funding will come; and if he will make a statement on the matter. [5394/11]

Minister for Finance (Deputy Michael Noonan): Consistent with the terms of the EU-IMF Programme for Ireland, the Central Bank will perform a Prudential Liquidity Assessment Review (PLAR) which will be completed by the end of March. The PLAR will set out measures to achieve steady deleveraging and bring about a reduction in the reliance of the banks on

Central Bank funding by the end of the programme period. In addition to the PLAR, the Prudential Capital Assessment Review (PCAR) will be completed by the Central Bank of Ireland by the end of March which will establish the capital needs of banks over the next three years.

The agreed EU-IMF Programme provides for a recapitalization, fundamental downsizing, restructuring and reorganization of the Irish banking sector. The aim of the process is a smaller banking system, which will be capitalised to highest international standards with renewed access to normal market sources of funding. This will enable the Irish banks to reduce their reliance on Eurosystem and Central Bank funding mechanisms.

This Government is committed to a smaller banking system that reduces its reliance on funding from the Irish and European Central Banks. As referred to in the programme for Government, as an interim measure, the Government will seek to replace emergency lending to our banks with medium-term, affordable, official financing. This commitment is part of a comprehensive programme which sets out the Government's goals over a full range of policy concerns and will be addressed in a measured and prioritised manner. All appropriate options to replace emergency lending will be considered.

Banking Sector Regulation

42. **Deputy Dessie Ellis** asked the Minister for Finance when he plans to restructure the boards of the banks and replace the directors as per the programme for Government; when the review into the remuneration schemes at banks will be undertaken; and if he will make a statement on the matter. [5400/11]

Minister for Finance (Deputy Michael Noonan): The commitments referred to by the Deputy contained in the “Government for National Recovery 2011 – 2016” programme — namely those relating to the restructuring of the boards of the covered institutions and the review of remuneration schemes operating in such institutions – will form a vital part of this Government's objective of making the banking system an engine of economic recovery by restoring public and market confidence in its financial health, management competence and ethical integrity. Actions on these matters will be addressed by this Government and the regulatory authorities as appropriate at the earliest possible date consistent with the on-going discussions concerning banking matters. In this regard the Deputy will note the action of the Central Bank, announced yesterday, to review the fitness and probity of all existing executive and non-executive directors of banks which have received Government assistance which is aligned with the objective above. The Central Bank is also reviewing how credit institutions are addressing the new EU wide regulations, effective from 1 January 2011, on the remuneration policies and practices of credit institutions which are designed to impose a binding obligation on such institutions to have remuneration policies and practices that are consistent with and promote sound and effective risk management, accompanied by high level principles on sound remuneration.

Economic Partnership Agreements

43. **Deputy Michael P. Kitt** asked the Tánaiste and Minister for Foreign Affairs the position regarding the Economic Partnership Agreements; if there will be flexibility in the discussions on these agreements; and if he will make a statement on the matter. [5561/11]

44. **Deputy Michael P. Kitt** asked the Tánaiste and Minister for Foreign Affairs if his attention has been drawn to the fact that many non-governmental organisations are concerned that safeguards will be put in place in order to counteract cheap imports in African countries; and if he will make a statement on the matter. [5562/11]

Minister of State at the Department of Foreign Affairs (Deputy Jan O'Sullivan): I propose to take Questions Nos. 43 and 44 together.

Since 2002, the EU has been negotiating a series of new trade and development agreements with the African, Caribbean and Pacific (ACP) group of States. The negotiations for these Economic Partnership Agreements are being carried out by the European Commission, on behalf of the European Community and the Member States. They were necessitated by rulings by the World Trade Organisation (WTO) that the unilateral trade preferences which the EU had previously granted to the ACP countries established unfair discrimination between developing countries.

The original aim had been to conclude comprehensive Agreements with six regional groupings of the ACP States by the end of 2007, the deadline set by the WTO. However, following a process of protracted and difficult negotiation, only one of the ACP regional groups, representing Caribbean States, was ready to initial an Economic Partnership Agreement by that date. In order to avoid trade disruption, interim Agreements were agreed and initialled at the end of 2007 with 21 other ACP States, either individually or in regional groupings. These interim Agreements provide for full duty and quota-free access to the European Union market but allow the ACP countries a flexible and asymmetric trade liberalisation schedule.

In recent years, there have been well-founded concerns that momentum in the negotiations was being lost, and that there was a need to revitalise the original shared commitment to the achievement of strong Agreements which serve the development needs of the ACP countries, promoting economic growth and regional integration. In light of these concerns, a positive development at the EU-Africa Summit last November was the commitment by political leaders from both sides “to conclude Economic Partnership Agreements that support socio-economic development, regional integration and the integration of Africa into the global economy”. There was a clear commitment also from EU leaders to show flexibility in addressing concerns raised by African countries in the negotiations.

The Deputy refers to concerns which several Non-Governmental Organisations have raised in the context of the negotiations regarding the danger of an increase in cheap imports to African countries. These concerns have been raised with the Commission, and discussed among the EU Member States. Under the terms of the interim Agreements, ACP countries are permitted to exclude a wide range of sensitive goods and sectors from any trade liberalisation. In practice, these exclusions have covered agricultural products considered key to food security and the income of rural communities, products from industries considered vulnerable and, in some cases, products where import duties provide essential state revenues. Safeguard clauses in the Agreements provide an additional safety net, allowing countries to take measures to protect infant industries, food security and rural development or any other production sector in the event of a threat of market disruption by imports.

I will follow these negotiations closely in order to ensure that they reflect the commitment made at the EU-Africa Summit. I believe it is essential that Agreements reached strongly support the development needs of the ACP countries and specifically their programmes to reduce poverty. I am very aware of the concerns that have been raised in the past by African countries and by NGOs, and I will want to work with our partners to ensure that the EU's

negotiating approach allows for the application of all the trade flexibility permissible under WTO law. The negotiations being led by the European Commission must serve to strengthen the EU's partnership with the ACP States, and I will work with our partners, in the EU and in Africa, to this end.

Overseas Development Programmes

45. **Deputy Michael P. Kitt** asked the Tánaiste and Minister for Foreign Affairs if he has received representations from non-governmental organisations on their concerns at the low capacity of developing countries to implement fair and effective tax collection systems; if an estimate is available on the loss of money from developing countries due to tax avoidance and evasion; and if he will make a statement on the matter. [5563/11]

Minister of State at the Department of Foreign Affairs (Deputy Jan O'Sullivan): Efficient and fair tax systems in developing countries are essential for sustainable growth, poverty reduction, and the provision of services so that the Millennium Development Goals (MDGs) can be met. They also help in promoting democracy and state legitimacy, since tax payers are more likely to hold their governments to account. This is why building government systems, including tax and other systems of good governance, is such an important pillar of Ireland's overseas aid programme, Irish Aid.

I welcome the growing interest in, and representations from non-governmental organisations on, the importance of building fair and transparent government systems.

Tax avoidance and evasion is a major issue for developing countries. It is difficult to estimate the exact cost to state exchequers in all developing countries. According to the Oxford University Centre for Business Taxation, reported estimates of revenue losses suffered by developing countries range between approximately US \$35 billion and US \$160 billion per year.

However, there are also grounds for optimism. First and foremost, governments of developing countries are seeing domestic revenue mobilisation in a new light. The uncertainty created by the global economic crisis has underpinned the realisation that it is primarily fair and efficient taxation that will meet the revenue needs of developing countries. The formation of the African Taxation Administrators Forum (ATAF) by revenue authorities across Africa, supported by our overseas development programme, Irish Aid, is playing an important role in building capacity in that regard.

These efforts are being reinforced by a growing international consensus around taxation and development. The G8 and the G20 have made considerable advances with the assistance of the Organisation for Economic Co-operation and Development (OECD), the International Monetary Fund and others towards addressing illicit capital flows and tax evasion. The EU has also adopted, with Ireland's support, an action plan to support tax administration and reforms in developing countries.

I am also happy to note that a comprehensive Tax and Development Programme was recently launched, with the active engagement of OECD members, including Ireland, developing countries, non-governmental organisations, civil society and business. This Programme will respond to the new opportunities for more international tax transparency, and work towards an enhanced enabling environment for developing countries to collect tax revenues and to build effective states.

Finally, Ireland is supporting through our aid programme a number of other important initiatives aimed at strengthening tax systems in Africa. This includes support for regional

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efforts such as AWEPA’s work with the East African Community Customs Union. The very fruitful collaboration between the Irish Revenue Commissioners and the Rwanda Revenue Authority is also being supported. More generally, our partnership with the Irish Aid Programme Countries places an emphasis on strengthening the management of public finances and ensuring that revenues raised are used effectively and efficiently to tackle poverty.

Fiscal Policy

46. **Deputy Brian Lenihan** asked the Minister for Finance if he will confirm the status of the fiscal targets set out in the National Recovery Plan 2011- 2014 [5519/11]

Minister for Finance (Deputy Michael Noonan): The previous Government set out a multi-annual fiscal consolidation strategy in the National Recovery Plan 2011-2014, which projected the General Government deficit being reduced to under 3 per cent of GDP by 2014. While remaining fully committed to reaching the 3 per cent of GDP deficit target, we believe that the appropriate time-scale to achieve this is over the period to 2015. It is important to point out that this additional year had already been provided for by the Ecofin Council agreement of December last and as such is entirely consistent with the views of the EU Commission. In relation to the budgetary consolidation to be undertaken in each of the years until 2015, the Government intends to adhere to the aggregate fiscal adjustment previously set out for the combined period 2011 to 2012. We believe that this level of consolidation is appropriate and that delivering on these targets will enhance our international credibility.

The details of the level of consolidation which will be necessary in the years 2013 to 2015 are currently being reviewed, in light of emerging economic and fiscal data and the extension of the adjustment period. As part of the new EU semester which applies to all Member States, revised economic and fiscal projections will be published with the Stability Programme Update next month. These forecasts will take account of the latest domestic and international data available and will present an assessment of prospects out to 2015.

Departmental Appointments

47. **Deputy Olivia Mitchell** asked the Minister for Finance if all 14 of the candidates selected for the OPW/RIAI architectural graduate training scheme will be offered positions considering seven applicants are yet to be offered positions, though the start deadline is March 2011; and if he will make a statement on the matter. [5464/11]

Minister of State at the Department of Finance (Deputy Brian Hayes): This Office sponsors a post-graduate architect training scheme to provide practical experience for graduate architects wishing to prepare for the Royal Institute of the Architects of Ireland (R.I.A.I.) (NUI) examination in professional practice or RIBA Part 3 examinations. The training programme is available for up to a maximum of 30 Graduates for a period of 3 years. This Office currently has twenty four Graduates on the training programme including seven from the most recent competition run by the R.I.A.I. The remaining seven applicants will be placed on the programme as and when the work programme permits and the necessary resources are available. While it was hoped that all the graduates would have been placed between October of last year and March this year it may be some months before further calls are made. All remaining seven applicants have been informed of the situation.

State Banking Sector

48. **Deputy Olivia Mitchell** asked the Minister for Finance if his attention has been drawn to the fact that Anglo Irish Bank is tendering for new IT systems and the way this can be justified in view of the stated intention to wind down that bank; and if he will make a statement on the matter. [5470/11]

Minister for Finance (Deputy Michael Noonan): As the Deputy is aware, the day to day running of the bank's operations is a matter for the Board of Anglo Irish Bank. However, the Bank has confirmed that its tendering does not focus on new I.T. systems other than what is required to maintain the Bank's business and provide essential I.T. maintenance services to support its existing infrastructure and systems. The maintenance of these existing systems is necessary for the Bank to effectively manage its requirements under the Restructuring plan currently under consideration by the European Commission.

Motor Fuels

49. **Deputy Olivia Mitchell** asked the Minister for Finance if consideration is being given to the impact of escalating oil prices on the transport industry; if any temporary taxation adjustments or other measures are being considered in view of the high knock-on effects of ever rising fuel costs for all businesses; and if he will make a statement on the matter. [5477/11]

Minister for Finance (Deputy Michael Noonan): Ireland, as with other countries, has experienced an increase in the cost of petrol and auto-diesel. The increase in fuel prices is an international phenomenon. Fuel prices are driven by a number of factors including the price of oil on international markets, exchange rates, production costs and refining costs. The rise in oil prices over recent periods reflected additional factors such as geopolitical uncertainty in Northern Africa and the Middle East with potential supply disruptions. The excise rates (including the carbon charge) in Ireland on motor fuels are 57.6 cent on a litre of petrol and 46.6 cent on a litre of auto-diesel. Ireland's excise rates are the ninth and fourth highest in the EU27 for petrol and auto-diesel respectively. However, our rates remain lower than many of our main trading partners and significantly lower than our nearest neighbour the UK.

The Exchequer yield from excise, as excise is set at a nominal amount, does not increase as the price of fuels increase. On the other hand, the yield from VAT per litre of fuel, as VAT is set as a percentage of the price, increases as the price of fuels increase.

It is on this latter basis that there are often demands to reduce taxes on fuel. However, I would point-out that the Exchequer gain may be limited because:

1. the increase in petrol and diesel prices reduces the quantity of such fuels being purchased,
2. the overall level of economic activity is reduced by higher oil prices.

It should also be noted that businesses are of course entitled to reclaim VAT incurred on their business inputs, including VAT incurred on fuel. For example, VAT incurred on auto-diesel and marked gas oil (MGO or green diesel) used in the course of business is a deductible credit for business in the Irish VAT system. VAT on petrol can not be deducted/reclaimed.

There are no plans for temporary taxation adjustments for specific sectors or businesses in general, as to do so, could lead to significant costs to the Exchequer. The issue of rising fuel prices was briefly discussed by EU Finance Ministers at the ECOFIN meeting on 15 March and they reconfirmed the approach taken in 2005 and again in 2008, when oil prices were very

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high, which endorsed a coordinated approach towards not making distortionary fiscal adjustments.

School Services Staff

50. **Deputy Olivia Mitchell** asked the Minister for Finance if he will reconsider the directive requiring a 5% cut in pay for low paid school-based non-teaching staff considering in most cases, and certainly in private schools, the pay levels for caretakers, secretaries and so on have no implications for the public purse; and if he will make a statement on the matter. [5488/11]

Minister for Finance (Deputy Michael Noonan): The Financial Emergency Measures in the Public Interest (No 2) Act 2009 provides for the reduction in the pay rates of all persons employed by public service bodies with effect from 1 January 2010. Such reductions apply irrespective of whether a particular post is funded in whole or in part through non-Exchequer funds or income. The non-teaching staffs referred to in the question are, whether employed in public or private schools, deemed to be public servants within the meaning of and for the purposes of the Financial Emergency Measures in the Public Interest (No. 2) Act 2009. This position has been confirmed by legal advice.

The former Minister for Finance approved a temporary exemption under Section 6 of the Financial Emergency Measures in the Public Interest (No. 2) Act for certain categories of workers in the education sector (including certain caretakers and secretaries) until 31 December 2010. Accordingly, the Financial Emergency Measures in the Public Interest (No. 2) Act has been applied to those specific categories of workers in the education sector since 1 January 2011 only.

It is important to understand that while there is a variety of staff across the education sector who are employed by public service bodies but who are either wholly or partly funded from non-Exchequer sources, there are also staff undertaking the same or very similar duties whose posts are fully Exchequer funded. All of these staff have now been subject to the terms of the Financial Emergency Measures in the Public Interest (No. 2) Act 2009.

Tax Code

51. **Deputy James Bannon** asked the Minister for Finance the reason a person (details supplied) in County Longford and their spouse with students at third level cannot receive tax relief on rents paid for these students, none of whom have grants, while any other couple paying rent can claim up to €4,000; and if he will make a statement on the matter. [5494/11]

Minister for Finance (Deputy Michael Noonan): Section 473 of the Taxes Consolidation Act 1997 provides tax relief for rent paid, up to certain limits, for private accommodation used as a sole or main residence. A phased withdrawal of this relief was announced in the recent National Recovery Plan 2010 – 2014, Budget and Finance Act. The amount of rent that can be relieved will reduce on a gradual basis, culminating in the total withdrawal of the relief for the year 2018 and subsequent years. The relief takes the form of a reduction in income tax liability. The reduction is an amount equal to the lowest of:

- the total amount of rent paid multiplied by the standard rate of tax for that year;
- the specified limit (which in the case of a person assessed to tax as a married couple is €3,200 or, if the person is aged 55 years or over, €6,400 for the tax year 2011) multiplied by the standard rate of tax for that year; and

- the amount that reduces the income tax of that person to nil.

The relief is not available to any person who was not paying rent on 7 December 2010.

Rent paid by parents for accommodation for their children undergoing third level education does not qualify for the relief as the rented accommodation is not the sole or main residence of the parents.

Notwithstanding the above, the Government acknowledges the continuing financial pressures on parents and students and is therefore making significant commitments in the area of third level education. In general, there are no tuition fees payable at undergraduate level. This is an effective subsidy to students and their parents or guardians who would otherwise have to pay some or all of the economic cost of providing such undergraduate education.

Training and Work Experience Programmes

52. **Deputy Ciarán Lynch** asked the Minister for Education and Skills his plans to introduce a scheme which would facilitate apprentices who have been made redundant in the completion of their apprenticeships; when such a programme will be put in place; and if he will make a statement on the matter. [5473/11]

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): A significant number of measures are currently in place to enable registered redundant apprentices to progress in their apprenticeships.

Under the apprenticeship programme administered by FÁS, the rules for off-the-job training have been amended to permit redundant apprentices to progress to their next off-the-job training phases. To date in 2011, 714 apprentices registered as redundant had completed their next off-the-job training. An additional 454 are scheduled to commence off-the-job training in April 2011. The Redundant Apprentice Placement Scheme introduced by FÁS last year to provide work placement opportunities for redundant apprentices to complete on-the-job training at Phase 3, 5 and 7 has been broadened in 2011 include placements with employers in both the private and the public sectors. The scheme for which €7.3m in funding is being provided aims to provide placement and training for up to 1,000 apprentices. The maximum period of placement is 26 weeks at Phase 3 or 26 weeks at Phase 5 or 12 weeks at Phase 7. Under the 2010 scheme, the employment costs of the redundant apprentice which were in line with industry wage norms, were paid by the employer with FÁS contributing a weekly subsidy of €250. 443 redundant apprentices availed of this measure in 2010.

The new 2011 scheme requires no wage contribution from the employer but instead a standard training allowance is paid to the redundant apprentice by FÁS related to the particular training phase involved. Eligible redundant apprentices are referred by FÁS to approved employers to participate in the scheme. To date 254 redundant apprentices have been placed on the scheme with a further 77 applications approved.

In addition, under the Phase 7 Equivalent Assessments Scheme, redundant apprentices in the trades of Carpentry and Joinery, Cabinet Making, Electrical, Plumbing, Brick and Stonelaying and Plastering who have successfully completed Phases 1 to 6 of their apprenticeships but who have not completed on-the-job Phase 7 Assessments, are scheduled by FÁS to undertake Phase 7 Equivalent Assessments over a 4 weeks period in a FÁS Training Centre.

Under the Recognition of Prior Learning Scheme, redundant apprentices who have successfully completed Phases 1 to 7 (or Phase 7 Equivalent Assessments) of their apprenticeships but who have not completed the statutory four years in employment as apprentices may be granted

[Deputy Ciarán Cannon.]

an exemption from this requirement by validating their competence. FÁS invites qualifying redundant apprentices to submit a portfolio of evidence of trade related work experience gained at home, abroad or in trade related training and education on the basis of which evidence exemptions may be granted. 51 applications under the scheme have been received to date in 2011.

Under the EU Leonardo da Vinci Lifelong Learning Programme, 12 redundant apprentices commenced on-the-job training with employers in Germany last month. Under the Fee Waiver Scheme, FÁS day and evening course fees are waived for redundant apprentices to facilitate them to enhance their employable skills. Finally, a number of new programmes for redundant apprentices and craftspersons are being developed currently by FÁS in conjunction with the Higher Education Authority and Institutes of Technology. These programmes include a post-Phase 6 certificate in craft transferable skills, a special course in advanced skills for redundant plastering craftspersons, a certificate in entrepreneurship for redundant craftspersons and short duration courses to prepare apprentices to repeat their outstanding assessments.

Schools Refurbishment

53. **Deputy Olivia Mitchell** asked the Minister for Education and Skills the position regarding a grant application for inclusion in the summer works scheme in respect of a school (details supplied) in Dublin 18; and if he will make a statement on the matter. [5471/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I understand that the school referred to by the Deputy has submitted an application for works 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 shortly.

Special Educational Needs

54. **Deputy Finian McGrath** asked the Minister for Education and Skills if he will support the case of a person (details supplied) in Dublin 9 regarding tuition and supports. [5521/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The home tuition scheme provides funding to parents to provide education at home for children who, for a number of reasons such as chronic illness, are unable to attend school. The scheme was extended in recent years to facilitate tuition for children awaiting a suitable educational placement and also to provide early educational intervention for preschool children with autism. I have arranged for an application form to be forwarded to the parents in question.

The National Council for Special Education (NCSE) is responsible, through its network of local Special Educational Needs Organisers (SENOS) for allocating resource teachers and Special Needs Assistants to schools to support children with special educational needs. The NCSE operates within my Department's criteria in allocating such support.

All schools have the names and contact details of their local SENO. Parents may also contact their local SENO directly to discuss their child's special educational needs, using the contact details available on www.ncse.ie. I have arranged for the details supplied to be forwarded to the NCSE for their attention and direct reply.

Pension Provisions

55. **Deputy Michael McGrath** asked the Minister for Education and Skills if he will respond to an issue regarding a pension raised in correspondence (details supplied). [5527/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Public Service Pension Reduction (PSPR) is a once-off reduction applied to the gross annual pension of public service pensioners by reference to a set of rates and income bands.

The Financial Emergency Measure in the Public Interest Act 2010 (No. 38 of 2010) gave effect to PSPR.

The measure does not alter in any way other aspects of Public Service Pensions so all regulations and conditions pertaining to the award of a pension to the teacher in the particular case referred to by the Deputy would continue to apply.

In the case of the teacher referred to, the award of the pension was subject to the condition that they would not be eligible for future employment in any capacity as a teacher/lecturer in any school or college recognised and funded directly or indirectly by the Department of Education and Skills and should they be subsequently employed in any such capacity payment of pension would immediately cease.

The following information contains further details on the Public Service Pension Reduction.

Public Service Pension Reduction (PSPR) — Frequently Asked Questions

1. What is the basic design of the public service pension reduction?

The measure is a once-off reduction applied to the gross annual pension of public service pensioners by reference to a set of rates and income bands. In this sense it is not a levy in the way that the public service pension-related deduction is often called the pension levy.

It will apply to existing pensioners and persons retiring up to end-February 2012. Retirees thereafter will not be affected, but their pensions will be lower as they will be affected by the January 2010 pay cuts.

The reduction has a proportionately greater impact on persons with more substantial pensions. Pensions below €12,000 will be exempt.

2. From what date will the reduction apply?

The Public Service Pension Reduction (PSPR) applies to the pensions of civil and public servants with effect from 1 January 2011.

When making the first pension payments in the year 2011, public service employers must ensure that the PSPR only applies in respect of the days of the first 2011 pay period that fall in 2011.

This means that any part of such 2011 pension payments attributable to the year 2010 must not be subjected to the PSPR.

3. Who is and who is not subject to the reduction?

Persons currently receiving public service pensions, or who start to receive them up to 29 February 2012 are subject to the reduction.

[Deputy Ruairí Quinn.]

Persons who retire after 29 February 2012 will not be affected by the reduction. This is because their pensions will be automatically lowered as they are based on the reduced pay rates applicable in the public service since 1 January 2010.

4. What income bands and rates are used to determine the reduction?

| | % |
|-----------------------------|-----|
| First €12,000 | 0% |
| Between €12,000 and €24,000 | 6% |
| Between €24,000 and €60,000 | 9% |
| Above €60,000 | 12% |

5. Where a pensioner also gets a State Pension from the Dept. of Social Protection, is that State Pension income be subject to the reduction?

No.

6. Are retirement lumps sums or death gratuities affected?

No, only pensions.

7. Are survivor pensions payable under public service schemes liable to the reduction?

Yes.

8. For persons on pension rate of pay, does the reduction apply?

Yes.

9. How will public servants at different income levels be affected?

| Pension before Reduction | Annual Reduction | Annual Reduction |
|--------------------------|------------------|------------------|
| € | € | % |
| 12,000 | 0 | 0% |
| 15,000 | 180 | 1.2% |
| 20,000 | 480 | 2.4% |
| 25,000 | 810 | 3.2% |
| 30,000 | 1,260 | 4.2% |
| 40,000 | 2,160 | 5.4% |
| 50,000 | 3,060 | 6.1% |
| 60,000 | 3,960 | 6.6% |
| 70,000 | 5,160 | 7.4% |
| 80,000 | 6,360 | 8.0% |
| 90,000 | 7,560 | 8.4% |
| 100,000 | 8,760 | 8.8% |

Department of Finance 17 December 2010.

School Staffing

56. Deputy Michael Healy-Rae asked the Minister for Education and Skills if he will reverse

the proposal in the new circular, 0019/2011, with regard to the way that temporary and substitute teachers are dealt with. [5531/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The process of allocating teaching resources to schools for 2011/2012 and the arrangements for filling vacant or new teaching posts takes place in the context of the Programme for National Recovery, the EU/IMF Programme of Support for Ireland and the Public Service Agreement 2010/2014.

It is necessary for my Department to exercise additional control and reporting measures this year to ensure that the numbers of teachers employed in schools is consistent with the Programme for National Recovery and the EU/IMF Programme of Support for Ireland.

It is necessary therefore, for my Department to ensure this year that all permanent and fixed term positions are in the first instance made available to those permanent and CID holding teachers that are surplus and are to be redeployed.

This means that until further notice that no school can be given authority to commence recruitment until my Department is in a position to assess the number of these teachers, if any, that remain to be redeployed.

It is the intention of the Department to restore recruitment from fixed-term teachers on the main panels, supplementary panels or public advertisement at the earliest possible opportunity, after all the surplus permanent teachers have been redeployed.

Institutional Child Abuse

57. **Deputy Finian McGrath** asked the Minister for Education and Skills the position regarding the delay in various educational establishments receiving payment from the education finance board for the rehabilitation and development of former residents of institutions. [5547/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Education Finance Board is an independent statutory body established pursuant to the Commission to Inquire into Child Abuse (Amendment) Act, 2005. My officials have made enquiries of the Board who advise that there has been a significant increase in the number of applications received which has given rise to an inevitable and regrettable increased delay in clearing payments to applicants. The Board is making every effort to finalise the processing of all outstanding applications as quickly as possible.

Social Welfare Benefits

58. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Social Protection the number of persons denied a welfare payment due in 2010 due to failure to satisfy the habitual residence condition. [5456/11]

59. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Social Protection the number of Irish citizens who were denied a welfare payment in 2010 due to failure to satisfy the habitual residence condition. [5457/11]

60. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Social Protection the number of non-Irish EU citizens who were denied a welfare payment in 2010 due to failure to satisfy the habitual residence condition. [5458/11]

Minister for Social Protection (Deputy Joan Burton): I propose to take Questions Nos. 58 to 60, inclusive, together.

[Deputy Joan Burton.]

The following table gives details of the number of people who were disallowed a social welfare payment during the year 2010 because they did not satisfy the habitual residence condition. Due to industrial action which took place during the first half of 2010, figures in respect of 2010 are incomplete. HRC information in relation to nationality of citizens of countries other than Ireland is not routinely maintained by the Department.

Number of applicants disallowed HRC during 2010

| HRC Disallowances | Irish Nationals | Nationals of Countries other than Ireland | Total |
|---------------------------|-----------------|---|-------|
| Carer's Allowance | 51 | 206 | 257 |
| Jobseekers Allowance | 463 | 6,768 | 7,231 |
| Child Benefit | 57 | 1,431 | 1,488 |
| Disability Allowance | 54 | 495 | 549 |
| One-Parent Family Payment | 24 | 141 | 165 |
| State Pension (Non-Con) | 1 | 2 | 3 |
| Total | 650 | 9,043 | 9,693 |

Note: Data incomplete due to industrial action during 2010.

Social Welfare Appeals

61. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Social Protection the number of appeals filed in 2009 and 2010 against refusals to provide a payment on the basis of the habitual residence condition, and the number of these that succeeded. [5466/11]

Minister for Social Protection (Deputy Joan Burton): I am informed by the Social Welfare Appeals Office that the statistics requested by the Deputy in relation to the number of appeals received by that Office against refusals to provide a payment on the basis of the habitual residence condition are not maintained.

However, in 2009, 1,383 decisions were by made by Appeals Officers in relation to the Habitual Residence Condition of which 328 were allowed or partly allowed and 1,055 disallowed. In 2010, 4,146 decisions were made in relation to Habitual Residence Condition, of which 747 were allowed or partially allowed and 3,399 disallowed. 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

62. **Deputy Jack Wall** asked the Minister for Social Protection the reason a person (details supplied) in County Kildare has had rent supplement suspended; and if she will make a statement on the matter. [5497/11]

Minister for Social Protection (Deputy Joan Burton): The Health Service Executive has advised that payment of rent supplement was suspended in this case in the course of a routine review. The person concerned should contact the community welfare officer at her local health centre in order to discuss her continued entitlement to rent supplement.

Community Employment Schemes

63. **Deputy Emmet Stagg** asked the Minister for Social Protection if she will reconsider her

decision not to allow a person (details supplied) to participate in a community employment scheme given that neither FÁS nor the Department of Social Protection advised the person of entitlements to seek a place on a scheme prior to their job scheme payment ceasing and given the fact that a community employment place is available. [5552/11]

Minister for Social Protection (Deputy Joan Burton): As Minister for Social Protection I do not have a role in the administration of individual cases in regard to the operation of the Community Employment programme. The administration of individual cases under Community Employment is a day-to-day matter for FÁS as part of its responsibility under the Labour Services Act 1987 as amended by Part 3 of the Social Welfare (Miscellaneous Provisions) Act 2010.

Social and Affordable Housing

64. **Deputy Olivia Mitchell** asked the Minister for the Environment, Heritage and Local Government if, in view of the difficult financial situation for all new homeowners, he will, as a matter of urgency, introduce legislation to exempt owners who bought homes under the affordable housing and shared ownership schemes from the claw-back charge by the county councils in line with the exemption granted to those who bought post 2009; and if he will make a statement on the matter. [5465/11]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Willie Penrose): While I am mindful of the difficulties many households are facing in terms of mortgage arrears and issues relating to negative equity it is not intended to introduce a scheme on the lines proposed. It is important to note that the claw-back is intended to prevent short-term profit taking on the resale of the house to the detriment of the objectives of the schemes.

However, where a person is selling and the claw-back amount payable would reduce the proceeds of resale below the initial price actually paid the legislation provides for the amount of the claw-back payable to be reduced to the extent necessary to avoid that result.

Anti-Social Behaviour

65. **Deputy James Bannon** asked the Minister for the Environment, Heritage and Local Government if all local authorities have complied with the requirements of the Housing (Miscellaneous Provisions) Act 1997, together with other relevant legislative procedures, measures and courses of action for dealing with anti-social behaviour in estates; and if he will make a statement on the matter. [5524/11]

Minister of State at the Department of Environment, Heritage and Local Government (Deputy Willie Penrose): The Housing (Miscellaneous Provisions) Act 1997 (as amended) and section 35 of the Housing (Miscellaneous Provisions) Act 2009 confer a range of powers on housing authorities relating to combating anti-social behaviour in their housing stock. Authorities are required by the 2009 Act to adopt an anti-social behaviour strategy. The exercise of these powers is a matter for the relevant authority.

Turbary Rights

66. **Deputy John O'Mahony** asked the Minister for the Environment, Heritage and Local Government when a person (details supplied) in County Roscommon will receive their agreed payment for the sale of turbary rights; and if he will make a statement on the matter. [5548/11]

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): The Chief State Solicitor's Office had been in contact with the vendor's Solicitor in relation to the purchase of turbary rights on the land in question. Title on part of the property was unregistered and the vendor had not been able to produce good marketable title. As a result of this the purchase could not go ahead in its entirety. I understand that the purchase of turbary rights on the portion of the property for which good title is available can go ahead and I have requested the Chief State Solicitor's Office to proceed with this.

Grant Payments

67. **Deputy Sean Fleming** asked the Minister for the Environment, Heritage and Local Government when a grant will be awarded in respect of a project (details supplied) in County Laois; and if he will make a statement on the matter. [5551/11]

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): My Department approved €2,800 under the Environment Fund for Biodiversity Awareness 2010 to the Abbeyleix Bog Group in County Laois. Payment in 2010 was subject to the grant being drawn down by the end of November 2010. The paperwork to process payment was not received from the Abbeyleix Bog Group until 5 January 2011, and, accordingly, payment of this grant could not be met in 2010.

However I can confirm that the grant will be paid shortly.

Deportation Orders

68. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Law Reform the number of parents of Irish citizen children deported in each of the years 2006, 2007, 2008, 2009, 2010, 2011 and to which countries. [5450/11]

69. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Law Reform the number of parents of Irish citizen children who have voluntarily left the country following the issuing of a deportation order since 2006 and to which countries. [5451/11]

70. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Law Reform the number of Irish citizen children who have left the country following the issuing of a deportation order to their parents and to which countries. [5452/11]

71. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Law Reform the number of parents of Irish citizen children who have been issued with deportation orders but are still living here. [5453/11]

Minister for Justice and Law Reform (Deputy Alan Shatter): I propose to take Question Nos. 68 to 71, inclusive, together.

I wish to inform the Deputy that it is not possible to provide the information requested as statistics are not compiled by my Department in a manner which readily identifies if a person is the parent of an Irish citizen. In addition, a number of parents of Irish citizen children may have left the State voluntarily before becoming the subject of a deportation order or, once they became the subject of a deportation order, may have made their own arrangements to leave the State as required by that deportation order without informing my Department. Accordingly, no figures are available to my Department in respect of such persons. In relation to deportations effected, I can inform the Deputy that I am aware of 12 Irish citizen children in 2010 whose parents chose to bring them with them to Nigeria where one or both parents were the subject of deportation orders. Details for previous years are not readily available.

72. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Law Reform if, following the recent Zambrano judgment in the European Court of Justice, he will undertake to return the deported parents of Irish citizen children to Ireland. [5454/11]

73. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Law Reform if, following the recent Zambrano judgment, he will now undertake not to deport the parents of Irish citizen children. [5455/11]

Minister for Justice and Law Reform (Deputy Alan Shatter): I propose to take Questions Nos. 72 and 73 together.

In reply to the Deputy's question, I refer to the statement I issued on 21st March in relation to the implications of the Zambrano judgment which I have appended to this reply.

Statement by Minister for Justice, Equality and Defence, Mr Alan Shatter, TD, on the implications of the recent ruling of the Court of Justice of the European Union in the case of Ruiz Zambrano.

Background

The Zambrano case was referred to the ECJ by a Belgian tribunal. Ireland along with a number of other Member States intervened in the proceedings. In summary, the Court ruled that Article 20 of the Treaty on the Functioning of the European Union precludes a Member State from refusing a third country national upon whom his minor children, who are EU citizens, are dependent, a right of residence in the Member State of residence and nationality of those children, and from refusing to grant a work permit to that third country national, in so far as such decisions deprive those children of the genuine enjoyment of the substance of the rights attaching to the status of European Union citizen. [See background note for more detailed explanation of the case.]

Ireland's Approach to Implementing the Judgement

First it is important to state that this judgement applies only where the child is a citizen. It has no implications whatever for Irish Citizenship law. The granting of citizenship remains a matter entirely for the Oireachtas under the Constitution [see background note].

Given the importance of the ruling in the Zambrano case, I have decided, with the support of my Government colleagues, to make a brief public statement outlining the consideration being given to cases involving Irish minor dependant citizen children who have a non-national third country parent or parents.

One possible approach in these matters is to wait for pending cases to be determined by the Irish Courts and for the Courts to interpret and apply the Court of Justice ruling. That is an entirely justifiable approach from a legal standpoint. However in this case the Government has agreed that there needs to be a more proactive approach and that it should make a clear statement of its intention to take early action in these cases, insofar as it is unnecessary to await rulings of the Courts. We should not tie up the courts unnecessarily or ask eligible families to wait longer than necessary.

Accordingly I have asked my officials to carry out an urgent examination of all cases before the courts (approximately 120 at present) involving Irish citizen children to which the Zambrano judgment may be relevant.

[Deputy Alan Shatter.]

The Government has agreed with my proposal that early decisions in appropriate cases to which the Zambrano judgement applies be made without waiting for further rulings of the Courts.

I have also asked my officials to examine the cases in the Department in which the possibility of deportation is being considered in order to ascertain the number of cases in which there is an Irish citizen child and to which the Zambrano judgment is relevant. In addition, consideration will be given to those cases of Irish Citizen children who have left the state whose parents were refused permission to remain.

This initiative is being taken in the best interests of the welfare of eligible minor Irish citizen children and to ensure that the taxpayer is not exposed to any unnecessary additional legal costs.

Background Information

The Zambrano judgment applies EU law to certain situations which had previously been considered to be internal to a Member State and to be regulated by national law, not EU law. Indeed, all the Member State Governments which submitted observations to the European Court of Justice in the Zambrano case, and the European Commission, submitted that the provisions of European Union law referred to by the Belgian court in its reference to the European Court of Justice were not applicable to the dispute in the main proceedings. However, the Court of Justice ruled otherwise.

Other intervenors in the case were Germany, Austria, Denmark, Netherlands, Poland, Greece and the EU Commission. All intervenors including the Commission were in agreement that this was a matter of national competence. The Court did not support this argument. The Court ruled as follows.

“As the Court has stated several times, citizenship of the Union is intended to be the fundamental status of nationals of the Member States.

In those circumstances, Article 20 TFEU precludes national measures which have the effect of depriving citizens of the Union of the genuine enjoyment of the substance of the rights conferred by virtue of their status as citizens of the Union.

A refusal to grant a right of residence to a third country national with dependent minor children in the Member State where those children are nationals and reside, and also a refusal to grant such a person a work permit, has such an effect.

It must be assumed that such a refusal would lead to a situation where those children, citizens of the Union, would have to leave the territory of the Union in order to accompany their parents. Similarly, if a work permit were not granted to such a person, he would risk not having sufficient resources to provide for himself and his family, which would also result in the children, citizens of the Union, having to leave the territory of the Union. In those circumstances, those citizens of the Union would, as a result, be unable to exercise the substance of the rights conferred on them by virtue of their status as citizens of the Union.

Accordingly, the answer to the questions referred is that Article 20 TFEU is to be interpreted as meaning that it precludes a Member State from refusing a third country national upon whom his minor children, who are European Union citizens, are dependent, a right of residence in the Member State of residence and nationality of those children, and from refusing to grant a work permit to that third country national, in so far as such decisions deprive those children

of the genuine enjoyment of the substance of the rights attaching to the status of European Union citizen”.

Citizenship

The judgement has no implications in terms of eligibility for Irish citizenship.

Prior to the 2005 Citizenship Referendum, any person born on the island of Ireland was entitled to Irish citizenship. Since the referendum, where a child is born in Ireland to non-national parents, one of those parents must have been lawfully resident in Ireland for 3 out of the previous 4 years, other than as an asylum seeker or a student, in order for the child to acquire Irish citizenship.

Children may also apply for naturalisation in their own right in certain circumstances.

Garda Deployment

74. **Deputy James Bannon** asked the Minister for Justice and Law Reform his plans to reinstate gardaí engaged in the plain clothes anti-drugs squad in the Longford area, who were very successful in combating drugs in the county but were withdrawn by the previous Government; and if he will make a statement on the matter. [5522/11]

Minister for Justice and Law Reform (Deputy Alan Shatter): Responsibility for the allocation of personnel, both uniformed and plain clothes, in An Garda Síochána rests with the Garda Commissioner. I have been informed by him that the full time dedicated Divisional Drugs Unit for the Roscommon/Longford Division is based in Roscommon Garda Station and comprises six Gardaí under the supervision of a Detective Sergeant. Local Garda Management is of the view that the establishment of the Unit, based in Roscommon, ensures a more cohesive and coordinated approach to the enforcement of drugs legislation within the Division. While the members are physically based in Roscommon, their remit remains division-wide.

The Divisional Officer is satisfied that the Unit is deployed on a regular basis in Longford and other locations within the Division, as the need and crime trends indicate. Liaison is maintained with local District Officers regarding intelligence-gathering and the monitoring of movements of local suspected offenders in respect of the sale and supply of illegal drugs within the Division. The situation is closely monitored by local Garda Management in consultation with the Regional Assistant Commissioner.

75. **Deputy James Bannon** asked the Minister for Justice and Law Reform his plans to review Gardaí divisions, following the retrograde step by the previous Government, which resulted in the splitting of Longford/Westmeath and placing Longford in the Roscommon division; and if he will make a statement on the matter. [5523/11]

Minister for Justice and Law Reform (Deputy Alan Shatter): In accordance with the provisions of the Garda Síochána Acts, proposals to alter the boundaries of a divisional geographical area are a matter in the first instance for the Garda Commissioner in the context of the Annual Policing Plan. The 2008 Policing Plan, which was laid before both Houses of the Oireachtas, contained proposals from the Commissioner to realign Garda boundaries in a number of areas around the country.

In that context the Commissioner established a Programme Board, chaired by an Assistant Commissioner, to oversee the implementation of changes to Garda boundaries nationwide. In addition, Project Boards chaired by the local Divisional officers were established in each Division to develop tailored implementation plans and ensure that service delivery to the community would be maintained to a high standard following realignment.

[Deputy Alan Shatter.]

The boundary changes in question resulted in the establishment of the new Roscommon/Longford Division and they were part of an overall package to provide an improved service to the general public. I have been advised by the Garda authorities that they are satisfied that this objective has been realised and that currently they have no plans to alter Garda divisional boundaries.

Asylum Support Services

76. **Deputy Finian McGrath** asked the Minister for Justice and Law Reform the position regarding a family reunification case in respect of a person (details supplied) [5532/11]

Minister for Justice and Law Reform (Deputy Alan Shatter): I am informed by the Irish Naturalisation and Immigration Service (INIS) that the person referred to made a Family Reunification Application in February 2010.

A decision on this case issued to the legal representative of the above named on 24 February 2011 and a copy of the consideration detailing the reasons for the decision was also provided. 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.

Grant Payments

77. **Deputy John Deasy** asked the Minister for Agriculture, Fisheries and Food the reason for the delay in payment of the 2010 single farm payment in respect of a person (details supplied) in County Waterford; if he will expedite payment; and if he will make a statement on the matter. [5460/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The application under the 2010 Single Payment Scheme, received from the person named on 4 May 2010, included 26 land parcels, 15 of which required re-digitisation. Payments under the 2010 Single Payment Scheme commenced nationally on 18 October 2010 and, while payments issued to the person, these were on the basis of those land parcels that were clear for payment on each date. The digitising of a number of parcels has been completed, which will now allow the remaining payment to issue shortly to the person named.

Animal Welfare

78. **Deputy Michael McGrath** asked the Minister for Agriculture, Fisheries and Food the position regarding the introduction of an Animal Health and Welfare Bill; and if he will make a statement on the matter. [5496/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The Programme for Government 2011 includes a commitment to amend and strengthen animal welfare legislation. A draft Animal Health and Welfare Bill is in the course of preparation.

The Bill will consolidate and update existing legislation in the area of animal health and welfare with the aim of ensuring that the welfare of all animals, including non-farm animals, is properly protected. Some new provisions will also be included, specifically to strengthen the powers of authorised officers and to increase penalties for offenders.

Rural Environment Protection Scheme

79. **Deputy John O'Mahony** asked the Minister for Agriculture, Fisheries and Food when a person (details supplied) in County Mayo will receive payment under the new REP scheme [5533/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Under the EU Regulations governing the Agri-Environment Options Scheme and other area-based payment schemes, a comprehensive administrative check, including cross-checks with the Land Parcel Identification System, must be completed before any payment can issue. Payment will issue at the earliest possible date once these checks have been completed.

Grant Payments

80. **Deputy John O'Mahony** asked the Minister for Agriculture, Fisheries and Food the position regarding an application for the single farm payment in respect of a person (details supplied) in County Mayo [5534/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): An application under the 2010 Single Payment Scheme was received from the person named on 19 April 2010. The application was fully processed and has been paid in full.

Preschool Services

81. **Deputy Olivia Mitchell** asked the Minister for Health and Children if he will reverse the decision which disallowed the flexibility for children with a disability to avail of their entitlement to preschool hours over a two year period in view of the fact that in many cases they are simply unable to avail of the three hours available to the majority of children; his views that this flexibility is absolutely essential to ensure that the children who need it most can avail of this scheme; and if he will make a statement on the matter. [5463/11]

Minister for Health and Children (Deputy James Reilly): The free Pre-School Year in Early Childhood Care and Education (ECCE) programme, was introduced in January 2010 with the objective of providing one free pre-school year to all eligible children before they commence primary school. Children qualify for the free pre-school year where they are aged more than 3 years 2 months and less than 4 years 7 months at 1 September in the relevant year. This means that children born between 2 February 2007 and 30 June 2008 will qualify for the free pre-school year in September 2011.

The programme includes a number of provisions to take account of children with special needs. These include an exemption from the upper age limit for qualification under the scheme where a child is developmentally delayed and would benefit from starting primary school at a later age. In addition, children with special needs can apply to have the pre-school year split over two years on a pro-rata basis, for example availing of the scheme for 2 days a week in the first year and for 3 days a week in the second year. Many parents of children with special needs have chosen to avail of the pre-school year on a pro-rata basis and this arrangement continues to be available as part of the ECCE programme.

82. **Deputy Olivia Mitchell** asked the Minister for Health and Children in respect of the early childhood care and education scheme when the age of the child would preclude them from availing of the scheme, for instance when the child is 3 years 2 months on the designated date, some flexibility could be allowed to permit such children to avail of the scheme; and if he will make a statement on the matter. [5472/11]

Minister for Health and Children (Deputy James Reilly): The free Pre-School Year in Early Childhood Care and Education (ECCE) programme, was introduced in January 2010 with the objective of providing a free pre-school year to all eligible children. Children qualify for the free pre-school year where they are aged more than 3 years 2 months and less than 4 years 7 months at 1 September in the relevant year. This means that children born between 2 February 2007 and 30 June 2008 will qualify for the free pre-school year in September 2011. There is no provision under the programme to enrol children who are below the qualifying age.

The objective of the ECCE programme is to make early learning in a formal setting available to eligible children in the year before they commence primary school. To achieve this, services participating in the pre-school year are expected to provide age-appropriate activities and programmes to children within a particular age cohort. For this reason, it is appropriate to set minimum and maximum limits to the age range within which children will qualify.

A number of parents have asked for the lower age range to be reduced on the grounds that they wish to send their children to school when they are 4 years and 2 months of age or less. The issue was referred by some of these parents to the Office of the Ombudsman for Children. That Office found no reason to remove or amend the lower age range, accepting it as reasonable having regard to the various factors which apply.

Medical Cards

83. **Deputy Jack Wall** asked the Minister for Health and Children the position regarding the renewal of a medical card in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [5446/11]

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

Health Services

84. **Deputy Eric Byrne** asked the Minister for Health and Children if funding will be made available for the provision of day care commencing in September in respect of a person (details supplied) in Dublin 6W [5448/11]

Minister for Health and Children (Deputy James Reilly): As the Deputy's question relates to service matters, I have arranged for the question to be referred to the Health Service Executive for direct reply to the Deputy.

Hospital Services

85. **Deputy Jack Wall** asked the Minister for Health and Children when a person (details supplied) in County Cavan will receive a date for their operation; and if he will make a statement on the matter. [5459/11]

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

Health Services

86. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children when a person (details supplied) in Dublin 24 will receive an appointment. [5467/11]

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

87. **Deputy Joe O'Reilly** asked the Minister for Health and Children his plans to deal with dental procedures which have been revoked under the previous Government for medical card holders; and if he will make a statement on the matter. [5469/11]

88. **Deputy Ciarán Lynch** asked the Minister for Health and Children if and when it is intended to restore the dental benefits previously enjoyed by medical card holders; and if he will make a statement on the matter. [5478/11]

Minister for Health and Children (Deputy James Reilly): I propose to take Questions Nos. 87 and 88 together.

I am considering the measures introduced by the HSE to contain expenditure on the Dental Treatment Services Scheme at the level of €63 million.

Medical Cards

89. **Deputy John McGuinness** asked the Minister for Health and Children if a medical card will be granted without delay in respect of persons (details supplied) in County Kilkenny and if the application will be expedited. [5483/11]

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

Hospital Staff

90. **Deputy Ciarán Lynch** asked the Minister for Health and Children when he expects the vacant consultant paediatric endocrinologist post to be filled at Cork University Hospital; the stage the recruitment for this position has reached; and if he will make a statement on the matter. [5484/11]

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

Hospital Services

91. **Deputy Ciarán Lynch** asked the Minister for Health and Children in which hospitals or other medical centres paediatric and adolescent diabetes care is provided by the Health Service Executive; the number of patients under the age of 19 years who attend for diabetes care at each of these hospitals or centres; if he will indicate, for each hospital or centre, the counties in which each of these patients is resident; and if he will make a statement on the matter. [5485/11]

93. **Deputy Ciarán Lynch** asked the Minister for Health and Children if he will state, in respect of the hospitals or other medical centres at which paediatric and adolescent diabetes care is provided by the Health Service Executive, whether insulin pump technology is available to paediatric and adolescent patients at each of these centres; the number of paediatric patients who have been fitted with insulin pumps at each centre since 2005; the counties in which each of these patients are or were resident; and if he will make a statement on the matter. [5487/11]

Minister for Health and Children (Deputy James Reilly): I propose to take Questions Nos. 91 and 93 together.

The information requested by the Deputy is not readily available in my Department. Therefore my Department has asked the Health Service Executive to supply the necessary information. I will respond to your enquiry as soon as this information becomes available.

92. **Deputy Ciarán Lynch** asked the Minister for Health and Children if he will state, in respect of the hospitals or other medical centres at which paediatric and adolescent diabetes care is provided by the Health Service Executive, the number or whole-time-equivalent of paediatric endocrinologists, general paediatricians with an interest in diabetes, paediatric diabetes nurses specialists, diabetes nurses, dieticians, social workers and psychologists who are allocated to paediatric diabetes care in each of those hospitals or centres; and if he will make a statement on the matter. [5486/11]

Minister for Health and Children (Deputy James Reilly): The information requested is currently being collated by the Health Service Executive and I will respond to the Deputy as soon as the information is available to my Department.

Question No. 93 answered with Question No. 91.

Health Services

94. **Deputy James Bannon** asked the Minister for Health and Children the position regarding respite patients at a centre (details supplied) in County Longford; and if he will make a statement on the matter. [5493/11]

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

Programmes for Government

95. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children if he will set out his programme of legislation for the implementation of the commitments on health care in the programme for Government; and if he will make a statement on the matter. [5553/11]

Minister for Health and Children (Deputy James Reilly): I am identifying the detailed legislative measures required to give effect to health service policies as set out in the *Government for National Recovery* and the necessary legislative proposals will be included in the Government's Legislative Programme on a sequential basis.

Hospital Waiting Lists

96. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children when he intends to establish the special delivery unit in the Department of Health to assist in the reduction of hospital waiting lists; and if he will make a statement on the matter. [5554/11]

Minister for Health and Children (Deputy James Reilly): I intend to set up a Special Delivery Unit, driven by my Department, which will focus on reducing unacceptable waiting times for patients. I am examining options for the Unit at present and will put it in place as soon as possible.

General Medical Services Scheme

97. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children his plans to begin negotiations for a new general practitioner contract; and if he will make a statement on the matter. [5555/11]

Minister for Health and Children (Deputy James Reilly): My Department and the Health Service Executive are preparing proposals for a new form of contract with General Prac-

tioners providing services under the General Medical Services (GMS) scheme. I intend to initiate discussions with relevant stakeholders at an early date.

Primary Care Strategy

98. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children when the primary care fund will be established and the estimated amount of money that will be placed in the fund and over what period; and if he will make a statement on the matter. [5556/11]

Minister for Health and Children (Deputy James Reilly): I have asked my Department to prepare proposals on these matters for consideration by the Government.

Hospital Services

99. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children his plans to restore any or all of the services cut from Monaghan General Hospital; and if he will make a statement on the matter. [5557/11]

100. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children his plans to restore any or all of the services cut from Louth County Hospital, Dundalk; and if he will make a statement on the matter. [5558/11]

101. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children his plans to restore any or all of the services cut from Our Lady's Hospital, Navan, County Meath; and if he will make a statement on the matter. [5559/11]

Minister for Health and Children (Deputy James Reilly): I propose to take Questions Nos. 99 to 101, inclusive, together.

I am committed to ensuring that as many services as possible can be provided safely in smaller, local hospitals. In order to fully consider the issues involved, I have sought a briefing from the Health Service Executive (HSE) on the plans for organising acute services in each region and on the important set of clinical programmes being developed by the HSE. These inter-related programmes are most important in terms of improving service quality and effectiveness, including ensuring that patients are treated at the lowest level of complexity that is safe, timely and efficient, whilst patient safety remains the first priority.

Hospitals Building Programme

102. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health and Children his plans regarding ending the policy of co-location; his plans regarding current contracts for co-location; and if he will make a statement on the matter. [5560/11]

Minister for Health and Children (Deputy James Reilly): As indicated in the Programme for Government, it is the Government's intention that the existing private hospital co-location policy will come to an end. I am discussing with my Department the implementation of this commitment. The HSE has signed project agreements in respect of four co-location projects and I have asked the Executive to keep me informed of developments in this regard.

Driving Tests

103. **Deputy Niall Collins** asked the Minister for Transport if the cost of a driving test has increased by €10 to €85, and if so the reason for this increase; and if he will make a statement on the matter. [5528/11]

Minister for Transport (Deputy Leo Varadkar): In January 2011, my predecessor approved an increase in the driving test fee from €75 to €85, as well as an increase in the cost of the driving theory test from €35.60 to €40.60. These increases were on foot of requests made by the Road Safety Authority in the context of budgetary arrangements for the Authority for the year 2011.

104. **Deputy Niall Collins** asked the Minister for Transport the average failure rate of persons undergoing the driving test for the first time, second time, third time and fourth time; and if he will make a statement on the matter. [5529/11]

Minister for Transport (Deputy Leo Varadkar): Under the Road Safety Authority Act 2006 (Conferral of Functions) Order 2006 (S.I. No. 477 of 2006) the Road Safety Authority has responsibility for the delivery of the driving test.

Noting this I have referred the Deputy's question to the Road Safety Authority for direct reply. Please advise my private office if you don't receive a reply within 10 working days.