

DÁIL ÉIREANN

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Wednesday, 13 April 2011.

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

Paidir.

Prayer.

Leaders' Questions

Deputy Micheál Martin: Cutting the number of junior Ministers, the bonfire of the quangos, child benefit as a red-line issue, forcing banks to absorb ECB interest rate rises, no further cuts to public service pay, 105,000 jobs from the NewERA deal, renegotiating the EU-IMF deal and burning the bondholders — all were high-profile, highly popular election slogans and are now abandoned or stuck in reverse after only five weeks. They are merely a small section from a long and growing list of abandoned pledges on which the Government got elected. The Taoiseach seems to be preparing the ground for another U-turn.

An Ceann Comhairle: Is there a question to the Taoiseach?

Deputy Micheál Martin: I am coming to it. On another high profile pledge, the much hyped but now hidden jobs budget, perhaps this morning the Taoiseach can give some clarity. Is it a budget, is it a supplementary budget, an initiative, an economic stimulus or simply a revenue-neutral press release?

Deputy Robert Dowds: Or a way of trying to undo the damage of Fianna Fáil.

The Taoiseach: I am surprised at Deputy Martin although I suppose should not be. He read out a list of issues that are important for the Government, which is one month in office. He

[The Taoiseach.]

did not mention that the Government of which we was a member lost 250,000 jobs during its term of office.

Deputy Colm Keaveney: Year zero.

The Taoiseach: He did not mention that he refused to come in here and deny that the IMF had reached our shores in dealing with our economic sovereignty.

Deputy Jerry Buttimer: Deputy Martin did not know and he was in Cabinet.

A Deputy: They destroyed the country.

The Taoiseach: Deputy Martin did not mention, as he complained yesterday, that when the banks unilaterally increased interest charges last year, he did nothing about it.

I will say this to him in respect of State boards. I looked at this question because the Government of which he was a member, right up to the day of the change of Government, made appointments to State boards.

Deputy Colm Keaveney: It stuffed them.

The Taoiseach: I admit that all Governments over the years, in the interregnum period—

Deputy Micheál Martin: Including those of which the Taoiseach was a member.

The Taoiseach: —yes—

Deputy Colm Keaveney: Jackie's family.

The Taoiseach: —between the Dáil being dissolved and the new Government being formed, made appointments, but I raised it with my predecessor on a number of occasions that there should not be any appointments in that period. The change introduced by the Government will mean that persons of credibility and potential who have something to offer State boards can, through the websites, indicate their expressions of interest and will go before the appropriate Oireachtas committee to discuss their policy and their vision of what they want to do.

Frankly, as to the move to deal with employment and job creation, to have a row as to whether it is a budget or a jobs initiative is a matter on which I will tell Deputy Martin something.

Deputy Dara Calleary: The Government is having the row. The Taoiseach is rowing with Labour.

The Taoiseach: With 440,000 out of work, a 14% unemployment rate, the person who gets a job as a plumber, plasterer, chippy or whatever will not be worried whether it is a budget or a jobs initiative. He or she will be proud and privileged to have the dignity of going to a job and being able to contribute to society.

I stated yesterday that the jobs initiative to be announced by the Minister for Finance in the House will be revenue-neutral and will add a stimulus to the indigenous economy to give confidence, hope and encouragement to people to spend what has been saved and get back into the jobs market. Does Deputy Martin expect the Government to sit idly by and deny reality and truth, as he did for four years?

(Interruptions).

Deputy Emmet Stagg: Too much reality and truth, Deputy Martin walked straight into the wall.

Deputy Micheál Martin: A week ago, the Taoiseach stated that next month the Minister for Finance will introduce a jobs budget. Yesterday on the floor of the House the Taoiseach accused the Opposition of using that phrase and denied that there would be a jobs budget next May. I asked a simple question: will there be or will there not be a budget next May?

The Taoiseach: I changed the term to “jobs initiative” because some people seemed to get the view that this would be a sort of end of year budget for the following year.

Deputy Dara Calleary: The Labour Party.

The Taoiseach: There were many comments about increased charges and raising taxes on people.

Deputy Dara Calleary: From the Minister.

Deputy Colm Keaveney: Fianna Fáil’s fingerprints are all over it.

The Taoiseach: That is not the purpose of what we are doing here. From that point of view, what the Minister for Finance will announce to the House on behalf of the Government is a series of initiatives to stimulate our indigenous economy, to promote confidence, to provide opportunities for people to go to work, to provide opportunities for employers to be able to get credit to invest in their businesses and to stimulate the national economy. I am sure Deputy Martin will agree with that. Whether one calls it an initiative or a budget, my view is that this is not a conventional budget such as the Minister for Finance will present at the end of the year following a comprehensive analysis and review of how spending is being conducted.

Deputy Micheál Martin: So it is not a budget.

The Taoiseach: Deputy Martin should wait the few weeks until he sees and agrees with the initiatives it contains. People in his own constituency would be happy to go to work. Whether it is called an initiative or a budget, makes no difference to them.

Deputy Micheál Martin: A well-executed U-turn.

Deputy Gerry Adams: Deny reality and truth — sin a dúirt an Taoiseach bomaite ó shin. I rith an toghcháin, thug siad a lán gealltanais. Ó shin amach, áfach, ó tháinig sé i gcumhacht, tá siad, mar a tharla inné, ag briseadh gealltanais. Yesterday, the Taoiseach chalked up yet another U-turn. However he put it this morning, yesterday he abandoned his jobs budget commitment.

Yesterday we learned that the forecast for growth had been cut to 0.5%. How much growth is that? Yesterday, we learned that the Government’s budgetary targets——

An Ceann Comhairle: This is Leaders’ Questions.

Deputy Gerry Adams: ——of reducing the deficit by 2014 will be missed and will not even be met by 2016. The Taoiseach stated not another red cent would go to the banks. He stated that the bondholders would pay and then he gives them €24 billion. He stated he would reverse the cut in the minimum wage and now he states the Government needs the agreement of the EU and the IMF. He stated the Government would review the universal social charge and now

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they are imposing a bigger burden on those on lower and middle incomes and those on welfare. He promised to put the EU-IMF——

An Ceann Comhairle: Could we have a question?

Deputy Gerry Adams: I am coming to that. He promised to put interest payments on the agenda at the EU summit and then he backed down and took it off. He came here and boasted that such was his initiative. Now we are being told through the media that there will be a revised memorandum of understanding published on Friday. There is no doubt in my mind that this will contain more cuts and austerity.

The Taoiseach inherited an economic crisis created by the previous Government, but Fianna Fáil is not in government now. The Taoiseach is in government. He is making the political choices. With respect, he is making the wrong political choices.

An Ceann Comhairle: Could we have the question?

Deputy Gerry Adams: How does the Taoiseach continue to lumber the Irish people with a colossal debt to reinforce and keep buying in to an EU-IMF deal which we cannot afford and how does he hope to continue to cut his way out of recession when it is patently obvious that this situation is not sustainable?

The Taoiseach: I do live in the land of truth and reality and, in fact, there are elements of the first with which the Deputy could deal. He mentioned the review of the universal social charge. The Government signed off on a detailed and comprehensive spending analysis of every Department and for the first time ever we will get a real view of value for the taxpayers' money being spent by Ministers. That is the reason the Department of Finance has been split into two separate Departments and the Minister, Deputy Howlin, will be dealing with issues of public expenditure and reform. When we prepare the details of the budget for 2012, the universal social charge will be included in that review, as is stated in the programme for Government. Deputy Adams will realise that we cannot review it until the comprehensive analysis has been carried out.

The Deputy also referred to the minimum wage, which is a commitment in the programme for Government. There are two views on this issue. The Minister for Enterprise, Trade and Innovation could make the change by ministerial order or primary legislation. Our advice is that it is best to introduce primary legislation because it may be challenged. However, the minimum wage is not the only issue that arises and restrictions on employers and the freeing up of the labour market will be addressed in conjunction with it. A review is due in two weeks time and when that review becomes available the Minister will act on these issues as a package.

On the reduction in projected growth rates, this prediction came from a comprehensive analysis of 57 countries conducted by the IMF. It criticised the US and others for not doing enough but indicated that Europe was making progress. I can confirm that yesterday's meeting between the Ministers for Finance and the troika was a very good one and it is only right and appropriate, and expected, that the memorandum of understanding will be updated this weekend once the troika has completed its work and the discussions with the Ministers have concluded. As the Deputy will be aware, projections for growth are difficult to confirm even six months ahead, never mind three years. This is why, unlike the last Government, this Government recognises that we cannot cut and tax our way to prosperity. We have to develop a strategy for growth on the other side because growing our economy is the only way we can provide stimulus for people to get back to work, grow the economy, increase exports and ensure

the value of what we produce in our country goes towards providing the kind of economy we want.

From the Deputy's initial comment about *muid e gcumhacht agus ag briseadh gealltanais*, tá muid ag insint na ffrinne dhuitse agus do chuile duine eile. He can be sure that whatever further discoveries we make in opening the doors of Government and letting in the light, we will tell the Irish people the true scale of the legacy we have inherited.

Deputies: Hear, hear.

Deputy Gerry Adams: The Taoiseach should come here. I heard about the revised memorandum of understanding from the media. I did not hear it from him. I think he is missing the point. I am genuinely trying to understand his negotiating strategy. I am trying to come to terms with how he is trying to achieve the objectives he has set out. I do not understand it and I am sure the Irish people do not understand it. We need to know who is going to pay for this. Is it going to be the rich, those who earn over €100,000 — I know that does not mean rich — or those in respect of whom we can introduce a new third tax band? Is it going to be low and middle income earning families or the 500,000 people who are on the dole? Will it be people on social welfare and all the small people who elected the Taoiseach to bring about change? He is doing exactly the same as the crowd on my left when it was in government but the Irish people sorted that party out.

An Ceann Comhairle: Thank you, Deputy.

Deputy Gerry Adams: We need to know who is going to pay for this. Try to explain this in terms that a wooden head like me can understand.

Deputy Colm Keaveney: Do not be saying that.

Deputy Gerry Adams: What is the Taoiseach's negotiating strategy?

The Taoiseach: Far be it for me to put a title on any Deputy. The Government's programme is in three parts, namely, growth, jobs initiatives and a comprehensive review of how our money is spent.

Deputy Micheál Martin: What happened to the five point plan?

Deputy Dara Calleary: Five became three.

The Taoiseach: In respect of the European position, wooden head or none, we have already set out our view that there should be an interest rate reduction. The Heads of Government meeting in Brussels agreed with my suggestion that, as the bank stress tests had not been completed in Ireland, it would only be appropriate that the Ministers for Finance should deal with the issue when the truth of those stress tests became available. The recent informal meeting in Budapest was blown slightly off course by the fact that the Portuguese Government has applied for funding under the scheme. In respect of the EFSM agreed from 2013, it is important that its design is appropriate for Ireland in respect of its capacity to provide medium to long-term funding for the country. That must be the emphasis of the European dimension to these discussions. Far from straying from what we said, we are targeting specifically the elements of the programme for Government we have set out.

Deputy Adams does not have a wooden head and he is raising this for political purposes. We have already stated that where savings occur, we will be looking at the lower paid element of the public service and lower paid people. The best antidote to unemployment is a job and

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the opportunity to have a career and that is where the Government is focused. I remind him that the budgetary presentations we made last year proposed to protect the blind, children, disabled and pensioners. I do not take it from him that he is even suggesting this Government—

Deputy Pearse Doherty: The Government has not reversed one of them.

Deputy Phil Hogan: We have not introduced a budget yet.

An Ceann Comhairle: No interruptions.

The Taoiseach: —would not focus on the underprivileged, the vulnerable or the isolated.

An Ceann Comhairle: I call Deputy Ross.

Deputy Gerry Adams: On a point of order—

An Ceann Comhairle: There are no points of order on Leaders' Questions.

Deputy Gerry Adams: May I raise a point of order?

An Ceann Comhairle: No point of order. I call Deputy Ross.

Deputy Gerry Adams: Am I not allowed to make a point of order?

Deputy Joe Carey: There is no point.

An Ceann Comhairle: No, a point of order is not provided for on Leaders' Questions. Please give Deputy Ross an opportunity to contribute. Deputy Adams can raise matters on the Order of Business.

Deputy Finian McGrath: Quiet over there, Gerry; this is the real Opposition.

Deputy Shane Ross: The nation has been looking to the Taoiseach to reverse some of the malpractices put into effect by the Fianna Fáil Deputies sitting in front of me. In response to a question from the Leader of the Opposition, the Taoiseach stated that for legal reasons he is unable to reverse the orgy of State appointments made by the previous Government as it left office. That is not good enough. These appointments ought to be reversed even if it means changing the law and if the Attorney General has given advice, the Taoiseach must not hide behind it. He must change the law because the quango culture and the culture of cronyism is still alive and well. I, for one, was particularly disappointed with this morning's media reports—

An Ceann Comhairle: A question, please.

Deputy Shane Ross: —that the proposed solution to this problem was not just the advertising of these posts, which appeared to be cosmetic, but to interview the chairmen of various semi-State bodies in front of an Oireachtas committee. The problem is that the applicants can be utterly ignored by the Minister in charge, who can pick one of his or her pals just as Fianna Fáil did in the past.

An Ceann Comhairle: Has the Deputy a question?

Deputy Shane Ross: We do not want that to happen.

Deputy Brendan Howlin: Let us try it out.

An Ceann Comhairle: This is Leaders' Questions.

Deputy Shane Ross: The background is important in terms of cronyism. Can the Taoiseach confirm that we will continue to have a system of political appointments dressed up with some sort of popular input?

The Taoiseach: There should be some sense of understanding by those who were approached by former Ministers in the final two or three days before the Government changed that they would not accept their appointments if they had any sense of call it what you want. I do not want to go down the road of involving the Government in legal technicalities in removing people from State boards, which is not worthwhile. If the Government was still involved in six months' time in legal wrangles in removing person X from board Y, the Deputy would be very unappreciative of the efforts we had tried to make in the spending of public money. I have set out — I have spoken to the Tánaiste and all Ministers about this — that persons to be appointed as chairpersons of boards, taking into account the need to have a proper gender balance, should have credibility, competence and vision in what they will bring to an appointment. Expressions of interests will be invited on the websites of Departments in respect of a responsibility or a board under their aegis. On the recommendation of the Government, the person to be appointed as chairperson will appear before the appropriate Dáil committee to be set up shortly to present his or her credentials and what he or she will bring to the board in question. There will be a discussion of the policy initiatives he or she will bring to it. I must assume a person who will appear before a Dáil committee will be competent and have the credentials worthy of the appointment. I must assume also that somebody who does not measure up will run the risk of not being approved by the Government for the position.

An Ceann Comhairle: There is one minute remaining to put a supplementary question.

Deputy Shane Ross: It appears committees will have absolutely no powers of veto; therefore, the power of appointment will rest with the politician, the Minister in charge, and that political appointments will survive under this veneer.

May I ask the Taoiseach a second question? This is very important in the light of what has happened.

An Ceann Comhairle: The Deputy is not allowed to ask a second question. He can follow up on the first one.

Deputy Shane Ross: How will this rest when appointments are being made to the banks because the last Government typically appointed its cronies and pals, ex-Fianna Fáil Ministers and others to the boards of banks, on which there are vacancies? Will the people concerned have to appear before Oireachtas committees also to be interviewed and asked questions to see if they are competent and not just political hacks?

The Taoiseach: What we will bring to State board appointments is transparency that has never before been seen. As I said yesterday, I understand the Houses of the Oireachtas Commission, under the chairmanship of the Ceann Comhairle, is anxious to see the work of committees being televised in order that there will be transparency and an assessment of competence by the people. I assume that if a person nominated by a Minister to the chairmanship of a State board does not measure up in terms of his or her performance at the committee, the Government will have to take this into account in giving its approval.

[The Taoiseach.]

The boards of banks are entirely different from State boards. The Minister for Finance will bring the Nyberg report before the House shortly and make a number of announcements on the governance of the boards of banks. This is an appalling situation, as the Deputy is only too well aware, and changes must be made. They have been referred to in the newspapers this morning by the Financial Regulator and will have to take place. Obviously, the cost to the electorate has been enormous in terms of the recklessness shown and a lack of capacity to do what was right and fair. As was said, they were in a frenzy. There will be changes in the governance of banks which will be presented as part of the Nyberg report when it is brought before the House in the near future.

When the issue of FÁS arose, in which the Deputy was involved as a Member of the other House, the Committee of Public Accounts was unable to call witnesses to give evidence on the facts. That must change. In so far as the Government is concerned, it is acutely aware of the necessity to ensure accountability and transparency and the taking of responsibility on all these issues. This will require change and I am looking at how best this can be achieved.

Order of Business

The Taoiseach: It is proposed to take No. 7, statements on the European Council held in Brussels; No. 8, Road Traffic Bill 2011 [*Seanad*] — Committee Stage; No. 6, Communications Regulation (Postal Services) Bill 2010 [*Seanad*] — Second Stage (resumed); and No. 9, statements on suicide prevention (resumed).

It is also proposed, notwithstanding anything in Standing Orders, that: (1) the proceedings on No. 7 shall, if not previously concluded, be brought to a conclusion after 85 minutes and the following arrangements shall apply: (i) the statements shall be confined to the Taoiseach and the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group who shall be called upon in that order and may share time which shall not exceed 15 minutes in each case; (ii) a Minister or Minister of State shall take questions for a period not exceeding 20 minutes; (iii) a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes; (2) the suspension of the sitting under Standing Order 23(1) shall take place at 1.30 p.m. or at the conclusion of No. 7, whichever is the later, until 2.30 p.m.

Private Members' business shall be No. 19, motion re education and training (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. Are the proposals dealing with No. 7, statements on the European Council held in Brussels, and the suspension of the sitting under Standing Order 23(1) agreed to? Agreed.

Deputy Micheál Martin: Will the Taoiseach clarify the timeline for the introduction of legislation on the promised reversal of the cut in the minimum wage?

The Taoiseach: I cannot give an exact timeline. As I said in response to an earlier question, the analysis of other wage matters being carried out independently will be available in two weeks' time. The best advice is that we can then proceed along the legislative route which should not be too difficult in respect of the minimum wage. The Minister will deal with this as a matter of priority, but he wants to deal with it as part of a package in respect of the report and the minimum wage. The Deputy should not ask me to give him a date for the presentation of the legislation.

Deputy Gerry Adams: On a point of order, I am looking for guidance.

An Ceann Comhairle: I will give the Deputy whatever guidance I can.

Deputy Gerry Adams: There is the issue of when a Deputy can raise a point of order. Second, I asked the Taoiseach a very direct question which he did not answer. I know that is part of the gift in these sessions, but——

An Ceann Comhairle: I cannot oblige the Taoiseach to reply to a question in a particular fashion.

Deputy Gerry Adams: On the issue of when a Deputy can raise a point of order——

An Ceann Comhairle: What happens during Leaders' Questions is covered under Standing Order 27. It is at the discretion of the Chair that one is allowed put a question. A Deputy has two minutes to put questions to the Taoiseach who has three minutes to reply. There is one minute for supplementary questions and one minute for a reply. We are dealing with questions, not issues which arise about points of order. I cannot allow a point of order because a Deputy is not satisfied with the reply given by the Taoiseach. The position is different in an ordinary debate. Leaders' Questions is a facility provided for the leaders of groups and parties to ask questions each day.

Deputy Gerry Adams: I am trying to assist the Taoiseach because I know his mission is to keep the people informed.

An Ceann Comhairle: I do not assist anybody here. I am independent.

Deputy Gerry Adams: I appreciate that and think the Ceann Comhairle is independent, but how does one define what is meant by "a reply"?

An Ceann Comhairle: I do not determine the reply, the Taoiseach does.

Deputy Gerry Adams: How does the Ceann Comhairle define the meaning of a reply?

An Ceann Comhairle: I am not here to do that. Does Deputy Adams have a question on the Order of Business?

Deputy Gerry Adams: Deputy McDonald will ask it.

Deputy Mary Lou McDonald: Today's Order Paper has no provision for any statement on the issue of the revised memorandum of understanding. Reference has been made to the fact that we discovered through the media that there would be such a revision. Given that the initial
11 o'clock bailout agreement was brought before this House and voted on in December, when does the Taoiseach propose to bring this matter to the floor of the House?

I ask for a debate on the revised agreement and that Members are given an opportunity to vote on it. The Taoiseach and the ranks of the Government have steadfastly refused to give the Irish people their say on this matter and it is essential the Government brings the revised terms and conditions to the House, have a debate and put it to the vote.

The Taoiseach: The Deputy does not expect us to have a debate on the revised memorandum of understanding today or tomorrow, seeing as we will not sign off on it until Friday. There is a meeting of the Whips this evening and Deputy McDonald is perfectly entitled to raise the matter so that it can be discussed whenever time permits next week. We do not have a difficulty with that.

[The Taoiseach.]

We are focused on attempting to sort out these problems. There are constraints on Ireland because of the EU-IMF deal. We cannot borrow money, the banks cannot borrow money and the Government has made serious decisions to get out of this mess. We have no difficulty in discussing the memorandum of understanding. This is a serious challenge for people and country and we must all be involved in that. The cards left to us may not be the best but we must place them in the best order for the good of the country and the good of the people.

Deputy Mary Lou McDonald: I take it that not alone is the Taoiseach happy there will be a debate, he will support the idea that this House will have a vote on the revised deal. Last December, Deputy Kenny was enthusiastic for the original agreement to be brought before this House, scrutinised and voted on. The Government at the time resisted that and then finally acceded to it. I trust the current Taoiseach will be more willing to allow discussion and for Members of this House to have a vote on the revised terms of this deal, which will be published on Friday.

An Ceann Comhairle: That is not a matter for the Order Of Business.

Deputy Mary Lou McDonald: The debate can happen on Tuesday.

The Taoiseach: I hope Deputy McDonald realises that she can trust me.

Deputy Pádraig Mac Lochlainn: Another good answer.

Deputy Joe Higgins: This morning the insurance companies are threatening major increases on unfortunate, hard-pressed householders who are already getting hammered with EU-IMF austerity and the policies of this Government. Can the Taoiseach point to legislation where he might require them to delve into the substantial profits they made in previous years rather than hitting people who cannot afford it?

The Taoiseach: I do not think there is legislation promised in that regard. I am aware of the reports this morning of 10% increases over the past two years and the difficulties people are experiencing. There is no legislation promised.

Deputy Niall Collins: When is it the intention to commence the provisions in the Dog Breeding Establishments Act?

Deputy Kevin Humphreys: On the same issue——

The Taoiseach: I must come back to Deputy Collins on that point. I cannot give an exact time for the introduction of the conditions. I will let the Deputy know as soon as possible. While I am on my feet, I congratulate Deputy Martin and all of his reduced number of Members on their appointments to important positions yesterday.

Deputy Micheál Martin: The Taoiseach was slow out of the traps this morning.

The Taoiseach: I wish them the best of luck as they get to grips with the Government forces here.

Deputy Dara Calleary: The Taoiseach is familiar with the case of the late Garda Robbie McCallion and the outcome of the case during the general election. In the eyes of many, this has diminished the protection given to gardaí on the beat. In the context of the forthcoming criminal justice Bill, I asked the Minister for Justice and Equality if he has plans to strengthen

the protection for serving gardaí. He said he has none. In the context of the outcome of that case, which happened during the election——

An Ceann Comhairle: This is the Order Of Business.

Deputy Dara Calleary: This is in the context of the criminal justice Bill, to strengthen the protection for serving gardaí who are on the beat, protecting communities.

The Taoiseach: This is a serious matter. I met with the family and I am well aware of the sensitivities involved. A court case made a decision in respect of the tragic death of that young garda who was in uniform at the time. I will have the concerns of Deputy Calleary brought to the attention of the Minister for Justice and Equality, who will reply.

Deputy Kevin Humphreys: The Dog Breeding Establishments Act was signed by the President in July 2010. Can the Taoiseach be more clear on the timeframe for the signing of the commencement order?

The Taoiseach: That is the second query on the Dog Breeding Establishments Act this morning.

Deputy Dara Calleary: Careful, they bite.

The Taoiseach: I do not have a date for the commencement but I will revert to the Deputy as quickly as I can.

Deputy Aengus Ó Snodaigh: One item on the legislative programme is a Bill which is before the Dail and the Seanad. As Whip I have the opportunity that others do not have and I encourage the Taoiseach to fast-track the Construction Contracts Bill. This will ease the distress of many subcontractors around the country. In particular, it will end the sharp practice of some builders in undermining subcontractors, many of whom are in dire straits and are being put out of business.

An Ceann Comhairle: We understand that.

Deputy Aengus Ó Snodaigh: In the last Dáil, there was cross-party agreement on the need for it.

An Ceann Comhairle: Deputy Ó Snodaigh should wait for the answer.

The Taoiseach: This is being addressed by the Department of Finance. The Bill is awaiting Second Stage. It is an important Bill and I have had meetings with a number of people who are out on a limb because they have not been paid for work they carried out on projects in which they were involved. This matter has all-party support and the Chief Whip will expedite the matter.

Deputy Charlie McConalogue: Today's Order Paper indicates that Deputy Frances Fitzgerald will attend the House tomorrow to answer questions on a wide range of subjects that have nothing to do with her role as Minister with responsibility for children. When will the legislation be introduced to deal with this absurd situation?

The Taoiseach: It is not an absurd situation. This is a change for very good reasons. A new Department with responsibility for children and youth affairs has been created and it requires legislation because it is a constitutional Department. That legislation is being prioritised and

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will be brought before the House as quickly as possible. The same situation applies in the case of the Minister with responsibility for public expenditure and public sector reform.

An Ceann Comhairle: I call on Deputy William O'Dea.

Deputy Willie O'Dea: I thank the Ceann Comhairle for giving me my proper title. It is very much appreciated.

Deputy Pat Rabbitte: Just Will.

Deputy Willie O'Dea: I ask the Taoiseach if he will facilitate a debate on job losses, which is a serious matter. I refer to the 2,000 job losses in AIB.

Deputy Timmy Dooley: It is shocking to see the Labour Party laughing at job losses.

Deputy Willie O'Dea: If the Labour Party finds it amusing that 2,000 people will lose their jobs, that speaks for itself. Will the Taoiseach facilitate a debate on the 2,000 proposed job losses? Is the Taoiseach aware of the statement of the chief executive of AIB that the board of the bank will defer to the Government in respect of the terms of the redundancy on offer, as the Government is the majority shareholder? The Government is the dominant shareholder at 93%.

An Ceann Comhairle: We will not have the debate now.

Deputy Willie O'Dea: Will the Taoiseach engage with the board of the bank on this matter?

An Ceann Comhairle: Not now.

Deputy Willie O'Dea: Will the Taoiseach ensure the people who will lose their jobs will at least be treated decently?

The Taoiseach: This is of very serious concern for the people involved.

Deputy Willie O'Dea: It is not a laughing matter. The Taoiseach should tell the Labour Party.

The Taoiseach: These people had neither hand, act nor part in bringing about the wreckage of the economy. The Government is concerned that the people are consulted properly and treated fairly. That is the minimum required. In respect of the recapitalisation of the banks, the Government wants to see a situation where banks get back to lending for the purposes for which they should. I refer to small businesses and mortgages. We do not want a situation where there is a diversion from that. It is a balance between fair treatment, full consultation, understanding the difficulties of the people who will be the victims of these redundancies and recapitalisation of the banks, the focus of which should be on lending into the economy for growth purposes.

An Ceann Comhairle: I call Deputy Gerry Adams.

Deputy Willie O'Dea: The Taoiseach did not answer my question. I asked two questions. Will he facilitate a debate and will he engage with the bank board?

An Ceann Comhairle: The Taoiseach answered the Deputy's question in regard to the debate.

The Taoiseach: That matter can be dealt with at the Whips' meeting. The Nyberg report on banks and banking practises will, following publication, be brought before the House. It might be more appropriate for the Deputy to raise his point during that debate.

Deputy Micheál Martin: We are talking about redundancies.

Deputy Gerry Adams: Can the revised memorandum of understanding to be published on Friday be agreed by the Government without it first coming before this House?

An Ceann Comhairle: That is not a matter for the Order of Business.

Deputy Gerry Adams: It is an important point.

An Ceann Comhairle: I know it is an important point but it is not a matter for the Order of Business.

Deputy Gerry Adams: Perhaps the Ceann Comhairle can provide me with some guidance in regard to the Order of Business.

An Ceann Comhairle: Is the Deputy asking about time or a debate?

Deputy Gerry Adams: No, I am asking about the principle: can the Government agree this revised memorandum of understanding without first coming in here——

An Ceann Comhairle: That is not a matter for the Order of Business.

Deputy Gerry Adams: ——and allowing the Dáil state its view on it.

An Ceann Comhairle: That is not a matter for the Order of Business.

Deputy Michael McGrath: Perhaps the Taoiseach will indicate when the Government intends to bring forward legislation to reform the law in regard to bankruptcy. It is stated in the programme for Government that a more flexible system would be introduced.

Allied Irish Bank announced yesterday that it is considering debt forgiveness or write-off of mortgages. The Government has also given commitments in regard to mortgage interest relief and so on. Does the Government support the debt write-off——

An Ceann Comhairle: That is not a matter for the Order of Business.

Deputy Michael McGrath: It is relevant because——

An Ceann Comhairle: It may be relevant but——

Deputy Michael McGrath: ——legislation in respect of interest relief for certain categories of homeowners has been promised. Does the Government support AIB's approach in respect of debt write-off and what proposals does it intend to bring forward and when?

An Ceann Comhairle: I call the Taoiseach on the matter relating to legislation.

The Taoiseach: The bankruptcy legislation is not listed for this session. It is a matter that must be dealt with and work on it is proceeding. The Government is interested in options to relieve stress on mortgage holders. Such options must be treated carefully, would require authorisation and, in some case, legislation, which is an issue that could be discussed here in the House in the context of the Nyberg report on banking or as a separate issue.

Deputy Timmy Dooley: Will the Taoiseach facilitate another debate on the Government's position in respect of bank recapitalisation? As I understand it, there is now a difference of opinion between the Minister for Finance and the independent banking expert in whom Fine Gael put so much weight in advance of the election——

An Ceann Comhairle: There is no dispute here. The Deputy should ask a question.

Deputy Timmy Dooley: ——a person whom the people of Dublin South put their considerable weight and support behind and who is now a Member of this House.

An Ceann Comhairle: That is not a matter for the Order of Business.

Deputy Pat Rabbitte: Deputy Ross is not here to defend himself.

Deputy Timmy Dooley: It is an issue as to why we should have a debate on this matter.

An Ceann Comhairle: No, no reason is necessary.

Deputy Timmy Dooley: I am asking the Taoiseach if he would consider having a debate so that the concern that is emerging can be discussed.

An Ceann Comhairle: Are we having a debate, Taoiseach?

The Taoiseach: As Deputy Rabbitte indicated, Deputy Ross is not here to defend himself.

Deputy Willie O'Dea: He is an expert in everything.

Deputy Dara Calleary: There is only one expert on banking. He is a multi-expert.

Deputy Timmy Dooley: The independent expert, Deputy Mathews.

Deputy Bernard J. Durkan: Deputy Dooley should not get so upset about such matters

The Taoiseach: Deputy Mathews has his head well screwed on.

Deputy Dara Calleary: Why then is the Government running?

Deputy Timmy Dooley: Is the Taoiseach saying that the Minister for Finance does not have his screwed on?

(Interruptions).

Deputy Timmy Dooley: The Taoiseach needs to show confidence in his Minister for Finance. This is a serious point. The Taoiseach is suggesting that the figures of the Minister for Finance are wrong.

The Taoiseach: Deputy Mathews is well able to defend himself and the Government. There is no difference of opinion there.

Deputy Michael Noonan: I will consult with Deputy Dooley later.

An Ceann Comhairle: I call Deputy Ferris.

Deputy Martin Ferris: Current legislation provides that self employed people who on retirement owe tax or PRSI to the Revenue Commissioners cannot be paid the old age pension. Will

the Government introduce legislation to amend this provision so that people who are destitute, old age pensioners, are allowed to draw their old age pension.

An Ceann Comhairle: Is legislation promised, Taoiseach?

The Taoiseach: I am advised by the Minister that the Commission on Social Welfare will examine such issues. This is a matter of great personal sensitivity for the people caught in this category. I am sure that if the Deputy submits a parliamentary question to the Minister for Finance or Minister of State with responsibility for social inclusion he would receive an up to date explanation on the matter. I advise him to do so.

I am advised that the Commission on Social Welfare is examining this area.

An Ceann Comhairle: I call Deputy Boyd Barrett.

Deputy Martin Ferris: With respect, what are old age pensioners to do while waiting for that to happen?

An Ceann Comhairle: The Deputy may not pursue the matter at the moment. The Deputy should table a parliamentary question on the matter.

Deputy Martin Ferris: What about people who currently cannot put food on the table because they cannot access their old age pensions?

An Ceann Comhairle: I fully understand the Deputy's difficulty. I hope he understands mine in regard to the Order of Business.

Deputy Martin Ferris: This is causing difficulty. It is a life or death issue.

An Ceann Comhairle: I appreciate that.

Deputy Martin Ferris: I am talking about people who cannot afford to be bread on the table.

An Ceann Comhairle: The Deputy should resume his seat.

The Taoiseach: If the Deputy submits, for written answer, a parliamentary question outlining the details of that specific case he will receive an answer very quickly.

An Ceann Comhairle: I call Deputy Boyd Barrett.

Deputy Richard Boyd Barrett: I would like to press the Taoiseach on the matter of a debate on the staggering announcement by AIB in regard to 2,000 job losses and the anticipated announcement regarding further job losses elsewhere in the banking system. When is it proposed to hold that debate on, as acknowledged by the Taoiseach, this serious matter?

An Ceann Comhairle: Is a debate promised, Taoiseach?

Deputy Richard Boyd Barrett: Is it not time, given this announcement of horrendous job losses, to re-examine legislation dealing with excessive remuneration for executives——

An Ceann Comhairle: That is not a matter for the Order of Business. A debate on the matter will be held.

Deputy Richard Boyd Barrett: ——in banks which are effectively State owned?

The Taoiseach: The Nyberg report will deal with all of the issues raised by the Deputy. He will have ample time during the debate on that report to raise all of those matters.

Deputy Micheál Martin: Will the Taoiseach indicate when the promised legislation in regard to the establishment of the strategic investment bank will be introduced?

The Taoiseach: I cannot give the Deputy a time in that regard.

Deputy Willie O’Dea: I bet the Taoiseach cannot.

Deputy Michael McGrath: It is on the never never.

The Taoiseach: The strategic investment bank is part of the programme for Government, as is the NewEra development. These matters require major consideration. I cannot indicate a date for presentation of the Bill. These matters are being worked on. They have not fallen off the edge.

Deputy Sandra McLellan: Can the Taoiseach indicate when it is proposed to hold the promised debate on the Irish language and the 20 year strategy?

The Taoiseach: The Deputy may be interested to learn that the matter was previously debated in the House. The Government yesterday approved the appointment of a number of Cabinet sub-committees, one of which will deal with the Irish language and the Gaeltacht and will be chaired by me. The Cabinet sub-committee will meet again tomorrow morning at 8.30 a.m. A debate on the matter will be held in the House as soon as is appropriate. Beidh mé toilteanach cloisteáil céard a bhéas le rá.

An Ceann Comhairle: We will now take Questions to the Taoiseach.

Deputy Pearse Doherty: I indicated I wished to raise a matter on the Order of Business.

An Ceann Comhairle: My apologies, I did not see the Deputy indicate his wish to speak. Does the Deputy have a question on promised legislation?

Deputy Pearse Doherty: My question relates to the holding of a debate in the House. Will the Taoiseach facilitate a debate on the post-2012 period? Much of our economic debates relate to the here and now and what is happening in terms of recapitalisation or European Council meetings. The European Commission has outlined that post-2012——

An Ceann Comhairle: I am sorry to interrupt the Deputy but I must argue this point with him every day. This is the Order of Business which is about the taking of business, including legislation, promised either inside or outside the House, the making of secondary legislation, arrangements for sittings and when Bills or other documents on the Order Paper will be circulated. I do not want to have to cut the Deputy off every day in the House when he is making statements.

Deputy Pearse Doherty: Perhaps the Ceann Comhairle will clarify——

An Ceann Comhairle: Is the Deputy raising any of the matters relevant to the Order of Business? I have tried to be as flexible as possible.

Deputy Pearse Doherty: Will the Ceann Comhairle clarify if we are allowed to ask during the Order of Business whether statements will be taken?

An Ceann Comhairle: Yes, if the Deputy is asking for time. The Deputy does not have to expand on the reason statements should be allowed.

Deputy Pearse Doherty: With respect, a Cheann Comhairle, every day——

An Ceann Comhairle: It is now 11.20 a.m. I am moving on to Questions to the Taoiseach. We also have much other business to deal with.

Deputy Pearse Doherty: I will try to be as concise as possible. Will the Taoiseach allow time for a debate in the House on the scenario post-2012 given the European Commission has stated this State will have exhausted all the EU-IMF money at that stage? I thank the Ceann Comhairle for not interrupting me when putting that question to the Taoiseach.

The Taoiseach: That is a possibility and the opportunity for that to be considered be will be at a meeting of the Whips.

Ceisteanna — Questions

Croke Park Agreement

1. **Deputy Gerry Adams** asked the Taoiseach his role regarding public service reform; and if he will make a statement on the matter. [6578/11]

2. **Deputy Micheál Martin** asked the Taoiseach his engagement with the implementation of the Croke Park deal. [6653/11]

The Taoiseach: I propose to take Questions Nos. 1 and 2 together.

Through the implementation of the commitments in the programme for Government, this Government will introduce the most ambitious programme of public service reform since the foundation of the State. Public service reform is a central priority for the Government and for me personally and that is why I have appointed a senior Minister with full cabinet responsibility for that agenda. It is our objective to have a leaner, more effective and better value for money public service, something which is in the interests of everyone in this country.

The cost of delivering public services must be reduced further and this will be done through the planned reduction in public service numbers and through greater efficiencies in the way in which public services are delivered. The reform programme, including the highly significant comprehensive spending review, will be led by the Minister, Deputy Brendan Howlin, and Minister of State, Deputy Brian Hayes. Of course, it is the responsibility of all Ministers to ensure the public service reform programme is implemented with energy and commitment in their Departments and sectors.

The Government intends to use the full potential of the Croke Park agreement to support the reform programme and to deliver greater flexibility, redeployment and changed work practices. We must have full implementation of the many commitments to efficiency and reform in the agreement and, notwithstanding progress to date, it is clear that the pace of change under the agreement needs to be accelerated in order that savings can be achieved and services delivered more effectively, with significantly reduced staff numbers and a stronger focus on the citizen.

In terms of the future role of my Department, at present the public service modernisation division of the Department is involved in a wide range of work in the public service reform

[The Taoiseach.]

area, including implementation of the Croke Park agreement, the senior public service and the organisational review programme, to mention just a few areas. Arrangements to transfer the functions and staff of this division to the new Department of Public Expenditure and Reform once it has been formally established are being finalised. In the meantime, the division is continuing its work in close co-operation with its counterparts in the public service management and development division in the Department of Finance.

In conclusion, I plan to maintain a very strong interest in the public service reform programme and I will chair a Cabinet committee of all the relevant Ministers to oversee the Government's programme in this important area. I look forward to working closely with Deputy Howlin and others in this regard. Deputies may be assured that public service reform will be kept firmly at the centre of this Government's thinking and its actions and I look forward to real progress being delivered in the near future.

Deputy Gerry Adams: Sinn Féin supports efficiency and an end to waste and bureaucracy in all sectors, including the public sector. Would the Taoiseach agree that reform and productivity can and should be achieved in co-operation with workers' representatives and not through threats of payoffs? We have the shameful position of Labour Party Ministers speaking about the consequences for public service workers, pay cuts and so on.

Nuair a chuir mé ceist ar an Taoiseach níos luaithe, bhí mé ag lorg freagra soiléir mar chuir mé ceist shoiléir. Tá mé ag cur cúpla ceist shoiléir arís anois. When will the spending review be completed? Will there also be consequences, in terms of pay cuts, for those at the top of the scale? What level of cuts is the Taoiseach seeking from this process?

The Taoiseach: On the spending review, we have set in place a process and agreed it. It will be completed by September or October. Each Minister will have examined the sections and sectors in his or her Department in respect of a review of how the money was effectively spent, which will feed into the preparation of the budget for 2012. As the Deputy is aware, the Government has signed on for fiscal targets which simply have to be achieved and that is the reason why, for the first time ever, we will have this scale of comprehensive analysis of what spending actually takes place. The spending review will not examine the presentation of the budget for 2012. Rather, it will examine the effectiveness of how moneys Voted to Departments and Ministries for this year are actually being spent.

This is an agreement that has been made, signed off on and voted on in the House. I made it perfectly clear that when the Croke Park agreement was put together that we respected its public pay element. As the Deputy is aware, the IMF and EU deal sets out certain conditions that simply have to be achieved. Ministers who have been pointing out the reality of that are talking about what is in the conditions which were signed off on by the previous Government and the EU and IMF.

Deputy Micheál Martin: On my question on the Croke Park agreement, the Taoiseach seems to preface everything by trying to blame others. The bottom line is whether he agrees with the assertion of the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, that if the Croke Park agreement does not deliver the required savings the option that will be chosen will be a further cut in the pay of public servants.

In terms of the spending review, is the Taoiseach not aware that a comprehensive review of public spending exists, namely, the report of the economist Colm McCarthy, known as the an bord snip review? It is quite comprehensive and provides a wide range of options to Ministers and the Government to get on with, rather than kicking the can down the road to September. The Government has accepted the €6 billion budget which was introduced last year by the

outgoing Government. The current Government described it as “savage” but accepted it and the parameters of cuts of €3 billion for next year.

Given the growth rates are not materialising it is very clear there may need to be adjustments to that figure. The key question is whether the Taoiseach accepts the assertion of the Minister, Deputy Rabbitte, in terms of cuts in public service pay. Would the Taoiseach accept there has already been a comprehensive spending review?

The Taoiseach: The Minister, Deputy Rabbitte, and others are merely pointing out that a condition of the IMF and EU deal is that if by the appropriate date the terms of the agreement have not been delivered there will have to be some consequences. It is not a threat, it is a reality. While some savings have been achieved, it is an agreement that needs to be accelerated. It was signed off on and has been difficult to accept for some people, but it is an agreement that is in place. We want to see it implemented in full.

We do not want to see a situation whereby the consequences for numbers or pay are forced upon us. That will not be necessary if the agreement is delivered on in full. That is why the pace of change and the delivery of more effective services needs to be accelerated.

Deputy Gerry Adams: I asked if there were consequences and pay cuts for those at the very top of the scale. The Labour Party Minister and the Taoiseach have repeated that there will be consequences. A lot of the people involved are low paid workers who provide front-line services which are essential for the welfare of citizens and those who are vulnerable. Once again we are told this is to satisfy the IMF and EU.

There is waste as well as huge salaries at the top of the public service. Mar a dúirt mé cúpla uair, tá mé ag lorg freagra soiléir. Will there also be consequences for those at the very top? Will they include capping their salaries? Will pay cuts also be introduced?

Deputy Micheál Martin: Given the concerns of the Taoiseach about the pace of the implementation of the agreement and flexibilities to be achieved, has he met the leaders of the public service unions and ICTU in regard to the Croke Park agreement?

The Taoiseach: No, I have not met them yet. Deputy Howlin has met the implementation body. I will be able to meet them in due course. Under the public service agreement, the position on public service pay must be reviewed on an annual basis and this will happen before 30 June. This will take account of sustainable savings generated from the implementation of the agreement. The agreement states that in the event of sufficient savings being identified in the spring 2011 review, priority in pay will be given to public servants with pay rates of €35,000 or less. There is recognition of the stress in that. The EU-IMF programme states that by the end of the third quarter of 2011, the Government “will consider an appropriate adjustment, including in the overall public service wage bill, to compensate for potential shortfalls in the projected savings arising from administrative efficiencies and public service number reductions.” That is in the agreement and that is why it is necessary everybody understands that this is an agreement that simply must be effectively implemented. That is why it must be speeded up.

Deputy Joe Higgins: Does the Taoiseach agree that public sector reform and the Croke Park agreement are really a crude cover for cutting thousands of jobs in the public sector? Does he agree that this will have severely damaging effects? The OECD stated just a few years ago that we had a small public sector compared with many other EU countries. How does he feel about this disgraceful blackmailing by Labour Party Ministers, who are threatening more wage cuts

[Deputy Joe Higgins.]

on low and middle income workers, while his Government does not introduce cuts for gambling billionaire bondholders?

The Taoiseach stated just a few minutes ago that public sector reform must result in significantly reduced staff numbers. Is he aware that the reduction of numbers in the health service has already put intolerable pressure on staff members delivering the service and a deterioration in the quality of service to the community? How does that square with the Government putting a potential €70 billion into banks to cover the debts of bondholders?

An Ceann Comhairle: I will allow a very short supplementary question from Deputy Boyd Barrett and then I will move on.

Deputy Richard Boyd Barrett: Apart from the injustice of visiting pay cuts on low and middle income public sector workers, what about the economic irrationality of it? If the Government takes money out of the pockets of ordinary workers who spend in the economy, it has a detrimental effect because demand is reduced and the economy contracts. The only public sector reform we should examine is one that deals with excessively high salaries of those paid with public money, whether it is in the top end of the Civil Service, semi-State bodies, politicians or bankers. These are the people who should take the hit, rather than ordinary low and middle income workers who have already been slaughtered with pay cuts.

The Taoiseach: The OECD produces a myriad of reports, some of which are very detailed and are of value in their own right. This country is in serious difficulty and we must provide a more efficient and effective public service with smaller numbers. That is not to decry the heroic efforts of many people in the public service who strive constantly to deliver the best service in very trying conditions. I speak particularly of those in the health, education and justice areas.

The European Union had no interest in making subordinated bondholders share the burden, but that has now happened. The Government has made it quite clear that bondholders in Anglo Irish Bank and Irish Nationwide Building Society are in a different category to those in the two pillar banks of AIB and Bank of Ireland. To answer Deputy Boyd Barrett's comments about high earners, taxation levels and levies hit all earners. The universal social charge is something that the Government will review in its preparation for the 2012 budget.

The planned reduction of between 18,000 and 21,000 in public service numbers by 2014 is through voluntary redundancy only. The human resource manager of the HSE stated some time ago that 700 people could do the jobs of the 2,000 personnel in one sector, which is why there was such a take up in such a short time of the offer of voluntary redundancy by the HSE. This is necessary to achieve a more cost effective, down-sized public service. That is not easy for many people, but unfortunately it must be done.

Departmental Correspondence

3. **Deputy Gerry Adams** asked the Taoiseach if the Communications Unit still operates in his Department; and if he will make a statement on the matter. [6581/11]

4. **Deputy Micheál Martin** asked the Taoiseach the arrangements he has put in place to give himself and others reports concerning media coverage. [6664/11]

5. **Deputy Micheál Martin** asked the Taoiseach if he plans to maximise the use of www.merionstreet.ie in view of comments (details supplied). [6847/11]

6. **Deputy Micheál Martin** asked the Taoiseach his plans to review the work of the Communications Unit in his Department. [7505/11]

7. **Deputy Micheál Martin** asked the Taoiseach the role to be played by him in seeking to secure and retain inward investment as distinct from the role of the Department of Enterprise, Trade and Innovation. [7690/11]

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

I have no plans to review the work of the communications unit. There has been no change in the work of the unit and it continues to provide news updates and transcripts to the Government press office, Departments and my Department. Consequently the arrangements in place for me and my Department for updates on media coverage remain the same.

The Government press office staffing arrangements have not been finalised yet. The Government press office currently has extra responsibilities in dealing with the considerable international media presence for the forthcoming visits of the Queen and President Obama. The outgoing Government press secretary was asked to stay on for a period of transition. The Tánaiste has indicated that Ms Cathy Madden will be his appointee as a deputy Government press secretary. Ms Joanne Lonergan will also be contracted to the Government information services.

There have been no other staff changes to date, and the working arrangements of the Government press office have not changed. The Government press office and the Government information service provide an information service on Government policy to the public through the national and international media on my behalf, on behalf of my Department and the Government and they promote a co-ordinated approach to media matters across all Departments.

The website www.merrionstreet.ie was developed and launched by the previous Government. Its purpose is to provide citizens with a single on-line location where the activity of the Government can be viewed. As it did in the previous Administration, www.merrionstreet.ie reports this activity in an impartial and factual manner. The latest press releases from all Departments are available on the site, which over time will be a valuable archive of Government information. Its main purpose is to make the work of the Government more accessible to citizens by reporting Government news in a user friendly manner, using audio-visual tools and Internet capabilities, including YouTube, Flickr, Facebook and Twitter.

Deputy Gerry Adams: Do we need for such a service at all? We have a Government press office and each Department has its own press officers. Are all of the people in this communications unit civil servants?

The Taoiseach mentioned the Queen in his reply. Which queen did he have in mind?

Deputy Phil Hogan: Your Queen.

The Taoiseach: The Queen of England, as the Deputy is aware, is to visit the country. This is the first time in more than 100 years that a reigning monarch is to come to Ireland.

Deputy Gerry Adams: She has been to Belfast many times.

Deputy Micheál Martin: She paid the Deputy's salary.

The Taoiseach: She is coming at the invitation of our President and this is a symbol of two countries growing up. I am glad it is happening and that is who I refer to.

Deputy Micheál Martin: The response to both the questions on the communications unit and on *www.merrionstreet.ie* are a remarkable illustration of the U-turn the Government has taken on many issues. Let us take the example of the communications unit. The Taoiseach's response is a classic example of the cynical approach he took when he was on the Opposition benches. He attacked that unit for nine years and accused it of being at the heart of a political operation, and now he is reversing his position. Does he not accept that comments he made in regard to the communications unit were ill-advised and ill-informed while he was the Leader of the Opposition?

In terms of *www.merrionstreet.ie* would the Taoiseach not now ask the Tánaiste to withdraw the remarks he made in regard to that website on its introduction when he said in the Dáil on 12 October that there was a distinction between information and propaganda, and that this was a propaganda site? The Taoiseach has described it as impartial and objective here this morning and I welcome that turnaround since he also criticised *www.merrionstreet.ie*. It illustrates the cynicism of his approach when he was on the Opposition benches, which is bad for politics—

An Ceann Comhairle: This is Question Time.

Deputy Micheál Martin: It is a very poor basis for a new type of politics.

The Taoiseach: I used to criticise this on the basis that all Departments had their own press operations, and the question arose as to whether this site was running contrary to what was happening in all the Departments. I have not had time to visit the personnel there yet. I have clicked onto the site at one stage and it is presenting factual information in respect of the Government. All the Government's statements are available on the site for all citizens both at home and abroad. From that viewpoint I accept that it is giving out factual information.

Deputy Micheál Martin: I appreciate the Taoiseach's confirmation that it was never and is not a propaganda site.

The Taoiseach: I would not call it cynical.

Deputy Joe Higgins: Can the Taoiseach elaborate on how many people work in the communications unit? Could he say exactly what they do in terms of keeping the Government informed as regards what is going on in the media? Is it the case that every Minister gets a file of coverage from the main newspapers every day in regard to his or her activities and that of the Government, and what exactly do they do?

With regard to the press arrangements to which the Taoiseach referred surrounding the visit of the Queen of England, how will the fact that we are spending a fortune in entertainment for a visit by the relic of a feudal monarchy, which is long past its "sell by" date, sit with the citizens of this State, which is supposed to be a republic?

An Ceann Comhairle: That question would be appropriate as a supplementary. Would the Taoiseach like to reply to the main points?

The Taoiseach: The Government Information Service, GIS, has three functions: to provide a press and information service for the Taoiseach as Head of Government and his Department; to deal with press and media issues for the Government as a whole, arising from that as a collective authority; and to co-ordinate the work of departmental media services in the interests of efficiency, such as the provision of Government representatives for media events, where appropriate.

Departmental press officers deal with queries relating to their specific areas of responsibility, but not issues involving interdepartmental responsibilities. The current GIS has grown from the early days when there were only two major national broadsheets and one national broadcaster to today's media involving 24 hour coverage and instant access to information from news wires and websites around the world. Today's information from the Government can be released via paper press releases, e-mails, text messages, podcasts and webcasts, to name some of the new technologies, not that I am familiar with the workings of all of them.

The scheduled visits of the Queen of England and the American President are by two very high profile international figures and there is a cost associated with security, media arrangements and so on. However, as somebody who comes from Daingean Uí Chúis, the Deputy will understand that this is an investment in terms of business and tourism potential, and should be seen as such. We welcome both visitors to our shores and hope that the Irish people will give them a very warm welcome. It is a sign of a country having grown up, on the one hand, while on the other it is a question of looking to the future with an American President who speaks to young people all over the world about hope, liberty and confidence and what it is to be part of a country such as this, facing the challenges we do as part of the international community.

Deputy Micheál Martin: I, too, have a question for the Taoiseach in terms of media co-ordination and roles within the Department. Is the Taoiseach in a position to outline details of the permanent structure to be put in place for the GIS? With regard the replies, which are quite comprehensive, it is very clear that "Sir Humphrey" has been hard at work in terms of ensuring members of the Government were all converted in terms of the importance of the communications unit, *www.merrionstreet.ie* and so on.

I concur with the Taoiseach on the Queen's visit. It is a very important event, which I believe illustrates the transformation in relationships between this country and Great Britain. We have received heads of state from all over the world. As a former Minister for Foreign Affairs I actively encouraged such a visit. I am delighted it is taking place and I believe it illustrates the journey we have collectively travelled on this island and between the two islands. It reflects that and hopefully will usher in a new era in terms of our further relations.

The Taoiseach: I commend Deputy Martin for his forthrightness in promoting this when he was Minister for Foreign Affairs, and I am very glad that towards the end of her presidency, President McAleese issued the invitation to Buckingham Palace, which was accepted by the Queen. I acknowledge the Deputy's interest in this during his time as Minister.

I do not as yet have the details regarding the permanent set-up in respect of the GIS. I do not envisage that there will be any great changes, but in the event, I shall let the Deputy know.

Deputy Gerry Adams: I do not wish to correct to the Taoiseach's grasp of geography, but clearly sections of the establishment here do not have a strong grasp of geography. This may be the first visit of the Queen of England to this State, but she has come to the country, particularly that part the President comes from, many times.

The Taoiseach: This is the first visit of a reigning British monarch to the Twenty-six Counties of the Republic of Ireland in more than 100 years. As the Deputy is well aware, it is the conclusion of a long period, and is a demonstration of this country having grown up that the President of Ireland and the Queen of England can meet here. The symbolism of that is extraordinary and shows, in many ways, an end to a long separation. The Queen comes to our shores as a welcome visitor, to a country with a proud history and record, facing the challenges of the future with a great potential.

Government Economic Management Council

8. **Deputy Micheál Martin** asked the Taoiseach the names of all persons appointed to assist the Government Economic Management Council; and if he will make a statement on the matter. [6654/11]

The Taoiseach: The Government Economic Management Council has been established with the status of a Cabinet committee. The secretariat is currently provided by existing members of staff in my Department, working in close conjunction with representatives of the Department of Finance and the Department of Foreign Affairs.

It has been decided to create a new post of second Secretary General in the Department of the Taoiseach to support the work of the council. He or she will also play a lead role in European Union co-ordination, supporting the Taoiseach and the Tánaiste as appropriate. Expressions of interest in the post have been sought and I expect that an appointment will be made shortly.

Deputy Micheál Martin: I support the appointment of a second Secretary General to the Department of the Taoiseach. This has been warranted for some time and it is a necessary appointment, particularly in terms of both the economic and European sides. Given the role of the Economic Management Council, will the Taoiseach confirm, as outlined to the House, that we will be able to ask questions about its work and that no effort will be made to shield it behind the status of a Cabinet committee?

Over recent days, we have witnessed a string of Ministers engaging in media appearances and using them to explain that economic documents are either before Government or due to come before Government in the near future. Given that Cabinet confidentiality does not seem to extend to media briefings, will the Taoiseach ensure the House has the same right as the media to ask questions about the work of his Department and in particular the work of the Economic Management Council?

The Taoiseach: I would very much regret it were there any comments from within Cabinet. The Deputy is well aware that the confidentiality of discussions at Cabinet and Cabinet sub-committees is protected by Article 28.4.3o of the Constitution, which states:

The confidentiality of discussions at meetings of the Government shall be respected in all circumstances save only where the High Court determines that disclosure should be made in respect of a particular matter—

i in the interests of the administration of justice by a Court, or

ii by virtue of an overriding public interest, pursuant to an application in that behalf by a tribunal appointed by the Government or a Minister of the Government on the authority of the Houses of the Oireachtas to inquire into a matter stated by them to be of public importance.

The Deputy is aware that is the situation in so far as the Constitution is concerned with regard to speaking in respect of Cabinet committees. However, that is not to say that the general discussions we can have here in a changed situation in the House cannot refer to the broader issues rather than the actual work of the Cabinet committees.

I will send the Deputy a list of the Cabinet committees that were authorised and will provide for the information of the House. The work of those committees can be discussed in general in discussions in the Dáil. However, as the Deputy is aware from experience at Cabinet commit-

tees, members are bound by the Constitution on confidentiality from talking about the actual issues discussed.

Deputy Micheál Martin: Clearly, Sir Humphrey was very hard at work yesterday preparing these responses and has covered all bases effectively. Under the programme for Government, the Taoiseach has given himself a role in terms of strategic economic co-ordination and has set up an important economic management council. Therefore, in the general sense, we should have the facility to ask questions in terms of strategic direction and economic policy and the decisions taken by the council.

The Taoiseach: As Leader of the Opposition, the Deputy has every right to raise issues on Leaders' Questions and I have a duty to respond as best I can. The Economic Management Council will deal with economic planning and budgetary matters, with the economic recovery programme, including the representation of Ireland internationally in negotiations with the EU, the ECB, the IMF and the troika, the integration of the work of Departments and agencies and the co-ordination of banking policy. The Deputy has asked questions about these issues already. The council has met ten times to date, on 10, 15, 21, 23, 28, 29 and 31 March and on 4, 5 and 11 April, reflecting the seriousness of the issues with which it must deal and the decisions to be made by Government as a consequence.

Deputy Gerry Adams: Tá a fhios agam go bhfuil mé ag cur isteach ar an Taoiseach mar go bhfuil mé ag lorg eolais. Ní féidir liom eolas a fháil uaidh nuair a chuirim mo cheisteanna i mBéarla agus mar sin cuirfidh mé an cheist faoin ábhar seo i nGaeilge. Cé hiad na daoine ar an chomhairle seo? Cé hé an cathaoirleach? An bhfuil nasc idir an comhairle seo agus an IMF, EU agus an ECB?

The Taoiseach: Is iad na polaiteoirí atá ag freastal ar an chomhairle seo ná mé féin agus an Tánaiste, an t-Aire Airgeadais, an Teachta Michael Noonan, agus an t-Aire Airgeadais Cateachas Poiblí, an Teachta Brendan Howlin. Tá oifigigh ón Roinn ag freastal, mar is gnáth, ar na coistí seo chomh maith, ach ní dóigh liom gur ceart a n-ainmneacha a lua mar gheall ar cibé eolas speisialta atá acu.

Deputy Joe Higgins: I noticed Deputy Martin was very complimentary to Sir Humphrey this morning. I suppose that is because——

An Ceann Comhairle: I ask the Deputy to refrain from mentioning Sir Humphrey and remind Deputies that questions are asked of the Taoiseach and Ministers. Responses are given by Ministers, not Sir Humphrey.

Deputy Joe Higgins: Sir Humphrey had 14 years of good practice under Deputy Martin's party.

An Ceann Comhairle: He no longer exists as far as I am concerned.

Deputy Joe Higgins: Did I understand the Taoiseach correctly to say that he would not give us the names of the members of the Economic Management Council, apart from those who are members of the Cabinet?

The Taoiseach: One does not name the officials on Cabinet sub-committees. The politicians on it are myself and the Tánaiste and the Ministers for Finance, Deputies Noonan and Howlin.

Deputy Joe Higgins: That is absurd. How are Irish citizens to know the quality of the membership and of the advice and decisions made by such a council if they do not know their

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identities? It is not as if this is a matter of significant national security. However, economic management is a massive issue for our people who are suffering the consequences of the current crisis of neoliberal capitalism. I put it to the Taoiseach that it is absurd not to identify the members and that he should change his policy in that regard.

The Taoiseach: The decisions taken at the Economic Management Council and by the Cabinet have all to be relayed to the public and explanations given as to why they were taken. This council, operating as a Cabinet committee, deals with the issues I mentioned, economic planning and budgetary management, banking strategy, the integration of the work of Departments and deals with the issues that arise regularly, such as the EU, the ECB and the IMF troika. Officials with different specialties may be called before the council. The politicians on the council are there to make recommendations and bring decisions to Cabinet for final endorsement and the Deputy has every right to ask about those.

Appointments to State Boards

9. **Deputy Micheál Martin** asked the Taoiseach in the context of his stated legal review of appointments by Ministers in the period between general elections and the meeting of the Dáil, if it will include a consideration of the large number of such appointments made by him and other Ministers in 1997. [6656/11]

The Taoiseach: I asked the Attorney General for her advice regarding the appointments to State boards by Ministers of the former Government in the period between the recent election campaign and the formation of the new Government, the appropriateness of these appointments during that period and whether there may be an opportunity to address this further. During this period of time, the previous Government appointed 110 people to State boards. Legal advice from the Attorney General states that it is not possible to remove these appointees.

The Government intends to improve significantly the process by which vacancies on the boards of State agencies and companies are filled.

Deputy Micheál Martin: Is the Taoiseach aware that the scale of appointments between the general election and 9 March was only a fraction of what occurred in 1997? At that time, some Ministers, including Deputy Noonan, made appointments to positions which were not vacant and the Taoiseach himself appointed a trustee of Fine Gael to a State board on his way out of office. Therefore, the Taoiseach must agree that this is another case of the new Government trying to climb on a moral high horse, despite its members having personally engaged in practices they now condemn.

With regard to the alleged new regime due to come on stream, in terms of interviewing applicants etc., I understand that the Minister for Agriculture, Fisheries and Food, Deputy Coveney, appointed a Mr. Meaney to the chair of Bord na gCon yesterday. Will the Taoiseach clarify whether that person was subject to an interview by any committee?

The Taoiseach: The Deputy is around here a long time and knows as well as I do that in the past Governments did this all the time. I raised this matter with my predecessor here, the former Taoiseach, Brian Cowen and suggested to him there should be no appointments made between the dissolution of the Dáil and the formation of the new Government. That was advance advice, but the Ministers of his Government did not heed that advice and went ahead and made 110 appointments.

Having taken the advice of the Attorney General, I will not go down the road of technical legislation or anything like that — we are stuck with it. That is why I have introduced changes that will bring about transparency and accountability to this area.

The Minister for Agriculture, Fisheries and Food made a recommendation to Cabinet yesterday for the appointment of the chairman of Bord na gCon because there are some issues there that need to be attended to as a matter of urgency. That chairman will have to go before the appropriate agriculture committee to give his views on how the board should be run, his vision for it, the competencies he brings to the position and how he views the future for the board. As in all other cases, that will be available as a public discourse between the committee dealing with agriculture and the appointee to Bord na gCon.

Deputy Micheál Martin: Will the Taoiseach confirm if the person has taken up the position — if he has been appointed by the Government?

The Taoiseach: The person has been nominated and appointed by the Government. He will have to go before the committee and, I assume, on the basis of what I said earlier, all such persons will have the necessary credentials and competencies and will present those credentials in a fitting manner at the Oireachtas committees. That will bring about an openness and transparency and provide an opportunity for people who want to serve to present their credentials in a proper manner. As I said earlier, I believe to the Deputy, if somebody in that position were to completely flop, as it were, the Government would have to take that into account.

Deputy Micheál Martin: I support the idea of people going before committees for interview and I promoted that as part of our manifesto. However, it seems that what was done yesterday by the Government in regard to Bord na gCon is almost in breach of the new regime it announced yesterday. In essence, a person has been appointed before that person has been interviewed by any committee. That is the point I want to make in this respect.

The Taoiseach would have had already available to him significant legal advice about the raft of appointments made by the Minister, Deputy Noonan, to non-existent health board vacancies towards the end of 1997. With the severance payments and ministerial pensions Ministers of the current Government took when they were previously Ministers and now having regard to this case, it is a case of there being double standards in many respects.

I welcome the new regime. However, it is important that it is brought into play as quickly as possible. I note that the Minister, Deputy Hogan was furiously prompting the Taoiseach as I asked my question.

Deputy Phil Hogan: I do not like hypocrisy. I do not like the hypocrite to whom I am listening.

The Taoiseach: The Minister was anxious to make an appointment to Bord na gCon a few weeks ago but we did not allow that to happen because we wanted the process to be in place. There are some urgent matters that need to be attended to in respect of Bord na gCon.

Deputy Phil Hogan: Deputy Martin should check those.

The Taoiseach: The person appointed will have to go before the Dáil committee once it is set up, which should be in the very near future.

Deputy Joe Higgins: Judging by the tenor of the friendly, loving conversation between the Taoiseach and Deputy Martin about appointments to the State boards, in which both of their

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parties have indulged, I do not believe they understand the huge cynicism among ordinary people about this blatant jobbery.

Deputy Phil Hogan: What about the Deputy's replacement to the European Parliament?

Deputy Joe Higgins: The replacement to the European Parliament——

Deputy Phil Hogan: How did the Deputy manage that?

Deputy Joe Higgins: ——is provided for according to law. The Minister knows that well.

Deputy Phil Hogan: This is the law as well.

Deputy Joe Higgins: His party used the legal procedure, where five Deputies are announced before the election and their names published in *Iris Oifigiúil* and in polling stations.

Deputy Phil Hogan: What about jobs for the Deputy's boys?

Deputy Joe Higgins: The law which the Government made was adhered to in this respect to the letter.

Deputy Paul Kehoe: The Deputy did not want to change it.

Deputy Joe Higgins: That is the democratic process, limited and all as has been provided for by the Government.

We are talking about disgraceful jobbery where 110 people were stuffed by Fianna Fáil on to State boards, just as Fine Gael did previously, and their only qualification, for the most part, is that they were hacks of the political parties concerned. When will we have an end to this kind of cynicism?

An Leas-Cheann Comhairle: Very little time remains and three Deputies are offering. I ask that they put their questions together; I call Deputy Boyd Barrett to be followed by Deputies Adams and Cowen

Deputy Richard Boyd Barrett: I am trying to avail of the wisdom and experience of the people who have been here much longer than I have been on the issue of——

The Taoiseach: The Deputy is learning well.

Deputy Richard Boyd Barrett: ——the relationship between the Taoiseach's Department and State boards, semi-States and so on. I submitted a question on the accountability for semi-States and State boards, which was passed to the Minister for Finance by which I was little surprised. Is it not to the Taoiseach the people on State boards and semi-State boards should be responsible and should we not be allowed ask the Taoiseach questions about that in order that there is accountability in that respect to the Dáil?

Deputy Gerry Adams: The process by which these appointments are made must become more transparent. I welcome anything that brings that about. It is very regrettable that those who were appointed by the previous Government in its last days in office cannot be removed. I welcome the fact that proposed appointees will have to appear before committees but that cannot be just a rubber-stamp process. What happened previously was political patronage, plain and simple. In regard to the committee dealing with the appointment of the chair of Bord

na gCon, and it is arguable that the dogs in the street are talking about that one, is that a nomination——

Deputy Micheál Martin: No, it is an appointment.

Deputy Gerry Adams: ——or an appointment? What role then does that committee have? Can it say no to that? I understand there is a very good system in place in the United States, although I am not an expert on this, by which people being appointed have to go before quite powerful committees which can stop them from being appointed.

Deputy Barry Cowen: My comment is in the same vein. While I welcome the appointment of Mr. Meaney and I am sure he is most suited and capable to do the job at hand, it was an appointment that was overdue in the sense that the previous Government did not pursue an appointment to the chair of that board, as the Taoiseach well knows. The Government has made this appointment. Yesterday we were enamoured to hear the process that was to be engaged by the Government in regard to appointments such as this one. Like Deputy Adams, while I believe the appointee is quite suitable and capable and I am sure he will do a good job in the difficult role the board has in providing a service in that industry, if the committee is not of the same view as myself or the Taoiseach about Mr. Meaney's appointment, what teeth has it and what sort of a hoodwinking exercise is it to be in the future, if in its first day it is proved to be so?

The Taoiseach: Deputy Higgins raised the business of appointments, cronyism and all the rest of it. I have made it clear to Ministers that we have to take into account gender balance, competency and the credibility of people who offer themselves for appointment as chairs or to the membership of State boards. The second last Taoiseach, the former Deputy Bertie Ahern, admitted to me here that a significant number of appointments were made on the basis of friendship as distinct from merit. There is a commitment to a reduction in the number of quangos in place and obviously that will result in a reduction in the number of such appointments.

Deputy Cowen raised the question of what teeth the committee might have. The process here will not be the same as that in the United States where an investigation and all kinds of analysis is conducted of people who present themselves. The Government will make an appointment to the chair of a State board and that person will be required to go before the committee. The process will not be an interrogation but an opportunity for that person to present his or her case, vision, view for the agency or board involved. If the person makes a hames of that, obviously the Government will have to take that into account. Following the person's appearance before the relevant Dáil committee, be it agriculture, education, foreign affairs or whatever, the Government will sign off final approval on the appointment.

Deputy Micheál Martin: Therefore, it is the Government that makes the appointment in the end.

The Taoiseach: It is not a case of the committee on agriculture having the final say in respect of any such appointment.

Deputy Micheál Martin: It is the Government that will have it.

Deputy Barry Cowen: This is for the sake of optics.

The Taoiseach: It is the Government that makes the appointment but there is an opportunity to have a far——

Deputy Micheál Martin: The Government has a majority on all of them.

The Taoiseach: —greater degree of openness and transparency than existed previously.

Deputy Micheál Martin: However, the Government has a majority on all of them.

Deputy Phil Hogan: The Deputy's party made 110 appointments.

Deputy Barry Cowen: It is an optical illusion.

An Leas-Cheann Comhairle: We will now have statements on the European Council.

The Taoiseach: Deputy Boyd Barrett's question was transferred to the Department of Finance. I do not know what question he asked. It was probably related to the fact that the board in question was under the aegis of that Department.

Deputy Richard Boyd Barrett: I asked a general question about semi-State companies and State boards.

The Taoiseach: The matter would be referred to the line Minister in the first instance, but it is the Government which makes the appointments.

European Council: Statements

The Taoiseach: The meeting of the European Council on 24 and 25 March was a full and productive one. It took important decisions on economic matters and addressed two important international concerns, events in Libya and Japan. The atmosphere was good and positive and I engaged individually with all of my colleagues in the room.

The Tánaiste and Minister for Foreign Affairs spoke at the weekend about the need for a strong diplomatic campaign to rebuild Ireland's international reputation. That is an important element of Government policy in providing a clear understanding of how serious is our intent to deal with the country's problems. Nobody in this House can doubt the damage that Ireland's good name and standing have suffered in recent times, especially within the European Union. That did not happen overnight and it will not be put right overnight. However, together with my colleagues in the Government, I am determined to do what is necessary to return Ireland to what it once was — a constructive and well regarded member state of the Union, with good relations with partners, large and small; a member state that saw its citizens climb to the highest levels within EU institutions, that held its head high and that made its mark. We live in difficult times, but Irish people have a right to be proud of their country and proud of the leaders who represent them on the world stage. I will do my utmost to ensure they are.

For some time the European Union has been seeking to respond effectively to the economic crisis that has engulfed it in recent times. Many criticised it for taking a piecemeal approach. That was never a fair or accurate picture; a great deal of work was and is under way. What was missing, in some respects, was a framework in which to draw it all together. The meeting of the European Council on 24 and 25 March provided the framework. It took decisions in six main areas that, taken together, represent a broad response to the economic challenges Europe continues to face.

Building on the annual growth survey published by the European Commission in January, we advanced the process of implementing the European semester, a new cycle of economic policy co-ordination. "European semester" is one of those phrases that has entered into European jargon very quickly, without, I suspect, many people appreciating what exactly is involved. It is straightforward. From now on, at its regular meeting in March, the European Council will

identify the main economic challenges facing the European Union, giving strategic advice on the measures needed to address them. Taking this guidance into account, each April the member states will present their medium-term budgetary strategies in their stability and convergence programmes, together with their national reform programmes, which will set out measures to strengthen their national economic positions.

Following assessment of the programmes, the European Commission will make proposals to the European Council, on the basis of which the Council will adopt country specific opinions and policy recommendations. Each member state is expected to turn the recommendations into concrete measures in adopting their national budgets for the following year. The Council has now endorsed this year's priorities for fiscal consolidation and structural reform. These include restoring sound budgets and fiscal sustainability, and reducing unemployment through labour market reforms and growth enhancing measures. Member states will factor in these reforms when preparing their national programmes. In particular, they will present a multi-annual consolidation plan, including specific deficit, revenue and expenditure targets. They will set out the strategy through which they envisage reaching the targets and a timeline for its implementation. Consolidation is to be front-loaded in those member states facing large structural deficits or high or rapidly increasing levels of public debt.

Like others, Ireland is in the process of preparing its national submission. Our situation, however, is quite different from that of most others in that we are already engaged in an EU-IMF programme in which we are committed to a demanding and extensive consolidation effort. Naturally, that will be reflected in this country's submission.

Of course, not everything can or should be done at national level. There is also a European dimension. The Single Market, in particular, is key to the European Union's future growth and competitiveness. The European Council, therefore, welcomed the European Commission's intention to present the Single Market Act and invited the Parliament and the Council to adopt by the end of 2012 a first set of priority measures to bring new impetus to the Single Market. I was particularly pleased that agreement was reached, with our full support, that the overall regulatory burden for small and medium enterprises, SMEs, should be a particular focus. We need to enable them to make their full contribution to growth and recovery.

The European Council also assessed progress on the six legislative proposals aimed at improving economic governance in the European Union. Once adopted, they will lead to a stronger Stability and Growth Pact; improved budgetary surveillance, including macroeconomic imbalances; and stronger and more automatic sanctions for those member states which do not play by the rules. We welcome the general approach reached by the Council on these six measures, opening the way for negotiations with the European Parliament. We would like to see this work advance rapidly so as to allow for the final adoption of the measures in June.

As I previously told the House, the meeting of the Heads of State or Government of the euro area adopted a Pact for the Euro at its meeting on 11 March aimed at improving economic policy co-ordination. At the meeting of the European Council six non-euro member states — Bulgaria, Denmark, Latvia, Lithuania, Poland and Romania — announced their intention to join what is now known as the Euro Plus Pact, not a name I personally would have chosen, as I do not believe it is very meaningful to the public. The member states which have signed up to the pact are expected to announce a set of concrete actions to be achieved in the next 12 months. Some member states, including France and Spain, have already done so. Most are expected to identify their proposed actions as they complete their national reform programmes.

The European Council also addressed the strength of the European banking system. The European Banking Authority is carrying out stress tests on a wide range of European banks, representing 65% of EU banking system assets and not less than 50% of the national banking

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system in each member state. That is a completely separate exercise to that carried out on the Irish banks, the results of which were recently announced. The purpose of the tests is to assess the resilience of the banking system across the European Union and individual institutions to hypothetical external shocks. They are intended to help to identify vulnerabilities and, where relevant, remedial actions, including strengthening capital levels, where required. They are designed to be more robust than the tests carried out last year which were not sufficiently convincing to the markets. A high level of disclosure by banks, including on their holdings of sovereign debt, is being required. Results are expected to be known in June. The Council has agreed that, ahead of publication of the results, member states will have prepared specific and ambitious strategies for the restructuring of vulnerable institutions, including the provision of government support, where needed. The stress tests will provide an important analysis of the strengths and vulnerabilities in the European banking system.

The European Council also adopted the wording of the proposed amendment to the European treaties to ensure the new European Stabilisation Mechanism, ESM, will be put on a sound legal footing. The wording has not changed since it was adopted as a draft last December. It is a simple and straightforward text which it is proposed to insert in Article 136 in the section on “provisions specific to Member States whose currency is the euro”.

As I informed the House, the previous Attorney General advised that the proposed amendment did not have consequences for the Constitution — Bunreacht na hÉireann. There is, therefore, no need to amend it by way of referendum. I expect this position to be confirmed now that the final text is available and the Attorney General will advise on the most appropriate means of ratification. Member states are expected to move forward with this process so as to allow the amendment to enter into force on 1 January 2013.

The European Council endorsed the features of the new European Stability Mechanism as agreed by the Heads of State or Government of the euro area when they met on 11 March. It was confirmed that the new mechanism which will come into being in July 2013 would have €500 billion available to lend. To achieve this and maintain a AAA rating, it will need an overall capital level of €700 billion. Of this, €80 billion will be paid-in capital, to be provided *pro rata* by the eurozone member states in five equal annual instalments. The remainder will be callable contributions. We also agreed that the current European Financial Stability Facility, EFSF, under which Ireland is drawing down funds, should have a full effective lending capacity of €440 billion. While it is funded to this extent notionally, its effective lending capacity to date has been considerably lower.

As I have informed the House, the question of Ireland’s programme, including the interest applying to our loans under the EFSF, did not arise. Ahead of the summit, I had suggested to President Van Rompuy that it was better to await the outcome of the banking stress tests before coming back to the matter. In the event, European partners agreed this made sense, and that once the full picture was clear, Finance Ministers should take the work forward.

As the House will be aware, the Minister for Finance met his colleagues at the informal ECOFIN meeting in Hungary last week. The principle of applying a lower rate to the EFSF was agreed by euro area Heads on 11 March, and Greece, which borrows outside the facility, has seen its interest rate reduced by 1%. I remain confident that it will be possible to find an agreed way forward for Ireland and I will keep the House informed as matters advance.

The Council also heard briefly from the Prime Minister of Portugal, whose Government had fallen the day before we met. As the House is aware, in light of Portugal’s seriously deteriorating economic circumstances, it has since made a formal application for financial assistance and is now engaged in negotiations towards that end.

The European Council also discussed two major international matters, the consequences of the earthquake in Japan and the ongoing events in Libya. The situation has developed further in the period since the meeting, and the Tánaiste will brief the House at the end of this debate. In summary, on Libya the European Council endorsed UN Security Council Resolution 1973, which authorises actions to protect civilians, and we reiterated our call on Colonel Gaddafi to stand down immediately. The Council stated its readiness to adopt further sanctions to ensure that the Gaddafi regime does not benefit from oil and gas revenues. It noted with concern the humanitarian situation, both within Libya and on its borders. There was particular emphasis on the protection of civilian life in the area around Benghazi.

On Japan, on which there was a detailed discussion, the European Council again offered the Union's support as the country faces enormous challenges in the wake of the earthquake and tsunami. We stand ready to provide further assistance at Japan's request. There are, of course, lessons to be learned from what has happened, not least in the area of nuclear safety. I called on the Japanese ambassador and signed the book of condolences in respect of those Japanese people who lost their lives.

I particularly welcome the agreement reached at our meeting that all nuclear plants within the Union, including the reprocessing plant at Sellafield, will now be subjected to comprehensive and transparent risk assessment. The assessments are to be carried out by independent national authorities and through peer review, and the outcome, together with any necessary measures to be taken, will be made public.

The European Commission will be centrally involved in the testing process and the European Council will assess initial findings by the end of the year. This was the third meeting of the European Council in just seven weeks. The Council is not now expected to meet again before June. That is welcomed by most. While it is good and appropriate that we meet whenever the need arises, there is also a place for calm and considered reflection.

In the meantime, the Government will continue to press forward with its efforts towards consolidation and recovery in the economy, and with its plans for extensive engagement with other member states and the European institutions.

Deputy Micheál Martin: Three weeks ago, Deputies contributed to statements about the then upcoming meeting of the European Council. A common theme from all parts of the House was that this would be an extremely significant meeting at which the Heads of State and Government would reach decisions that would have far-reaching effects for Ireland and Europe as a whole. It was to be the Council at which a clear and unequivocal message would be sent out that the leaders of Europe shared an absolute determination to overcome the economic difficulties facing member states and the common currency. Few summits have convened with higher expectations and, unfortunately, few summits did as much to fail to meet expectations.

Through my entire adult life, I have been a confirmed believer in the European cause, in the idea that the European Union provides the essential means to overcome problems and achieve progress both within nation states and throughout Europe as a whole. I still believe this, but equally I share a growing concern that the spirit which built the Union and made it the most successful multinational institution in world history is becoming less of a driving force.

The problems before leaders at this summit could not have been more important, but there appears to have been a lack of a genuinely *communautaire* spirit. Certainly, this appears in the comments which emerged from the summit about national concerns.

The reformed financial support mechanisms are to be welcomed. They probably are sufficient to persuade the bond markets that Europe has the financial firepower and intention to assist at least one large economy should the situation require it. This is exactly as required. What has

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not been done, however, is the presentation of a more comprehensive and conclusive series of measures to both support countries in need and show how states will ensure economic policies will be more sustainable in future.

Those who built the engine of integration understood that one cannot reduce every decision to a zero-sum game. The sovereignty that small states, in particular, agree to share in the Union, together with the adopting of everything that is involved with the Single Market, is enormously significant. The support programmes that were put in place saw the funding of cohesion not as a handout but as an essential part of recognising the sacrifices countries were making and the economic benefits being derived by the strongest countries. Most notably, former Chancellor Kohl understood instinctively that the cohesion funding Germany supported was of enormous economic advantage to Germany. Equally, he never demanded that recipient countries abandon key national policies in order to receive support, and he always treated other member states with respect. He did not do election photo opportunities with other leaders, preferring to show his support in more important ways.

What I find genuinely surprising from the summit is how little has progressed in recent months. There is little in the final *communiqué* that is significantly different from what existed in draft form in January; there is certainly no substantive difference between the measures agreed to and those agreed in principle months ago. However, what is noteworthy is that many areas that seemed likely to be advanced to a final conclusion at this summit, or at the very least to be close to agreement, were kicked down the road. The decisiveness and comprehensiveness which comprised a core part of the strategy for this Council got lost in the final weeks. I will return to the issue of Ireland's support programme.

In regard to the wider issues, we should have had greater clarity and a more substantive framework of action. What people were looking for was a demonstration of both understanding and will on behalf of the leaders. Part of that is the enlarged and more flexible financial support package, and this is to be welcomed. Part of it should also have been more detail on exactly what States are proposing in terms of fiscal rules and long-term confidence building. Instead of it being a demonstration of mutual interest and collective will, the summit was allowed to become a place where fine words about grand bargains were undermined by the reality of divisive comments.

The decision to hold off on the matter of revising the terms of Ireland's financial support was inevitable given the importance of the bank stress tests and the need for the Government parties to take a few more weeks before formally abandoning their election comments about bondholders, Frankfurt and red cent. What was not inevitable and what is of great concern was the continuation of the deeply damaging idea that a price must be paid for revised terms for Ireland.

Last week, the Minister for Finance, Deputy Noonan, went to Budapest telling the Irish media that corporation tax was not up for discussion and appears to have talked about little else. In his bilateral discussion with Ms Christine Lagarde on the shuttle bus to dinner, he received, if the comments of French officials are to be believed, little comprehension and less movement in regard to Ireland's position.

The ever-unhelpful anonymous briefings from the European Commission have joined those of certain countries in claiming that Ireland's position is untenable and that we must give something up to receive better terms. Specifically, they continue to insist that we must increase our corporation tax rate. This demand is economically illiterate, deeply cynical and an obstacle to changes which are essential not only for us but for the whole of Europe.

It is economically illiterate because its implementation would destroy any chance of achieving the core objectives of the support programmes, which are the restoration of national economies and the protection of the common currency. An increase in our corporation tax rate would immediately damage our economy and destroy our reputation as a country with a reliable, long-term corporation structure which can attract and retain globally mobile investment. There is no possible economic upside and there are many direct and rapid down-sides. It is not a zero sum game. Our economy would quickly reach a situation where we would no longer be able to maintain a policy on debts which is key to maintaining international confidence in the euro. To seek to damage an economy in the name of supporting the same economy is absurd and representative of a continuing failure to think through the implications of policy demands.

These demands are deeply cynical because they represent the exploitation of a crisis to progress purely national or institutional concerns. One major point about our corporation tax rate which has been missed by those who complain about it is that every relevant authority which has looked at it has confirmed that it does not represent a distortion of the Single Market. It fully adheres to our legal commitments to the European Union. It is because of this that the attacks are purely political. What is amazing about this is that not one piece of evidence has been produced to show that our corporation tax is anything other than a minuscule part of broader European economic performance. Our economy is 1% the size of the European economy. Our policies have an impact on the larger economies which is so close to zero it is almost immeasurable.

As the Taoiseach found out recently, there is a great tendency among some to see the refusal of Ireland simply to roll over on this point as being arrogant. This is how they described, and continue to describe, the previous Government's refusal to concede the point, and it is how they described the new Government's attitude at the Taoiseach's first Council meeting.

What is most damaging about this obsession with our corporation tax is that it is preventing Europe from showing the clarity and determination that is essential for confidence in national economies and the eurozone as a whole. Investors see the failure to agree a sustainable rate with Ireland because two leaders want Ireland to commit economic suicide with a corporation tax increase and wonder whether there really is a determination to do what it takes to protect the euro.

In response to the demand that Ireland put something on the table there should be no doubt in anyone's mind about exactly how much we have put on the table. We have accepted enormous debt obligations in the interests of protecting the common currency. We have adopted a deep and profound fiscal retrenchment. We have put politics to one side in order to do what is right rather than what is expedient. We are absorbing interest rates which are being set in light of the conditions in other countries. We have fully adhered to all of our commitments, and we are offering to adopt strong fiscal rules as a guarantor of future action.

We have put more than enough on the table. We accepted the only terms possible last year and have negotiated in good faith. The question for the other leaders now is whether they actually want the recovery for Ireland and Europe which they claim. If so, then there will be a deal in the next few weeks. If not, then the uncertainty will continue, the damage will escalate and the outcome will be negative for everyone.

We have discussed already this week the issue of bilaterals and negotiations, but I would like to stress one point to the Taoiseach. Both he and the Minister, Deputy Noonan, have signalled a significant change in at least the tone of their policy on a consolidated corporate tax base, CCTB. They have gone from absolutely ruling it out to promoting what they term "constructive engagement".

[Deputy Micheál Martin.]

The motivation behind the push for a consolidated corporate tax base has only ever been to raise the level of corporation tax paid by companies based here and in other low-rate countries. From its very inception, CCTB has been a solution in search of a credible problem to address. At the start, the explicit justification behind CCTB was harmonisation. Growing resistance from many countries forced this to be changed to supposedly “reducing the costs of compliance”. The fact is that this benefit would be at best marginal and is itself an item very low on the agenda of European industry. CCTB is a priority only for governments which want to increase revenue. Nobody who actually runs competitive and job-creating enterprises is demanding this.

The only independent study of the likely impact of the Commission’s latest CCTB proposal is deeply worrying. It has many parts, but the report, published late last month, states clearly that the proposal, if implemented in full, would be likely to be of no net benefit to the European economy as a whole. It would also be of negligible, if any, benefit to France and Germany. There would, however, be a direct and potentially devastating impact on Ireland’s economy. It would reduce our national income by more than 3%; that is a quick and permanent reduction in GNP by more than 3%. How can this be something that should form part of a deal supposedly to restore our economy?

The Taoiseach: We do not agree with it either.

Deputy Micheál Martin: Your language on it has changed.

The Taoiseach: We have a duty to discuss it.

Deputy Micheál Martin: Yesterday, the Taoiseach mentioned that he spoke with President Trichet at the summit.

The Taoiseach: It is a paper produced by the Commission.

Deputy Micheál Martin: The mandate of the ECB should be reviewed urgently. The bank has shown that the sole role of low inflation as a policy target is increasingly unsuitable in terms of the economic needs of Europe. Targeting inflation is important, but when this leads to an overly-aggressive stance it is highly damaging. The ECB’s rate increase in mid-2008 after the recession had already begun was an historic misreading of the available information. Unfortunately, the same mistake may be being made at the moment, with short-term commodity price rises driving rate increases which are not justified by the fundamentals.

The President of the ECB, Mr. Trichet, and his predecessor were rightly eager to establish the bank’s independence of political interference, particularly from heavy-handed attacks from French presidents over a number of years. However, this does not mean that the ECB should never be challenged. In this case, the potential impact of further rises could undermine fragile recoveries throughout Europe.

This summit will not be looked back on as a moment when the leaders of Europe showed a shared determination and clarity of vision. It will be seen as a deeply unsatisfactory continuation of a mixture of indecision and rising short-termism. The pact for Europe remains incomplete. There will be progress in the coming weeks. Ireland will get a more sustainable rate for financial support and there will be agreement on fiscal rules for the future. What is as yet uncertain is whether it will take another crisis before this happens.

Deputy Pádraig Mac Lochlainn: I wish to share time with Deputy Pearse Doherty.

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

Deputy Pádraig Mac Lochlainn: Following the EU Council's summit meeting last week, the European Commission Secretary General, Catherine Day, called the Irish bailout "tough but sustainable". For the Irish taxpayer and Ireland's future generations, there is nothing sustainable about the figures announced on Monday by the IMF, which included a predicted drop in growth rate from 0.9% to 0.5%, among the lowest of any country in the developed world, and further increases in unemployment.

What is clear, though, from these new figures and from the results of the recent stress tests, is that Ireland will never be able to sustain the EU-IMF loan. As the Nobel Prize-winning economist, Joseph Stiglitz, pointed out in *The Irish Times* this week:

Even in more optimistic scenarios, Ireland's debt to GDP ratio is expected to soar to 125 per cent in 2013, up from 25% in 2007. Low growth could make things worse, as stagnant GDP offsets the reduction in Ireland's debt. If Europe continues to falter — 2011 growth is projected to be lower even than last year — this will make recovery all the more difficult.

He went on to point out that the question of which policies are right is being distorted by an effort to save the banks and in the article also stated:

Even the EU is now anticipating that projections made just a short while ago were too rosy. But the EU recipe for recovery is more of the same: to meet the deficit reduction targets, more austerity — which in turn means still lower growth and still higher unemployment.

It does not take an economic genius to figure out where all this will inevitably lead. It creates a perverse cycle where austerity kills growth and that in turn causes revenue to fall. The fall in revenue then adds to the deficits and creates a demand for even more funding and more austerity. It is a perfect example of the self-fulfilling prophecy.

The words of Stiglitz will come as no surprise to Irish taxpayers who have had to witness billions upon billions of their money being pumped into a bottomless black hole. The EU, the IMF, and our Government all call this a "bailout". But the truth is that the only people being bailed out are the protected bondholders. This sentiment is being echoed by prominent European and international organisations, such as the European Trade Union Institute, ETUI, the European Trade Union Confederation, ETUC and the International Labour Organisation, ILO, which have also stated that a prolonged process of austerity in the absence of a co-ordinated public investment plan from Europe can only depress the Irish economy further. This downward spiral will only be halted by a redirection of priorities, away from the saving of banks and toward the creation of jobs and economic growth.

Sinn Féin has consistently called for the investment of the resources in the National Pensions Reserve Fund into a concentrated programme for job creation. The previous Fianna Fáil and Green Party Government decided to pump those assets into the failing banks, and the current Government is now following suit. Sinn Féin believes we must exploit our resources for the national good, for our economy, our industry and our people. In stark contrast, both the current Government and its immediate predecessors have chosen to sell them off. Where is the vision? Where is the hope for future generations when our Tánaiste signs his consent to the Corrib pipeline because he believes it meets all the preconditions, yet his party criticised the former Minister, former Deputy Pat Carey, for issuing the consent on the day of the election?

Instead of protecting our resources and challenging their being auctioned off, which we are witnessing, the Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, has limply regurgitated the same briefings from the Department that were issued by previous Ministers. Rather than do what is right by the people, this Fine Gael and Labour Party Government prefers to follow a road map that will secure the assets not of this country

[Deputy Pádraig Mac Lochlainn.]

or its people but of European banks and their bondholders. Rather than opening up their minds to consider real alternatives that have been put forward not just by our party but also by Independent Deputies, national and international economists, Nobel Prize winners and international and European labour organisations, this Government prefers to commit the Irish people to following a flawed plan forced on them by the EU and IMF.

What is that plan? It amounts to nothing more than inflicting massive pain and suffering on ordinary people in order to pay off monstrous debts incurred by reckless banks at extortionate rates from our European partners and the IMF. How can a country with a population of 4.4 million, and a working population of less than half that number, cope with a debt that is escalating by the billions at what appears to be a weekly rate? It is lunacy.

The ETUC has already sent clear warning signals to European institutions about its concern for the way the EU and the IMF are tackling the Irish, Greek and Portuguese crises. It stated that some measures in the recent economic governance package touch upon industrial relations and taxation. It is clear that the real aim of including these measures in the package is to reduce the wages and living standards of ordinary people across Europe, rather than to strengthen the regulation of European banks and financial markets. Reckless lending and reckless gambling by these speculators is what fuelled the financial crisis across Europe. Ireland is not alone. Unfortunately, many more of our European partners will soon be sharing our misery.

The EU is leading this Fine Gael and Labour Party Government by the nose into an exploding economic depression. The policies it is following amount to little more than further deregulation of labour markets, wage cuts, tax increases and reductions in Government spending. Elite policy makers across the EU are responsible for the eurozone debt crisis and it is time we confronted them and told them so. The IMF and ECB are demanding that Irish citizens bear the burden of the mistakes made by international financial wizards. We are being told that we must socialise the losses, while the gains can continue to be privatised.

Again, Ireland is not alone in this mess. We have plenty of company now. Ireland's problem is a European problem and it reflects a stark structural imbalance between the core and the periphery. The countries on the periphery of Europe — Ireland, Greece, Portugal and perhaps more to follow — are caught up in a European financial storm. Where is the solidarity from our large core European partners such as Germany and France? They have placed a savage and unbearable burden on our people — a burden that should have been shared because the responsibility for the crisis lies with Europe as much as Ireland. They have kicked us while we are down and they have torn the stated objectives of the European project into tatters.

International opinion is clear. Respected observers are looking in amazement at how we have been abandoned and punished. The European Council meeting is the core policy making centre of Europe; above all the institutions, it is where the strategic direction is decided. We have an unprecedented economic crisis and it was not even raised, according to what the Taoiseach said. It was not even on the agenda for that core summit Council meeting. That is wrong. We must change tack. I appeal to the Government to stand up against this injustice, to invoke the spirit of those honourable men and women who sacrificed so much so we would have the honour of serving in this House, to immediately engage in a robust diplomatic initiative against this patent injustice and to seek realistic and genuinely sustainable terms for our people. We are not alone. It is not too late.

Deputy Pearse Doherty: The Minister for Finance recently said of the European Stability Mechanism:

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.

Our problem is that the crisis did not hit between 2013 and 2016, but now. Burden sharing with private creditors is needed now, as is investment, not austerity.

The pact for the euro is essentially an IMF for the eurozone. It will lend money to countries in need and can also buy their bonds directly. Provision of support will be conditional and agreed by all other member states. We must remember that what happens in practice will depend not least on the political balance of power at the time help is requested. We can see that when we consider Ireland's current situation. We are bowing to the whim of two strong core countries that are on the cusp of national elections. I am sure we are all glad that the leading Government party is part of the European People's Party, EPP. Imagine the situation if we did not have friends such as Angela Merkel and Nickolas Sarkozy. What mess would we be in then?

The perverse measures imposed on Greece and Ireland are not encouraging precedents. The price of the loans — the surcharge on the interest rates that the ESM pays on its borrowing — has already been set at two percentage points for short-term loans and three percentage points for loans above three years. That is too high. If we are really a partner among equals, why further punish a country that is committing to an agreed and painful consolidation package and make the consolidation that much more difficult? There was no modesty from the European Council when it stated its conclusions about economic policy by proclaiming:

The European Council today adopted a comprehensive package of measures to respond to the crisis, preserve financial stability and lay the ground for smart, sustainable, socially inclusive and job-creating growth. This will strengthen the economic governance and competitiveness of the euro area and of the European Union.

The euro pact plus builds on the eurozone's old macroeconomic code of conduct, the Stability and Growth Pact. It extends the original pact's rules into new areas, such as wage negotiation procedures, and gives the European Union a stronger legal framework to increase compliance. Essentially, it puts pay, pensions and social benefits at the centre of how to run the euro in the future. As currencies cannot be devalued, the pressure will be on pay, pensions and other social investments to be devalued instead. It is vital to recognise that the euro pact plus does not chart a path out of the crisis. In particular, there is no strategy for achieving faster growth through higher public and private investment. On the contrary, the combination of fiscal austerity and supply side reforms will delay the pick-up of growth and keep unemployment unacceptably high for the foreseeable future. We can see that in the figures being released each week in this country.

The pact also does not hold out the promise of near-term resolution of the ongoing banking crisis, an essential precondition for recovery. We are looking to 2013 for burden sharing when countries such as Ireland need it now. To that extent the pact is a missed opportunity. The trouble with the European approach to the problem is that it is the wrong way around. When a business becomes insolvent, one does not generally lend it more money. Rather, one seeks to restructure the debts so that the business stands a fighting chance of becoming a going concern once more. Banks exposed to the write-offs are then recapitalised after private creditors take a hit. One recapitalises to fund the banks' workings, not to pay off private speculated debt, but that is not what is happening here. Instead, in effect, the core is lending the periphery

[Deputy Pearse Doherty.]

even more money in the hope that by so doing it will protect the core's banking systems from further damage.

After the agreement by the Taoiseach to this euro-pact plus on behalf of the Irish people, there are questions that need to be answered. One of them is: what are the concrete commitments to be achieved in the next 12 months in the name of the Irish people as a result of this pact and what concrete commitments are included in the national reform and stability programmes to be submitted later this month as a result of this pact?

Several weeks ago, I learned, through questions, from the Minister for Finance, Deputy Noonan, that we must put €1.7 billion over four years into the European stability mechanism starting in 2013. Some €1.7 billion of our money will go into this new fund that the Government signed off on. This means that Irish people must contribute to this fund so that at a later date we may tap into or get a loan from this fund and be charged an extortionate interest rate on the money that we gave it in the first instance. It is akin to a burglar robbing your home and charging you to take away the loot.

I asked specifically earlier today for a debate on what happens after 2012 because I and many others are unconvinced. My colleague, Deputy MacLochlainn spoke of Nobel prize winners and others who are unconvinced by the Government's strategy. The European Commission is telling us clearly that this bailout will not last us the four-year term. The European Commission states that we must tap into the bond markets by the end of 2012 at the latest.

An Leas-Cheann Comhairle: I ask the Deputy to conclude.

Deputy Pearse Doherty: How are we to achieve that, given that interest rates, nearly six months on from the start of the negotiations of the bailout, are even higher than then?

I wish the Taoiseach well and I hope he does well because it is not a party-political matter. The country needs him to do well and sort this problem out. The flaw in his approach is in the first two pages of his statement and I can summarise it in his words. The Taoiseach stated, "I am determined to do what is necessary to return Ireland to what it once was — a constructive and well-regarded member state of the Union, with good relations with partners, large and small." That should not be his ambition when he goes out to these European Council meetings. It is not to appease the French or the Germans so that they see us as good neighbours——

An Leas-Cheann Comhairle: Deputy Doherty, please.

Deputy Pearse Doherty: It is to stand up for Irish people. That is what is not happening.

An Leas-Cheann Comhairle: Deputy Doherty has other colleagues. I understand Deputy Boyd Barrett is sharing time.

Deputy Richard Boyd Barrett: I am sharing my time with Deputies Mattie McGrath, Healy and Ross.

An Leas-Cheann Comhairle: There are three and three-quarter minutes.

Deputy Richard Boyd Barrett: Many of the arguments about the debate that happened at the European Council have been gone through and I have a short time to make my points. As Deputy Doherty stated, no doubt all of us want to sort out the mess we are in, but what seems to me extraordinary is that there is no willingness on the part of the Government to recognise that the path we are being asked to go down by the IMF and the EU is a path that makes

matters worse, not better. It is essentially the path that led us to this crisis in the first place. I do not understand why the Government does not acknowledge that.

In simple terms, this crisis happened because banks in Europe — French, German, British banks — lent money to Irish banks to speculate on the property bubble and they were happy with the unregulated financial and banking sector. The philosophy was “no regulation” or “light regulation”, let the market rip and remove anything that gets in the way of making profits. We know where that got us.

The bankers here, in blind competition with one another to get a piece of the action, cheered on by the Fianna Fáil Government, stoked up a property bubble and the bankers in Europe knew what it was all about — if they did not, they were grossly incompetent. They knew, but they were happy to stoke up that sort of bubble and to make profits in the sort of unregulated Celtic tiger environment which they might not even have got away with in their own countries, and the inevitable crash came. Europe, having been very significantly responsible for it, then told the State that it must unload the cost of this mess on to the backs of working people in the form of cutbacks and austerity, that the State must bail out the Irish banks because if it does not, the Irish banks will bring Europe’s banks down and it might affect the euro, and that Europe is not having that.

The immorality and injustice of that is obvious to all. Given this crisis, which did not happen under the Taoiseach’s watch but under the watch of the previous Government, Europe is now telling us that we must continue along the same road. It is a joke to talk about a bailout because they are burying this economy and society to protect the bankers who bankrolled this property bubble in the first place. In so far as they will bail us out and in so far as they are saying that they will give us money to pay off the bankers — to pay them back, essentially — they, the European banks demand more deregulation, more austerity and more cutbacks that are contracting the economy as well as causing massive injustice, hardship and suffering for ordinary people. The effects are clear. Growth in the economy is contracting continuously.

The more the Government imposes austerity, the more the economy contracts. The IMF revised downward growth forecasts prove that. When will the Government state that this is not working? When will the Government stand up and state that it is not fair and it is not working, and insist that we go down another path and stand up to them? In doing that, we will be siding with other people in Iceland who have rejected similar policies.

Deputy Shane Ross: Hear, hear.

Deputy Richard Boyd Barrett: We will be siding with people in Portugal who are standing up to it, and people on the streets in Greece and Spain who are saying that neither do they want to pay for the crimes of politicians, bankers and the corporate elite. Should we not stand up with those people and stop the insanity?

Deputy Mattie McGrath: All my adult life I have been a keen supporter of the EEC, now the EU, and the various different treaties. We have had strong, good leaders in Europe over the years who seemed interested in fair play for all member states even though the number of member states at such times might have been fewer. There were some good deals out there — under CAP, the European Cohesion Fund, and so on. That was all fair and good.

We voted for different treaties and included in those treaties are strict regulations regarding financial and banking behaviour. Obviously, there was no regulation in Ireland. We had a regulator who earned a considerable salary who did not do his job and who should not have got his bonus because he broke his contract. As far as I am concerned, it is as simple as that.

[Deputy Mattie McGrath.]

European countries had more strict regulations and that is why they lent the money so recklessly in Ireland, which fuelled the property bubble to an enormous degree. I stated consistently, and I believe it to be a fair assessment, that the couple of European countries that lent that money so recklessly here were 50% responsible for what happened in the banking crisis.

What happens when we get into trouble is that we go to our partners. Among those same partners, a common belief in recent years of which we have heard so much was that Ireland was punching above its weight, suggesting that we had some additional influence in decision and policy-making processes in the EU. However, we now know the real position. That was never the case but it was what we were led to believe. It was what we were led to believe when we were asked and being encouraged to support the second Lisbon treaty.

Given that the guidelines set out under that treaty and the Maastricht treaty were not adhered to, why has this Government and its predecessor accepted a diktat from Europe that ordinary people must bail out those who got us into this mess? At least half of the cost should be imposed on the European banks which lent so recklessly. I cannot understand why they are getting away it. They will continue with this behaviour as long as they are allowed to do so. We must stand up to them because the interest rate the EU is forcing on us is exorbitant in comparison to that charged on the funding by the IMF. We have to say “stop”.

The public is confused and disappointed by the actions of the new Government, which promised that it would not spend another cent on the bailout. I recognise it has to tidy up what happened but we would all be fully behind it if it stood up to these people because they are being unfair. It is also unfair to attack our corporation tax rate. Our EU neighbours should analyse their own rates of tax in terms of their attractiveness to foreign direct investment. What is happening is not fair and it is time we stood up and rejected it.

Deputy Seamus Healy: We need to recognise that, in this instance at least, the EU is not a good Samaritan coming to the help of a neighbour in trouble. German, French and British banks gambled recklessly and lost but they are now demanding an each way bet. They want the Irish taxpayer to pay for the losses they incurred. That has been the policy of the previous Government and, sadly, it is now being pursued by Fine Gael and the Labour Party. European banks bear a lot of responsibility for what has happened to the Irish economy.

We are now faced with a genuine national economic and social emergency accompanied by an unprecedented assault on the living standards of Irish people and low and middle income earning families in particular. Meanwhile, billions of euro are being taken from working people and given to bankers, developers, international speculators and finance houses. This Government and its predecessor are trying to solve the economic crisis by slashing public expenditure and cutting welfare payments and the pay and pensions of workers. There can be no just or sustainable solution on this basis. I favour democratic and public control of our own resources so that social need is prioritised over profit.

It was established yesterday that we are in even worse trouble than we previously believed. Growth rate projections have been halved to 0.5% and we appear to be €1.3 billion worse off today than we were yesterday morning. Is it not time to default? This situation is unsustainable. We face payments of €4.9 billion this year, rising to €9 billion or more in 2014. That burden will crush Irish families and devastate the economy. One way or another, there will be a default. We need to negotiate a structured default because if we default unilaterally, the resulting situation will be absolutely dire. It is unsustainable to force Irish taxpayers to pay for banks which gambled recklessly and lost. We will see a continued onslaught on ordinary Irish people in coming budgets and people on low incomes or social welfare payments of €188 per week

will be forced to live on even less. It is time to default and the Government should stand up to the EU to stop the pressure on Irish taxpayers to pay huge sums of money to foreign banks.

Deputy Shane Ross: I welcome the tone of the contribution from my colleague, Deputy Healy. He unapologetically introduced the word “default” into the debate. It is time this option was put centre stage in Europe as well as this Chamber. Ministers are fond of claiming, correctly, that our standing in Europe has never been lower. Their political intent is to blame the previous Government. They are also right about that because that Government reduced us from Celtic tiger heroes to the bottom of the European pile. The problem with our low standing is that little notice is taken of what we do. Our EU colleagues are not particularly impressed by our stand on various issues and they are able to kick us around and bully us. Apparently that has been happening at European Council meetings, the evidence for which is our inability achieve a reduction on our interest rate.

I welcome the decision by the Minister for Foreign Affairs to embark on a diplomatic initiative to get the message across to our European partners about our intent and the state we are in but that is not enough. If we are being bullied, we have to fight back. It is clear from the various European meetings that we have accepted lying down the diktats from German and France, which think they can push us around. As the U-turn on burning the bondholders made clear, we lack an alternative to the strategy pursued by the previous Government.

I would welcome a reasonable debate on this issue rather than an emotional or political one. Why did we not embark on the different programme championed from these benches in what I hope was a non-political way? The first step would have been a referendum. I would like the Minister to reply to my question because I raise a serious point. It is fair to accuse our proposal to hold a referendum as populist, although there is nothing wrong with being populist. However, while the referendum in Iceland is not a direct parallel, once the people in that country rejected the terms of their debt settlement by a majority of 93% their Government renegotiated much better terms with the British and Dutch Governments. These terms were once again rejected last Saturday by a much narrower margin but the nation was strengthened by its vote. If we told Europe our people will not stomach the deal without getting something in return, our hand will be strengthened. If any subsequent settlement involved a structured default, they might consider it.

We have other cards to play but we are not playing them. What in the name of God is wrong with announcing we will move our corporate tax rate in the opposite direction to that demanded in Europe? It might drive other governments barmy but we are not in the business of keeping these people happy. We could declare that we intend reducing it to 9.9% rather than raising it. That might have the effect of waking them up to the fact that we are still in charge of our tax affairs and they could do absolutely nothing about it. We have to go on a counter offensive and develop an alternative strategy to going to European Council meetings and doing what we are told by our larger neighbours.

An Leas-Cheann Comhairle: We will now take questions to the Tánaiste and Minister for Foreign Affairs.

Deputy Micheál Martin: Does the Tánaiste regret the comment he made during the general election campaign — this is in the context of the summit and the resolution of the Irish debt problem — that it was Frankfurt’s way or the Labour Party’s way? We now know that the bondholders have not been burned. There has been no unilateral action in regard to them. If anything, it seems the notion that Ireland must give something before it receives something in return is gaining momentum. As I said, that is a fundamentally flawed perspective on the part of our European colleagues. There was a deeply cynical approach to all of these issues in the

[Deputy Micheál Martin.]

year or two years before the general election campaign, during which people were led to believe there could be a unilateral burning of bondholders and that it was our way rather than anybody else's.

There should be a restructuring and it should be done at European level. My criticism of the summit is very much that there was a clear failure in terms of finding a solution. There are fundamental difficulties across Europe in terms of the electoral position in Finland, Germany and France, the fundamental driver of the behaviour of the French President and the German Chancellor, as well as the other countries which are reluctant to look at the big picture in resolving the issues facing the European Union. All of the problems are interdependent; they are not just Irish problems. There is a fundamental lack of leadership at European level which is undermining the European vision and the Union itself.

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): I do not regret anything I said during the general election campaign. If there is cause for regret, or expressions of regret, it is probably for Deputy Martin, his party and the other side of the House. The approach always recommended and advocated by the Labour Party was not a unilateral but a negotiated one, as outlined on several occasions.

We could go on forever talking about how we got into this mess — I am happy to have that discussion and give my thoughts on it — but we must concentrate on the process of recovery because that is what the people who sent us here want us to engage in. Much of the discussion we have had for the past hour or so is a recipe for depression. We need to talk about how we can get the country to recover.

Stress tests have highlighted the extent of the problem in the banking system. They were very robust and we will see in the course of time how robust they were when we receive the results of stress testing in the wider European banking system. We know the extent of that problem. What we have not had up to now is a clear statement on the future of Irish banking. That is a firm decision the Government has made and issues regarding burden sharing, bondholders and so on must be seen in the context of the Government's intention that the pillar banks should be enabled to raise private capital. That is part of the strategy we are pursuing.

The second issue that arises is that of the terms on which finance is being provided for this country. It is being provided on two levels — there is the liquidity going into the banking system and the finance available to the State to enable it to pay its bills. The Government has been absolutely clear that it wants to negotiate a reduction in the interest rate charged on the money coming into the State, something which is being progressed by the Minister for Finance at ECOFIN.

The third dimension is the European one. As a number of speakers said, this is not just an Irish problem. There is also a European dimension and that is the framework which has been put together and is reflected in the conclusions reached at the European Council meeting. This is a process; it is not something in respect of which there is an absolute conclusion at the end of any one European Council meeting. It is a process which will continue for some time. For Ireland to maximise its influence in the matters which directly affect us as a country and to influence the framework and decisions being taken at European level, it is important that our position as a country is enhanced within the overall European framework. That is why are pursuing the diplomatic approach which will over a period set out what the Government is doing, what it intends to do and make it absolutely clear that what this is about is a process of recovery to ensure the economy recovers, people will be back at work, business will be successful and that we will get out of the economic mess we inherited.

Deputy Pádraig Mac Lochlainn: We have been told that what is required to bring forward the European Stability Mechanism is an amendment to the treaty. According to the Taoiseach, he has been advised by the Attorney General that it does not require a constitutional referendum. Will the Tánaiste give a commitment to publish the legal advice received from the Attorney General in order that we can analyse it? Has the wording of an amendment to the treaty been designed to avoid the need for a constitutional referendum? Does the Tánaiste believe the matters which have led to this amendment to the treaty do not have a serious enough impact on the people to necessitate a constitutional referendum in order to give them a chance to have their say on the matter?

Deputy Eamon Gilmore: Following consultations with the European Parliament, the European Commission and the European Central Bank, the spring European Council formally adopted the decision amending the treaty in order to allow member states of the euro area to establish a permanent mechanism to be known as the European Stability Mechanism to safeguard the financial stability of the euro area as a whole. This will be done using the simplified revision procedure provided for in Article 48.6 of the Treaty on European Union. The Office of the Attorney General advises that the European Council decision does not require an amendment of the Constitution. As no amendment of the Constitution arises, holding a referendum will not be a requirement in order to allow Ireland to approve the decision on the amendment. The precise manner in which Irish approval of the proposed treaty change will be given effect is being considered. It is expected that the necessary measures will be taken by all member states to allow the European Stability Mechanism to enter into force on 1 January 2013.

Deputy Catherine Murphy: It appears the European Council meeting was very reactive to the situation in Portugal. It appears also that a large country must be affected before one looks at the vision for the European Union. From where will leadership be given? It appears member states are taking a unilateral approach to crises as they emerge. Did the Tánaiste receive any indication on from where the leadership would be given to address this issue in looking at the big picture? If we are to get out of this problem, the European Union, although part of it, will have to be part of the solution. We must see where that vision will take us. I see only a very reactive approach being taken in moving from one crisis to another. Could we provide some leadership in the matter?

Deputy Eamon Gilmore: The European Union is attempting to avoid a reactive situation. It is true that the EU found itself in a position where it had to react to the nature of the crisis in Greece, the difficulty in Ireland and more recently in Portugal. The idea of establishing a European stability mechanism for the eurozone is so that there will be, post-2013, a permanent mechanism to deal with circumstances where countries find themselves in difficulty. The measures and the issues discussed and considered at the European Council meeting are intended to provide a framework to address economic crises as they emerge and to ensure we work to avoid them happening in the future.

Regarding the issue of leadership, it is important that we consider ourselves part of that leadership. The EU is intended to operate on the basis of solidarity and co-operation between member states. Instead of looking to leadership from individual member states, we must examine the way in which the 27 member states acting as a whole provide leadership collectively. It is valuable to have a framework in place to enable crises to be addressed in a manner not entirely reactive and to have a framework about moving the European economy out of the economic difficulties at present.

Deputy Micheál Martin: I do not want to labour the point but much of what has been said about the policy situation is incorrect. I refer to the spin that robust tests were initiated by the current Government and that these are new. These were initiated long before the current Government came into office. We all know about the pillar banks and we all knew about the rationalisation of banks. That was clearly going to happen once the robust tests had taken place.

Why has the Government's position changed on the harmonisation of the common consolidated tax base? It has changed to one of constructive and active engagement. The impact of the common consolidated tax base in Ireland would be devastating. It would be worse than simply increasing the corporate tax rate, which I do not agree with, having been a former Minister with responsibility for employment. Is this because the Tánaiste is teeing up the prospect of having to put something on the table to get an interest rate reduction? I thought my speech was constructive and it should not have been depressing. Irish people have put a great deal on the table. We accepted enormous debt obligations in the interest of protecting the common currency. It is in the interest of protecting the common currency, and not of Ireland, that we have done this. We adopted a deep and profound fiscal retrenchment. We put politics to one side to do what is right and not what is expedient. When we were doing what was right for the past two years, we were pilloried left, right and centre by the parties of the current Government and others. This applied to what we did about banks, deficit reductions, budgets and measures that were described as savage. Within a couple of weeks, people were able to say that they accepted all of this and adopted it as policy. I do not mind that, other than the fact that it is deeply cynical and hypocritical and has created problems in terms of doing what needs to be done to ensure economic recovery. We have put a great deal on the table and the notion that the German finance minister and others have intimated that we must put more on the table to get a rational position of a reduction in the interest rate, is unacceptable. The IMF said yesterday that there was an urgent need for a reduction in interest rates across all the mechanisms to support Greece, Ireland and Portugal.

Deputy Eamon Gilmore: I acknowledge that Deputy Martin's speech was constructive, as were the contributions of all Members.

Deputy Pearse Doherty: Is that another U-turn?

Deputy Eamon Gilmore: I was expressing some temptation to depression at the tone in some of the contributions, that we will all be ruined before the night is out. I make it clear to Deputy Martin that the Government's position in respect of the common consolidated tax base has not changed. We are opposed to it. We do not favour it. There is a proposal from the European Commission that puts the issue on the table. That must be discussed but in the discussion of the proposal the Government's position is very clear. I agree with Deputy Martin that Ireland has put a great deal on the table. The Government position on the proposal has not changed and we have been clear about the rate of corporation tax. This is a different dimension of the same point and Deputy Martin validly made the connection between the two. We have made it clear that we will not agree to a reduction in the rate of corporation tax. I appreciate the support from the House on the matter. Our position on the common consolidated tax base has not changed even though it is up for discussion. We are opposed to the common consolidated tax base.

Deputy Richard Boyd Barrett: The Tánaiste is correct to ask for constructive questions and contributions to this debate. Perhaps the Tánaiste agrees that it is very difficult to take seriously the castigation and criticism by Fianna Fáil when it has not got down on bended knee and asked for forgiveness from the people of this country for what it has done to them. I refer to Fianna Fáil's major culpability in dragging this country to the edge of the abyss. Members and

the rest of the country can start to take them seriously when they admit to their crimes. We will pass on from political point scoring but it makes me retch to hear them criticise anyone, given what they have done.

In an effort to be constructive, it is not doom and gloom to question the continuing policy of bailing out the banks. It is continuing to bail out the banks and asking ordinary people to pay for this in the form of cutbacks and austerity that is closing off the road to economic recovery. Is that not obviously a fact? Austerity started with the last Government and was imposed for two years but it did not work. When Deputy Gilmore was in opposition, he made that point. These measures contracted the economy, as the latest IMF figures confirm. At the weekend, Dr. Joseph Stiglitz confirmed that the more we go down this road, the more the economy contracts and reduces the possibility of future economic growth, which is the only thing that can get us out of this mess.

An Leas-Cheann Comhairle: Can Deputy Boyd Barrett ask a question please?

Deputy Richard Boyd Barrett: Is it not the case that the prescriptions of the EU and the IMF, irrespective of how we got here, are moving us in the opposite direction to that which allows for job growth and economic growth? The EU and IMF require austerity, which is sucking money out of the economy. For Greece to get a miserable 1% reduction on its interest rate, it had to agree to €50 billion worth of privatisation. Is that the road we go down as the growth forecasts go down, as the EU and the IMF come back and say we will not be able to pay it back on this basis and that they want more?

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

Deputy Richard Boyd Barrett: Are we to accept that? We are moving in the opposite direction, instead of stimulating the economy.

An Leas-Cheann Comhairle: Many other Members also want to contribute.

Deputy Eamon Gilmore: I thank Deputy Boyd Barrett for being constructive. The route we must travel is about the process of recovery. Growing the economy is central to that. That is why the Government is putting the emphasis on jobs and why proposals in regard to what we want to do to get people back to work and to increase the number of people in employment will be brought before the House next month.

The decisions made by Government in regard to the banking issue are aimed at recovery. They are aimed at having a strategy to allow the two pillar banks to recover and raise private capital thereby reducing their dependence on the State and or public finances and, more critically, allowing them to lend to business so that business in turn will be able generate employment, thus getting people back to work.

We must see this as a process. No single part of this series of decisions made over time by Government can be singled out and identified as being right or wrong. As such, the decisions in regard to the banks in terms of restructuring them and getting them to lend again and the decisions in regard to what we are attempting to do in terms of reducing the interest rate, what we do in terms of jobs and the wider European economy must be seen as part of the overall recovery effort which is aimed at getting people back to work. What matters ultimately is how all of this impacts on the lives of the people we represent. We must ensure we have a strong, robust economy, people at work, people returning to work and businesses getting back on their feet while minimising the impact of what has to be done on the taxpayer and the public finances. All of this must be done as part of the recovery process.

[Deputy Eamon Gilmore.]

While we will differ from time to time on some of the detailed individual components of that recovery process, it is important that the message communicated is confident and optimistic. Part of our recovery process is to re-instil and re-ignite confidence in our economy. The Government has its views on how this should be done. We are taking decisions and moving forward. Individual decisions will be debated. We need to get into the thinking space that we are going to work our way out of this problem and bring about recovery.

An Leas-Cheann Comhairle: I ask for Members' co-operation in agreeing to taking all of the remaining questions together, following which the Minister will reply to them. Is that agreed? Agreed.

Deputy Pearse Doherty: The Minister stated that we need to send out a confident message. In regard to his statement that other contributions are a recipe for depression, I am sure he is aware of a former Taoiseach who also dismissed with the same type of words claims by others that the economic policies that the then Government were pursuing were not the right ones and would lead us into depression. The Minister should be careful when others point up the pitfalls in Government strategy.

The pact for the euro deals with a debt sustainability model. Anyone who taps into the ESM post-2013 will be subject to debt sustainability analysis by the EU-IMF. If a state is deemed insolvent debt restructuring must follow. The European Commission has carried out a debt sustainability analysis for this country. However, its data was off the mark. Three issues arise. Has this come up at the European Council meeting? Are we asking for a new debt sustainability based on the fact that our GDP growth rate has been slashed to almost one-quarter of what the Government projected or half of that predicted by the EU-IMF? Our unemployment average for this year is estimated to be 405,000. It is currently running at approximately 441,000 people. We have committed to putting €24 billion into the four guaranteed institutions. However, the stress tests on Irish Nationwide Building Society and Anglo Irish Bank show that the Government may need to inject further billions into the banks. The big issues are debt sustainability and how we can afford this debt.

Deputy Thomas Pringle: Will the Minister confirm, given the European stabilisation mechanism has been put on a sound legal footing, that the Irish contribution to that will be €11 billion and that we are legally obliged to do this? If that is the case, will that money be loaned to us by the ECB at an interest rate of 5.8%?

Deputy Mattie McGrath: I compliment the Minister on launching his diplomatic initiative. Perhaps if he is at liberty to do so, he will outline initial reactions to it.

Deputy Mick Wallace: I could not agree more with the Minister that co-operation between all members of the EU will be vital. Will he agree that of late the decisions being made are more in the interests of Germany than of the periphery countries? For example, the recent increase in interest rates suits Germany and not the periphery countries like Ireland. It will be difficult for periphery countries to recover if Chancellor Merkel is to be a better German than she is a European. The Germans are controlling everything. Chancellor Merkel knows that it will be good business in the long term for Germany to look after the periphery countries because Germany has done well out of the European Union and the euro. However, if Chancellor Merkel is now, because of fear of the German electorate, to make decisions that are more insular and Germany orientated, the periphery countries will suffer.

Deputy Pádraig Mac Lochlainn: Will the Government publish the Attorney General's advice in regard to the referendum? Ireland is committed to contributing to a range of funds in the European Union. This commitment was achieved by way of agreement in a referendum, which means the people at least had a say in that regard. Will the Government publish the Attorney General's legal advice on the reason we cannot have a referendum?

An Leas-Cheann Comhairle: I call on the Minister to reply and ask him also to be brief as we are over time.

Deputy Eamon Gilmore: I will try to comply with the Leas-Cheann Comhairle's request.

On Deputy Doherty's point, the European Stability Mechanism is intended to provide the framework which will apply post-2013. Our approach to that is on the basis of debt sustainability. The Government's objective is to work our way out of the difficulties we are in. We are confident this can be done.

Deputy Pringle asked about the amount that we are to contribute to the ESM. Only €80 billion of the €700 billion capacity of the mechanism is paid in capital. This will be made available by participating member states in five equal annual instalments from 2013 according to an established key. Ireland will contribute 1.592% of the €80 billion or approximately €255 million in each of the five years. The total will be €1.27 billion. The manner in which the ESM is structured means that each country's contribution will not impact on its general government deficit. The remaining €620 billion of the subscribed capital will be made available by way of calling capital and guarantees. Ireland's share of the €620 billion will be approximately €9.87 billion. The amount put up by Ireland will be approximately €255 million in each of the five years. We have to bear in mind that it is a fund and mechanism which we want to have available to us.

I will return to Deputy McGrath because I missed the point he made.

The arrangement brings us back to Deputy Wallace's point, with which I agree. I do not think any member state, whether this country or Germany, can play the game for country advantage. There is interdependence within the European union. If large countries like Germany or any other member state insist on decisions being taken which are in its national interest alone, it will ultimately come back and bite the member state concerned. Therefore, it is necessary that decisions are taken in the interest of the wider European Union.

The decisions taken at the last European Council meeting reflect that, because as the Deputy will know, in the months leading into it there was concern in some member states about the extent of the contribution taxpayers and individual member states were being required to make, as they saw it, to come to the aid of countries on the periphery. That is a short-sighted way of looking at the problem. As Deputy Martin said, countries like Ireland have put a great deal on the table and that needs to be factored into the equation.

I missed the point made by Deputy McGrath.

Deputy Mattie McGrath: I asked if the Minister had received a response to his diplomatic initiatives.

Deputy Eamon Gilmore: We have. Our embassies have been working on this issue right across the capitals of the European Union and further afield. There is quite a degree of goodwill towards Ireland from Governments, business leaders and potential investors. There has been some very strong, positive feedback from that. The diplomatic initiative is working on a number of levels through embassies, Ministers attending European Council meetings and engaging with others. We have a programme of bilateral discussions which we will have with member states.

[Deputy Eamon Gilmore.]

Early next week I will meet the EU ambassadors who are located here to brief them and update them on the situation.

On a referendum, as Deputy MacLochlainn will be away the advice of the Attorney General is not new. The European treaty provides for a mechanism whereby changes can be made to it. There is a simplified revision procedure which does not expand the competence of the European Union. The establishment of the European stability mechanism is something that applies to the eurozone. The previous Attorney General had advised that a referendum was not required. Now that the text has been finally settled by the European Council, the current Attorney General has been asked to advise the Government on the ratification procedure.

Sitting suspended at 1.45 p.m. and resumed at 2.30 p.m.

Ceisteanna — Questions (resumed)

Priority Questions

Agri-Environment Options Scheme

23. **Deputy Michael Moynihan** asked the Minister for Agriculture; Fisheries and Food the maximum number of farmers that will be allowed take part in the agri environment options scheme in 2011; and if provisions will be made to enable up to 10,000 farmers take part in the scheme in 2011. [7841/11]

24. **Deputy Michael Colreavy** asked the Minister for Agriculture; Fisheries and Food the reason €50m budgeted and committed for the agri-environment options scheme has been reduced to €25m; the reason the number of approved applicants will be limited to a maximum of 8,000; the further reason there are no proposals for additional payments in disadvantaged areas; if he has calculated the consequential impact on farming sustainability and on the budget of Department of Social Protection; and if he will make a statement on the matter. [7791/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I propose to take Question Nos. 23 and 24 together.

I congratulate Deputy Moynihan, Deputy Colreavy and Deputy Pringle on being made spokespersons on agriculture and fisheries for their parties or groups in the House. I look forward to a constructive relationship with them. We have many challenges in the next two years in respect of budgetary constraints, but agriculture and fisheries can be a good news story for the economy. I hope the Deputies find me straight, blunt and open to sharing information. I hope they will be able to work in the same spirit with me.

On Wednesday, 6 April, I announced the re-opening of the agri-environment options scheme, or AEOS, for 2011 and confirmed that the scheme will be open for applications until 16 May. I have made funding of €25 million per annum available for this scheme, with a maximum payment to any farmer of €4,000 per annum. I decided on this level of funding following long and careful consideration, and taking account of the expenditure ceilings for my Department, as set out in the National Recovery Plan 2011-2014. The number of applicants that will be accepted into AEOS for 2011 will be determined by the overall expenditure ceiling of €25 million per annum. The actual number accepted will depend on the aggregate of the payments due under the individual plans submitted. Applications will be accepted based on the priority

access criteria and scoring matrix set out in the scheme terms and conditions, up to the expenditure ceiling of €25 million.

While I would like to have been in a position to announce this scheme earlier, the reality of putting it together was made all the more challenging due to the budgetary constraints in place. My Department must operate within the limits of the national recovery plan and funding was not provided for the launch of AEOS in 2011 when the plan was published. That is simply a fact. While difficult choices had to be made, I felt the commitment given to open the scheme in 2011 should be honoured. Given the overall constraints, it was not possible for me to commit €50 million a year to the scheme. The funding of €25 million per annum which I have announced must be found within the overall expenditure ceilings for the Department in the national recovery plan, and I will critically examine every element of the Department's expenditure to ensure that all available funding is maximised.

Prior to finalising the 2011 eligibility criteria and scheme terms and conditions, my officials carried out a review of the 2010 scheme to gain from the experience of operating that scheme. On the basis of this review I have put in place a scheme under which farmers will to be paid to undertake actions which specifically target the three objectives of halting the loss of biodiversity, contributing to the improvement of water quality and combating climate change.

While the 2011 scheme is broadly similar to last year's scheme, some minor changes have been introduced that are designed to enhance the benefits to both participating farmers and the environment. Farmers successful in gaining entry to this year's scheme will be paid to undertake identifiable and verifiable environmental measures under a scheme which builds on the success of the rural environment protection scheme and the inaugural agri-environment options scheme. The scheme will be attractive to farmers while delivering real, worthwhile environmental benefits to the wider community.

The contract period for the new scheme will be for five years, but the terms and conditions and payment rates for the new participants will apply until the end of 2013. At that stage, participants will have the option of terminating the contract without penalty or of opting to join whatever scheme may be introduced in the new EU financial perspective programming period. This is a sensible change which was introduced by the Commission to avoid overlap between EU programming periods.

Additional information not given on the floor of the House.

As with last year, farmers with commonage land or designated special areas of conservation or special protection areas will have to follow a "sustainable management plan" prepared by a planner and will be given priority access to the scheme. Applicants other than those requiring a sustainable management plan are not required to engage a planner to complete their application form. Such applicants will be awarded entry to the scheme on the following basis. Farm partnerships will rank second in priority in the selection process. Applications for all other holdings will then be considered and will be ranked initially according to the marking system shown set out in the terms and conditions which is based on the environmental actions selected by the individual farmer. Further selection will be applied, if necessary, using the following criteria: location of farms in less favoured areas; previous participation in REPS; and farm size, favouring smaller holdings, based on the utilisable agricultural area declared in the 2010 single payment scheme application.

The payments set out in the scheme terms and conditions do not allow for additional payments for farmers in disadvantaged areas for two reasons. First, to do so would result in fewer farmers gaining entry to AEOS. Second, such farmers already receive an income support to compensate them for the additional costs associated with farming in such areas under the

[Deputy Simon Coveney.]

disadvantaged areas scheme administered by my Department. Due to the budgetary constraints that I have outlined, I will not propose any increase in the payments under the disadvantaged areas scheme.

The purpose of AEOS is to compensate farmers for income forgone or costs incurred for complying voluntarily with specific agri-environmental measures. That it will be attractive to farmers and will provide a welcome income stream for the successful applicants. It is also a clear indication of my and the Government's commitment to sustainability and the development of the agri-food sector, even in very difficult economic and fiscal circumstances.

Deputy Michael Moynihan: I take the opportunity to wish the Minister and the Minister of State well in their Department. There is no doubt that agriculture has been at the forefront of society. It is one of our great indigenous industries and there are challenges ahead. I also wish Deputies Colreavy and Pringle well in their respective roles.

I thank the Minister for his reply on the AEOS. Provision was made in the budgetary process and in December's budget for the maximum rate of €5,000 and eligibility for 10,000 applicants. In the official briefing documents received by the Minister from the Department on the structures and so forth, it was clearly stated that in December 2010, the previous Minister announced that the scheme would reopen in 2011 with a maximum payment rate of €5,000 per farmer for up to 10,000 applicants. The Department's press release stated that the scheme would open in broad terms, as was announced in 2010. Therefore, we have difficulty accepting the reasons, notwithstanding the various challenges that exist. Provision was made for the full scheme to go ahead in 2011 and we have difficulty in accepting the reasons the drastic cuts were made to the AEOS scheme. Why did the current Minister not honour the commitments given by the Minister at the time?

Deputy Simon Coveney: I am glad this issue was raised by a member of the party Deputy Moynihan represents. The announcement of an AEOS scheme for this year was made by the previous Minister, but there was no provision in the budget for that. The Department of Finance had no provision for it. My Department had no provision for it. There are expenditure ceilings, to which the previous Government signed up, to reduce current expenditure in my Department by €60 million next year, €40 million the year after that and €20 million the following year. This was done to try to solve the financial mess that has been created here. Unfortunately, we are now required to try to address that under the constraints that are unavoidable.

It is simply untrue and misleading to say that the previous Government had provided for a €50 million AEOS scheme and that this Government is not delivering on it. If the Deputy is trying to paint that picture, he is just continuing the dishonesty that was there when this scheme was announced for the first time. Perhaps he might be able to tell me where he would find the extra €50 million for this scheme. If that was the case, there would have to be €110 million in expenditure reductions next year in my Department. That is the reality. The last Government signed up to €60 million in savings as part of the four-year budgetary programme to allow this Government to access funds from the EU Stability Fund. There was no AEOS scheme included in that. If such a scheme was planned by the Government, then the cut backs next year would have to be €110 million. Two days after taking office I was given a file with a question to the effect, "What are we going to do with the AEOS because we have no money and a promise has been made?" That is the context for a slimmed down scheme for which I had to find €25 million. I had one hell of a job persuading the Department of Finance to allow me to open it. People need to know the truth. Unfortunately, some have been playing politics with this issue.

The reality is that all of the accounting advice was not to go ahead with the scheme. However, we have gone ahead with it because it is worthwhile.

Deputy Michael Colreavy: I thank the Minister for his good wishes. I also wish him the very best, as I know he has a very tough brief. This is one of the few functioning areas of the economy, with such potential that the decisions and choices the Minister makes will have a big impact on how the country progresses in the next five, ten to 20 years. At some stage I would love to see him visit Sligo-North Leitrim because it has the most beautiful scenery.

Deputy Simon Coveney: I have been there and know it well.

Deputy Michael Colreavy: However, the land is marginal for agriculture, but the Minister would be most welcome. He comes from County Cork where the land is good.

Deputy Michael Moynihan: Not all of it.

Deputy Michael Colreavy: I shall certainly work positively with the Minister. Where Sinn Féin believes something is good, as Deputy Martin Ferris did before me, I shall work enthusiastically with the Minister. However, where we believe more can be done, we shall be resolute in insisting that the right choices and decisions are made.

I included in my question a number of factors. Many farmers in the area I represent are so dependent on this funding that if they do not receive it, or if it is reduced, they will move to schemes such as the farm assistance scheme and become dependent on social welfare. I have asked the Minister whether that contingency has been taken into account. He might be controlling the limits set in the agricultural budget, but——

An Leas-Cheann Comhairle: We must allow the Minister to answer that question because we are running short of time.

Deputy Simon Coveney: I am very conscious that many farm families are and have been reliant for practically all of their farm profits on schemes such as REPS and the current AEOS. While we allow the more fertile land to be farmed in a more intensive manner to produce more food and meet the targets set under Food Harvest 2020, in addition to all of the other exciting events that will happen in the agriculture sector, I hope that in the next five years we will also ensure those managing marginal land can also survive. That is why the AEOS, even though it is not as generous as I would have liked, targets the limited resources we are aiming at it. It favours the small farmer, those farming in disadvantaged areas. If I had time, I would outline the criteria. Anybody farming in an SAC, an SPA or a commonage area automatically qualifies for the scheme. That covers up to 4,000 people for a start. As regards the remaining 4,000, if there are more applicants than places available, we will prioritise on the basis that are people are located in a less favoured area, as well as on the basis of previous participation in REPS, indicating earlier reliance on a REPS payment. After this we will look at farm size and favour smaller holdings based on the agricultural area being farmed as listed in the 2010 single farm payment application. In other words, we shall target the money available at the families and farms that need it most and those farming in an environmentally friendly manner. We will target disadvantaged areas such as Sligo, Leitrim, Donegal, parts of Kerry and west Cork to ensure the farms reliant on this income will continue to receive it.

Harbours and Piers

25. **Deputy Thomas Pringle** asked the Minister for Agriculture; Fisheries and Food if he will ensure that the marketing study carried out on fishery harbour centres particularly in relation

[Deputy Thomas Pringle.]

to Killybegs fishery harbour centre County Donegal will be implemented to give Killybegs harbour the opportunity to play a vital and dynamic role in the economic regeneration of south-west Donegal where Killybegs can become a vibrant import export port, develop the offshore renewable energy sector, be a centre for marine tourism and leisure and continue to provide core and ancillary services to the fishing industry thereby providing vital jobs in an unemployment black-spot and will have little cost implications [7847/11]

Deputy Simon Coveney: Killybegs Fishery Harbour Centre is Ireland's premier fishing port. To date, in excess of €50 million has been invested in the development of the harbour by my Department. This investment has brought the harbour infrastructure and facilities up to a class leading standard.

My Department is conscious of the valuable and necessary contribution the harbour plays in the support and development of the fishing industry, together with the benefits that accrue to the local and national economies. In addition, I am aware of the potential Killybegs Fishery Harbour Centre holds for the development and growth of other industries and enterprises in the harbour area that must, of necessity, be compatible with the requirements of the fishing industry.

Mr. Kevin Bonnar, former Secretary General of the Department of Enterprise and Employment, chaired a group of key officials of State agencies to identify marketing opportunities for Killybegs. Following extensive consultations with representatives from all sectors, including fishing, commercial, educational, marine leisure and tourism, Mr. Bonnar compiled a report for the Killybegs Fishery Harbour Centre marketing strategy. The marketing strategy was launched in 2008 and set out a vision for the development of the area which includes but extends beyond the fishing industry and my Department. The report identifies many areas with potential for growth, including fishing, food processing and fish by-products, servicing the oil and gas exploration business, marine leisure and tourism and attracting cruise ships, an industry that has been growing steadily in Killybegs. Already, there are seven cruise ships booked in for this year alone.

In the following year the business plans for the development of the fishery harbour centres were launched. The business plans for the six fishery harbour centres which are owned and operated by my Department and located at Killybegs, Howth, Dunmore East, Castletownbere, Ros a Mhíl and An Daingean were drafted following an extensive consultation process.

Deputy Thomas Pringle: I wish the Minister and the Minister of State, Deputy McEntee, well in their portfolios.

As regards the business and marketing plans, at this stage three strategies have been looking at the development of business at Killybegs Fishery Harbour Centre, at a cost of somewhere in the region of €200,000. Unfortunately, they have not been rolled out. It is vitally important that, if the centre is to play its role in the overall regeneration of Donegal South-West, the plans are implemented. While I hope Killybegs will always be the largest fisheries port in the country, opportunities abound for alternative complementary industries to develop. What is vitally needed is a willingness within the Department to facilitate their development. The business plan identified a number of barriers which could be removed without cost or expenditure implications for the Department by the creation of an atmosphere in which development would be allowed to take place. There are a number of sites available. Last year the offer of a site for a new fishmeal plant was withdrawn by the Department. Such developments are, therefore, being held back. We need a culture to develop that would allow the process to move forward.

It could be very beneficial to south-west Donegal as well as nationally if the Department was to take a proactive role in ensuring this happens.

Deputy Simon Coveney: I have been to Killybegs a number of times, most recently for the by-election in which the Deputy participated, and I am very aware of the potential for development. The marine resource is underestimated by most. Killybegs Harbour can and will be at the heart of developing a more ambitious fisheries sector, with a particular focus on fish processing. We can do much there to process more fish landed by both Irish and non-Irish trawlers. It is also an obvious base for servicing oil and gas exploration businesses and offshore energy projects which will develop in an ambitious way in the next ten years. There is a platform there on which we can grow a series of industries based on their location around a harbour with the resources Killybegs has available to it and I would like to see this happen. However, any industry we develop there must be complementary to the fisheries business. A number of proposals brought forward have not been complementary. I have an open mind towards sweating the assets we have in a more ambitious way to try to encourage new thinking in Killybegs and other harbours and generate more activity and create employment, but these new activities must complement the existing businesses which have grown in these harbours and, from the perspective of Killybegs Harbour, the fishing industry in particular.

Milk Quota

26. **Deputy Michael Moynihan** asked the Minister for Agriculture; Fisheries and Food in view of the looming milk quota difficulties between now and the end of the milk quota regime, his plans to seek a specific provision from the EU Commission to allow a gradual and orderly expansion of the dairy industry here; and if he will make a statement on the matter. [7842/11]

Deputy Simon Coveney: I will leave aside my notes to answer this question because otherwise I will have to stop half way through and the Deputy will not receive a full response.

There is much concern in the dairy industry about a soft landing for the sector as we approach the end of milk quotas in 2015. There was much concern until a few days ago that there would be a super levy applied to Ireland for over-production of milk in the past 12 months. I am glad to be able to say that is now unlikely, as it looks as if we will be just under quota. Therefore, the many farmers who produced well above quota, some of whom are based in my county, and who took a chance this year are lucky a superlevy will not be applied because many of them would be put out of business if it was.

I want to issue a warning to ambitious farmers. We want to encourage their ambition to increase milk production dramatically after 2015, but there is no political solution to the problem between now and 2015. The solution provided to date by the European Commission is that it will allow a 1% increase in quota each year until the end of the quota system. That is not sufficient for Ireland and the proof is that the cost of quota being traded has not fallen, despite the fact that the regime has only a few years to run.

Ireland is not the only country experiencing this problem. For example, the cost of quota in Denmark is at an all-time high. Some four or five countries in the European Union, one of which is Ireland, want to dramatically increase milk production following the ending of the quota system. We need to try to find a solution that will allow for countries such as Ireland that want to expand and grow a dairy industry and to ramp up capacity to deliver on this objective between now and 2015. I will continue to work with the European Commission to try to bring about a solution. However, farmers must beware because as yet there is no solution.

Deputy Michael Moynihan: There is a serious issue this year and farmers just got away with over-production by the skin of their teeth. Farmers took a chance because there was a view

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among those involved in the dairy industry this time last year that our national quota would not be reached at any stage before 2015. There are a number of issues, including the problem of capacity for dairy farms which have invested in stock, machinery and parlours, etc. A significant number of dairy stock will come into the system in the next few years and this will cause a serious problem. Even if there is only an average production year weatherwise, we will have a serious issue this time 12 months. I believe the Minister was correct to issue a warning to the primary producer, the dairy producer. However, we must get a system in place to ensure that if we are to reach our targets by 2015, we will be able to cope with the increased capacity in the meantime. The European Union must put a system in place that will allow gradual expansion.

The quota system, for all its faults, has served the industry reasonably well. However, with regard to what will happen post-2015, the industry must be examined to ensure there will be management at European and national level to ensure primary producers will be paid an acceptable price for milk at the farm gate from day one. We will probably reach the target of a 50% increase, possibly more, but we must ensure there will be markets in place and that negotiations will take place at the European Commission and nationally to ensure the place of the product we produce. We must not end up in the situation in which we found ourselves in the 2009-2010 production year when the primary producer was paid a price for milk that more or less only met the cost of production.

Deputy Simon Coveney: There are two issues involved. First, we cannot allow a situation to develop where there will be a dramatic increase in milk production and a collapse in its price because we do not have markets for it. That would be a disaster. This problem needs to be dealt with as part of a soft landing solution in terms of the ending of the quota system. We are working to achieve this through the food harvest implementation body and working with State agencies such as Bord Bia which is working with the industry to find new markets for dairy products such as powder product for baby food in China or new markets in Asia. We are having some success in that regard. We have a mature, developed and experienced dairy industry which has the capacity to increase the volumes of milk purchased and retain high prices for producers, but we need to plan and work together to achieve this.

I have a political responsibility to ensure we attempt to find a political solution in a situation where production in Europe as a whole is under quota but four or five countries are under pressure and want to exceed quota. For example, production in Slovenia is 30% under quota this year, yet Ireland has the capacity to be way above quota but cannot acquire extra quota. In the context of bringing the quota regime to an end, I will try, through forming alliances with other countries with similar concerns, to secure a change in policy that will allow for expansion in the dairy sector pre-2015. However, we do not yet have agreement and are a long way off it. I met the Commissioner a number of weeks ago and he was adamant there would be no change at this stage. Therefore, I would not advise taking a course of action whereby producers would anticipate being allowed to produce milk way above quota and politicians finding a way to solve the problem. We must be very cautious.

Departmental Bodies

27. **Deputy Michael Colreavy** asked the Minister for Agriculture; Fisheries and Food if he will outline the main aspects of Teagasc rationalisation to Dáil Éireann including the number and location of Teagasc offices identified for closure and sale; the amount and locations of research lands identified for sale; the number and locations of staff to be made redundant, retired not replaced and or redeployed; the total once-off and annual savings expected as a result of the rationalisation; if all or part of the expected savings will be reinvested in agriculture

research; when he expects the rationalisation to be completed; if he has prepared and made available an impact analysis report concerning the rationalisation proposals; and if he will make a statement on the matter. [7792/11]

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Shane McEntee): First, I wish all Deputies opposite the best of luck with their portfolios. As mentioned already, agriculture has a bright future.

Under the Agriculture (Research, Training and Advice) Act 1988, Teagasc has statutory responsibility for the provision of education, advisory and research services to the agriculture sector. It is a matter for Teagasc and its board to prioritise activities in the delivery of these services and to allocate its resources in accordance with these priorities. Ministerial responsibility is confined to matters of policy in accordance with the Act and the Minister does not interfere in the day-to-day operations of Teagasc.

Teagasc continually develops its programmes, services and activities in conjunction with its clients and partners overseen by an authority that is representative of the main stakeholder groups in the agrifood sector. In 2008, the organisation completed a wide-ranging foresight analysis, Teagasc 2030, focusing on the challenges facing the agrifood sector and how Teagasc needed to adapt to meet these challenges. The report identified, in consultation with stakeholders, a clear vision for the long-term future of the agrifood sector and for Teagasc's supporting role.

The Teagasc foresight exercise established an overall strategic direction for the organisation and formed the basis for the launch of a major change programme in Teagasc. This commitment to change was given additional impetus arising from budgetary adjustments and the prospect of further resource adjustments. Against this background, the Teagasc authority approved phase one of the change programme in March 2009 to reorganise and refocus the organisation to meet the significant challenges that lie ahead.

The programme provides for rationalisation measures across the organisation including the advisory office network, disposal of surplus land resources, staff reductions and prioritisation of programme activities. The agreed actions were seen as the first step in an ongoing process of change and adjustment in the organisation. The programme was updated in May 2010 to incorporate additional rationalisation measures to end 2012.

Teagasc has made significant reductions in its cost base in recent years. In terms of budgetary savings, Exchequer grant-in-aid decreased by almost €14 million in the period 2008 to 2010. Staff numbers fell by 300 to 1,300 since the moratorium commenced in March 2009. Teagasc management will use an internal programme and staffing plan to guide its decisions on the deployment of staff resources under the change programme.

Additional information not given on the floor of the House.

I understand that as part of its change plans, the Teagasc authority decided to concentrate the delivery of advisory services at fewer locations around the country, reduced from 91 to 51 by mid-2012. The offices to close are located throughout the country in each Teagasc advisory unit. The decision to close these offices is entirely a matter for Teagasc and its board. The change programme also envisages a 30% — 50 ha owned and 425 ha leased — reduction in overall land holdings devoted to agriculture research. Teagasc has completed the sale of a research farm in County Clare and plans to exit a number of leases as they expire in 2011 and 2012.

The total Exchequer aid provided to Teagasc for 2011 exceeds €132 million to fund the delivery of advisory, research and education services. Teagasc earns other own income from other non-Exchequer sources including advisory charges, research grants etc. Prioritisation of this funding for particular services-programmes is entirely a matter for the Teagasc authority.

The Teagasc change programme is in line with Government plans for public service modernisation as set out in the Public Service Agreement 2010-2014 and in the programme for Government. The proposed activities are fully consistent with the creation of a smaller, more integrated public service that is operating within a reduced cost base and with fewer staff to deliver essential public services.

Deputy Michael Colreavy: Gabhaim comhghairdeas leis an Aire Stáit. Teagasc provides research and advisory services that are very well used by farmers in every county. Its director, Professor Gerry Boyle, has asked that some of the money that has been made available through the sale of assets within Teagasc be reinvested in its research and advisory services. It is not clear from the Minister of State's reply whether this will be done. This Government and the previous Government said that investment in research will be a key pillar in this country moving forward. I would have liked the reply to have stated clearly the amount of money that will be invested in further research and training and the nature of such research and training.

Deputy Shane McEntee: Some of answers sought by the Deputy may be sent to him in writing. I appreciate what he said about the importance of Teagasc and of research. I come from an area like the Deputy in north Meath, which is not where all the good land is although there is still some good land in it. Small farmers prevail in that area and have availed of the services of Teagasc. I attended a beef seminar a week ago at which the level of research Teagasc has completed through funding was discussed. Such a service will be available to all concerned, including small beef farmers in particular, who farm in areas like those that I and the Deputy represent. Farmers will benefit from such Teagasc advice centres. If the Deputy has specific questions on any of those areas, I can write to Teagasc to get answers to them. I know where the Deputy is coming from in terms of his questions and I appreciate his concern in regard to research.

Deputy Michael Colreavy: I am not sure what would be the point of the Minister of State writing to Teagasc because its director——

An Leas-Cheann Comhairle: Will the Deputy put his question as time allocated for this question is near an end?

Deputy Michael Colreavy: Has the Department indicated or made a decision on the percentage of the money derived from the sale of Teagasc assets that will be reinvested in its research and advisory function?

Deputy Shane McEntee: That will be part of the expenditure review that will take place over the next three months. When we have full details on it, we will get them straight to the Deputy.

An Leas-Cheann Comhairle: We will move on to Other Questions.

Deputy Simon Coveney: On the last question, the Deputy might be interested to hear that I met representatives of Teagasc yesterday in regard to this matter and it is part of an ongoing discussion.

Other Questions

Food Exports

28. **Deputy Seamus Kirk** asked the Minister for Agriculture; Fisheries and Food if, having regard to the targets in Harvest 2020, the marketing strategies being planned to expand market share in existing markets and to establish a foothold in new markets. [7697/11]

Deputy Simon Coveney: As the Deputy recognised, Food Harvest 2020 sets out an ambitious roadmap and targets for the Irish food and drinks industry over the next decade. This is being driven by the high level implementation group, which I chair, and by a number of activation groups.

With regard to expanding Ireland's share in existing markets, Bord Bia is implementing or planning to implement a number of key initiatives. These include an expansion of the successful marketing fellowship programme with 30 executives undertaking more than 100 commercial assignments for 80 food and drink exporting companies in 13 overseas markets. I have met a number of people working on that fellow programme and it is very impressive. A reinvigorated Irish beef promotion in continental Europe with specific focus on the German market is under way and gaining success. We lost our market in Germany a number of years ago, as a result of the incidence of BSE, to South American suppliers of beef, but we are winning back that market. The growth of our market in Germany is impressive and it has the capacity to grow significantly. We are maximising the achievement of Carbon Trust accreditation linked to the Board Bia beef quality assurance scheme and are arranging the participation of Irish exporting companies in more than 20 international trade fairs.

I have spent some time since becoming Minister with Bord Bia in Spain and France and it is doing a good job at selling the quality of Irish food production. I am confident we will have strategies in place not only to expand European markets in terms of food exports but markets outside of the European Union. The Deputies opposite will find that I will be very proactive in this area. If we are to create the kind of good news story around the agrifood sector that Food Harvest 2020 can provide, we need to be proactive and aggressive at marketing Ireland as the best country in the world to produce high quality food that is environmentally friendly in terms of its carbon footprint, animal husbandry standards and the quality of food itself. We can do all of that very successfully with the agencies we have available to us.

Deputy Seamus Kirk: I take this opportunity to congratulate the Minister, Deputy Coveney, and the Minister of State, Deputy McEntee, on their appointments and wish them well in office.

I noted the points the Minister made in his reply but this reply and the reply to Question No. 26 seem to be inextricably linked. The difficulty with the marketing strategy particularly in the dairy sector is that it will be 2014 before full tilt production in that sector is achieved. It will be difficult to plan a marketing strategy on the basis that certain volumes of dairy product will be available to export to Asia, China or wherever. We are all pleased that China has been mentioned as a target area for Bord Bia and other agencies that might be working in that area.

There is a difficulty in this area having regard to production levels and the constraints on foot of the superlevy regime we have in place. I noted the points the Minister made in response to Deputy Moynihan. Having regard to the responses given and the indications that production levels in other member states in the Community are way below what their national quotas

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allow, I dare say that will give some hope to an industry that is chomping at the bit to move on in terms of increased production. There is a potential to create national wealth in an industry that perhaps has not performed up to the level it could previously, but with expansion there is the potential to do that. With the dichotomy that exists between constraints on production *vis-à-vis* the marketing of a product, the sector may not be able to fulfil the deliveries.

Deputy Simon Coveney: I agree with much of what the Deputy said. The 2008 health check, which put the current superlevy system in place, was signed up to by the previous Government. I concede that everyone in this House recognises that we need to get more flexibility as 2015 approaches, and we will be trying to do that. Currently, the marketing campaign around food expansion in the dairy sector in this country must be based on the existing superlevy scheme until we can change it. We cannot plan to market food that will not be produced. Until there is a political solution that allows this country the flexibility to grow its dairy industry pre-2015 then we must plan our food harvest strategy on a significant expansion post-2015 and a limited expansion in terms of dairy volumes pre-2015. I would be the first to launch a new marketing strategy for increased dairy output pre-2015 if we could get a deal done politically on that. We are not there yet, however, so let us not pretend we are. In the meantime we must consider growth and expansion in other sectors that apply to Food Harvest 2020, for example, in the pig, chicken, beef and lamb sectors and other sectors that can grow and expand in terms of food output because they are not restricted by a quota system.

Food Industry

29. **Deputy Seán Kyne** asked the Minister for Agriculture; Fisheries and Food his views on the role that agriculture and the agri-food sector can play in Ireland's economic recovery; and if he will make a statement on the matter. [7714/11]

Deputy Simon Coveney: I thank my colleague for raising the question. We are very lucky in this party that we have a number of Deputies with significant experience in the agriculture and farming sector. I look forward to working with them and taking their advice because I will need it at times.

Agriculture and the agrifood processing sector is one of Ireland's most important indigenous industries. I would argue that it is this country's most important indigenous industry. It has a key role to play in terms of direct economic activity and is one of the growth sectors designated to advance our national export-led economic recovery. The sector provides a strong base for national economic development. Currently, the overall industry has an annual output of approximately €22 billion and, most importantly, is strongly embedded in the Irish economy. It remains Ireland's most important manufacturing sector, accounting for more than 6% of GDP. A total of more than 139,000 people are employed in the production of agrifood and fisheries products, which is approximately 7.5% of national employment and which is growing week on week. This sector is the primary outlet for the produce and output of the country's 128,000 family farms and includes approximately 600 food and drinks firms. Its wide geographic spread plays a major part in sustaining rural and coastal communities.

A further important facet of the sector is the extent to which it is embedded in the economy and contributes to national prosperity. Due to its low import content and low profit repatriation levels, the net foreign earnings of this sector amount to 32% of the total net foreign earnings from primary and manufacturing industries. That is an extraordinary statistic of which people should take note. In addition, according to Forfás, the food industry spends more than €9.5 billion on Irish goods and services, representing 71% of total expenditure in 2009, far higher than the 44% for all manufacturing industry.

Additional information not given on the floor of the House

This industry has a huge export orientation, with exports currently more than €7.8 billion. Over the past decade, the Irish agrifood, forestry and fisheries sectors have competed successfully on the world stage and have demonstrated their capacity to perform as major players in the global food and drink market. Irish food and drink produce is exported to more than 160 countries. This multi-million export industry has also undergone continual development as well as demonstrating considerable flexibility in responding to emerging market opportunities. Over the period it has moved from a largely commodity-based sector, underpinned by market support mechanisms to a far greater reliance on consumer focused, value added product.

The three key attributes of the sector are its embedded contribution to employment and exports, its ability to garner foreign export earnings, and the potential of the sector to generate export-led growth. Together these provide the solid foundation for positioning this progressive indigenous industry as one of the central components of the country's export driven recovery.

Deputy Seán Kyne: I congratulate the Minister, Deputy Coveney, and the Minister of State, Deputy McEntee, on their appointments. I welcome the Minister's statement, with which I concur. In the recent general election I campaigned on the platform that as a nation we must play to our strengths. Our indigenous industries of farming, fishing and tourism are critical to us in that regard. As Members are aware, there is an explosion in the world population. In 1999 there were approximately 6 billion people and this figure is projected to increase to 8 billion by 2025. We have also seen an increase in the global level of affluence, which is expected to increase the overall demand for food by approximately 70%. Furthermore, there has been an increase in urbanisation. It is expected that the number of people living in cities will increase from approximately 50% to 70%. Following the removal of the milk quota, this country's dairy production levels will increase. There is significant potential for an increase in the export of dairy products.

In the west, where I come from, the continued breeding and rearing of predominantly continental breeds of cattle is important in terms of high value beef exports.

An Leas-Cheann Comhairle: Could the Deputy ask a question, please?

Deputy Seán Kyne: I am just coming to it. That national asset needs to be protected in any review of the Common Agricultural Policy. In view of the projected increase in global population, increasing affluence and urbanisation, does the Minister consider this country is likely to become a more significant producer and exporter of beef in the next 15 years?

Deputy Simon Coveney: The answer to the question is: "Absolutely." The Deputy pointed to one of my concerns with Food Harvest 2020. When milk quotas come to an end in 2015, we will see an explosion of ambition in the dairy sector because we will see a significant increase in dairy production. For example, in Cork we will see a doubling of the volume of milk being produced. We must do that. It will be the same in Waterford, Wexford, parts of Tipperary and many other counties that have the capacity to do so. I do not just refer to Munster. In addition to achieving a 50% increase in volumes of milk by 2020, the counties that do not have the capacity to deliver an increase in dairy volumes must be supported in doing other things that are part of the food harvest programme.

If we are to have the kind of beef industry we all want then we cannot rely solely on the by-product of the dairy sector. We must have suckler herds of high quality cattle in order that we can provide the best quality beef in the world. In volume terms, 6% of the beef we export is prime cut steak but it represents 26% of the value of beef exports. We must ensure that as well as having volume, we have quality in the beef sector. We must put the necessary supports

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in place to ensure that can continue. That will be part of the Common Agricultural Policy review which is under way at the moment.

Deputy Michael Colreavy: A Leas-Cheann Comhairle—

An Leas-Cheann Comhairle: I regret that I am out of time. I do not even have time to allow Deputy Kyne to ask a supplementary question.

Common Fisheries Policy

30. **Deputy Jim Daly** asked the Minister for Agriculture; Fisheries and Food the outcome of his recent meeting in Madrid with the Spanish Fisheries Minister; and if he will make a statement on the matter. [7710/11]

Deputy Simon Coveney: We are back to fishing. I recently accompanied President Mary McAleese on a three day official visit to Spain. During the visit, on 21 March 2011, I arranged a bilateral meeting in Madrid with Rosa Aguilar, Minister of Environment, Rural and Maritime Affairs and who is the Spanish Minister with responsibility for fisheries, to discuss the planned reform of the Common Fisheries Policy, CFP, and to identify areas of mutual interest to both Spain and Ireland. Both countries participate in and rely on similar fisheries and markets for seafood products. Those realities mean we have much in common in striving for an economically, socially and environmentally sustainable fishing sector to 2012 and beyond.

Deputy Daly will be aware of this because he knows his constituents well. We have much of common interest with Spain in terms of the review of the Common Fisheries Policy, but we also disagree with Spain on many things. We were open and blunt about the areas on which we disagree in terms of access to quota, how quotas are managed within countries and whether they are traded or considered a national asset that is distributed by government. The latter is very much the Irish position. Otherwise, one would find that quota would simply be traded out of this country, as has happened in the United Kingdom, which has devastated certain elements of the fishing industry there.

We have common interests as well in terms of ensuring we maximise the volume of money available in the next round of the Common Fisheries Policy and also in other environmental management areas such as fish discards. I have a particular interest in the area. As a Member of the European Parliament I was a member of the fisheries committee. I pushed for a new approach towards discards. Unfortunately, we throw hundreds of thousands of tonnes of dead fish back into the sea each year because of by-catch or quota restrictions and a whole series of other reasons. We can be much more intelligent about how we manage discards in the fisheries sector. I would like to see Ireland and Spain working together to try to find solutions in that regard. The Spanish Minister is very keen to do the same.

Deputy Jim Daly: Gabhaim buíochas don Aire as ucht an freagra sin. I thank the Minister for that comprehensive response. I very much welcome his commitment to the sea fisheries industry, which is vital not only in my constituency, Cork South-West, but also in many others throughout the country. It has great potential for economic growth and many associated developments.

The Minister mentioned the issue of discards. Does he intend to raise this when he meets the Fisheries Commissioner in Luxembourg tomorrow? If so, what outcome would he like to achieve?

Deputy Simon Coveney: I thank the Deputy for that question. I am flying to Brussels this evening and am to meet the Fisheries Commissioner tomorrow. I have not yet met her but would like to do so. I have met the Agriculture Commissioner. The Common Fisheries Policy review is very important for Ireland. It must not be in the political shadow of the Common Agricultural Policy review, which is happening at the same time. Both are very important for their respective sectors. When I was asked to be a Minister, I specifically requested ownership of the fisheries sector because, unfortunately, it has not had representation around the Cabinet table. It needs to be represented, particularly in the context of the review.

The current Commissioner is determined to achieve some progress on the issue of discards. The current approach is not workable for the industry. I have met all the main industry players, including those from Killybegs, Castletownbere and the east coast. They are anxious to make progress on the discards issue but the current proposal on offer from the Commissioner is probably not workable. We will be thrashing out some of the ideas coming from the Irish fisheries sector with her to try to have a pragmatic, workable approach to discards and a system that fishing trawler operators can buy into rather than one that is unrealistic.

Deputy Thomas Pringle: Did the Minister raise with the Spanish Minister the issue of information sharing and quota arrangements for boats fishing in the Irish box and Irish waters, particularly the difficulties of the Sea-Fisheries Protection Authority in knowing the details on Spanish boats when they land fish here?

Deputy Simon Coveney: That is a good question on an important issue. Ireland is very anxious to make progress with electronic log books on boats such that when trawlers, be they French, Spanish, British or Irish, catch fish instant information will be obtained on the catch volume. The Naval Service, which is monitoring catch, would have access to the information instantaneously. Manual log books can be doctored before an inspection of boats. We need real-time information on boats so we will know when they are in Irish waters, what is being caught, who is catching the fish and where they are being landed. There has been frustration within the Irish fishing sector over the fact that we are not progressing the electronic log book concept more speedily. I will be raising this with the Commissioner tomorrow.

Food Harvest 2020

31. **Deputy Seamus Kirk** asked the Minister for Agriculture; Fisheries and Food if in the interest of achieving targets set out in the Food Harvest 2020, he will consider recommending to the Department of Finance, special tax exemptions to individual dairy herd owners for investment in expansion of herd and allowance for capital investment in the processing sector; and if he will make a statement on the matter. [7696/11]

Deputy Simon Coveney: We have returned to the subject of Food Harvest 2020, the potential and value of which I hope people outside the farming sector will begin to appreciate. The question concerns whether we can introduce tax breaks for dairy farmers who need to invest to increase capacity in the period after 2015.

Taxation policy is a matter for the Minister for Finance. My officials are in contact with the Department of Finance on an ongoing basis in regard to taxation measures, particularly in the context of preparations for the annual budget. Despite the challenging economic and fiscal situation that pertained at the time of the most recent budget passed by this House, the key tax incentives for farmers were maintained. It is important to recognise the role of the previous Government in that regard.

The Food Harvest 2020 strategy represents the strategic blueprint for the development of the agriculture, food, fisheries and forestry sectors over the next decade. With respect to the

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dairy sector, there is an ambitious objective of having a 50% increase in output by 2020. The Dairy Activation Group has been established to prepare a roadmap for the expansion and development of the sector and has made a number of recommendations on additional tax reliefs to facilitate dairy herd expansion. These recommendations are being considered in the context of the annual budget process. However, as stated in the Food Harvest 2020 report, any new initiatives must be grounded in national fiscal realities. It was made clear in the report that any envisaged reprioritisation of policy emanating from Food Harvest 2020 would be on the basis of a reallocation of existing resources as opposed to making available any new sources of State funding. In many ways, tax breaks are the same as grant aid. Income foregone is similar to expenditure.

There are a number of taxation measures already in place that are of benefit to the sector. These include 100% stock relief for young trained farmers and 90% agricultural relief from capital acquisitions tax. Additional tax reliefs are in place to promote the transfer of land to young farmers and the long-term leasing of farmland. Consideration will be given to the potential restructuring and better targeting of existing reliefs to maximise the benefits afforded by them. Tax reliefs and targeted investment measures can be designed to encourage specific actions such as restructuring and farm modernisation.

Additional information not given on the floor of the House

One such investment initiative currently being undertaken is the targeted agriculture modernisation scheme for the dairy sector. I am very encouraged by the performance of the dairy sector in 2010, where exports grew by 17% in value. I am convinced that the ending of quota restrictions in 2015 represents a unique opportunity for Ireland to expand its dairy production and it is obvious that the sector is already very well placed to meet the targets set out in Food Harvest 2020.

My Department has recently awarded significant investment aid in the dairy and beef-sheepmeat processing sectors. These awards were made following a competitive process and involve grant aid of 40% or more towards eligible investment to improve efficiency and support value-added production. In all, aid of €114 million was awarded towards investment of €268 million in the dairy sector and aid of €69 million was awarded towards investment of €168 million in the beef-sheepmeat sector. The funds aim to improve efficiency and competitiveness and to support value-added production. In the case of other value-added sectors, my Department is providing funding to improve competitiveness using a proven “lean manufacturing” approach which enables companies to achieve cost savings and adopt a whole-of-business approach to growth. This is managed by Enterprise Ireland with funding from my Department.

Deputy Seamus Kirk: Without being cynical, I must state the Minister has indulged in subtle sidestepping of the question. The reality is that if we are to have a 50% expansion in the dairy sector between now and 2020, very significant capital investment will be called for, both at the primary production end and the processing, storage and transportation end. Investment in the sector is necessary as it has the potential to create jobs at a time when the Government is considering ways of creating real jobs in the economy. I would have thought some consideration would have been given to providing a stimulus package in this area.

The expansion plan is probably the most significant announced for the dairy sector in a very long time in Ireland, apart from the time when the quota regime was established in 1983. It is a very significant proposal and it will involve very significant capital investment. The reality is that the processors and those in the sector will be looking to primary producers for some investment. There will be a need to build an incentive into the arrangement. Having regard to

the job potential that exists in this area, I would have thought the Minister would have considered it more realistically. I am sure he will with the passage of time.

Deputy Simon Coveney: If I had had a little more time, I would have spoken about some of the grant aid that is being planned for the sector. The Deputy will probably be aware of the targeted agricultural modernisation scheme for the dairy sector, which is about providing grant aid for dairy equipment, rainwater harvesting and the modernisation of parlours. Some targeted grant aid will be made available. A quite significant amount of financial assistance is being offered to the processing sector because it also needs to be able to build capacity to be able to deal with increased volumes of milk. One will see in the build-up to the upcoming budget a reflection of the support we need to give in terms of increased production in the form of grant aid. I must be honest also and state we are restricted in how much we can spend. Any increased expenditure I can produce will be as a result of much work on making the case for value for money spend, because every cent we spend at present is being competed for by many Departments because of the budgetary constraints that exist.

Animal Diseases

32. **Deputy David Stanton** asked the Minister for Agriculture; Fisheries and Food the incidence of colony collapse disorder in the honey bee population here; the impact of same; and if he will make a statement on the matter. [7779/11]

Deputy Shane McEntee: I thank the Deputy for raising the issue. It is nice to know there are almost 2,500 beekeepers in Ireland. Bees play an essential role worldwide by pollinating many of our commercial food crops. They also maintain biodiversity in the wild by pollinating wild plants which then provide shelter and food for a wide range of insects and animals.

The honey bee is by far the most important insect pollinator in the world. A recent Department of the Environment, Heritage and Local Government study valued Irish bee pollination to be worth €85 million per annum. This would have included over 100 native Irish bee species of which the honey bee is the most important.

It is estimated that, in Ireland, there are over 2,400 beekeepers who maintain approximately 24,000 hives. Like other EU member states, most of these beekeepers are hobbyists and fewer than 100 Irish beekeepers would be regarded as commercial operators. Ireland accounts for approximately 1% of the EU's beekeepers. More than 2,000 of the Irish beekeepers are members of the Federation of Irish Beekeepers Associations which plays a very active role in promoting the sector.

A number of years ago beekeepers in continental Europe and more particularly in the USA started to notice that they were encountering higher losses of bees and even total disappearance of bees. This phenomenon was given the name "colony collapse disorder". Since then many theories have been advanced to explain these losses including climate change, bee starvation, pests and diseases, pesticide usage, and electronic signal interfering with bee navigation and or a combination of some of these factors.

To date there has been no scientifically proven explanation for these losses. While some continental European countries and the US in particular have reported losses well in excess of 30% of colonies for no apparent reason, we in Ireland have not seen losses on this scale. The first Irish survey looked at 2009 to 2010 over-winter losses. It identified an overall national loss of 24% of colonies. While higher than the expected typical over-winter loss of circa 15% for Irish colonies, the survey did not identify losses on a widespread scale as reported in other countries. The fact that 2009 was a very wet year would have impacted on bees' natural ability to forage and this is a factor that also has to be considered when looking at colony losses. The

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survey of 2010 to 2011 over-winter losses is currently ongoing and I encourage all beekeepers to participate.

Additional information not given on the floor of the House.

The COLOSS network into which the survey feeds, involves researchers from 49 different countries worldwide who are working together as they seek to identify the cause of the losses affecting bees. Ireland has participated in this network for the past three years and will continue to do so under the national apiculture programme which runs to 2013. The apiculture programme, which is funded on a 50:50 basis by my Department and the EU is providing funding of €300,000 over the three year period from 2010 to 2013 to carry out research on bee pests, in particular varroa in addition to monitoring colony losses.

There is increasing international awareness of the importance of bees and the need to maintain healthy bee populations. Last December's European Commission's communication on bee health to the European Parliament and the Council is just one example of this. I welcome this increased awareness together with the increased EU funding for research on bee health and in particular the recent establishment of an EU bee health reference laboratory in France.

My officials continue to play an active role in these ongoing deliberations, and I am confident that with this additional focus and the level of scientific research currently being devoted to bees, we will obtain a result which will lead to an improvement in bee health across Europe.

Deputy David Stanton: I thank the Minister of State for his reply. One of the possible causes of colony collapse disorder is the varroa mite which is resistant to Bayvarol. Is it true this medicine has been found not to be effective? Why has there been a delay in promoting or licensing oxalic acid which beekeepers tell me is an alternative which works? Given that we imported €6 million worth of honey to Ireland last year what has been done to train beekeepers to support the industry and expand it? There is huge potential in this industry and part of this involves training beekeepers to ensure colony collapse disorder does not spread to Ireland.

Deputy Shane McEntee: I do not have the answers to those questions. I will come back to the Deputy. I do know the Department has invested €300,000 over a three year period to work with 49 countries on finding out what is the cause of this disorder and this work is ongoing.

Deputy David Stanton: What is the situation regarding the importation of queen bees given the risks that might be associated with bringing bees into the country from outside and the risks of bringing in any unknown causes for colony collapse disorder?

Deputy Shane McEntee: I will come back to the Deputy on this because I would be telling him a lie if I said I knew anything about it.

International Agreements

33. **Deputy Áine Collins** asked the Minister for Agriculture; Fisheries and Food if he has raised his concerns in relation to the trade negotiations with Mercosur countries with the EU Agriculture Commissioner and his EU Agriculture Minister colleagues; and if he will make a statement on the matter. [7707/11]

35. **Deputy Áine Collins** asked the Minister for Agriculture; Fisheries and Food if changes to the present milk superlevy regime are envisaged to allow Irish dairy farmers to prepare for the abolition of the milk quota in 2015; and if he will make a statement on the matter. [7753/11]

45. **Deputy Michael Moynihan** asked the Minister for Agriculture; Fisheries and Food the position regarding the EU/Mercosur trade talks and the need to protect Irish interests.
[7694/11]

Deputy Simon Coveney: I propose to take Questions Nos. 33, 35 and 45 together.

These questions relate to the EU's negotiations with the Mercosur countries on a new bilateral trade deal. In case the House is not aware, this represents an extraordinary threat to the Irish beef industry because in essence what may happen is that the European beef sector would be sacrificed to allow European financial services and other product services to access South American markets, primarily Argentina and Brazil. We cannot allow this.

In my first Council meeting, which was last month, I made it very clear that it makes absolutely no sense for many reasons to allow for a very large quota of increased beef trade coming into the European Union to displace beef that is produced in countries such as Ireland. It makes no sense from a climate change perspective as we produce beef with the lowest carbon footprint in the world because we have a grass-based system while most of the beef produced in South America is from much more intensive system with a much higher methane footprint which is referred to as a carbon footprint. From a climate change point of view, it is totally contrary to what the European Union is trying to do.

From a food security point of view, it makes no sense because Ireland produces beef cattle at a standard that is matched nowhere else in the world as far as I am concerned from the point of view of animal husbandry, inputs and traceability. European consumers can rest assured when they purchase and eat Irish meat products. I cannot see any sense in the European Union simply replacing Irish meat. We export 80% of everything we produce. Most other beef industries feel threatened by Mercosur for domestic reasons but we export to other European countries.

We are in the process of a negotiation and countries such as Ireland need to do everything we can to help other countries understand the significance of the beef industry and beef exports to this country, certainly in the context of what we state in the Food Harvest 2020 document. We cannot allow a political deal to be done that will sacrifice our industry to allow European financial services, motor cars from Germany or whatever the industry may be to access markets in South America.

Another Council meeting will be held tomorrow; this issue is on the agenda and I will raise it. We have convinced the Commissioner that this represents a significant danger to the European beef sector but we must allow him also to get more support in the Commission for the concerns Ireland and a number of other countries have in this regard. I have met the Spanish Minister and the French Minister, Bruno Lemair, who have similar concerns to those of Ireland. We are in the process of building an alliance to try to prevent a potential catastrophe for the Irish beef sector should the wrong deal be signed with Mercosur countries. We will continue this political effort tomorrow.

Deputy Áine Collins: I thank the Minister for his detailed response and I congratulate him and the Minister of State, Deputy McEntee, on their recent appointments. I am a new Deputy from Cork North West where agriculture is one of the largest industries and I share the Minister's concerns particularly with regard to the beef industry as Ireland is one of the largest exporters in this industry in the northern hemisphere. What is Ireland's position on the decision to relaunch the EU Mercosur talks? Does the Minister believe any possible benefits exist for Ireland in these talks?

Deputy Simon Coveney: It is important to state our position should not be against any world trade deal as Ireland has many industries. Most of the growth in our economy comes from the export sector at present, and many of those exports are to world markets outside the European Union. We must be careful, therefore, in what we say about world trade. At the same time, we cannot allow an agreement to be reached between the European Union and any other collection of countries that sacrifices an industry of fundamental importance to the Irish economy such as the beef industry. We must ensure that the current round of talks that are ongoing between the European Union and the four South American countries concerned does not result in a deal that is contrary to Irish interests, particularly in the beef sector.

We have asked the European Commission to carry out an economic impact assessment of a new Mercosur deal before it is done, and I will remind it of that obligation tomorrow. We cannot strike a deal or make an offer in terms of beef quota access to the European Union from South America without having such an economic assessment in place, so everybody can understand the implications of a deal. We cannot sacrifice a sector, one that happens to be hugely important for Ireland, to allow other European business interests to access new markets. That is not the way the European Union should work.

Deputy Michael Moynihan: In light of all that has been said about Food Harvest 2020 and food security within the EU, it beggars belief that it is even contemplating discussions in that regard in the Mercosur negotiations. I am delighted to hear the Minister's strong and unequivocal response to it. It is vital that every sector of Irish agriculture conveys the message to the European Commission that we cannot, under any circumstances, even issue one paragraph of discussion about it, because it will be of huge consequence. The Minister is to attend the Council of Ministers meeting tomorrow. Is it a priority issue on the agenda or is it an issue for later? I urge the Minister to convey the concerns of Irish agriculture as he has outlined them because this is destabilising for people in the sector. We are trying to encourage people into the beef industry and to reach the targets in Food Harvest 2020 and it is destabilising for them that there is another round of negotiations countenanced by the European Commission in these trade talks.

Deputy Simon Coveney: It is an "any other business" item tomorrow. That is the only way to get a specific issue such as this on the agenda. My understanding is that the Presidency establishes the agenda for Council of Ministers meetings. If one wishes to include something extra on the agenda, on which Ireland has insisted on this occasion, the way to do so is to have it considered as an "any other business" item, as it will be tomorrow. That does not mean it is not important. It was raised in the same way last month by the Dutch, and I spoke on the Dutch motion. The Deputy need not worry as I will raise our concerns in no uncertain terms.

Written Answers follow Adjournment Debate.

Adjournment Debate Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Member in each case: (1) Deputy Michael Healy-Rae — the need to re-introduce the excise duty rebate in respect of diesel to coach operators; (2) Deputy Nicky McFadden — the need to ensure that the headquarters of the reconfigured Longford and Westmeath vocational education committees are located in Mullingar, County Westmeath; (3) Deputy Mattie McGrath — the future of the FÁS community employment scheme in South Tipperary and the need to counteract the proposed reduction in places; (4) Deputy Patrick O'Donovan — the need to make provision for an extension to Scoil Naomh Iosaf national school, Dromcollogher, County Limerick; (5)

Deputy Éamon Ó Cuív — an tábhacht a bhaineann le cead a thabhairt láithreach do Chomhairle Chontae na Gaillimhe dul ar aghaidh le scéim uisce réigiúnach Chasla; and (6) Deputy Martin Ferris — the issue of mortgage arrears and home repossession.

The matters raised by Deputies Martin Ferris, Nicky McFadden, Patrick O'Donovan and Éamon Ó Cuív have been selected for discussion.

Road Traffic Bill 2011 [Seanad]: Committee Stage

Section 1 agreed to.

SECTION 2.

An Leas-Cheann Comhairle: Amendments Nos. 2 to 4, inclusive, are related to amendment No. 1. Is it agreed that amendments Nos. 1 to 4, inclusive, be discussed together? Agreed.

Deputy Timmy Dooley: I move amendment No. 1:

In page 4, line 17, after “fine” to insert “and disqualification from driving for 24 months”.

The amendment seeks to deal with a situation involving a class A fine. We are concerned that an individual who would refuse to provide a sample would ultimately only receive a fine. It might be more appropriate to ensure that the individual would also be given a disqualification from driving for 24 months. I hope the Minister will consider this amendment.

The Minister will be interested to note that amendment No. 2 was proposed in the Seanad by Fine Gael and the Labour Party. I was in agreement with them at the time and I hope he will consider substituting 12 months for six months in that regard.

Deputy Thomas P. Broughan: Our Fianna Fáil colleague made a reasonable case for these amendments, given the importance of ensuring that the Garda Síochána has adequate power to test and invigilate people. In that context, is it the case that the Minister has given some commitments with regard to section 2? An original proposal in that section was that each of the subparagraphs (a), (b) and (c) would be followed by the word “or”. In other words, each one of those conditions would be fulfilled separately. I understand the Minister has given some commitments to road safety campaigners — I note that representatives of one of the primary organisations, PARC, are present in the House today — that the section is watertight without the use of the word “or”.

I congratulate the Leas-Cheann Comhairle on his appointment; this is the first time I have had the pleasure of speaking before him. Another question arises with regard to the discretionary power of the Garda. Is the Minister confident that this legislation provides for mandatory testing at last? On Second Stage I said that we were delivering on mandatory testing and that the Minister was fulfilling the commitment given by the former Minister, former Deputy Noel Dempsey, early this year to bring this legislation before the House. The issue that has been brought to my attention relates to when a driver is very ill and unconscious. The discretionary power of the gardaí arriving at the scene of the accident is being stretched to the limit under section 2(6). It which gives the garda a discretionary power if in his or her opinion such a requirement to undertake a test would be prejudicial to the health of the person.

Is the Minister sure that such discretionary power does not produce an exit strategy for a driver who was guilty of an offence and who perhaps played a primary role in causing a collision in which there was a fatality in another vehicle? Is that covered now or is the Minister stating that we must wait until later this year to get follow-up legislation which will deal with this area in more detail? There is also the question of pre-existing medical conditions. A pre-existing

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medical condition in the trauma of a crash also may make it difficult for a member to test somebody.

The other big issue that arose on Second Stage, and on the large road traffic Bill which Deputy Dooley will remember us taking at length in Committee, was the follow-up situation of whether there should be a requirement to test blood or urine at the hospital or at the Garda station. As this short Bill stands, are we providing for a follow-up process where we can at long last close off all of the possible escape routes for a guilty driver or a driver who is fit enough to do a test?

I heard the Minister, Deputy Varadkar, on the media remark on the fact that the month of April so far has been one of the better months in terms of road fatalities. We are still running ahead in terms of numbers on this period last year. In observing the Garda Representative Association conference in Mayo, Deputies would be concerned about resources. Will there be resources with a much smaller force to mount the number of checkpoints needed? On Second Stage I dealt with the figures, as I knew them, from the Garda Commissioner and in each of the years 2008, 2009 and 2010, there was a fall in the numbers of checkpoints. On the basic point, will the staff complement of the Garda Traffic Corps still be 1,200 strong? Will they have enough resources to be able to mount the number of checkpoints needed to ensure that this good legislation is strictly enforced?

In supporting the basic point as suggested by our Fianna Fáil colleague, I ask the Minister is he sure that he has finally brought about a system of mandatory testing in traffic collisions in this country.

Deputy Aengus Ó Snodaigh: Tá roinnt ceisteanna agam ar na leasuithe seo. As I stated on Second Stage, I welcome the Bill. I had concerns. If the Minister wants some movement on the amendments — I am not totally in favour of the full extremes that the amendments seem to suggest — I believe that somebody who has failed to comply with the requirements of mandatory testing as set out here at least should automatically lose his or her licence because it is a road traffic offence.

On the question of imprisonment or threat of imprisonment, the proposal is a major step forward. There should be such a threat. Bear in mind that with the threat of imprisonment for six months or 12 months, the Minister is then criminalising that person. We know what goes on in the prisons. We know how overcrowded they are and how brutal they can be, and we need to be mindful whenever discussion is being had to increase a level of imprisonment, for instance from six to 12 months, that such does not happen. While the Bill provides for a term not exceeding six months, it should be amended to allow for the imposition of loss of licence. If the Minister indicates that he is willing to accept that, then I will not put down an amendment on Report Stage. If not, I will pursue this matter. There are a number of other issues in section 2 which all of these amendments comply with, and I will be coming back to that aspect.

The other aspect is that this is mandatory testing specifically for intoxicating liquor. At some stage we need to look at some type of complementary mechanism which provides mandatory testing for drugs, whether illegal or legal. There are reports stating that there were quite a number of accidents, which have caused horrific injuries or deaths, where the problem was not intoxicating liquor, but various types of drugs. We need to find some mechanism in a case where somebody is definitely intoxicated. The breath test involved here can only show alcohol and we need to prove that the Garda can carry out the other steps allowed by section 3, that is, the obligation to provide a blood or urine sample, given that otherwise the person involved would evade the justice system or the punishment for being behind the wheel of a car in an intoxicated state, albeit not of alcohol.

My other suggestion on this section relates to subsection (6), which states:

A member of the Garda Síochána shall not make a requirement under subsection (2) of a person to whom paragraph (a) of subsection (1) applies if, in the opinion of the member, such requirement would be prejudicial to the health of the person.

In that case, the garda should have the power to then transport that person to a hospital or medical facility where the requirement can be complied with where the garda might not be able to force the issue there. That would be an issue where somebody is literally so out of breath that he or she cannot blow into the bag or the apparatus the garda has produced. In such a case, the correct course of action is to bring him or her to a location where a blood or urine sample can be taken by a medically qualified person. That would prevent persons from acting up and stating that they have asthma or whatever, and that they cannot blow to the sufficient strength to allow the garda to prove whether they are intoxicated.

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): A number of issues have been raised and what I might do, with the permission of the Leas-Cheann Comhairle, is address the amendments put down first and then comment on the other issues for which no amendment has been put down.

The amendments all are in the name of Deputy Dooley. At the outset, I congratulate him on his recent appointment as spokesperson. I look forward to working with him over the coming years if I survive that long.

On the amendments, Deputy Dooley wishes to emphasise the seriousness of the offence by providing for stricter sanctions. However, it is important that we apply consistency in road traffic legislation when providing for fines or terms of imprisonment. The sections, as drafted, are appropriate and provide consistency with existing analogous legislation.

Where a person refuses or fails to comply with the requirement to provide a preliminary breath test under section 12 of the 1994 Act or a blood or urine sample under section 15 of that act, he or she commits an offence. In addition to a fine of €5,000 and a term of imprisonment not exceeding six months on summary conviction, section 9 of the principal Act provides for a consequent disqualification for not less than four years in the case of a first offence and not less than six years in the case of a second or subsequent offence. The offence is, therefore, addressed in at least as much if not more thoroughness than the Deputy's amendment provides.

In respect of the proposed amendment to increase the term of imprisonment to 12 months, the Office of the Attorney General advised against introducing such a penalty on summary conviction because it goes against the overall intention of such trials, would be disproportionate and has wider implications for other legislation. Deputy Ó Snodaigh also made a valid point on criminalisation. The only instance where a 12 month term of imprisonment is provided for in road traffic legislation is in section 112 of the principal Act and if we were to introduce a minimum 12 month section for road traffic offences, we should do so across the board rather than in respect of one offence. I ask Deputy Dooley to withdraw the amendments on the basis that the earlier ones are already provided for and the later ones go further than we would prefer.

In regard to the question raised by Deputy Broughan as to whether there should be an "or" conjunction between A, B, C and D, I have received written advice from the Attorney General to the effect that not only is it unnecessary but that it would be a deviation from the standard style and is therefore ill-advised. She argued that it would undermine the consistency and certainty of the system and raise questions as to whether the distinction in language is intended

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to convey a distinction in meaning. I understand the concerns that have arisen but I have determined this form of conjunction exists in other jurisdictions and the Attorney General advises that changing it could undermine the legislation rather than strengthen it. It behoves me to accept that advice.

In regard to the discretionary power of the Garda, I appreciate the fraught issue that Deputy Broughan raised. The Bill provides for mandatory testing and a garda shall test for alcohol where somebody has been involved in a collision causing injury. However, we need to include a provision that allows a garda discretion in carrying out a mandatory breath test where such a test would be prejudicial to the recipient's health. Circumstances can arise whereby a number of people are injured in serious road traffic accidents involving a drink driver who is exsanguinating or suffering cardiac arrest and requires immediate medical attention. A garda must be able to use discretion in such a situation to ensure the individual concerned receives the medical attention he or she requires immediately. We need this provision because such a person should not be breath tested before receiving lifesaving medical treatment. The only exception to mandatory testing is where a garda is asked to use his or her discretion to ensure someone involved in a road traffic accident receives medical attention in a timely fashion.

I fully accept the Deputy's concerns and do not want to see this provision being misused as a get-out clause for those who are capable of providing a breath test either at the scene of the accident or an hour later. I conveyed these concerns to the Assistant Garda Commissioner yesterday and I made clear to him the Government's intentions for this Bill and my desire to be given evidence of any cases involving such behaviour. We have not been able to come up with a formula of words that protects somebody whose life is at risk while at the same time ensuring discretion is not abused. Unfortunately, that is always the case with discretionary provisions in legislation. Discretion is provided for good reasons but there is always a small risk that it will be abused for nefarious reasons. The Garda advised me that the legislation allows for the arrest of the person concerned in such cases. If the person is shamming or is hyperventilating and cannot give a breath test at the scene of the accident, he or she can be arrested so that the test can be administered at a later stage. I have confidence in these assurances and, while I have not yet been presented with a form of words that provides discretion while preventing abuse, if Deputies wish to put forward an amendment to that effect in the context of the road traffic (No. 2) Bill, I will be happy to consider it.

The issue of an unconscious driver is not adequately addressed in the Bill but we are investigating similar legislation in the United Kingdom with a view to including in the road traffic (No. 2) Bill a provision that allows for the removal of a blood sample from somebody who is unconscious. The individual can subsequently grant or refuse consent for the sample to be used in court. From my medical experience, it is commonplace that somebody who is unconscious is tested for alcohol and drugs.

In regard to Garda resources, we intend to conduct a major public awareness campaign, including gardaí on the streets, when we bring in reduced blood alcohol levels in September. This will let people know about the reduced limits as well as crack down on infractions. As Deputy Broughan noted, there has only been one road traffic fatality so far this month and I hope it will turn out to be the safest month on our roads since records began. We are still ahead of our position for this time last year but that may change in the next week or so if there are no accidents.

Unfortunately, I cannot guarantee adequate resources for the Garda traffic corps. I wish I could but, as Deputies are aware, two thirds of the funds for the Garda come from the taxpayer and one third comes from the IMF and the EU. That money will not be there forever and we are in the middle of a fiscal consolidation process. The final answer to that question can be

provided by the Minister for Justice and Equality, Deputy Shatter, or the Minister with responsibility for public expenditure, Deputy Howlin. I cannot assure Deputies that the IMF will continue to pay the salaries of our gardaí. Some people want the IMF to go home, at which point payment would cease immediately, but I cannot guarantee we can replace that money through increased taxation and cuts in other services.

Deputy Ó Snodaigh raised a valid point on drug testing. I investigated this issue further since it was raised on Second Stage and found out that the Medical Bureau of Road Safety is at present training gardaí in evidential testing for drug use. This involves a three-day training course through which gardaí are trained in administering neurological tests on individuals who have been stopped for dangerous driving. Deputies may have seen scenes in American movies where an individual is asked to walk along a line, touch his or her nose or do what is known in medicine as a Romberg's test. This would be recognised in law as an evidential test equal to a urine or blood test. The difficulty we face with drugs is the absence of a specific limit beyond which we can be sure driving is unsafe. Furthermore, different tests show up different types of drugs. We want this training programme to be rolled out at the earliest opportunity because drug driving is a significant problem. I am advised that the vast majority of people caught for drug driving have also consumed alcohol.

It is possible in almost all cases to prosecute them under that provision. We also want to be able to deal with persons who have taken cocaine or speed and drive but who have not consumed alcohol. It is not satisfactory that is not entirely the case now.

The legislation tightens the law further. It will, in practice, result in mandatory breath-testing. Anyone involved in an accident which causes an injury will be breath-tested. I am confident that this will happen. I am fully aware of the concerns that the clause could be misused, but I am prepared to test it and see what happens in the meantime. I want to know of any instances where this does not happen.

Other matters can be dealt with in the road traffic (No. 2) Bill, the heads of which will be brought to the Government soon. It will then have to be brought before the committee for the pre-legislative stage, a new stage on which the committee will get to see the heads of the Bill before it is published. The Bill will then be published and go through both Houses of the Oireachtas before being enacted into law. My intention is to have this done by the tail-end of the year.

This legislation does not address all we want it to. For example, it does not address the graduated driver licence issue which will be dealt with in the road traffic (No. 2) Bill. However, in the interregnum, before the road traffic (No. 2) Bill is passed, it will toughen up the law considerably and provide for mandatory testing and number of other measures. I ask for the support of the House in that regard bearing in mind that if I were to accept any amendments today, we would have to go back to the Seanad. We would then have to wait until after the Seanad election which would further delay the enactment of the Bill. That would raise the question as whether we should abandon the Bill entirely and wait for the next one. I do not want that to happen and another year to pass without this legislation being in place.

Deputy Dessie Ellis: Mar a dúirt mé cheana, tá Sinn Féin i bhfábhair an Bhille seo, atá lán de chiall. As I stated on Second Stage, Sinn Féin welcomes this legislation. However, I reiterate some of the concerns we outlined previously, as there has been no movement by the Government on these issues, although I welcome some of the comments made by the Minister.

I take the opportunity to commend the Road Safety Authority for its initiatives to attempt to make Irish roads safer to drive on, in particular the campaign launched this week on motor-

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way safety, given that six people have died so far this year in collisions on motorways in the Twenty-six Counties.

Sinn Féin supports mandatory breath-testing. However, we are conscious this is proposed in the Bill at the current high blood-alcohol rate. We hope the measures outlined in the Bill will have a positive effect in reducing the number who drink and drive. I note the programme for Government contains a commitment to introduce roadside drug testing programmes to combat the problem of driving under the influence of drugs. I heard what the Minister said about the Garda looking at new methods to deal with this. I urge the Government to consider introducing some form of drug testing.

The legislative programme does not mention alcohol and drugs. We need to approach this issue in a more positive way. A zero tolerance policy would eradicate the confusion surrounding the amount of alcohol a person can drink before he or she gets behind the wheel of a car. There should be no confusion. All too often during the Christmas period, after a party or function, or on bank holidays or at weekends we hear about people who take a drink and then get into a car and drive. As long as they are within a certain limit, this is deemed okay by the State, but it is costing lives. While I am conscious that advocating a zero tolerance policy for drivers would have an effect on rural Ireland where public transport infrastructure is more or less non-existent and very often the local pub is one of the only social outlets, we do not believe this is a reason not to advocate such a policy. It is a reason for the Government to ensure a situation does not develop where rural residents are left isolated because they cannot get to the local pub. On this basis, I call on the Minister for Transport, on behalf of the Government, to adequately invest in rural transport infrastructure.

Speed is another major factor in road deaths. Garda speed cameras are heavily concentrated on motorways.

An Ceann Comhairle: I am sorry, Deputy, but we are on Committee Stage. The Deputy is making a Second Stage speech.

Deputy Dessie Ellis: I understand.

An Ceann Comhairle: The Deputy should speak to the amendments. I have given him latitude. I appreciate he is a new Deputy and I do not want to be unkind, but we are on Committee Stage.

Deputy Dessie Ellis: I reiterate what Deputy Ó Snodaigh said about people who are seriously injured following an accident. We must legislate carefully to deal with individuals in these situations. It is not easy if one is forced to take samples from someone who is unconscious and has not given consent. There may be a means to have someone present, a doctor or some other person. It is important that we look at these areas. There is no doubt that the quantity of drugs being used is on a par with the amount of alcohol being consumed. We must address this issue.

Deputy Timmy Dooley: I thank the Minister for his response to the amendments I tabled. I am happy with the response he has given and will withdraw the amendments in line with his request. We may table further amendments which can be discussed on Report Stage.

Deputy Thomas P. Broughan: I also thank the Minister for his response. I understand the reason Deputy Dooley tried to increase the penalty in his amendments is a central part of the Bill. A terrible crash may occur in which somebody loses his or her life and it will be very difficult to establish the cause or who is responsible if the penalties are low. However, I accept the Minister has taken the Attorney General's advice in that regard.

I wish to ask the Minister about the policy on these matters, the comments he made about unconscious drivers and policy formation in the Department. There are some officials present and I welcome their diligence in pursuing these matters in the previous road traffic legislation and this Bill. Is it the case that the Road Safety Authority only receives detailed reports from the Garda Síochána three to five years after events have taken place? My understanding is that the Department of Transport only knows now what happened in road traffic collisions between 2005 and 2007, inclusive, and that we will have to wait a few years to find out what happened in 2009 and 2010. Is there a legal reason data cannot be given to the agency which has performed very well and has had a considerable role in reducing the number of appalling casualties on the roads within a relatively short period? In other words, can it receive data on what happened in 2010 now and, therefore, give the Minister advice on policy formation in drafting the next Bill to ensure better road safety measures?

Deputy Aengus Ó Snodaigh: Like other Deputies, I welcome the indications the Minister gave in regard to the amendments which will be withdrawn. Many of the issues we have raised and on Second Stage will be dealt with in the road traffic (No. 2) Bill, to which I look forward. It will be a more comprehensive Bill and will deal with a range of issues which need to be addressed. By the time the No. 2 Bill comes along I hope we will have the changes to legislation to deal with the point about the unconscious and drunk drivers in a more formal way than is happening now. I also welcome the fact that the Garda Síochána is in training to ensure it can capture some of the people who cause mayhem on our roads. The tragedy associated with this is not limited to the number of people who die on our roads, it includes the many people left severely disabled. That can have the same effect on a family as someone dying. A whole family can be totally changed trying to care for someone who has been injured in a road accident. It is important to try to deal with people who take risks getting home from or to work, having taken drink or drugs. A car can be a lethal weapon and the message must go out, with two bank holidays in the coming weeks, that dangerous driving will not be tolerated. Drivers should take care, especially at those times. The number of deaths and serious injuries seems to peak at bank holiday weekends.

The Minister or Deputy Broughan mentioned the Garda traffic corps and checkpoints. The Garda Síochána is doing a tremendous job on road traffic in recent times. However, some of the checkpoints can be over the top in terms of the number of gardaí in attendance. Recently I saw 14 gardaí at a checkpoint with only one line of traffic. If they had split the checkpoint between both sides of the road, they would have captured more people in breach of our road traffic laws. Most drivers are in total compliance and suffer the consequences and the expense of people on our roads with no insurance, breaking the rules. If most people are willing to stick by the rules that were introduced for valid reasons, we should ensure every road traffic user must comply with them. I have no problem with checkpoints, which are a good initiative, and some are located where cars cannot avoid them. We must be careful not to put all the resources into one basket. The threat of the immediate loss of licence should be there when people are found to be in breach of the law.

Section 2(4) states “A member of the Garda Síochána may arrest without warrant a person who in the member’s opinion is committing or has committed an offence under this section.” I find it strange that “may” is used. This might be one of the rare occasions when the Minister accepts the change to “shall”. If the garda is of the opinion that a person is committing a crime, the garda should arrest the person. There may be room for discretion and I am not suggesting the Minister should delay this Bill. Perhaps it can be corrected in the No. 2 Bill. This is a useful Bill that must be passed at this stage. We can come back to change it, if needed, at a different stage.

Deputy Dessie Ellis: I welcome the fact that the amendments are being withdrawn. We need to move ahead and not delay. This Bill is very important. I have always had serious problems with the idea of people leaving the scene of an accident. There may be various reasons for doing so and imposing these major penalties is a dangerous way to go. This proposal puts heavy jail sentences on people and I would be worried. A person could suffer concussion and there may be 1 million reasons someone would leave the scene of an accident. Criminalising people, whether young or old, and the threat of a sentence has a terrible effect on individuals. The health and safety of the injured people is very important. The Minister has outlined this point and I am happy with what he said on it.

Deputy Leo Varadkar: I thank the Deputies for their co-operation in this matter. I look forward to working on the No. 2 Bill and particularly trying out the new process of having a pre-legislative phase so that the Parliament can have an earlier input into legislation. Legislation is sometimes published and it becomes impossible to change. It is so difficult to change that it would be better to have earlier input from Members. We will see how that works with the No. 2 Bill.

Two points were raised in this debate. The Garda Síochána has advised me that the same number of people are being stopped at checkpoints as before. However, anecdotally I am told that checkpoints are less frequent. There are fewer checkpoints but the gardaí are stopping more people at each checkpoint. Perhaps this explains why there were 14 gardaí at the checkpoint at which Deputy Ó Snodaigh was stopped. Perhaps it would make more sense and would be more effective in policing terms if there were more checkpoints and fewer people were stopped at each one. I will have discussions with the Garda Síochána on this point.

Deputy Broughan asked about statistics and I am advised that the delay arises from the Coroner's Court and prosecutions. We do not receive the statistics until a decision is made by the Coroner's Court and a prosecution is completed. The initial details go to the Garda Síochána and the RSA in a short period after the event. I will look into this matter. I understand why we cannot receive information if it is a case before the Coroner's Court or the matter goes to prosecution. The conclusion of these cases can take two or three years. When it comes to testing, we should be able to get information at an earlier stage. I will see if it is possible. I want to be assured that concerns that people are availing of the prejudicial health clause as a loophole are not founded. I will endeavour to have a watching brief on this and I want to know of any instances where this occurs.

Amendment, by leave, withdrawn.

Amendment No. 2 not moved.

Question proposed: "That section 2 stand part of the Bill."

Deputy Timmy Dooley: I thank the Minister for his responses and the insight into his thinking on this Bill and the No. 2 Bill he proposes to introduce. I welcome the initiative the Minister intends to pilot, with a pre-legislative phase. My experience of working on committees during my nine years in the Seanad and in this House, was that legislation was brought to committee when it was a done deal. In most instances, if there was an inclination to change minor elements, it became impossible because of the necessity to pass legislation according to a particular schedule. I welcome this idea.

The PARC group has been particularly helpful to the committee, as Deputy Broughan mentioned. PARC is committed to ensuring that we have appropriate legislation and it has been

very helpful to the committee by providing us with information and identifying the concerns of those affected by the tragedy of death through drink-driving.

The Minister addressed quite well the points raised, in particular the concern relating to a Garda having appropriate discretion, which I am sure will be an issue for PARC and many others. The Minister indicated that there are people who might for nefarious reasons decide to fake hyperventilation or cardiac arrest. If it becomes obvious to the general population that there is a route out, it will be exploited. Sadly, there are people who when sober will say they believe that drink driving is wrong but whose attitude unfortunately changes when they under the influence. People will take a chance. If they are aware of a way out they will exploit it and challenge it through the courts at every available opportunity.

The Minister will be aware that legislation in respect of drink driving is probably the most tested and as a result it has had to be updated. While some people accept it is wrong to drive under the influence of alcohol they do not believe to do so is a criminal act. We must continue to reaffirm that it is a criminal act. It should be open to the Judiciary to impose stringent sentencing which reflects the seriousness of the actions of a drunk driver.

The Bill addresses the concerns expressed by me and other Members in regard to a person experiencing or faking hyperventilation in that such person will be taken to hospital. However, a person who remains at the scene as his or her condition is not considered serious enough to warrant their being taken to hospital may find a route out through this provision. While I do not have a formula of words to deal with this matter, I suggest that the Minister provide that in the event of a person who, in the opinion of a member of the Garda Síochána, has consumed alcohol and may be over the limit not being taken to hospital such person must be taken to a Garda station.

I accept that the powers in relation to arrest are already in place. However, a person who because of hyperventilation or other condition is constrained from undergoing a breadth test should have open to him or her only two options, namely, going to the hospital where the provisions of the legislation kick in or being taken to a Garda station. This will ensure there is no right of passage home in a hyperventilating state or otherwise. There should be only two options open to people, namely, to go to the hospital or the Garda station.

While I do not wish to over-burden the accident and emergency rooms of our hospitals, I believe the inclusion of a provision like this will ensure there is no soft option or route open to allow people to bluff their way out of being tested. I take the Minister's point that he intends to look to the Garda Síochána for evidence in this regard. I can assure him that if there is a chance it will work somebody will try it and many more people will seek a way to challenge it in the courts. Perhaps the Minister will ensure this matter is dealt with in the road transport (No. 2) Bill. It should be clearly stated in that legislation that where an accident occurs a person must attend a hospital or Garda station to have a sample of blood taken.

Question put and agreed to.

SECTION 3

Amendments Nos. 3 and 4 not moved.

Section 3 agreed to.

Sections 4 and 5 agreed to.

Title agreed to.

Bill reported without amendments.

An Ceann Comhairle: When is it proposed to take Report Stage?

Deputy Leo Varadkar: Next Tuesday or Wednesday, if possible.

Deputy Aengus Ó Snodaigh: It is to be taken next Wednesday.

Report Stage ordered for Wednesday, 20 April 2010.

Communications Regulation (Postal Services) Bill 2010 [Seanad]: Second Stage (Resumed)

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

Deputy James Bannon: I believe that post offices could and should have a role to play in the future, including the provision of additional banking services. I remain committed to the future of An Post and post offices. The closure of many post offices over the past number of years has caused real anxiety among people living in the countryside. I am particularly concerned about the lack of joined-up thinking by the previous Government which led to repopulation policies without sufficient regard for essential social infrastructure. If we are to see a balance between rural development and spatial strategies, it makes sense to ensure the post office network plays a role in such initiatives.

There is legitimate concern among postal workers and those in the wider postal services that snail mail is being replaced by electronic mail. This has been current for a number of years and extended roles such as the provision of banking facilities have been proposed for An Post in an attempt to maintain the post office network. However, the State is discriminating against the post office network by encouraging people to seek payment of their pensions and other social provisions into bank accounts. Rather than encouraging this the post office network must be supported and promoted. We must bear in mind that An Post has never been a drain on the taxpayer; it has never required a State bailout or hand out. It is, therefore, important that any legislation does not put undue strain on this valuable public service.

Many suggestions have been put forward, including the development of post offices as information centres and expansion of their commercial role. It is time that such ideas became more than just words and that a concerted effort is made to revitalise the place of the network in our society. In doing so we must keep the essential issue of job retention firmly in sight. We must not overlook the ability of An Post to help itself. Over the years, An Post has shown a remarkable ability to reverse its fortunes. Having made accumulated losses of €67 million between 2001 and 2003 and €43 million in 2003, it had to sell its assets to pay its wage bill. However by 2004, An Post made a profit of more than €11.6 million, increasing again in 2006 to €14.6 million. Such mixed fortunes have driven initiatives which were undertaken in expectation of the changes ahead in 2011 and the concerns generated. Those changes are no longer in the future but are very much the present face of the postal services, with the opening of the market to competition becoming a reality.

The Communication Workers Union, CWU, is concerned that problems will arise that will be difficult to resolve in regard to the construction of a system involving private and public operators while also retaining the current funding method for the services provided by An Post. The postal market is centred around a legal obligation to provide a guaranteed equal access postal service to all citizens. This holds true no matter how accessible their homes are or how frequent their mail service is.

I accept that in some ways any concerns about issues relating to mail may not be unduly pressing. The deregulation of the 50g letter service will not encompass the introduction of

competition and, therefore, this Bill should not have an immediate impact on the number of post offices, which is an ever present fear. It is even possible that competition in the future could result in greater efficiency, perhaps even a reduction in the price of a stamp, which is one of the purposes of the Bill. This would be good for the economy and job creation, but it might preclude the subsidisation of uneconomic post offices which are being subsidised by the current postage rate.

However, over the past decade we have seen a significant drop in the number of letters being sent. There is a marked difference in the amount of post coming in the door compared to ten or 12 years ago, with the exception of politicians who receive a large amount of mail because people still use the traditional system to communicate with politicians. The reduction in the volume of post is undoubtedly due to the acceptance of e-mail, of which we also receive many.

Despite the decrease in letter post An Post is seeing a marked growth in parcel mail. It is in this area that I see major growth for An Post. The whole area of online shopping, which is becoming more and more the retail option of choice, will provide added growth incentives for An Post in terms of parcel delivery. If An Post is to expand and prosper it must channel its resources to the opportunities provided by the growth in parcel post. To secure its position in this market, it must be able to provide a service of a level that will give it top position over other current and potential future providers. There is already substantial competition in the market. Nonetheless, An Post is ideally placed to take on the challenge.

With further regard to parcel post, I note that a new section was inserted, section 49, which will enable the Minister for Communications, Energy and Natural Resources to issue directions on to the interception of postal packets carried by postal service providers to all postal service providers. This power had been previously been confined to packets carried by An Post. The Minister might elaborate on the section.

The issue of privatisation in the future is a real concern with this Bill. We must look to and learn from the situation in England, where privatisation of the Royal Mail has led to services in rural areas being downgraded. We must protect against the option for private companies to cherry pick profitable routes, leaving remote areas out on a limb. The Royal Mail was handicapped by the British Government allowing private companies to obtain what is known as downstream access at a vastly reduced cost.

Irish postal employees will not gain much comfort from the case of their German counterparts, who found their numbers cut to compete with new entrants into the sector and which operated a lower pay structure for the workforce. This is an ever present cause for reasonable worry. In the Netherlands the liberalisation of the postal services resulted in a number of cowboy operators hiring cheap labour to deliver mail, some of which ended up being dumped. I would like the Minister to make a clear statement on this to ensure that such practices do not occur in Ireland.

However, given that the Irish market is small and 40% of the population is rural based and widely dispersed by European standards, the likelihood of a rush by companies anxious to enter the Irish postal market is remote. Taking into consideration the Irish and global economic downturn it can safely be assumed that it will be at least 2012 before any incursion is likely and even then it will be on a limited scale.

On postcodes, which are one of the major components of this Bill, the reality is that they have been under discussion for a long time but have never materialised. This is particularly relevant to all parts of the country in regard to parcel post. Rapid and efficient delivery of parcel post with the minimum number of problems for the delivery service is essential for viability and has to be encouraged. Driving around in the hope of arriving at the right address is futile for everyone. Whether the global positioning system, GPS, is utilised for the new

[Deputy James Bannon.]

postcodes, care must be taken that whatever choice is made the chosen option will stand the test of time.

I am only too aware that there will be diverse opinions and schools of thought brought to bear on any choice. Now is the time for long-term planning encompassing rapidly changing technological advances, which we want to make sure is ongoing. A balance must be reached on what will suit An Post and the best international practice. Common sense must be brought to bear on this decision and forward planning to encompass future infrastructural changes is paramount.

Given that topography and the face of any mapping area may change but latitude and longitude are constant, GPS may be the best option. The system is also fool-proof. It is of great benefit to the emergency services and is value-free, which is not the case with the current postal service. While I am aware of a certain snob value pertaining to postal addresses, particularly in Dublin, it is time we moved on to more practical considerations. The introduction of a system which is completely free of values would provide greater equity. It would break away from the current situation which makes one area more desirable than another. For this purpose using a GPS based on latitude and longitude would be most effective.

There is a considerable market in downstream services, that is, providers who are licensed to provide postal services in the processing, printing and packing of letters which they then pay An Post to deliver. Every effort must be made to retain these jobs for this country. I am aware, and other speakers have raised the practice, of An Post charging less to overseas providers of the service than it does to native providers. The outcome of this is that batches of letters which originate in Ireland are bulk dispatched overseas to be processed, printed, packed and sent back to be delivered by An Post. This comes about because An Post is offering a cheaper rate to the Royal Mail or the French or Swiss postal services than it offers to Irish providers.

It strikes me as incomprehensible that a semi-State company is allowed to do that. The result of such action is the loss of jobs here. It is also a risk to the environment and is environmentally unsustainable. Given that An Post loses money on these transactions, it is difficult to see the driving motivation and why such a policy is deemed worthwhile. I am totally at a loss to understand why such a measure, which is anti-employment and anti-competitive, is allowed to continue. It makes a mockery of the Bill which is endeavouring to provide for competitiveness in the market. Such a segmentation of the market must be investigated. I hope the Minister will take this on board and do what he can in this regard.

We can be confident that An Post is well able to compete in an open market as it has the network, expertise and experience which no one else has and a long-standing monopoly which should ensure it will be able to outperform any newcomers to the market. There is a real fear of cherry-picking in urban areas such as Athlone in my constituency of Longford-Westmeath, but perhaps this is largely unfounded. We do not want a situation where An Post will lose out in densely populated districts to newcomers to the market and be forced into more remote and sparsely populated areas. However, I believe this fear is groundless, given the monopoly of An Post to date and experience of the market. As a commercial State company offering a universal service, it has met all of its costs from its own resources based on the sale of the 55 cent stamp. I do not see why this should change.

I welcome the Bill and I am pleased to have had the opportunity to contribute to the debate. I am confident that the Minister will iron out any contentious issues in the interests of efficiency for postal users and in order to protect An Post and its workers.

An Ceann Comhairle: Is Deputy Kitt sharing time with Deputy Troy?

Deputy Michael P. Kitt: Yes, I am.

I welcome the opportunity to speak to this Bill and also welcome the Minister of State. The Bill provides certainty for An Post and the users of its services and meets our obligations to the European Union, as it transposes a directive which provides for the final phases of the liberation of the postal service market.

There has been much uncertainty about the collection and delivery of mail. I remember attending a huge public meeting in Galway 20 years ago at which the issue discussed was the placement of letter boxes outside houses. Many welcomed this because they were happy with the service, but then the position changed such that letter boxes were to be placed at the top of the road. Some people were even told to go to the post office to collect their post. We have moved a long way from that position, which is a good development. A constituent once told me that he liked to see his postman putting a letter in his letter box and that he would not like to go to the top of the road because he felt there might be interference with some letters. We have come a long way on this issue and now have competition in the postal service market, which is very welcome.

There is a worry that undercutting by other organisations will affect An Post in cherry-picking customers. Price increases would also be of major concern. However, it is very welcome that An Post has now been designated. We have to admire the possibility that mail might be delivered to our homes every working day. The person who brings the post in rural areas often provides stamps for those who find it hard to get to the post office. The postman is the first contact for many elderly people.

I welcome the designation of ComReg as the national regulatory authority. There will be powers for it in respect of the exact services to be provided, the gathering of information and the making of directions.

The idea of a universal postal service is very welcome. There is, however, an issue about the price cap to be imposed. I understand it is for a period of five years. That is also very important because Irish postal service users should not be exposed to significant increases in prices, as happened in other countries following the so-called liberalisation of the postal service market.

The Minister might address the financial burden on An Post. There is a reference in the programme for Government to Exchequer funding. These matters might be discussed later in the debate. It is important that there is designation because it provides certainty.

When agencies were set up in the past, Members often had problems in trying to raise issues in the House. We only have to think about the National Roads Authority and so on. There was a worry that decisions might be taken that we would not be able to question in the House. The committee system is a great help in that regard, but the Minister stated any decision made by ComReg to designate or not to designate a service would be subject to ministerial approval. That is very welcome. There was a similar issue in respect of downstream access when we debated telecommunications issues, especially the telephone system. The question of competitors having access to the network used by An Post came up during the debates on Telecom Éireann and Eircom. The question of negotiating terms and conditions is very important, as is having a role for the regulator where parties cannot agree on the outcome. ComReg will resolve disputes that cannot be resolved elsewhere.

I note there is no change to the free postage system for electoral candidates, which is certainly welcome.

Deputy Bannon raised an interesting issue on postcodes which can be introduced under the Bill. I read an article in *The Irish Times* in January in which it was stated we were going to have such codes. We were told it would lead to significant savings and efficiencies, on the one

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hand, but that it would cost €15 million, on the other. We have to look at striking a balance in that regard. Obviously, there are already postcodes in Dublin, but many other cities and towns would be interested in the proposal. As the Bill does not provide much detail on the system to be introduced, perhaps the Minister might address the issue.

There are other points to be made about the rural post office network which is not affected by the Bill and the banking and savings services supplied by An Post. The strong presence of An Post across the country will continue, which I welcome. It is also welcome that An Post has been designated, as is the fact that the question of Exchequer funding is being examined and that any decisions taken by ComReg on service providers will be subject to Ministerial approval.

I hope the certainty provided for in the Bill will be welcomed by the general public who have great regard for what is happening with the postal service. We should not make too many changes when something is working very well.

Deputy Robert Troy: I welcome the opportunity to speak on this Bill. As a rural postmaster I have a particular interest in the legislation and I fully realise the importance of the Bill in terms of the future viability of An Post as we know it and the future provision of mail delivery to every house and business on every working day throughout the year.

The Irish Postmasters' Union, IPU, will be delighted to hear of the fulsome support that Deputy Bannon gave the rural post office in his speech earlier. I shall relay his support to the next meeting of the IPU for Longford-Westmeath.

I understand that this and previous Governments had no choice but to implement this EU directive, and it is very worrying. It is important that the views of the Members of this House and the affected parties are fully considered before any law is enacted, because if something is not broken there is no need to fix it. The current level of service provided by the postmen and postwomen of An Post is second to none. These people have striven in recent years to achieve the target of 90% next-day delivery and they have done so by embracing change. They have often worked in some of the hardest and most severe weather conditions to ensure they maintain their high service level to all customers, both rural and urban.

It is often said that the only way to encourage people in semi-State bodies to embrace change and new practices is to open the market to competition. However, the staff of An Post have proven themselves willing and able to embrace change long before this Bill was initiated. The current market for parcels of more than 50g is open to competition. When one looks at the manner in which people deliver the phone directories on an annual basis one wonders about the wisdom of moving this service from An Post to an alternative provider.

During the course of the recent general election campaign I saw phone directories where they should not be. This simply happened because when no one was at home the directory was left at the front door or somewhere else, exposed to the elements and left to blow around in the wind. Not only did this present a litter problem, it also identified houses in which nobody was at home, giving rise to a security risk. It was a great worry for people, particularly in rural Ireland, to have potential burglars being made aware when houses were empty. This would never have been allowed to happen if An Post had retained the contract. The postman or postwoman would continue to bring the directory until he or she managed to gain access, or a note would have been left advising the recipient that the directory could be collected at the local post office. If this were allowed to happen in the letter post sector it would have dire consequences for rural Ireland in particular.

The local post person, while providing a quality service, also plays a major role in the social make-up of country living. Often he or she is the only person that elderly people living on their own meet from one end of the day to the next. An elderly person in my locality puts on an outside light if she wishes the postman to call. There is no alternative to An Post, with its network of offices the length and breadth of the country. Where would a person go to collect undeliverable mail, that is, post that requires a signature or is too bulky to go through a letter box? I can foresee a situation where people, on coming home from work, might have to travel miles to collect their undelivered letters. At present they can go to the local post office, which will often facilitate them after working hours. In 90% of post offices the local postmasters or postmistresses live on the premises and are very much community driven.

This Bill, opening the service to competition, is designed to make postal services cheaper, faster and more efficient. However, when one looks at where competition entered the market, one sees it did not always have the desired effects. Take Eircom, for instance, and the fact that there are large areas of rural Ireland with no broadband, as it cherrypicked the best areas in which to provide it, leaving others without it. Without deviating from the topic, I implore the Minister, especially under the NewERA document, to ensure that all parts of the country have accessible broadband. It is a critical piece of infrastructure and I call on the Minister of State with responsibility for the NewERA document, Deputy O'Dowd, to give that commitment to the House. In my village, where his Government colleague, Deputy Penrose also lives, we do not have access to effective broadband and that is not acceptable in this day and age.

I read the speech of the Minister, Deputy Rabbitte, where he said that safeguarding the universal postal service was one of the explicit requirements of the directive and was central to this Bill. The universal postal service, he said, would ensure the collection and delivery of mail to every address in the State on every working day, and it was important that this minimum but significant level of service was enshrined in primary legislation. I acknowledge the Minister's statement in that regard but I am worried that the Bill also charges ComReg with the objective of enabling the development of competition and innovation in the postal service. I wonder what if any input Members of this House or the Minister of the day will have in any future decisions of ComReg. While I accept the need for a certain level of independence and regulation, I am worried that the Minister of the day and the Members of the Oireachtas will not be able to propose amendments that are obviously in the common interest. My fear is that in future years Deputies when submitting questions about the provision of postal services will receive a similar reply to the answer I got to a parliamentary question from the Minister as regards broadband to the effect that the provision of telecommunications services, including broadband, was a matter in the first instance for private sector service providers, operating in a liberalised market regulated by ComReg. That means the Minister and his office, in effect, is totally absolved of responsibility.

It will be too late after this and Deputies will be asking in the House in future why we did what we will have done to An Post. The Commission for Energy Regulation, CER, did nothing when the ESB introduced a minimum payment for those who pay their bills through instalments in the post office. Only last week we learned that customers wishing to avail of the new ESB price reductions will have to pay a higher minimum payment or else pay by direct debit, and receive the bi-monthly bill electronically. This is a simple but clear indication as to why we should not allow any commission have full and ultimate control to dictate terms and conditions in the future.

I am told that the Royal Mail has moved from being a profit-making business into a loss making enterprise since the mail industry in the UK was opened to competition. Now the British Treasury is subsidising the Royal Mail to maintain the universal postal service in rural areas, because competitors have cherrypicked the most profitable areas. I do not wish to see a

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situation such as this happening in Ireland. Neither do I want to see people in rural Ireland only receiving their post a couple of days a week.

Already the Government has rowed back on a commitment in the programme for Government to protect the universal postal service obligation by assigning it to An Post for at least 20 years. Now it has been reduced to seven years and ComReg has the power to nominate alternative providers during this period also. I have grave concerns that ComReg may dilute this commitment further without any say from the Minister. Are we to have multiple operators in some areas, just like we saw when the refuse collection services were privatised in so many parts of the country, with five or six operators providing the same service each week? It does not make sense.

I am also worried that there will be a need for Exchequer funding to ensure the provision of the universal postal service provider. At present cross-compensation being used by An Post is self-financing. In the current stringent economic climate is it wise to allow a situation to develop whereby public funds will have to be invested just to ensure continuation of a very basic service? Currently, it does not matter whether a letter is being posted from Leinster House to the GPO or from Leinster House to Malin or Mizen Head, the cost is the same. With the entry of new providers, I am concerned that all the non-profit making routes will need to be subsidised by the State.

I accept that An Post faces many challenges over the coming months, with more people turning to electronic statements, etc., but I am confident personnel in An Post will adapt to these challenges. I encourage the Government to continue to support An Post

Deputy Bernard J. Durkan: I welcome the introduction of this Bill which has been mooted for a considerable time. When I sat on the Opposition side of the House, I raised on the Order of Business on many occasions the urgent need for this Bill to be brought to the House because of the need to comply with the EU directive.

I agree with many of the sentiments expressed by other speakers. I do not intend to vote against the Bill, but there are certain inadequacies and flaws in the system that has emerged over the past ten or 15 years. For some unknown reason the regulatory system upon which we depend for the daily delivery of services has failed again and again. It failed us with the banking system and in a series of areas. The public and the people we represent are suffering as a result. Mention was already made of the lack of broadband, yet this was regarded as a necessary area for investment up to 15 years ago. However, it was not done and did not happen because whoever was responsible did not do it. When a start was made on doing it, it was not done in the right way and we are years behind most of our European competitors and have put ourselves in a very awkward position from the point of view of competition.

What gave rise to this Bill? It comes from the need to stimulate competition in order to provide a better service to the public. However, I am not sure that is happening and am unsure the mission statement has been recognised fully by those charged with the responsibility of ensuring competition is utilised in such a way as to provide a better quality and standard of reliability and service to the public. One good thing about the Bill is that it acknowledges the need for the provision of a universal service to the public, albeit for just seven years. However, it is always necessary to review what is happening and whether the system is working properly and as intended. The seven-year provision is good in that regard, provided the mission statement and objective are not lost.

The objective is set out in the Bill and the explanatory memorandum. It is to provide a reliable service, next day delivery, throughout and to all areas in the country. It is not just to provide delivery to a few select areas where the population is more dense, but throughout the

country. I agree with previous speakers who suggested that cherry-picking should not be allowed. Any service provider, now or in the future, who is fortunate enough to have a lucrative area in which to operate must not be able to use that area to compete in a predatory fashion because as a result customers would lose out.

As time moves on, postal services must consider providing alternative services, such as a banking service as offered currently. Mention was made of the need to ensure that the post office is retained in all its form, not just in token form, in all areas. We have all spent time over past years in this House talking about the optimum level of services. The optimum level is that the postal service should remain, grow and expand. Wherever there is room for growth, the opportunity should be taken and encouraged and we should see the evidence of that.

Reference was made by previous speakers to the Eircom situation. The question about competition must be raised and answered. Competition is good when it is used to achieve a useful or progressive objective. However, if it is used just to achieve a monopoly, it defeats its purpose. We must remember that competition is introduced to remove monopolies. We must recognise that the most important element of the issue is the delivery of service to consumers and it is good that is in the Bill.

Mention was made of postcodes. We do not need a postcode system because we have a national grid with GPS already in place. This is already available and is available to An Post. This system is more accurate than people realise. I happened, for sins not mine but of others, to be in court in the past couple of days, where I heard somebody quote a location in evidence as being the address of a person or persons. The person was wrong, because the GPS system says something else. I knew that because I am a regular traveller in that part of the country. This proves beyond doubt that technology has advanced, although we have not necessarily embraced it as we should. The technology and GPS grid exist and are available and would cost little in comparison to the kind of costs we have heard mention of for a postcode system.

A postcode system could cost up to €50 million or €60 million to implement. I am aware the Bill provides for that but I would like to see a greater evaluation of the benefit of a postcode, which would provide a great opportunity for people to be targeted by mail order companies and junk mail artists of every description. I understand postcodes have benefits but being able to identify a location is not one of them because we already have that ability.

I hesitate to say how long I have been a Member of the House, but both the Chair and I know how long it has been. There are many young fellows here, including those sitting in the front benches who were not here when we arrived. I would like to point out that in that time accountability is the one issue that has achieved least attention from Government. God only knows where that has led us. How many times have we stood up in the House and said Ministers would be accountable to the House? I hope we are all sincere about that now. Accountability is hugely important. With every piece of legislation that goes through the House, we must recognise the need for Ministers to come to House and accept full responsibility and accountability.

Ministers must be able to call on the Departments to which responsibility has been devolved, under whatever legislation, and be able to ask officials whether the process is happening as intended. Ministers must be able to ask whether they can go before the House as Minister and tell the public that what was intended is being done and that the process is operating according to the rules. Looking at some of the legislation that came through this House over the past 15 or 20 years, this part of the jigsaw was missing.

I accept the affirmation given by the Taoiseach that he will create a situation where the Government becomes accountable to the House and the House to the people. In that situation we can all coexist as opposed to living in suspicion and doubt as we have done over the past

[Deputy Bernard J. Durkan.]

ten or 15 years. I say this without reference to political colouring, good, bad or indifferent. It is bad for democracy that we have a situation where we have, as in the past, devolved responsibility to people who had no electoral responsibility, never stood for election, never will and would never have been elected.

They take upon themselves powers they presume to have and abuse them. They have done so and will continue to do so unless and until this House recognises the job it has to do. It must wrest back from those unaccountable bodies and agencies the power they have taken unto themselves and explain to them, simply and calmly, that they cannot do those things in a democracy and get away with it.

I wish to raise a matter which I have not had an opportunity to raise for a long time although I am not sure if this is the appropriate legislation under which to do so. I brought to the attention of the communications authorities, regulatory and otherwise, and this is a criticism of the regulatory system, a flaw in the burglar alarm installation system throughout the country. The Leas-Cheann Comhairle may be concerned that this matter has no relation to this legislation, which it has not but it comes under its heading. I sought at the time to make the public aware of the fact that certain intruder alarm installations throughout the country were unsoundly based, that they could not do the job they were intended to do and that all the information on them of which the public should have been made aware was not being made available to them.

I use that analogy to again draw to the attention of all and sundry the necessity to recognise that whatever else happens there must be clarity, transparency and accountability. Those charged with regulatory functions must recognise at all times that they are accountable to somebody and not necessarily to a glossy production published every year or every two years that probably costs a fortune and is sent to all of us through the post by way of an explanation for what has been happening in the preceding 12 months. I need not emphasise the problems and difficulties in which this country has found itself, which have occurred simply because the Government devolved responsibility, in the first instance, to subordinate bodies, groups and agencies which do not wish to be accountable to anybody. It is not sufficient to say that they produce an account to the Comptroller and Auditor General or somebody else. They did not observe their mission statement, their *raison d'être* in the first instance and we are where we are now as a result of that. I want to particularly emphasise the necessity of ensuring there is 100% accountability. That does not mean to say that we should strangle commercial activity by over regulation and over accountability. We tend to opt for extremes in that where once there was no regulation, we suddenly have a multitude of such bodies, and one is as bad as the other. We want to be careful not to go down that road. The Bill proposes to regulate the postal services and we know that is necessary. It is also supposed to identify weaknesses that might arise and to put in place a response to be able to ensure that the public interest is protected at all times.

The number of providers may and probably will vary. An Post is without doubt the most available and best equipped organisation in the country to provide the service. I wish to mention a matter I have raised many times in the past. An Post, in its current shape and form, is without a shadow of doubt the most equipped body or agency to carry out a review of the voters register. I cannot understand why that has not been done. The postal delivery service goes into virtually every house in the country and is enabled to do so every day. I cannot understand why it has not been utilised. Various people would say people's PRSI numbers should be used in this respect but that information does not indicate the address of the person concerned, while the postal service has the ability to deliver in this respect. I cannot understand

why this has not been done already. Whether it will be done under the aegis of this legislation I am not certain, although there is provision where extra services can be provided.

Any organisation providing a service to the public must ensure its service is run in a proper fashion, that there is nobody running a duplicate system, that nobody is encouraging the transfer of funds from the system into a foreign bank or investing in bogus accounts or other such investments. The question of the integrity of the system depends entirely on the degree to which there is regulation, accountability and offences in the event of something untoward happening.

It gives none us any great pleasure to say that some of the developments that have occurred in this country during the past ten or 15 years were not ones for which one would be awarded a Nobel prize or the Pulitzer prize. Many things happened under the cover of various regulatory systems that were appalling and that led this country into a ferociously vulnerable situation. The regulatory and supervisory system in so far as it affects the postal services, as they are now and as they are likely to be provided or as aspects of the service will need to be replaced in the future, is hugely important.

Some of us who have been Members for a few years, and the Leas-Cheann Comhairle will understand this better than most, sometimes have a gut feeling that proposals will go right and sometimes we have the opposite feeling. I remember speaking in this House on a debate on a proposed change to the structure of the TSB Bank when it was planned to be privatised, floated or sold off. I spoke against that proposal because I had an instinct it was wrong. The TSB Bank at the time gave a great personal small banking service to many households throughout the country. When did that service go? We all know when it went. That is the sad part about progress.

Deputy Joe Higgins: This Bill enshrines the final steps towards full liberalisation of the postal services in Ireland. In doing that it represents the implementation of the baleful policy of the European Union which for decades now has been pushing the privatisation of all public services and enterprises within the European Union and for the handover, essentially, to European big business of key public services in the interests of private profit. That enshrines the fundamental basis of the European Union, which was to set out to create, which it has done, a massive market for European big business with as little regulation and control as it can get away with, in the interests of the maximisation of profit.

We should not mind the lofty talk one often hears in the corridors of the European Parliament, to which I was subjected on a weekly basis as a Member of the Parliament, about the primary purpose of the European Union being to create a paragon of democracy, a haven of peace and humanity and all that was good, flowing with the milk of human kindness. Unfortunately, as a member of the Committee on International Trade of the European Parliament, I saw a different reality where the priorities of the European Union, worldwide, in terms of the trade agreements that have and are being pushed with many countries and trading blocs around the world, notably in the poorer continents, are designed to allow open access to raw materials and markets by European-based multinationals which often do enormous damage to the environment and to the economies particularly of poorer countries. They damage small, local producers and in many cases treat workers disgracefully.

In many existing trade agreements and those currently being negotiated, the EU Commission puts a huge emphasis on opening up the public services of the countries with which it wants to make an agreement to European big business. It is insisting on the privatisation of public services so that European companies can muscle in and take over the profitable sectors of those services in Asia, Africa and Latin America. It is pushing in the same direction now with a proposed agreement with Canada. The policy of liberalisation and privatisation has done

[Deputy Joe Higgins.]

enormous damage at various times in many poorer areas. We saw that most dramatically in Bolivia in the early 2000s when European multinational water companies took over and began to charge for water, which put it out of the reach of poor people. Happily, there was a huge reaction — a revolution — against that and Bolivia took back control of the service.

That is no different to what is being proposed in the postal services directive for Europe. The library service of the European Parliament provided a briefing on the liberalisation of postal services which revealed some astonishing facts on the economic importance of this aspect of economic and social life within the European Union. It indicated that the postal sector in the European Union was estimated to be worth approximately €94 billion in 2007, equivalent to 0.7% of the gross domestic product of the Union. Of that €94 billion, the letter post market — its largest segment in terms of volume and revenue — amounts to €51.6 billion. Those are astonishing figures in terms of the scope and extent of postal services. It is little wonder that big business wanted to get its hands on significant sectors, in particular the profitable sectors, bearing in mind its importance to economic and social life and the large amounts of money involved.

The European Commission was the agent for European big business to deliver what it wanted, which is normal as far as big business interests are concerned. Therefore, from 1997 began the push within the European Union for the privatisation of postal services. That has been relentlessly implemented in many member states by right wing governments, whether the Christian Democrats of the family of the European Peoples Party, as it is known in the European Parliament, or the Social Democrat and Labour parties which have largely a similar right wing policy of pushing and facilitating liberalisation and privatisation.

The question to consider is the effect of the liberalisation of the postal services within the European Union in so far as we have experience of it to date. Let us see what the directive itself claimed in 2008. It stated:

Complete market-opening will help to expand the overall size of the postal markets. It will further contribute to maintaining sustainable and quality employment within universal service providers as well as facilitate the creation of new jobs in other operators, new entrants and associated economic sectors.

Unfortunately, all that has proven to be a monstrous lie when compared to the actual experience of liberalisation and privatisation within the postal services. Far from increasing the number of jobs, there is an ongoing slaughter of jobs within postal services in the European Union. The European Parliament Library briefing indicated that in Sweden between 1993 and 2005, a total of 16,000 jobs were eliminated by Sweden Post and only 2,000 created by private operators in that country over the same period. In Austria from 1995 to 2005 there was a reduction of 25% in the number of workers in the postal service. In Germany the reduction was 15%.

I accept that there has been a change in the means of communication in the past two decades. It is natural that it would have a certain effect on the postal services but that was well known by 2008 when the directive was promulgated. Therefore, what the European Commission was doing in 2008 was making false promises and opening up a reducing situation in the postal services to cut-throat competition, knowing well that the effect of that would be a further massacre of jobs but also a vicious race to the bottom in terms of wages for workers and in working conditions within the European postal services. Unfortunately, that has come to pass. Many of the private companies that have muscled in on the postal services are paying disgraceful wages far below the decency threshold and dramatically below the State-owned postal services companies where they still operate. Full-time jobs are being replaced wholesale by

casual labour, with no contracts for workers, no social protection and a severe reduction in the quality of the working life of the workers concerned. In The Netherlands, for example, 11,000 postal service workers who were in full-time employment with the benefits of wages and social protection are now being pushed from their permanent jobs into a situation of casualisation with horrific working conditions, going from a full-time job with a wage to a payment per item delivered. That has had a drastic impact on the income and working conditions of those workers so that, for example, shockingly, in The Netherlands — where anyone who has visited knows it is not a cheap place to live — of those workers who are in the postal service on casual contracts, 63% are now on €7 per hour or less. If one takes into account their slack days and the fact they are paid per item delivered, one will note they are on the equivalent of €3 or €4 per hour. That is the reality of postal service liberalisation within the European Union.

In Germany workers for the private company TNT Post earn 50% to 60% less than the German post office workers, such that many are dependent on social welfare. The experience of the European Union, therefore, is horrific, yet the Government created by Fine Gael and the Labour Party is taking from Fianna Fáil this reactionary right-wing legislation unchanged and pushing it through in the same way as its predecessor.

In the past day or so, I was interested to hear some Labour Party Deputies whinge about some right-wing aspects of this legislation. They were expressing fears about what it could mean for the provision of universal postal services and workers. I will take those Deputies seriously if they are prepared to vote against this legislation and for amendments that would prevent the opening up to privatisation and liberalisation of our public services — in this case, the postal services — thereby defending the wages and living conditions of post office workers.

In Ireland, this Bill will have very serious repercussions. Private business interests will corral lucrative sections of the postal service, leaving An Post with the non-profitable sectors. This is clear.

The universal service guarantee is a public relations sop, and the European Commission knows this full well. In practice, An Post will be required to have a universal service, but without services provided. The Minister, Deputy Rabbitte, if I understood his speech correctly, stated An Post would have to find the cost of providing a universal service from commercial revenues. This immediately puts the publicly owned entity at a disadvantage to privately owned profit-seeking operators who will have no such obligation. There is a real threat to postal services, including small post offices, on foot of this approach. In rural areas in particular, small post offices play a crucial public service role. They comprise a point of social interaction for elderly people, pensioners and others. The postman and postwoman cast a watchful eye on the elderly and vulnerable people in isolated areas. The brutal logic of the private profit system, as being imposed in the postal services, will not allow for these human considerations to be taken into account.

The alternative to the private profit-based system is to have the postal service continue in full public ownership, funded properly and with postal workers, clients and customers involved in its running and management. This would result in the provision of an excellent, affordable service with a social role, which we all want to see.

Is é atá i gceist sa Bhille um Rialáil Cumarsáide (Seirbhísí Poist) 2010 ná próiseas na seirbhísí poist a oscailt go dtí comhlachtaí príobháideacha a chur i gcrích. Cuireann sé i bhfeidhm fealsúnacht maorlathais an Aontas Eorpaigh maidir le príobháidíú seirbhísí poiblí, ar mhaithe le brabús an lucht mór ghnó. Ag cur in áireamh go bhfuil luach na seirbhísí poist san Aontas Eorpach thart ar €94 billiún in aghaidh na bliana — tá luach €51.6 billiún ar an roinn litreach amháin — tá sé soiléir go bhfuil airgead ollmhór i gceist. Tá na comhlachtaí móra ag lorg an brabús ón airgead sin. Ar ndóigh, tá an Coimisiún Eorpach ag obair i bhfábhar na comhlachtaí

[Deputy Joe Higgins.]

móra chun an chuid atá brabúsach — lena mbaineann an proifid — a thógaint amach as an tseirbhís phoist agus an chuid eile a fhágaint faoi úinéireacht phoiblí.

Níl aon dabht ach go mbeidh brú ollmhór ar an tseirbhís, go mórmhór faoin dtuath, agus ar coinníollacha oibre agus pá na n-oibrithe san earnáil seo. Tá 1.4 milliún duine ag obair sna seirbhísí poist san Aontas Eorpach. Is figiúr ollmhór é sin. I láthair na huaire, tá laghdú scanalach á dhéanamh ar phá an lucht oibre sin in an-chuid tíortha, de bharr an léirscaoileadh atá i gceist in oscailt an mhargaidh go dtí comhlachtaí móra príobháideacha. Má tá na gcomhlachtaí sin chun an brabús atá á lorg acu a dhéanamh, caithfidh siad brú síos ar pá agus coinníollacha na n-oibrithe. Tá sé sin ag tarlú san Ísiltír agus i dtíortha eile. Tá sé scannalach go bhfuil Fine Gael agus Páirtí an Lucht Oibre ag cur reachtaíocht chun cinn chun an rud ceannann céanna a dhéanamh sa tír bheag seo.

Caithfear buachaint ar an mBille seo. Caithfear cur ina aghaidh go tréan. Caithfimid ár seirbhís poist a choimeád in úinéireacht phoiblí, ach faoi stiúru poiblí agus daonlathach, chun seirbhís níos fearr a sholáthar faoin tuath agus sna cathracha. Caithfimid pá agus coinníollacha réasúnta a thabhairt don lucht oibre san earnáil mhaith seo do mhuintir na tíre.

Deputy Olivia Mitchell: I wish to share my time with Deputy Nicky McFadden.

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

Deputy Olivia Mitchell: I welcome this legislation. Along with giving a role to ComReg, its two main objectives are the liberalisation of the letter market and the introduction of postcodes. I understand that change always causes concern. People either suspect the legislation is somehow aimed at undermining the role of the incumbent operator, or they fear the legislation will have unintended consequences.

The opening up of the only remaining regulated market, which is associated with the 50 g letter, is causing concern on two fronts. An Post employees are concerned that their jobs are at risk and rural users of the postal service are concerned they will lose their daily service. Employees worry that cherry-picking could occur, particularly in the urban markets and other densely populated areas, and that An Post would thus lose the profitable routes. I do not believe this will be the case because An Post has huge advantages in the market. It is the incumbent and is well placed to withstand even sustained attempts to undermine it through underselling. It has a network in place, expertise and experience, and it also has the ability to see off all newcomers to the market. There will, however, be a continuing loss of business in the letter market. I will return to this point.

A related fear felt by those living in more remote areas and expressed by many Deputies is that, by virtue of a more competitive environment, they will lose a daily service. I do not think this will happen. The legislation provides for An Post as the designated universal service provider for the next seven years, during which there seems to be very little to worry about. Concern is being expressed about what will happen after this, but to be honest in legislative terms and with regard to communications seven years is like a millennium. Given the rate of change in the communications sector, we cannot possibly anticipate what will be the problems in seven or eight years time and we certainly could not anticipate how we might deal with them at that stage. If there were threats to the daily service and the network, they should be addressed at that time, but it should be left to the Government of the day which would know what it was dealing with.

The major concern being expressed is with regard to the possible loss of rural post offices. This is not a new trend and efforts have been made to provide new more profitable ancillary

roles for post offices such as providing banking services. Unfortunately, these efforts failed with the collapse of the banking system.

It is a major challenge for An Post to reinvent itself and find new roles. I can greatly sympathise with the concern people have, given the social role post offices fill in rural areas. However, I must question whether a vital business service which is fundamental to our competitiveness should fund the social service. I am not saying that social service should not be funded — it should — but I wonder whether the business community should be asked to fund it. It is a tribute to An Post that it has managed to remain profitable while providing both a social and business service on the basis of a 55 cent stamp.

The purpose of this market liberalising Bill is to increase efficiency and reduce the costs of competition. If it is successful in doing this, it is possible that the cost of a stamp will fall to a point where it cannot support uneconomic post offices. This is a genuine concern and one which cannot be ignored. It is right to raise it and point out that it is something we may have to tackle in the coming years.

A more immediate eventuality is the huge drop in the volume of letters which everybody has mentioned. The most significant change that has taken place in social and business communications is the switch to electronic communications, whether it be Twitter, Facebook, blogging, e-mailing or e-billing. When I was first elected to the Dáil and first became a public representative, almost all of my contact with the public was through letters. Now, it is almost entirely through e-mail. The only post items we now receive are the annual reports of State bodies, although thankfully some of them are changing to sending us their annual reports on disk, and letters from voluntary bodies sending us expensively produced material in lobbying us for more State funds. I wish they would understand this is not likely to endear them to us.

There is no doubt that the volume of letters is falling and that even traditional users of the service for large-scale deliveries are switching to e-billing. This will be a huge and growing loss to An Post. Recently, when watching UTV, I saw an item on encouraging people to return their census forms with pictures of people putting them into post boxes. I wondered why we did not use the postal system to at least send out the census forms, whatever about collecting them. There is an onus on the State to support An Post; if we are asking it to step up to the mark in terms of modernising, we should give it a little help, where possible, by using the postal service. During the week I was heartened to receive a card from An Post inviting me to avail of its new commission free service in purchasing dollars and sterling; obviously, therefore, it is entering the foreign exchange market which is welcome.

As one door closes for An Post another is opening to a bright new world and an area of huge growth — parcel delivery. The Internet killed off letter post, but it has facilitated a new growth market for on-line shopping which definitely seems to be the way of the future. It is extensively used, particularly by young people. At Christmas time I was struck by how the young people in my family did not go near a shop but did all of their Christmas present shopping on-line. I find it a rather joyless activity myself but clearly it is the new big thing and the way of the future. It is a huge challenge for An Post to rise to this and become a dominant player in the market because I realise it is one in which there is already competition and giants such as DHL. However, it is a natural growth market for An Post which has certain advantages because it is already delivering nationwide.

I am concerned about an existing practice of An Post when dealing with the wider postal market and downstream postal service providers which are licensed to provide postal services such as processing, sorting, printing and packaging material and which buy the services of An Post to deliver the material. This market involves many jobs and there could be many more were it not for the practice of An Post to offer cheaper rates to foreign providers of delivery

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services than it does to those operating at home. The result of this is that large-scale regular users of postal services have to send all of their material to England, Switzerland or France to have it processed, sorted, printed, packaged and posted. This creates jobs in France, Switzerland and England and supports their postal services, but it does very little for job creation at home. In legislation dealing with extended competition this is totally anti-competitive. It segments the market and is anti-jobs. From no perspective does it make sense and I intend to submit amendments on this issue, unless the Minister can tell me the reason An Post does this. I hope he will take notice of my amendments. Support for An Post must be a two-way street; if we support it, it should support Irish jobs.

Another source of concern is the concept of burden sharing. This is also an anti-competitive move. The idea is that if competition is so effective that An Post cannot fulfil its universal service obligation, other service providers must subvent it. The irony is that this is a directive to increase competition; it is not intended that any competitive edge should be removed by ensuring the successful competitor subvents the unsuccessful competitors. I appreciate it is unlikely that a new entrant will outperform An Post; nevertheless, if costs are involved in ensuring the universal provision of services, it is a cost that should be borne not by other businesses and the business community but by the general taxpayer. My real objection to this provision is the guarantee of a subvention being provided in legislation. A guarantee such as this reduces the stimulus to provide competition and allows the incumbent to take its foot off the pedal in striving for efficiency safe in the knowledge that somebody will pick up the bill if it fails to provide. The danger is that a cushion of comfort will be provided that will become nothing more than a subsidy for inefficiency and, therefore, will negate the entire purpose of the legislation. I do not think that could be in anyone's interests.

I want to deal with the issue of postcodes, the introduction of which I very much welcome and support. Their introduction has been postponed — excuse the pun — for a number of years because people feared them. This does not make sense to me other than there being a natural resistance to change. Postcodes can bring enormous advantages in terms of efficiencies in the delivery of post and a reduction in costs. They will also bring huge benefits to emergency services, provided the correct system of postcodes is used.

It is particularly important for providing parcel post, which will be a growth area for An Post.

Whatever about a postman wandering up and down country lanes seeking the correct Michael Murphy, one cannot have delivery vans doing the same. It is hugely inefficient. A precise system is vital. People fear they will be targeted for marketing purposes, but they are targeted for those purposes in any event and I would prefer to be targeted with something that is relevant to my demographic than to receive all types of rubbish in the post.

The system of coding used is vital. I favour use of a GPS system. I understand An Post favours an alternative system which is based on or informed by the machinery it has for reading letter addresses. That is a very short-sighted approach. To choose a system simply because it is suitable for the incumbent does not represent clear, efficiency-driven, long-term thinking. We must choose a system that stands the test of time, regardless of the equipment used by An Post. GPS is based on latitude and longitude and is a foolproof system. Importantly, it will endure and not die when roads or lines on a map change, which does occur. It is a timeless system. We are choosing a system for use in the long term. There are also huge benefits for the rescue services as it will be possible to track somebody in the middle of a lake or at the top of a mountain, which one cannot do if one is depending on roads. Under the proposed system, that is not possible.

It is also a value free system. As I am aware from what happened in my constituency, the current system caused huge anxiety when people were moved from one post code to another. I believe this also occurred in the Minister's constituency. In fact, they were not moved. The An Post system has them located in areas where they do not think they are and when they discover that under the new system, if An Post has its way, they are not living where they think, there will be war. It will cause huge difficulty in introducing the system. The beauty of GPS is that it is value free. One can have any address one wishes provided one has these value-free letters, as nobody aside from An Post will know what they mean. A system that stands the test of time is essential.

I welcome the legislation and appreciate the opportunity to speak on it.

Deputy Nicky McFadden: I wish the Leas-Cheann Comhairle every success in his new role. I am also delighted to note the presence of the Minister, Deputy Pat Rabbitte, and wish him every success and congratulations on his appointment.

I welcome the opportunity to participate in the debate on this Bill as I acknowledge its critical importance in the advancement of Ireland's economy and society. I commend the work of An Post over the years and pay tribute to the continued efficiency and dedication of its staff. A total of 87% of post is delivered on time.

An Post plays a significant role in every part of this country. In my Longford-Westmeath constituency it is highly regarded for its high quality service and as an important source of local employment. It has a good depot in Athlone. The Minister, Deputy Rabbitte, said on Second Stage that the essential element of a universal postal service is the collection and delivery of mail to every home in every corner of the State on every working day. I welcome that acknowledgement.

An Post is not only of economic benefit to communities but it also plays a wider societal role. The postman or postwoman might be the only person an elderly person who lives on a remote boren might meet in a day. We saw what happened with the demise of rural post offices and I would hate something similar to happen to our postal service or to lose this valuable service. Despite the increasing prevalence of e-mail and social networking in our daily interactions, I believe the tradition of posting letters is still alive. I recently had a conversation with a friend who told me she writes regularly to her friends in Australia and America.

The maintenance and continued development of An Post is of paramount importance. I welcome the Minister's assurance that the Bill does not impact on the rural post office network, post office banking services or delivery of Government and financial services through the post office network. Through the creation of a new, open and liberalised postal services sector, this Bill will provide the framework to ensure, first, that An Post is safeguarded as the universal postal service, second, that consumer rights are protected and, third, that a comprehensive framework for fair competition is devised. I emphasise the word "fair". These three issues must be adequately dealt with in the implementation of this Bill.

The Bill seeks to recognise the fundamental difference between An Post and other postal service providers. Under its provisions, the regulator of the postal service sector, ComReg, designates An Post as a universal service provider for a period of seven years. After this, another provider can be designated, or it might be decided that no designation is made. I hope the Minister will consider a review of this period. Competition is healthy for the postal market provided the competition is fair. Competitive markets encourage innovation and greater focus on consumer friendly approaches. The introduction of a price cap, for example, would protect users against significant price increases. Of course, this new competition must be fair in nature

[Deputy Nicky McFadden.]

and ensure that consumers, the State and existing postal service providers are protected through the creation of a robust regulatory framework.

I welcome the Minister's remark that under the Communications Regulation Act 2002 the Minister for Communications, Energy and Natural Resources can issue strategic policy directions to the regulator. This country has had bad experience with regulation so I warmly welcome that statement. An Post will carry certain obligations in its remit as universal service provider and I welcome the Bill's provisions which provide for competitors of An Post to contribute to universal service costs where the regulator deems that an unfair burden exists. Other postal service providers must not be granted free rein to cherry-pick preferred areas and shirk their universal service obligation of next day delivery. New entrants into the postal service market should be of high standard and should ensure that every member of the community is catered for, regardless of location.

I acknowledge the work carried out so far by An Post. I am concerned about liberalisation from the point of view of job losses, as there were huge job losses in Germany. I hope the Minister will comment on that.

Deputy Aengus Ó Snodaigh: Ba mhaith liom buíochas a ghabháil as an deis labhairt ar an Bhille rí-thábhachtach seo. Tá mé go huile agus go hiomlán i gcoinne aon athrú suntasach mar atá ag tarlú anseo i seasamh An Post. Sin atá i gceist anseo. Tá muid ag oscailt an mhargaidh do sheachadadh litreacha agus gach rud eile a dhéanann An Post do chomhlachtaí eile agus ag ligint dóibh córas agus seirbhísí An Post a réabadh.

Tá spéis faoi leith agam san ábhar seo toisc go n-oibríonn mo bhean chéile, mo dheartháir céile agus a bhean in An Post. Mar sin, tuigim go maith na hathruithe atá déanta ag siúd atá ag obair in An Post cheana féin maidir lena córas oibre agus leis na huaireanta a n-oibríonn siad — mar an gcéanna leis na hathruithe eacnamaíochta atá déanta ag gach duine eile — agus tuigim na hathruithe atá déanta acu maidir leis an ragobair, a laghad a fhaigheann siad agus na cinntí atá déanta le bliain nó dhá bhliain anuas chun a cinntiú go mbeidh An Post ullamh do chomórtas, má thagann sé in aon chor. Ba chóir go dtarlódh go leor de na hathruithe sin pé scéal é. Ba cheart go n-oibreódh gach cuid den tseirbhís poiblí go héifeachtach chun luach an airgid a fháil as an infheistíocht a dhéanann an Stáit. É sin ráite, ní chóir go mbeimid ag déanamh ionsaí ar seirbhísí poiblí nó ag tarraingt astu. Ní gá ach féachaint siar go dtí an tréimhse sula raibh Eircom réabtha sa bhealach chéanna. Nuair a d'osclaíomar an margadh fóin póca agus teleafóin eile don mhargadh, tháinig comhlachtaí eile isteach. Tá a fhios againn conas mar atá cúrsaí imithe ó shin agus an staid ina bhfuil Eircom faoi láthair. Tá seans ann go mbeidh teip iomlán ar an gcomhlacht sin aon lá anois, agus go gcuirfí 3,000 duine ar na scuainí dól.

Sa chás seo, tá má ag rá go bhfuil mé go hiomlán i gcoinne príobháidiú An Post. Tuigim nach bhfuil sé sin i gceist sa Bhille seo, go díreach, ach tá seans ann go dtiocfaidh sé i ndiaidh oscailt an mhargaidh. Má tá An Post san iomaíocht le comhlachtaí eile sa slí atá leagtha amach ag an Aontas Eorpach nó an Rialtas anseo, tosóidh an comhlacht ag cailliúnt airgid. Má tá níos lú litreacha, srl., á seachadadh timpeall na tíre, beidh sé níos deacra do An Post dul san iomaíocht. Tá fadhbanna móra leis an líon stuif atá á seachadadh. Má thagann comhlacht eile isteach sa mhargadh, agus tosnaíonn sé ag cailliúnt airgid, an bhfuilimid cinnte nach dtarraingeoidh sé amach? Dá mbeadh An Post brúite amach ó cheantair áirithe, an bhfuilimid cinnte nach mbeadh cuid den tír — cathair nó dhó, b'fhéidir — fágtha gan seirbhís poist? Cad a tharlódh dá mbeadh An Post tar éis tarraingt siar as déileáil lena leithéid?

Ba cheart dúinn féachaint siar ar na cinnithe míchearta a rinneadh ó thaobh An Post, nó an "P and T" mar a bhí, sna blianta atá imithe. Mar shampla, dhíol An Post an chomhlacht idirlíne

— Ireland On-Line — a bhí acu. Dhein an comhlacht brabús suntasach ó shin. Ba cheart go mbeadh cosaint ceart déanta ag An Post ar an cash cow a bhí acu agus go mbeadh gach uile ghné de chumarsáid na tíre faoi smacht comhlacht amháin. Bhí an Roinn Poist agus Telegrafa freagrach ní hamháin maidir le seachadadh an phoist, ach freisin maidir le Telecom Éireann agus Ireland On-Line. Níl mé ag rá gur chóir go mbeadh gach cuid den chóras cumarsáide faoi smacht an Rialtais, ach gur chóir go mbeadh sé faoi riaracháin comhlacht amháin. Má ghlacfaimid leis an mBille seo, measaim go ndéanfar damáiste do chomhlacht a chuireann seirbhís poiblí ar fáil. Ní mór dúinn gnéithe áirithe don eacnamaíocht, ar nós seirbhísí poiblí, a chosaint.

Nuair a tharla athruithe i dtíortha eile, theip go huile is go hiomlán ar na seirbhísí poiblí ar a dhéantar príobháidiú nó a cuireadh ar an margadh. Ligeann daoine áirithe orthu go bhfuil an margadh seo níos fearr ná aon rud eile sa domhan. Nuair a dhéanann siad léirscaoileadh ar seirbhísí poiblí, tarlaíonn rás go dtí an bun — race to the bottom — agus déantar laghdú nó íslú ar pá agus coinníollacha na n-oibríthe sna comhlachtaí a bhí ann roimhe. Bíonn na comhlachtaí nua-príobháidithe in iomaíocht de shíor le comhlachtaí osnáisiúnta. Toisc go bhfuil an margadh sa tír seo chomh beag, bíonn sé deacair dóibh iad féin a chosaint agus a tharrtháil i gcoinne na comhlachtaí móra seo. Tá dainséar ann go mbeidh orainn teacht ar ais anseo i gceann cúpla bliain nuair a deireann an Rialtas gur gá An Post a phríobháidiú toisc go gcosnaíonn sé iomarca airgid. Tá sé sin déanta i go leor gnéithe agus rudaí eile agus tá sé i gcomhréir leis an bplean agus an doiciméad a shínigh an Rialtas leis an IMF agus an ECB. Deireann an doiciméad sin go ndíolfaidh an Stát roinnt dá gnónna agus sócmhainní.

Ba chóir dúinn cur i gcoinne an méid atá sa Bhille seo. Seachas bheith ag gearradh siar ar seirbhísí poiblí, ba chóir go mbeimid ag déanamh infheistiú iontu. Ba cheart dúinn postanna a chosaint sa gheilleagar atá sa tír faoi láthair. Ba chóir dúinn cur leis an pá agus na coinníollacha a bhaineann le seirbhísí poiblí — ní hamháin i gcás An Post, ach i gcásanna Bus Éireann agus Bus Átha Cliath freisin. Chonaiceamar cheana conas mar atá an Rialtas ag caitheamh leo agus á dtarraingt siar. Tá a fhios againn cad a rinne an Rialtas le Aer Lingus agus le Aer Rianta, comhlachtaí eile a bhí cuíosach tábhachtach don oileán seo. Tá pleananna ann níos mó iomaíocht a thabhairt isteach i dtaobh Bord Soláthair an Leictreachais agus Bord Gáis, srl. Déanfaidh an Stáit níos lú brabús sa chás sin.

Caithfidimid bheith cúramach nach bhfuil an Rialtas ag ullmhú chun fáil réidh le sócmhainní an Stáit. Tá sé soiléir go bhfuil sé ar aigne acu. Bhí gach ceann de na comhlachtaí seo an-bhrabúsach ag amanna difriúla. Bhaineadar úsáid as an brábús sin chun infheistiú a dhéanamh i seirbhísí eile. Nuair a tháinig díbhinn ó Bord Soláthair an Leictreachais, Aer Lingus nó fiú Aer Rianta ag amanna difriúla, rinneadh infheistiú tríd an státseirbhís i scoileanna, bóithre nó pé rud eile. Ní gá ach smaoineamh ar an méid a tharla nuair a díoladh Irish Ferries agus Siúcra Éireann, agus an talamh a tháinig leo, roinnt blianta ó shin. Níor fuair an Stát an buntáiste ceart gur chóir go dtiocfadh as na comhlachtaí Stáit éagsúla a phríobháidiú nó a oscailt ar an margadh. Ní gá ach féachaint ar an debacle a tharla maidir leis an public service obligation a bhain leis an VHI. Theip ar na coinníollacha agus an chosaint a dúirt an Rialtas a bhí ann ó thaobh an VHI de nuair a chuaigh BUPA — nó pé comhlacht a bhí ann — chun na cúirte.

Dá bhrí sin, measaim nach fiú aon rud a deireann iad siúd a mhaíonn go bhfuil seirbhís poiblí seachadadh poist na tíre seo á chosaint. Nuair a rachfaidh na comhlachtaí príobháideacha chun na cúirte, gheobhaidh siad réidh le aon chosaint a bheidh sa reachtaíocht seo. Sa réimse seo, don chuid is mó, tá reachtaíocht na hEorpa i gceannas a luaithe is a osclaítear an mhargaidh. Is é sin an dainséar a bhí ann nuair a ghlacamar leis na hathruithe a thógadh isteach i gconarthaí Nice agus Liospóin, ach go háirithe. Dúirt muid go raibh siad ag ullmhú don phríobháidiú agus d'oscailt an mhargaidh. Measaim nach bhfuil sé seo an deireadh — rachfaidh siad i ndiadh go leor de na seirbhísí a chuireann na húdaráis áitiúla ar fáil don phobal. Déanaim impí ar an Rialtas arís tarraingt siar ón treo ina bhfuil sé ag dul faoi láthair. An tseachtain seo caite,

[Deputy Aengus Ó Snodaigh.]

fógraíodh arís go bhfuil an Rialtas ag tarraight roinnt de na cumhachtaí ó na húdaráis áitiúla trí Irish Water a bhunú. Beidh níos lú cumhachtaí ag na húdaráis áitiúla amach anseo má dhéantar sin seachas bheith ag dul i dtreo dlárnú cumhachtaí, tá an Rialtas chun a mhalairt ar fad a dhéanamh. Ba chóir go mbeadh níos mó cumhachtaí ag na húdaráis áitiúla seachas níos lú.

Ag filleadh arís don Bhille atá os ár gcomhair, tá sé i gceist go mbeadh an margadh oscailte go hiomlán agus tá dainséir ansin. Ní gá ach féachaint ar cad a tharla nuair a osclaíodh margadh iarnróid i Sasan; bhí teip iomlán ann, bhí comhlachtaí ag teacht isteach agus amach agus ag titim agus bhí ar an Stát teacht isteach le hinfheistiú mór. I gcás seachadadh poist i Sasan, theip go huile is go hiomlán ar an léirscaoileadh a tharla sa mhargadh ansin. Tharraing Royal Mail siar, díoladh an chomhlacht agus tháinig Consignia isteach. Ansin rinne Consignia praiseach iomlán ar an chóras seachadta poist agus na hoifigí poist timpeall na tíre. Bhí ar Royal Mail teacht isteach arís agus an gnó ar fad a cheannach ar ais arís go mbeidh sé i gceannas an mhargaidh arís.

Is é sin an dáinséar nuair a thiofadh comhlachtaí isteach sa tír seo, go mbeidh siad ag súil go mbeidh cash cow acu, mar a rinne siad le Eircom, nuair dhíol siad píosa anseo agus píosa ansiúd don mhargadh agus ansin tharraing na carpet baggers as Eircom agus d'fhág siad comhlacht nach raibh in ann dul san iomaíocht. Má tá comhlachtaí ag teacht isteach cad é an gealltanais go mbeidh siad in ann an tseirbhís a dhéanamh go huile is go hiomlán agus go mbeidh siad in ann leanúint leis an tseirbhís sin a thabhairt don phobal?

Tá seirbhísí ann. Dá mbeadh spéis ar bith ag an Rialtas seo An Post a chosaint, déarfadh sé leis an Roinn Coimirce Sóisialaí go mbeadh na híocaíochtaí a dhéanann an Roinn ag dul go hiomlán tríd an bhanc atá ag An Post agus go mbeadh daoine ag bailiú na n-íocaíochtaí agus á gcur sna cuntais choigiltis ag An Post. Ní féidir leo sin a dhéanamh faoi láthair, caithfidh siad úsáid a bhaint as an chóras bhaincéireachta atá againn sa tír. Tá sin tubaisteach agus tá cúpla duine tar éis an cheist sin a ardú liom le déanaí, toisc go bhfuil Rabobank, nó cibé dream a bhí gafa leis An Post, i ndiaidh tarraingt amach agus go gcaithfidh na híocaíochtaí a chur i gcuntais de chuid AIB nó fiú Ulster Bank nó dream éigin mar sin. Ba chóir go mbeadh sé ag dul isteach san aon bhanc náisiúnta atá ag an Stát — An Post — nó go mbeadh na bainc atá faoi seilbh an Stáit go hiomlán náisiúnaithe, seachas go mbeidís á rith amhail is gur comhlachtaí príobháideacha iad.

Ba mhaith liom ceist a ardú faoi ghrúpa, Citypost, atá ag briseadh an dlí faoi láthair cionn is nach bhfuil an margadh oscailte go fóill. Tá súil agam go mbeidh an tAire sásta díriú isteach ar a leitheid atá ag briseadh na rialacha atá sa mhargadh, ag seachadadh poist i gcoinne an dlí. Tá an chomhlacht ag dul isteach in ainneoin nach bhfuil léirscaoileadh ar an mhargadh, go mbeidh sí ullmhaithe. Caithfidh ar a laghad go bhfanfaidh an chomhlacht go dtí go mbeidh an margadh oscailte, fiú in ainneoin go bhfuil mise go hiomlán ina choinne sin.

B'fhiú don Rialtas smaoineamh go mbeidh níos lú poist ann, ní go mbeidh poist nua á gcothú. Tá fadhbanna ag An Post ó thaobh phost de toisc nach bhfuil go leor litreacha á seoladh ag daoine. Beidh An Post ag dul san iomaíocht le comhlachtaí a bheidh ag teacht isteach sa mhargadh agus a bheidh bunaithe sa chathair anseo, áit inar féidir níos mó brabús a bhaint as seachadadh litreacha; beidh siad ag díriú ar an chuid sin den mhargadh seachas aon chuid eile de. Tá an dáinséar ann go mbeidh ar An Post daoine a dhéanamh iomarcach de thairbhe nach mbeidh an t-airgead aige chun iad a íoc. An impleacht atá ann ná sa chuid den mhargadh ina mbeidh an iomaíocht is mó ná sna ceantair uirbeacha; beidh daoine faoin tuath ag brath ar seirbhís níos lú cionn is nach bhfuil brabús le fáil ann mar tá sé níos deacra a dhéanamh agus cosnaíonn sé i bhfad níos mó do An Post é a dhéanamh faoi láthair.

Cá bhfuil an buntáiste a thiocfaidh do An Post as an tseirbhís sin a dhéanamh? Tá public service obligation ag An Post agus beidh go fóill agus ní bhfaighidh sé aon bhuntáiste nó aon compensation ó na comhlachtaí nua. Nuair a bhí sin ann idir BUPA agus VHI, chuaigh BUPA os comhair na cúirte agus theip go huile agus go hiomlán le VHI an córas sin a choinneáil. Caithfear déanamh cinnte nach mbeidh comhlacht in ann teacht isteach agus cherry picking a dhéanamh. Má tá an Rialtas dáiríre faoin Bhille seo a rith, ní chóir go mbeadh ach comhlacht amháin sa tír. I mo thuairim ba chóir go mbeadh an chomhlacht sin mar An Post agus má thagann comhlacht eile, go mbeidh uirthi gach uile rud agus atá An Post ag déanamh faoi láthair a dhéanamh go hiomlán.

Ba mhaith liom díriú isteach ar ghné eile den reachtaíocht seo atá beagáinín seafóideach: an cheist faoi phostchóid. Bhí díospóireacht mhór ann agus sa Bhille seo, déantar damáiste don infheistíocht a rinne An Post i dtreallamh toisc go raibh sé in ainm agus a bheith i gceannas ar sheachadadh poist amach anseo. Ní raibh An Post ag súil go mbeadh aon mhórathrú ag tarlú nuair a infheistíodh na milliúin euro i dtreallamh nua sórtála sa dóigh is nach mbeadh sé in ann aon chóras nua a chur i bhfeidhm. Beidh ar An Post na milliúin euro a chaitheamh chun athruithe a dhéanamh ar an chóras dá dtogfaí isteach postchóid in ionad an chórais atá aige faoi láthair atá ag obair go maith. Ba chóir cloí leis an seandlí: mura bhfuil sé briste, ní gá é a dheisiú. I gcás An Post, agus ní amháin sa chóras postchóid, mura bhfuil an margadh briste, ná deisigh é.

An rud a tharlóidh sa deireadh na go mbeidh an córas briste ó bhun go barr agus tá sé tubaisteach go bhfuil seo os ár gcomhair agus níos tubaistí fós go bhfuil Aire ó Pháirtí an Lucht Oibre i gceannas an léirscaoilte, rud atá go huile i gcoinne na tuairime a ba chóir a bheith ann, go mbeadh pá agus coinníollacha oibre cosanta agus nár laghdófaí seirbhísí poiblí don phobal in aon bhealach. Is cúis náire é go bhfuil an tAire ag dul ar aghaidh le reachtaíocht a cuireadh os ár gcomhair faoi réim an Rialtais dheireanaí, a raibh polasaí na PDs mar bhunús ann agus an tAire Charlie McCreevy ag fógairt thart timpeall na hEorpa gurbh é an léirscaoileadh an rud is fearr. Chonaic muid cad a rinne sin d'Éirinn, ní gá ach féachaint ar an damáiste a rinne sé don chóras bhaincéireachta sa tír seo. Táim ag tabhairt foláirimh go dtarlóidh sin arís.

An Leas-Cheann Comhairle: Deputies Mattie McGrath and Healy have ten minutes each.

Deputy Mattie McGrath: Tá áthas orm deis a bheith agam labhairt ar an Bhille seo. This legislation proposes to open the Irish postal market to free competition. This may be regarded as a wonderful thing but, unfortunately, we have discovered in recent times that it is not all it is made out to be. The result will be the undermining of the current funding model for the universal service obligation on An Post.

This is a fundamental tablet of stone that has been used by An Post and successive Governments since the foundation of the State. It is the mechanism that allows An Post to fund the loss-making part of its service provision. This is critical for our society and communities as it guarantees a five-day per week delivery service to every address in the country at a single price. It is the backbone of the postal service.

With advances in technology, communications networks are changing drastically. There are more ways and options available for people to communicate. However, this does not take away from the importance of the postal service which provides a door-to-door service to every household at a reasonable cost. It also facilitates and further embodies the age old practice of the art of letter writing. The art of letter writing, a creative art in itself, is treasured by many people in rural and urban Ireland. Many elderly people learned that wonderful craft in their younger days and enjoy writing letters and look forward to the postman coming to their door.

[Deputy Mattie McGrath.]

The viability of this service is threatened by this Bill, as are 10,000 jobs in the sector at a time when jobs are haemorrhaging at an alarming rate. If the Bill is passed, we will be accused of paying lip-service and of uttering pious platitudes and passionate pleas about assimilating growth and preserving jobs.

It beggars belief that the Bill will have such a fundamental impact. I have been lobbied not only by postmen and postwomen and postmistresses and postmasters but by trade union representatives, who have made solid cases. They asked us to look over our shoulders to our nearest neighbour, Britain. Evidence from across Europe, including Germany, the Netherlands and the UK where liberalisation has already occurred, indicates that the opening of the postal market results in the erosion of service levels and job losses.

It also results in social dumping. This is the new jargon but we all know what it means. Decent jobs with reasonable pay and conditions will be replaced by low paid work. We heard much about that in the context of the recent unfair reduction in the minimum wage and the promises to reserve it. In Germany, the temporary and precarious nature of postal jobs forces employees to depend on social welfare for supplementary income. Employment standards in the industry must be protected.

The Bill must include a reference to article 16 of the EU postal directive which states that social considerations should be taken into account when preparing to open up postal markets. Surely, we have learned from our experience of what happened to other semi-State companies. With the advent of the Celtic tiger, social considerations were put on the back burner. Article 16 was specifically included in the directive to provide member states with an opportunity to legislate against negative outcomes.

An Post has never needed state aid or taxpayer support. The price of the stamp funds a service which delivers post to every door. Clearly, a significant amount of human labour is required from the time the stamp is fixed to the envelope in a friendly post office until it is delivered locally — in some cases on foot or by bicycle.

I compliment postmen and postwomen on their work. As a young boy I remember the friendliness of and the welcome the postman received in houses. That is still the case in rural Ireland and in our towns. It was never needed more than during the past two winters and the cold spells when the postman or postwoman might have been the only individual to regularly check on elderly and isolated people. In many cases, they raised the alarm when they discovered some amiss or even worse.

Postmen and postwomen have also prevented crimes. I sit on the national board of Muintir na Tire which runs the community alert and neighbour watch programmes. Many postmen and postwomen go beyond the call of duty to act as the eyes and ears of their communities. They are not spies but decent people who are mindful of who they meet in strange places, at strange times and in strange vehicles. They play an important role ensuring the safety of our communities.

The efficient service which An Post operates is one of the least expensive in Europe but it operates to one of the highest standards. Its prices are the eighth lowest of 29 countries surveyed and that is no mean achievement. These high standards must be protected. The employment conditions of postal workers who work in difficult conditions must not be undermined. I acknowledge the importance of postal services to the public good. They form an essential part of the fabric of our society and provide stable jobs which must be protected in the current economic conditions.

All of the post offices do a good job but the sub-post offices face particular dangers because of the money they hold on behalf of An Post and the State. Many have been violently robbed and they must operate to high standards of security. I have an intimate understanding of the risks they face because my sister is a postmistress. There is no more important a social role than that of a postal worker. We have stripped away many social services but we cannot allow this one to be undermined and threatened in any way.

The Minister has good reason to introduce the Bill but it is badly thought-out, ill-advised and it must be re-examined. The experience in the UK indicates the importance of downstream access. If this is handled badly, it could spell the end of An Post and almost 10,000 jobs. I am not scare-mongering but I refer to the experience of our nearest neighbour. Opening up the service will lead to cherry-picking of profitable routes.

We saw what happened to Eircom. I have repeatedly argued in this House and elsewhere that the ESB should not be a monopoly but I am certainly not in favour of opening up our services as we did with Eircom in 1999. A good friend of mine who is employed by that company was previously based in Clonmel but is now required to cover the entire south east. He would need a helicopter to travel around and he is on call every second weekend. Eircom's employees work very diligently but local knowledge has been lost. The company has changed hands so many times that its employees would be hard-pressed to know who owns it. This cannot be allowed to happen to An Post.

I have no intention of voting for this Bill because it will do irreversible damage to the fabric of rural communities. We have seen the result of the loss of rural co-operatives. The spirit of the late Canon Hayes led to the creation of small co-operatives which mushroomed into Glanbia and Dairygold with the result that wastelands have been created in the centre of our towns and villages. Trucks are on the road 24-7 and the way of life in rural Ireland has been undermined. We must try to save that because it is one of the last bastions of rural Ireland.

Several years ago we fought a huge battle over the proposal to install green boxes at the end of certain lanes. It may have been a cost-cutting exercise but it was also a retrograde step. Postmen and postwomen are often invited to have a cup of tea and a chat with households. Sometimes they deliver or exchange a newspaper. I hope I do not get anybody into trouble when I say that many postmen and postwomen drove past the boxes to deliver post personally. It is part of the human nature of Irish people who are diligent about their work and interested in human engagement.

Unfortunately, job losses and social dumping go hand in hand with liberalisation. We need look no further than Eircom for evidence of this. According a comprehensive study undertaken by the UNI network, job losses occurred in nearly every postal market opened up to competition. Surely, we must learn from mistakes. Why must we blindly follow what happened in America, Europe and in Great Britain? The first-class research on countries opened up to liberalisation is there for everybody to examine and it cannot be contested.

We cannot allow this to happen and must call a halt. We must hold on to what we have and go back to sensible engagement. I do not believe many people will line up to take this over in the current climate. We should hold on to what we have as we have lost enough. It is incumbent on all of us to do our best chun an seirbhís sin a choimeád. Sin mar atá sé anois.

Deputy Seamus Healy: I am disappointed but not surprised to see this legislation before the House. The legislation was introduced by the previous Government and it has been taken over hook, line and sinker by the new one. I suppose it is in line with what has happened in other areas. There is has been a seamless transition from opposition to Government.

[Deputy Seamus Healy.]

It is disappointing that the new Government has taken this legislation on board. I am particularly disappointed to see a Labour Party Minister doing so. The legislation is before the House as a result of the EU postal directive. The liberalisation we see throughout Europe gives the impression that one will get something good, new and improved from the situation but all indications from Europe are that this liberalisation results in the decimation of the service provided and acts as a forerunner to privatisation. If it is not broken, why fix it? I will not support this legislation.

We are talking about An Post and it is worth hearing background information. Postage costs in Ireland are the eighth lowest in 29 European countries. An Post is the seventh most efficient operator of postal services in these 29 countries. In the past 20 years there have been only three price increases, which lagged behind inflation for the same period. An Post operates without any State subvention or taxpayer support. It employs approximately 10,000 staff and on a daily basis it processes and delivers approximately 2.5 million items of mail to 2.2 million businesses and residential addresses. It uses a fleet of over 2,500 vehicles and 650 bicycles. Every week, An Post serves 1.7 million customers through its unique national network. It is a profitable organisation.

Others have referred to the excellent service it provides. I refer to the excellent service provided during the difficult weather periods at the end of last year and the beginning of this year. I live outside the town of Clonmel, at the foot of the Comeragh Mountains. During the spell of bad weather, all dwellings in the area received post. Normally the delivery is made by van but over that fortnight post was delivered on foot by postmen and both women to various premises and residences. The service also provides a service in rural areas to rural communities. In many places, the only person seen by some people on a daily or weekly basis is the local postman. The postman may take on the role of a social worker in keeping an eye on elderly people. He provides a service that is second to none and it will disappear in time if this legislation is passed and implemented.

Due to all this liberalisation in many other EU countries, profitable sections of the business are cherry picked by operators and the less profitable areas are left to the semi-state sector to operate. This is almost always done at a loss. A number of speakers referred to the fact that many of the private operators in the business make the jobs more casual, meaning they are part-time or poorly paid. In many cases, workers are paid the minimum wage or lower part-time rates. Many workers find themselves supplemented by social security services in the relevant countries.

Many rural areas run the risk of losing the daily service further down the road. Even though that service is protected in this legislation, the daily service will be reduced further down the road. The service may operate only on a weekly basis. I refer to the universal service obligation. How will this be financed and who will finance it? How will downstream access allow operators to use the An Post network and how will this be managed? How will legislation deal with cherry picking? Competitors will compete for profitable postal routes and will leave loss-making groups to An Post.

How can the market be protected from social dumping, where competitors drive down employment standards and force the national operator to do likewise? This has happened in a number of other countries where this directive has been transposed into legislation and implemented. Cherry picking will be a major problem. If operators pick off profitable routes and leave An Post with the loss-making parts of the service, it will remove a major source of revenue from An Post, undermine the service initially and lead to job losses and further

unemployment. We have 440,000 people unemployed and this is something to which we should try to avoid adding.

This legislation is ill-advised and unwise. If the service is not broken, why fix it? This legislation will eventually devastate the postal service and eventually privatise it completely. It will undermine jobs in the service and will make the alternative jobs created in private enterprises more casual. These private operators will take over the more profitable parts of the service and their employees will be casual, part-time and poorly paid. I do not support this legislation.

Deputy Michael Colreavy: While I am a new Deputy and there is much I do not know, I am learning day by day.

Deputy Pat Rabbitte: We are all in the same boat.

Deputy Michael Colreavy: I am totally confused by this Bill. It is not that I do not understand the language used in it; I do as it is fairly clear. As I understand it our current postal service is highly regarded. I know that is the case in my area. It is regarded as a reliable and confidential service which provides good employment for the thousands of people working therein. People regard it as a good service which operates at no cost to the taxpayer. My understanding is that our postal service is provided at no cost to the taxpayer. It is universally acknowledged that we have a good service that is valued by the public. It is a service which the people do not have to support by way of taxation, although I am sure they have paid down through the decades for the development of the infrastructure for the postal service. What confuses me is why we now want to allow the vultures of privatisation to get their claws into it. I cannot figure that out. Regardless of how long I remain a Member of this House, I will never figure it out.

One does not need a crystal ball to know what is going to happen. Private companies will sign up to provide a service throughout the country in whole or part or, in one of the provinces, taking on staff whom they will probably pay the minimum wage. When they realise their shareholders are not getting enough profit from the business they will put it to the regulator that it is not financially viable for them to run the service for the country or province as a whole or in part and will seek to only provide the service in built up urban areas, leaving somebody to pay for a reduced service, perhaps in rural areas. That somebody will inevitably be the taxpayer.

I cannot figure out why we are proposing to ditch a good service which does not cost the taxpayer anything in favour of a service that will inevitably cost the taxpayer money and will be disjointed in different parts of the country. Have we learned nothing? I believe that a few weeks ago members of this Government would have been vociferously against this Bill. Have we now taken on the mantle of protectors and promoters of privateers? Is private profit more important than the interests of the people and taxpayers of this country? To whose charter are we working in this regard? Is this a charter for the people or the privateers? Who is instructing us to do this? If this is an EU instruction then let us be more accurate in our language when speaking about the EU. Let us stop using the term our "EU partners" and use instead the phrase "EU masters".

I do not believe any Minister or Government should be bullied or forced by anyone or any body to make a decision which is wrong for the people and taxpayers of this country. The Minister knows that this Bill fits within that category. Sinn Féin will be voting against this Bill. It was wrong in its conception and drafting and is wrong in terms of its implementation. It will provide for a poorer service at cost to the taxpayer.

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): I thank the large number of Deputies who contributed to this debate, in particular those Deputies who

[Deputy Pat Rabbitte.]

chose to speak on this subject in making their maiden speeches in the House. It shows the extent of affection there is for An Post and the high regard for its workforce in terms of the service they deliver daily, often in adverse circumstances. I share that high regard for An Post and its workforce and acknowledge the role An Post and post offices play in rural communities. If the social role played by the postman is not his or her primary function it is, nonetheless, an important one, which I accept.

A number of Deputies appear to have confused liberalisation with privatisation and seemed to draw the conclusion that we are heading inexorably towards privatisation, which is most emphatically not the case. There is no proposals to privatise An Post. This legislation bears no connection good, bad or indifferent to the proposals we are awaiting from Mr. McCarthy in respect of State companies. We recognise the strategic importance that the postal sector plays and the central role played by An Post to date. However, it is true, as most Deputies have acknowledged, that the postal service is changing and that An Post is confronting a number of significant challenges, not least that of electronic substitution, with which we must deal. There is not much point in my being dragged into a major debate here about the nature of the European Union and the primacy it attaches to deregulation or whether deregulation is always suitable in every sector in every country. I am merely charged with the transposition of the third directive. That is my main task.

Deputies have stated that no changes have been made. I cannot make changes to the Bill until Committee Stage. I have already signalled that I will bringing forward a number of amendments on Committee Stage, some of which I hope will address some of the issues raised by colleagues across the House who have contributed to this debate. It is hoped Committee Stage will provide us with an opportunity to debate the Bill in more detail. Colleagues on both sides of the House have asked that Committee Stage of the Bill be taken when the committees are established rather than in the House. I am happy to facilitate that.

I thank all Deputies who contributed to this debate.

I have noted their concerns regarding the sustainability of the universal service obligation and I am happy we can deal with that. There is no question of creating a two tier postal system divided between rural and urban Ireland. That is not the objective; rather, it is merely to implement the directive. I hope some of the Members opposite can table amendments on Committee stage, when we will examine the Bill section by section, regarding weaknesses they see in the Bill. I am grateful to the House for facilitating the passage of the Bill on Second Stage.

Question put:

The Dáil divided: Tá, 112; Níl, 24.

Tá

Bannon, James.
Barry, Tom.
Breen, Pat.
Broughan, Thomas P.
Bruton, Richard.
Butler, Ray.
Buttimer, Jerry.
Byrne, Eric.
Calleary, Dara.
Cannon, Ciarán.
Carey, Joe.
Coffey, Paudie.
Collins, Áine.

Collins, Niall.
Conaghan, Michael.
Conlan, Seán.
Connaughton, Paul J.
Conway, Ciara.
Coonan, Noel.
Corcoran Kennedy, Marcella.
Costello, Joe.
Creed, Michael.
Creighton, Lucinda.
Daly, Jim.
Deasy, John.
Deering, Pat.

Tá—continued

Doherty, Regina.	McHugh, Joe.
Donohoe, Paschal.	McLoughlin, Tony.
Dooley, Timmy.	McNamara, Michael.
Dowds, Robert.	Maloney, Eamonn.
Doyle, Andrew.	Martin, Micheál.
Durkan, Bernard J.	Mathews, Peter.
English, Damien.	Mitchell, Olivia.
Farrell, Alan.	Mitchell O'Connor, Mary.
Feighan, Frank.	Moynihan, Michael.
Ferris, Anne.	Mulherin, Michelle.
Fitzpatrick, Peter.	Murphy, Eoghan.
Flanagan, Terence.	Nash, Gerald.
Fleming, Sean.	Naughten, Denis.
Gilmore, Eamon.	Neville, Dan.
Griffin, Brendan.	Nolan, Derek.
Hannigan, Dominic.	Noonan, Michael.
Harrington, Noel.	Ó Cuív, Éamon.
Harris, Simon.	Ó Fearghail, Seán.
Hayes, Brian.	O'Dea, Willie.
Hayes, Tom.	O'Donnell, Kieran.
Heydon, Martin.	O'Donovan, Patrick.
Hogan, Phil.	O'Dowd, Fergus.
Howlin, Brendan.	O'Mahony, John.
Humphreys, Heather.	O'Sullivan, Jan.
Humphreys, Kevin.	Penrose, Willie.
Keating, Derek.	Perry, John.
Keaveney, Colm.	Phelan, Ann.
Kehoe, Paul.	Phelan, John Paul.
Kelleher, Billy.	Rabbitte, Pat.
Kelly, Alan.	Ring, Michael.
Kenny, Enda.	Ross, Shane.
Kenny, Seán.	Ryan, Brendan.
Kitt, Michael P.	Smith, Brendan.
Kyne, Seán.	Spring, Arthur.
Lawlor, Anthony.	Stagg, Emmet.
Lynch, Ciarán.	Stanton, David.
Lynch, Kathleen.	Timmins, Billy.
Lyons, John.	Troy, Robert.
McCarthy, Michael.	Tuffy, Joanna.
McEntee, Shane.	Twomey, Liam.
McFadden, Nicky.	Varadkar, Leo.
McGrath, Michael.	Wall, Jack.
McGuinness, John.	Walsh, Brian.

Níl

Adams, Gerry.	Higgins, Joe.
Boyd Barrett, Richard.	Mac Lochlainn, Pádraig.
Collins, Joan.	McDonald, Mary Lou.
Colreavy, Michael.	McGrath, Finian.
Crowe, Seán.	McGrath, Mattie.
Daly, Clare.	McLellan, Sandra.
Doherty, Pearse.	Murphy, Catherine.
Ellis, Dessie.	Ó Caoláin, Caoimhghín.
Ferris, Martin.	Ó Snodaigh, Aengus.
Flanagan, Luke 'Ming'.	O'Brien, Jonathan.
Fleming, Tom.	Pringle, Thomas.
Healy, Seamus.	Wallace, Mick.

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

Question declared carried.

Committee Stage ordered for Tuesday, 19 April 2011.

Private Members' Business

Education and Training: Motion (Resumed)

The following motion was moved by Deputy Brendan Smith on Tuesday, 12 April 2011:

That Dáil Éireann:

notes that over the last number of years there has been a significant increase in resources allocated to education and training, including:

- the increase in primary teacher numbers from 21,000 to over 37,000, with a reduction in the pupil-teacher ratio from 22:1 to 16:1;
- the introduction of a wide range of new special education schemes underpinned by the expansion of the number of special needs assistants from 250 to over 10,000;
- the expansion in third level participation from 100,000 students to almost 160,000; and
- the creation of research programmes which have brought Ireland to a world leading position in key areas and are currently underpinning the majority of job creating investments in Ireland;

further acknowledges that in spite of these and other improvements there remain significant issues within the education and training system which require to be addressed;

- believes that education and training will be a central part in economic recovery and job creation in the months and years ahead; and
- therefore states its belief that education and training should be protected as a priority area for funding in future budgets.

Debate resumed on amendment No. 2:

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

“notes that:

- Article 26 of the Universal Declaration of Human Rights states that education is a basic and fundamental human right; and
- education should be free and universally available as of right and should assist everyone without exception to develop her or his full potential;

further notes that:

- instead of guaranteeing everyone equal access to the highest standard of education, previous Government policy has entrenched educational inequalities and a two tier system;
- current Government policy will perpetuate this same system of educational inequality and disadvantage;
- investment in education in this State has never been at the appropriate level, even during times of economic growth and that the previous Government's agenda of cuts has eroded the education sector;
- the areas of primary education, special educational needs and third level have been particularly hard hit with cuts and charges; and
- the lack of investment in education has a huge impact on low and middle income families;

calls on the Government to:

- reverse the cuts to education and ensure that at least 6% of GDP is ring-fenced for education;
- lift the cap on special needs assistants;
- reject the introduction of third level fees in any guise;
- reverse the recent changes to the qualifying criteria for the non-adjacent rates of the maintenance grants; and
- make education a central tool of economic recovery.”

— (Deputy Seán Crowe).

Deputy Clare Daly: I am sharing time with Deputies Wallace, Healy and Boyd Barrett.

Acting Chairman (Deputy Ciarán Lynch): Is that agreed? Agreed.

Deputy Clare Daly: The Private Member's motion from Fianna Fáil is an indication that one can spin anything one likes. The idea that these people would laud their achievements in education is an insult. Last September we had the outrageous situation, which prevails to this day, where 106,000 primary school pupils resided in classes of 30 pupils or more, representing 21% of the primary school population and which is the second worst pupil-teacher ratio in Europe.

It is quite clear that the last Government had an appalling record in education, but we can safely say the new Government is heading for an even worse record. The decision to pause the allocation of resource teaching hours, on top of the cap on the allocation of employment of SNAs, leaves every child in this State at risk. It is an absolute indictment of the current Government and will probably lead us to a situation where it will be in breach of the minimum standard of education promised to every child in the State. It is quite likely that unless the Government addresses this issue, teachers will be dealing with students with special needs without any

[Deputy Clare Daly.]

resource teaching support whatsoever, while trying to monitor the rest of the pupils in their classes. This will have a devastating impact on the quality of each child's education.

For the first time, we are seeing a reduction in the number of mature students applying for college. We can see at both ends of the educational spectrum, that far from prioritising education, the Government is diminishing it. This is completely wrong, but the outgoing governing party has a brass neck to claim it did anything differently.

Deputy Mick Wallace: It is very worrying that the new Government does not seem interested in reversing the cuts introduced by the previous Government. God knows that the young people who will suffer the most from this are the least culpable for the financial crisis in which we find ourselves. If we do away with resource teachers for travellers and hit learning support and language support teachers over the next few years, this will have a dramatic effect not just on the kids who would have been getting the special attention, but every other kid as well due to the extra load being put on teachers.

The cuts in child benefit have also caused problems for many of these people, because parents would have used some of this money for books, shoes and uniforms, so they are going to suffer a double whammy. It is hardly rocket science. All of the research shows that the investment in youth has to be the best of all. It shows that for every euro spent on a young person the State saves a minimum of €8 before the child becomes an adult. Even if one did not have a social bone in one's body, it makes good business sense to invest in youth. Saving €24 million in this regards when the visits of Queen Elizabeth II and President Obama will actually cost more simply beggars belief in terms of where our principles lie. The Irish Penal Reform Trust has emphasised the importance of tackling educational disadvantage, instead of throwing money at the results — crime, poverty, addiction and social exclusion. In fairness, if the Government cares at all, this is something that should not happen.

Deputy Richard Boyd Barrett: Fianna Fáil has some nerve in talking about safeguarding education spending or commending its own record. It is quite extraordinary. Its record includes cutting Traveller education resources, putting a cap on special needs assistance and cutting the co-ordination of rural services for the disadvantaged, in other words, hitting the most vulnerable and disadvantaged sections of society. There are fewer people working in the education system than in 2008, with a drop of more than 1,000 staff. Fianna Fáil can spin all the figures it likes, but the truth is it cut the numbers working in the education system.

Let us not forget the commitment to reduce class sizes to 20, a commitment which was reneged upon. We are now talking about an average class size of 28, but, of course, we know that in many areas the figures are much higher, with 30 to 35 in classes. Other cuts, too, are being targeted such as in the teacher allocations for gaelscoileanna. It is expected that in some schools there could be class sizes of up to 40 in the short term.

The truth is that Fianna Fáil presided over a serious deterioration in the quality of the education system, hitting the most disadvantaged in particular. Significantly, while the figures for teachers have increased in some areas, this is against a backdrop of 10,000 extra children feeding into the system every year. Therefore, the extra resources provided are not keeping pace with the demographic tsunami sweeping through the system. A massive increase in resources is necessary.

Neither the Government nor the Opposition can seriously claim education is important and should be the fuel to help economic growth and recovery unless they are willing to raise the proportion of moneys being spent on education to average European and OECD levels. We spend a much smaller proportion of our national wealth on education compared to most of our

European and OECD counterparts, despite the fact that this country has become significantly richer in recent years. That is the real test, how much we put into education as a proportion of national wealth. The figure has been falling. Sadly, the Government has signalled its intention not to reverse the cuts made and has made no concrete pledges to increase the proportion of education spending. That is what we need. All the rest are just weasel words.

Deputy Seamus Healy: It appears, in effect, that the Government is supporting this Private Members' motion, part of which states Dáil Éireann "believes that education and training will be a central part in economic recovery and job creation in the months and years ahead". I am wondering how this sits with statements made by Labour Party Ministers in the past couple of days. The Minister for Education and Skills, Deputy Ruairí Quinn, says he cannot categorically guarantee that front-line spending in his Department will be protected. The Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, has been telling us that public service numbers will have to be cut and that others will have to take up the slack. I want to tell him that there is no slack in primary, secondary or third level education. It is an insult to suggest there is to staff who are under enormous pressure in these areas in the general public service as a result of the reductions that have already taken place.

I call on the Minister to deal with the abuse of post-doctoral researchers in Irish universities and the third level education system generally. There are about 3,000 post-doctoral researchers in the universities who are all employed on temporary contracts. They have less security than any unskilled worker in general employment. They are conducting research at the highest levels, nationally and internationally, and making an immense contribution to Irish scholarship and the economy. Typically, such a researcher would have achieved more than 500 points in the leaving certificate examination and have an honours degree and a PhD, having served a minimum of seven years in third level education. With four years spent on training courses, he or she will have accrued 11 years scholarship experience at the highest level. These researchers are being abused. They are not being allowed to obtain full-time permanent employment after four years service. I, therefore, ask the Minister to look at the serious abuse of these post-doctoral researchers.

Deputy Joanna Tuffy: With the permission of the House, I wish to share my time with Deputies Michael McCarthy and Kevin Humphreys.

I want to speak about the importance of investing in and producing graduates at third level which forms an important part of the debate. It is common for everyone seeking access to the public service these days to be treated as a customer. However, students are not customers, no more than primary schoolchildren. A right to a third level education has been established. There is substantial evidence that when third level fees were in place, they were a barrier to participation in college. I cannot go into all of the statistics, but there have been substantial increases, as covered in the report, *Who Goes to College?*, carried out by Professor Patrick Clancy and others for the ESRI and the HEA. For example, it was found that between 1998 and 2004 the manual skills group had almost doubled its participation rate in college. Before third level fees were abolished, the same studies showed that three income groups, in particular, were in decline as regards their rates of participation in college education. People make assertions that somehow the abolition of fees made the position on access to third level education worse, but that is not borne out by the statistics. Across the board, the figures show that all socio-economic groups have improved their participation rates in college education since the abolition of third level fees.

The core of third level investment should be the teaching of students. Many involved in the third level sector, including some heads of universities, seem to believe the priorities should embrace other matters apart from the teaching of graduates. It is very important that whatever

[Deputy Joanna Tuffy.]

funding is made available for third level investment, the core mission should be producing graduates and ensuring high quality teaching. We should never lose sight of this.

In terms of the need to make savings, we need to look at how much money is being spent on teaching, what lecturers do with their time and where the money is going. This is very necessary. As in many other areas, there are areas in the education system where money has been wasted. That should be the first port of call in saving money at college level.

It should be acknowledged that the Teachers Union of Ireland voted the other day to increase teaching hours by 12%. Obviously, that will result in savings.

As regards other initiatives, we should tap into the ESF, as we did in the past, for third level services. That was very successful. We should have a more flexible model of education to help reduce the number of drop-outs from third level, which would bring about savings. We must also look at capping salaries of those at the top levels. The four Dublin ITs have come up with a proposal for one technological university in Dublin, a measure which might also produce savings. There is much that could be done to make savings. It costs approximately €5,200 in social welfare payments for an 18 to 21 year old on jobseeker's assistance. That money could be used to help that person get third level qualifications. Investing in third level is an investment in our economy and we should not do anything to prevent people from going to college, such as reintroducing third level fees.

Deputy Kevin Humphreys: I welcome the opportunity to discuss education in the House. The motion is timely and I thank Fianna Fáil for raising it and allowing discussion on the issue. Education is critical to the future of society. If we have learned any lesson from the past, we have learned that we must provide people with the skills and training to create an environment that is ready for the economy to grow. I am delighted my constituency colleague, Deputy Ruairí Quinn, has been appointed Minister for Education and Skills. He has a record as a Minister in a previous Government and as a spokesman on education. I believe he will lead change in the education area and he has already hit the ground running.

We need change throughout the system and we must try to bring about that change with the resources we have currently. It is clear significant numbers of extra personnel have been employed in the education area. We acknowledge that has happened, despite what was said earlier. However, return from that investment has been disappointing. It has not delivered. For example, let us look at the OECD report and PISA literacy ranking for 2009. This was a wake-up call for Irish education. It indicated that one in ten children has a serious difficulty with reading and writing. In 2006, Ireland was ranked fifth in the OECD countries for literacy but by 2009, we had dropped to seventeenth place out of 34 countries, a sharp decline. This information is clear in the report. There is evidence also of a decline in literacy standards among teenagers. One in six 15 year olds and up to one in four teenage boys do not have sufficient literacy skills to function in a knowledge intensive society. There is no standardisation of literacy testing at second level. This must be addressed in order to raise levels so that no students fall through the gaps.

Numeracy skills were also identified in the OECD report as being below average. Before the Labour Party became part of Government, Deputy Aodhán Ó Riordáin spearheaded a Right to Read campaign. We now propose that this campaign be implemented to improve literacy skills in disadvantaged areas and target literacy blackspots. Despite all the investment in personnel, the collapse in literacy and numeracy skills demonstrated by the OECD reports are a shocking indictment of the previous Government. Problems with literacy are not confined to primary schools. A further sign of the decline can be seen by looking at the figures for students taking higher level maths and science, where there is a decline in the numbers overall.

Previous figures demonstrate that 40% of students doing junior certificate maths take maths at the higher level, but this drops to 20% for the leaving certificate. I welcome the Project Maths initiative, but more must be done if we are to capture new areas.

In my constituency, some of the biggest employers are tech companies such as Google, Facebook and Betfair. All of these require strong literacy and numeracy skills, as do their support companies. The concerns raised by senior management in Google about the quality of Irish graduates must be a wake-up call for us. They said, "People applying for jobs with impressive qualifications but basic literacy errors in their CVs is an embarrassment". We need to look at what we are producing and to raise the bar.

The results from the OECD report clearly demonstrate that our education system is nowhere near the best in the world. Concerns expressed last year with regard to grade inflation at third level must also be addressed. There must be nowhere to hide in the education system. We must demand and get the best for our children.

I welcome the change in the administration of third level grants announced today by the Minister. Many Members will have had to deal with parents and students awaiting a response from local authorities as to whether they would get a grant or could afford to stay on in third level education. I welcome the centralisation of the administration to the City of Dublin Vocational Education Committee. The one regret I had when elected a Deputy was that I had to leave my colleagues in the CDVEC. I believe they will do an excellent job.

Deputy Michael McCarthy: I would like to correct a contribution made by a Deputy earlier. The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, did not say that the Government would reduce public sector numbers. What he said was that the Croke Park agreement was the only game in town and that if there was not full and wide participation in it, alternatives would have to be considered.

I am delighted to have the opportunity to speak on this important motion. Like all other Members, I have a strong interest in the education area. We have schools in every town and village and these are at the heart of every community. Unfortunately, in recent years many schools and universities have been left with a catalogue of deep-seated problems. This is unjustifiable given the wealth and prosperity the country experienced throughout the Celtic tiger period. However, we are where we are and must now look to right these wrongs within the most challenging of fiscal circumstances.

We in Government must do everything in our power to harness rather than hinder the education potential of our young people. The next generation are currently sitting in classrooms throughout the country and our future prosperity is dependent on them. We need to equip them with the knowledge, capacity and skills to help generate jobs in key areas and get Ireland moving towards the forefront of the international stage once again. Education is the engine that will drive that growth and we must ensure, within the constraints of the economic situation, to achieve that. Piaget, the well-known Swiss philosopher once said that only education was capable of saving our societies from possible collapse, whether violent or gradual.

With regard to the Labour Party's record in Government in the area of education, 1990s, we and colleagues abolished third level fees. This significant move allowed thousands of people from less well off backgrounds and children from middle and lower income families to access universities. Until then, fees were a huge barrier for people with limited resources and incomes substantially lower than those who could well afford university education. The issue of access to education is crucial and will always underpin and inform the Labour Party's approach to education.

[Deputy Michael McCarthy.]

We must continue to strive to provide world class education in a system based on people's academic ability rather than their financial ability. Every citizen is entitled to equal access to education and training in science and technology as a crucial pathway to provide them with decent work opportunities. Strong participation levels in education are vital so that we are well positioned to compete in the international, modern economy which requires workers to constantly upskill, reskill and innovate. Education has traditionally been seen as an equalising force in society. I concur with Deputy Humphrey and am confident that Deputy Ruairí Quinn is well positioned as Minister and has a strong ideological philosophy that will drive these values.

A number of positive changes are already in train on the part of the Government which augur well in terms of our vision for education, namely, the creation of a forum on patronage and the critical overhaul of the student grant system announced earlier today. It is a shambles. It is also uneconomic that 66 bodies were means-testing applications for third level grants. I am still dealing with a grant application that has been sought since last September. A system that allows such a process to continue almost into the 2011-12 academic year clearly does not work. An overhaul and fundamental change of that system, as announced, is welcome.

I have two further points. The school building programme is not working. There is not a Deputy in this House who could not point to a multiplicity of projects in his or her area that are hidden and nicely couched in diplomatic language about banding, design and architectural planning. We need to proceed immediately with shovel-ready projects because the investment in the educational infrastructure in this country will reap a benefit for years to come.

We need to achieve cost savings and efficiencies and to ensure that people from less well off backgrounds will not be prevented from entering the third level sector.

Deputy Mary Mitchell O'Connor: While I agree with the Minister for Education and Skills in his support of this Fianna Fáil motion, its wording symbolises everything that is wrong with politics and it shows a complete lack of understanding of education. The motion is self-congratulatory and self-serving and not once does it mention the words "pupil" "child" or "student". It is all very well doling out a litany of figures but we are talking about young people and our children.

The reality is that our education system is not one of the best in the world as we have been hearing. Last year the OECD report on literacy was a wake up call for this country. However, many good things are happening in education and there are many good, positive developments.

I commend the integration of children with special needs into the mainstream system. This has taken a great deal of time, money and commitment from parents and teachers and it cannot be overturned. The concept of labelling children with special needs is all too cosy and glib. We need to understand that children have varying degrees of special and additional needs. Some of our children with special needs are unable to use toilets, some cannot walk and some are unable to communicate. Many have complex and profound difficulties. Many of these children will join mainstream classes with 28 and 29 more children and will be expected to survive. Our schools will be adapting Darwin's policy of survival of the fittest within the classroom in 2011. Even in this economic climate this policy is not acceptable in our classrooms.

Our banks are taking €550 million every week out of this economy and we are going to cut educational resources to children who have mild, moderate and profound special needs. We owe it to the children of this country to provide them with a quality education that meets their educational needs. Our children are not responsible for the legacy of debt that Fianna Fáil and the previous Government passed on to them. Their education should not suffer because of failures of banks and the previous Government which sold out their futures. Why should chil-

dren with autism and special needs suffer? Why should developers who owe €40 million and more not pay back the money owed to this country? Why should senior managers in banks walk off with massive pensions? One should try to explain that concept to parents of children with special needs.

I am not talking about protecting jobs; I am talking about providing children with special educational needs with a fair chance of getting a good education. It is a travesty that children with special needs are now being denied their educational rights. We must protect the vulnerable in our society. There are children in Dún Laoghaire enrolled since September 2011 in primary schools with Down's syndrome and additional special needs who will have no SNA support and will be in mainstream classes of 28 and 29 children. Parents are extremely worried and cannot sleep at night. As a former school principal who taught many children with special needs, I believe their anxiety is more than justified. What is to happen to these children? Are they to be left at the back of the classroom without the additional resources they deserve or will we take special needs support from one child who has a detailed psychological report and give it to another child with an equally detailed psychological report? Who will make this decision as to which child is more deserving — the parent, the teacher, the principal or King Saul?

I fully understand the problem is that the new Government is constrained as a result of the bailout deal with the IMF and the EU. I understand the Government is unable to overturn the embargo on hiring special needs assistants and resource teachers. We need to streamline our services. Speech, language and occupational therapists should work in the schools to ensure children with special needs can access services daily rather than parents trying to get appointments with HSE clinics on an *ad hoc* basis.

It is imperative we protect our most vulnerable children. We must not let our children with special educational needs go uncatered for. It would be a shocking indictment on this country if children with special needs were left to fend for themselves in mainstream classrooms without the additional assistance they require and to which they are entitled.

Deputy John O'Mahony: I am pleased to contribute to the debate and to support the sentiments of this motion. It was refreshing last night to see the Minister for Education and Skills, Deputy Quinn, support the motion, which was not what we saw in recent years when everything was opposed by Government when we were on the benches opposite.

Every Deputy agrees and has a responsibility to do whatever he or she can to ensure that spending on education is protected in as far as that is possible. The Minister pointed out last night the difficulties and obstacles that exist because of the current financial situation. However, we all must acknowledge that a high standard, well structured education system can be a vehicle to get us out of our current difficulties.

To turn off the tap now on spending on education, whatever our circumstances, would be economic suicide. We all agree that wastage must be cut out, that money needs to be spent on the provision of special needs assistants, as the previous Deputy mentioned, teacher numbers, resource teachers and value for money school buildings. We all are aware of the scandal in recent years where billions of euro was spent on renting prefabs. The position has improved somewhat in recent years because of the small schools scheme and the devolved grant scheme but there is still wastage. I am currently representing a school in my constituency which sought the provision of two additional classrooms due to a huge increase in its numbers. It was granted one classroom at a cost €100,000 but it was refused the second classroom, even though it has to pay €60,000 in rent. Those are issues that we in government must tackle to ensure money is spent in areas where it should be spent. There are far better ways to get value for money despite some improvements that have been made.

[Deputy John O'Mahony.]

Another issue that is a cause of concern is that of young teachers who are on fixed term contracts. To be blunt, this is a legacy from the previous Government that has been left for us to deal with. Rural co-ordinators and various resource teacher posts were removed. Young teachers are in positions in schools and the schools want to appoint them but they will not be able to do so because the panels have become incredibly long as a result of the cutbacks that were already announced months ago. That issue must be tackled sensitively.

Many of us met with students from USI and heard about the issues that are of concern. Time constraints prevent me from addressing many of them. I welcome today's announcement on student grants. I hope the new system of awarding grants to students will result in them getting their money early in the year rather than the previous situation that pertained in certain counties in recent years where the first instalment was not paid until March or April. That is not good enough. I am pleased to see there is movement in that regard.

Another issue that arises with third level grants is the underhand way in which the criteria for mature students were changed last year. That will affect the third level institution in my constituency where more than 60% of students fall into that category. The cut will mean many of them will not get their full grant because they will not comply with the new 45 km criterion.

My final point relates to student nurses. The Government has given a guarantee to review the position. It is simply not fair that student nurses are being asked to work for nothing in their fourth year while they come within the staffing allocation of hospitals. In other words, they are preventing registered nurses from gaining employment but they are expected to do the same job for nothing. That is simply not good enough.

There are many challenges ahead. I am reminded of the adage, "From the greatest challenge comes the greatest opportunity". I look forward to working with the Government to ensure all those issues are tackled.

Deputy Patrick O'Donovan: I welcome the opportunity to speak on the motion before the House tonight which focuses primarily on the areas of education and training. I wish the new Minister and his ministerial team the best of luck. There is no doubt but like every other sector in the country at the moment education faces considerable challenges. The reason that is the case is because the Government has been left with an appalling legacy which now needs to be addressed. I listened to the debate last night on the monitor in the office. One could almost smell the hypocrisy wafting up from the Chamber from several contributors who spoke after the Minister for Education and Skills. Their new-found interest in education smacks of total hypocrisy.

I welcome the comments of the Minister last night, especially on literacy and numeracy at primary level because contrary to what was trumpeted in the Chamber last night we have significant problems at that level. I speak as a recently qualified primary teacher. From an OECD perspective we still have children leaving the primary school sector who are functionally illiterate. They cannot fill out a basic form or carry out basic tasks. That is another legacy issue with which we have been left. One must ask what kind of education system can turn out such people. How in the name of God could we be in any way proud of such a record in 2011?

The performance of students in maths is another area of concern. The analysis of examination results in maths and science has become something of an annual event when the junior certificate and leaving certificate results are published. Every year the same people bemoan the fact that grades in maths and science have deteriorated. I wish the Minister well in his endeavours in that regard. He addressed the issue last night.

An area in which I have a particular interest is that of social disadvantage leading to educational disadvantage and non-participation. The State has a duty to ensure that all children are given a fair chance of achieving a decent standard of education. Teachers must be supported when issues present in the classroom. That became evident in the recent past when the area of neglect was brought to book in some high profile cases. Absenteeism, punctuality and issues such as the quality of lunch a child brings to school can be signs of underlying problems at home. If children are to have any chance of fulfilling their potential in the education system, teachers must be supported. At the end of the day the child's welfare must be paramount. Support for parents is required at an earlier stage than is the case currently.

As someone who qualified relatively recently as a primary teacher, I call on the Minister to examine the current arrangements for probation among primary teachers. Recently qualified teachers are finding it increasingly difficult to obtain a position that will allow them to be probated. I am aware of several people from my class in Mary Immaculate College, Limerick, who have had to leave the country out of the necessity to get a job. Some of them have left without any sign of whether they will be able to be probated on their return.

The constituency I represent is a rural one and schools have an important place in the community. As someone who taught in a four-teacher school, I am aware of the value provided by small schools to the local community. I urge the Government to try to protect the rural school network. In many places around the country the small rural school is the last piece of social infrastructure that remains.

Within rural schools and small schools the position of principal has become ever more demanding with further administrative burdens being placed on them. Most of them are snowed under with form filling and administration. In many cases the administration can appear to come out of the blue. The reality for a lot of small schools is that they will undoubtedly find it difficult to get principals in the future because teachers will not be prepared to take on the administrative burden that goes with the position and teach a class at the same time.

Previous speakers referred to competency in maths and science. We must also examine the matter from the perspective of third level courses. Employers in the science and engineering areas question whether we are producing the best possible graduates. The type of entry programme for science and engineering courses must be examined. Currently, one can study either of those courses in any university with one science subject and ordinary level maths at leaving certificate level which leads to high drop-out rates. The matter requires examination.

I wish the Minister well. The Government has been left with a legacy that is not of our making. I urge him to take on board my comments and those of Deputies Mitchell O'Connor and O'Mahony.

An Ceann Comhairle: As a result of the vote, we have an 18 minute slot left. Three speakers from Fianna Fáil, Deputies McConalogue, Troy and Moynihan, will take six minutes each.

Deputy Robert Troy: I am delighted to speak on the motion before the House tonight. It is fair to say that all Members of the House support the fundamental principle that a first class education and skills training is central to the vibrant life of the country and in particular to our economic recovery and the core task of job creation. Hence the importance of placing the motion for debate tonight.

As a new Member I acknowledge the considerable investment and subsequent progress that has been made in our education system in the past decade. Unfortunately, the statistics speak for themselves. Let me remind the House of the achievements in the education sector. There has been an increase in teacher numbers from 21,000 to 31,700 and a reduction in class sizes. A wide range of special education schemes were introduced, including an increase in special

[Deputy Robert Troy.]

needs assistants, SNAs, from 250 in 1997 to 10,543 at the end of 2010. I remind Deputies on the other side of the House that they now have to power to at least maintain those levels and increase them if they so wish.

Deputy Mary Mitchell O'Connor: There is no money.

Deputy Robert Troy: There are now in excess of 20,000 people in schools working solely with pupils with special needs. That includes more than 10,000 special needs assistants, more than 9,000 resource and learning support teachers employed in mainstream schools, 500 teachers in special classes and 1,100 special school teachers.

We have witnessed a significant increase in investment in the schools building programme from €35.17 million in 1996-97 to €222 million in 2011. That is just in primary schools. I acknowledge that there are plenty of school building projects to complete. The school completion rates saw a dramatic expansion of student numbers at third level rising from 100,204 full-time students enrolled in higher education institutions in Ireland in 1997 to approximately 160,000 for 2010-11. That represents an increase in the region of 59%.

We have the highest proportion of graduates among the 25 to 34 age group in the EU. In 1980, some 20% of all 18 year olds went on to higher education.

By 2009, this had risen to 65%, a figure we would all like to see improve over the coming years. There has been a dramatic expansion in the number of training places available. This is critical in the current economic climate.

While acknowledging that a lot of good and necessary work has been done in the education sector over the past decade, we all know work remains to be done in the lifetime of this Administration because we must constantly strive for excellence and continue to transform our education sector to meet current and future needs. It is very appropriate, therefore, that we are debating this motion.

I want to highlight the importance of the smaller school, especially in the context of the current value for money review. The smaller schools are primarily rural but not exclusively so. I tabled a parliamentary question to the Minister on this matter and was deeply concerned by the non-committal response. The parents, children and staff attending the smaller schools are living in fear that their schools will be closed simply on a value for money basis and with no effort to take into account the high quality of education available therein, the quality of school buildings, the wider impact on the life of the community, parental wishes and many other factors that are so important. Parents and teachers are very anxious about the length of time the review will take and are worried the Minister has not given any indication of his thoughts on this issue or the criteria on which decisions will be based. He has no predetermined view on the outcome of this review. This is not acceptable to the education partners involved in the smaller schools and they are now living with great uncertainty over the future of their schools. This is leading to schools competing against each other in the fear that, once their number drops below 50, they will be closed. The review must be carried out more quickly than anticipated and outlined by the Minister some weeks ago.

Given our current economic circumstances, it is important to examine ways in which we can improve value for money in all areas of life, and there may be areas in education where resources can be pooled, such as in respect of specialist, clerical and outdoor staff. Facilities can be shared and considerable savings can be made. Everyone would accept this. However, neither my party nor I could support any programme to rationalise smaller schools based simply on a value for money review.

I found myself agreeing with former Taoiseach, John Bruton, this weekend. He quite rightly challenged the Minister of State on his remarks on the teaching of religion in primary schools. While the recent OECD report showing a sharp decline in our literacy results is worrying and needs to be addressed urgently, it is a very simplistic approach to education to infer that this decline in standards is a result of the time given to religious education on the primary school curriculum. Mr. Bruton is right when he says education seeks to prepare children not just for working life but for life as a whole.

I welcome the establishment of the forum on patronage and pluralism in the primary sector. However, the Minister, with his target of having 50% of schools move from the patronage of the Catholic Church, is pre-empting the work of the forum. There is no question the pupil population has become increasingly diverse over the past decade and that there is a need to review the current model of patronage of schools to reflect the richness and diversity of our country today. Schools are very important places and their future requires careful reflection, dialogue and decisions by all parties involved, not just wild target-setting by the Minister, in order that we can have an education system of which we can all be proud.

Deputy Charlie McConalogue: I welcome this motion. It is non-partisan and seeks to gain cross-party agreement and debate on the shape of our education policy and spending over the next few years. During the general election campaign, the public expressed a strong desire for reform of our political system and for debate and conversation between Members that is informed and balanced, as opposed to the traditional rhetoric that is often served up to little purpose.

Since the start of this Dáil term, the outgoing Government has on many occasions been blamed for the position we are in. This is fair and the parties that formed that Government were defeated heavily in the general election as a result. Anyone who wishes to point a finger, however, must also examine his own position at the time in question. As easy as it is to say we are in this position because of the actions of the previous Government, we must acknowledge it was not acting in isolation. It is actually the political system that contributed to the circumstances we are in. All parties were advocating a similar policy at the time in question. What the former Opposition parties were advocating would also have fuelled the fire. Although it is absolutely fair to point to the economic and policy decisions of the former Government during its term in office, one must also comment on the policy platform of the parties that comprise the current Government and determine whether it is different from that of its predecessor. I welcome that the current Government has adopted a more non-partisan approach to this motion than is normally adopted. We need to see more of this approach, whereby parties can agree on a matter of policy.

Since the formation of this Dáil, much parliamentary time has been taken up by the very stark issues facing the country owing to our national expenditure deficit, bearing in mind that the banking system is not servicing businesses or citizens and is putting exceptional demands on the country because of recapitalisation. However, it is important that, in the midst of this, we continue to focus on the policy areas that will be critical to the development of our people in the medium to longer term, and to the health of our economy and society in future years. To this end, this motion on education hits the nail on the head. It ensures we draw attention to the need for maintaining investment in our education system in order that young people get a proper start in life and the opportunity to develop their specific talents to provide the country with the oxygen of an educated and attractive people that will see the country develop and prosper. Although we now face some of the most difficult times the country has seen in decades, it is the legacy of investment in and prioritisation of education in recent years that is at the heart of what is good about Ireland at present.

[Deputy Charlie McConalogue.]

Some 14% of the workforce is unemployed, representing a massive challenge that must be addressed. Many of the jobs that exist, however, are a result of Ireland having been able to attract investment to sectors where having a well-trained and educated workforce is essential. The jobs came about, therefore, as a result of the investment in education in recent years. Many of the areas in which we continue to do well are areas that rely on education and skills. Knowledge intensive industries operate in some of our strongest sectors and represent our greatest opportunities for the future. It is clear that when assessing how Ireland can recover, export-led, knowledge intensive industries will be essential. For that reason, it is critical that Parliament signals that education will be a priority when vital fiscal decisions are being taken.

There has been significant progress in the education system in recent years. The expansion in the number of primary teaching positions from 21,000 to 31,700 has been enormously beneficial. Admittedly, this occurred at a time when student numbers were also increasing, but the overall pupil-teacher ratio has become significantly more favourable.

There has also been a marked increase in support for children with special needs, with the number of special needs assistants rising from 250 to 10,000. Every one of us knows how this has affected students with special educational needs. At second level, the school completion rate has continued to increase owing to a range of measures introduced. The number of students now attending third level has increased massively. That is not to say we can roll back in any way. On the contrary, we need to continue to push for more investment, particularly at a time when circumstances are difficult.

Deputy Michael Moynihan: I am glad to have this opportunity to speak on education and the future of our education system. With few exceptions, we have built up a very good education system over many years. Decisions made by various governments have contributed enormously to it. One should consider the 1950s, one of the very difficult decades for this country during which the vocational educational sector was established and rolled out throughout the country, to ensure that in difficult times we do not lose sight of the necessity for education and its importance.

I raise the issue of rural schools, the value for money of schools with fewer than 50 pupils and the emphasis on centralising not only in education but throughout the spectrum. There is a notion that we should centralise everything irrespective of the consequences for communities. Decisions to centralise in all sectors of society have not done society, the Irish countryside or the State any good. We must consider the overall context and while we realise that money must be saved throughout the spectrum and that money will have to be found to ensure we balance the books in the coming years, we must look at the long-term consequences.

In recent years there has been a continuous attempt to centralise everything, which started with the Department of the Environment, Heritage and Local Government, local authorities and groups such as An Taisce stating that it was no longer possible or sustainable in a development plan to have one-off housing in the countryside, that we should all live in cities, towns or large villages, and that it was necessary to follow this policy from the top to the very bottom. We have seen the disastrous consequences of this.

In the late 1960s there was an attempt to centralise and remove clusters of schools from small communities and take the life and soul from those once vibrant communities, which had the basic infrastructure people need in a community around which people can build. If one examines small communities, not only in rural settings but in urban settings, which build around a nucleus such as a school, one sees that by and large they are free of social problems.

We are left with the legacy of decisions taken in the 1960s to build huge apartment blocks on the fringes of cities, not only with regard to education but also with regard to social services, justice, the Garda Síochána and health services. We do not look back and evaluate the decisions taken at that time or the decisions taken on areas of huge growth and spatial strategies, which left out the tiny hamlets. Those tiny hamlets have stood society exceptionally well. This is not only the case in Ireland. We have seen the disastrous consequences for the English countryside of the policies pursued there, and if we are to be serious about learning from the mistakes of the past, particularly the past seven or eight years, we have to look at all aspects and not only one specific aspect and reverse the policies and decisions taken.

With regard to decisions on closed school routes, many boundary changes and catchment areas, particularly with regard to primary schools and in some instances post-primary schools, were put in place in the late 1960s and early 1970s when the last major drive for rural schools was in place. Approximately six years ago, the Oireachtas Joint Committee on Education and Science attempted to conduct a review of all of the boundaries. It asked for submissions, which were received prior to the 2007 election, but they were not pursued subsequently. The boundary catchment areas for national and primary schools need to be examined because society has changed much since the rules were put in place.

If any decisions are made by the Department of Education and Skills with regard to smaller schools they should not leave legacy issues down the line. These communities do not cost society as much as the large urban centres which we as a nation, and the world, have strived to create with disastrous consequences.

Deputy Éamon Ó Cuív: Tá áthas orm go bhfuil deis agam labhairt ar an ábhar fíor-thábhachtach seo. Sílim gurbh é Tomás Dáibhéis a dúirt educate that you might be free. It was interesting that much of what happened to bring about independence here was because of a widening circle of people who were educated and could see new horizons and a new vision for the country. I thank all of the Deputies who took part in the debate. As was mentioned yesterday, the motion was tabled with the intention of enabling the first debate on education in the Dáil. It was framed in such a way as to be capable of support across the House.

It is clear from the debate that there is full agreement that policies on education and training will be central not only to economic recovery but to the well-being of our people. One of the big mistakes we have made in recent years is to think all the time that everything is measured in GDP. The well-being of a community, society and nation is a much wider concept than GDP. Even within GDP there is a question of spreading the wealth. There is no point in having a high GDP if parts of our communities suffer huge deprivation. At present, the greatest divide in our society is the educational divide. Access to educational achievement and the aspiration to educational achievement is where we find the greatest barrier to opportunities and choice in the lives of those growing up in socially deprived areas.

I thank the Minister for his contribution, which was constructive and welcome. I also thank him for the comments concerning the motion and the mention at the end of his speech that he commended it to the House. In light of this, it would be more appropriate for the Government to do as we do when we believe the Government is right and support the motion in the House tonight and get over the idea that an Opposition proposal must be opposed and that we in opposition must automatically oppose a Government proposal. We speak all the time about using our heads and getting away from the old rites and habits. Tonight is a perfect opportunity for the Government to state that this is a fair motion and is something it can buy into, and show there is solidarity in the House when we agree on issues. As stated yesterday by my colleague, we also welcome the Government's minor amendment as it corrects a clerical error made when the motion was submitted.

[Deputy Éamon Ó Cuív.]

The Sinn Féin amendment contains much of the “same old, same old” approach. There is no consciousness and nowhere are we told from where the resources will come. There is the usual bowing to those who are disadvantaged in society, but there is no statement that those who are well-off should make some contribution so we can transfer money within the education system to those who are less well-off. We have to challenge the view that divorces every individual motion from any concept of where the money will come from because no matter how wealthy the country ever was or will be there will always be a finite amount of money to spend.

I totally reject Sinn Féin’s statement, made by Deputy McLellan, that improvements in the education system were only spin. When children went to the three teacher schools of 15 or 20 years ago, those schools had three teachers. However, I recall being asked to open a two teacher school and when I arrived the *príomhoide* said: “Ba mhaith liom go gcasadh tú leis an fhoireann” and invited me to meet the staff. I thought she was coddling because I expected there to be one staff member. While I was aware of the facts in education, I did not associate them with the place I was visiting but there was a caretaker, a secretary, learning support teachers, resource teachers and SNAs. There was a line of staff.

That was not the case in the 1980s or 1990s and anybody who pretends otherwise never went to such a school in those years. There has been an enormous increase in numbers. The figures are provided in our motion and they stand up to scrutiny. There has also been a huge increase in resource and learning support teachers in that time, and rightly so. Of course, we would like to do more but we must live within our means.

I am also interested in the concept of spending 6% of GDP. It is a dangerous concept. If the GDP goes down, does it mean one automatically cuts the education budget even if it is a priority?

Deputy Seán Crowe: No, one devises a minimum. That is what is done in most countries.

Deputy Éamon Ó Cuív: On the other hand, if GDP increases but there is huge demand on the health, social welfare or other budgets, is Sinn Féin saying that education must get the money regardless of what happens, in a zombie fashion and without considering all priorities and competing interests and demands? Undoubtedly, if there was a motion on health before the House next week, there would be an amendment from Sinn Féin stating that more should be spent on health. If there was a motion on social welfare, that party would state there should be no cutbacks in social welfare and, in fact, the rates should be increased. One cannot do all that with a finite amount of money.

It is about time people explained exactly how they will square the circle and how they will get all the money required to provide the services they are promising. Ultimately, the only way to do it at present is to borrow more money, but then Sinn Féin tells us not to be in hock to foreign bankers by taking more money from them, as we owe them more money and lose our independence. Its members are very critical in that regard. I do not like losing my independence either, but there is only one way for a state or an individual to retain their independence and that is by not living beyond their means. Otherwise they come totally under the control of those who are providing the money. While all of us would like to spend more on education, we must state exactly how we will do it.

My view on spending in education is another area where I fall foul of my colleagues in Sinn Féin, even though I have much sympathy for many of their views. When money is scarce, those who have most should pay most and those who need most should get most. When one talks about universal rights, no fees and no charges for people who are multimillionaires, that means robbing money from the poor to provide a free service for people at the top. That is the logic

of what one is saying. I attend student debates in Galway and I have challenged the students in the university. They talk about student fees and say they cannot be applied to people with incomes of, for example, more than €120,000 per year. They are all concerned about that. My argument is that they are not half as concerned about the children of Tallaght, Ballybane or in RAPID areas who never get an opportunity to go to university in the first place. If they are really concerned about the disadvantaged and deprived in our community, that is where they should focus their attention. That is where the resources are needed.

The reality in our society is that before children even get to school, the area in which they are born largely determines their outcome educationally. One of the big challenges for the education system is that it cannot operate in a vacuum. Schools with relatively less resources are achieving far better results, irrespective of the parents' education, according to the areas in which they are located. Statistics clearly show that rural areas and rural counties have a much higher number of children receiving third level education than urban counties. Counties Galway and Mayo have a higher number of people in third level education than the average for Dublin city. That is a frightening thought because of the distance those counties are from the universities.

When one examines it further one finds that in middle class areas of Dublin a high number of children go to third level education, but the RAPID areas are total blackspots. In some of them only 10% of children get an opportunity to go to third level education. That is where the resources should be focused. I sometimes think that those who have had all the educational advantage are quick to say that more should be spent on education, but what they really mean is that money should be spent on the advantaged. They do not really mean it to be spent on those who suffer the greatest disadvantage.

This leads us to the fundamental question raised by Deputy Moynihan. There are policies being promoted by various agencies and Departments — I am not referring to political people in this case — that see as the solution to every problem in this country driving people out of the countryside and into towns, cities and villages. The idea is that the more one can get into the city, the more one can measure success. The only vision they have of economic growth is through cities. The problem is that the greatest areas of disadvantage in our State are in urban areas. The areas of the greatest drugs misuse and social problems are all urban ghettos. It is totally unfair to the people in those areas that we have devised social and planning policies which have led to this segregation in the cities. Unfortunately, there are huge, powerful interests in this country and a large number of influential NGOs that cannot see beyond this policy.

If one examines the students at universities in this county, one will find relatively few from the urban areas near those universities, for example, in Tallaght, Blanchardstown and so forth, relative to their rural neighbours. Two things have worked in rural areas. The first is the make-up of the society itself. Irrespective of the parents' backgrounds and their personal educational attainment, education is put at a high premium. Hence the phenomenal success of the small schools of rural areas in terms of access to third level education.

I once conducted a survey in a small three teacher rural school over a ten year period. The results were very interesting. It was before the SNA and extra supports that are now available. Over a ten year period 70% of the children who had gone to that school had gone on to third level education. A further 20% had secured a craft and only 10% left with just the leaving certificate or some other lesser qualification. I also assessed over that ten year period how many of the parents had received a third level education, but it was only a handful. The trick was not that the parents had an education but that the common denominator in the community was the high value put on education. When one examines the urban deprivation issue, one

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finds that as few as 10% of children are going to third level. Equally, few of the parents received a third level education but the dividing factor is the nature of the society.

Any Government that tries to close the rural schools, under whatever guise, will make a huge mistake. Why break that which is working? Why not concentrate on the part of our education system that has not been put into the total community context? There is one good model in Dublin, St. Ultan's, where the babies, toddlers, after-school care and all the supports are in a single building. It is trying to deal with the social deprivation issue. If we wish to solve problems, let us go to where they are and not create problems where they do not exist.

If one examines the investment in these small schools, one sees a result of 70% or 80% of pupils who attain their life wishes in terms of choice of careers and so forth. There is huge investment in Deis band 1 schools and that is right but, because it is disconnected from the social problems in those communities, one finds that despite the big investment few of the pupils gain what they should from education. I believe that if the Minister for Education and Skills is genuinely concerned about the impact of education on the divide in this society, he will not waste much time worrying about the rural areas where it is working but will concentrate his efforts on trying to deal with what has been an intractable problem, how to ensure that a child born in certain areas in this country will have the same chance as others of having a choice about what they do in life, be it third level education or otherwise. I am not saying everybody should wish to go to third level. They should have the same choice and the same opportunity and what will happen in their life should not be predetermined at the date of their birth by the community they grow up in and the education structure which surrounds that community. That is the real scandal in education in this country. As I stated, I cannot understand why there seems to be a fixation in the Department of Education and Skills and in other sectors in breaking something that has been work quite well.

An Ceann Comhairle: It is understood that the Government amendment is accepted as a correction and the motion is amended, by leave, accordingly. Is that correct?

Deputy Brendan Smith: Yes.

Amendment No. 1 not moved.

An Ceann Comhairle: I must, therefore, now put the question on amendment No. 2 in the name of Deputy Crowe and others.

Amendment put:

The Dáil divided: Tá, 25; Níl, 117.

Tá

Adams, Gerry.
Boyd Barrett, Richard.
Collins, Joan.
Colreavy, Michael.
Crowe, Seán.
Daly, Clare.
Doherty, Pearse.
Ellis, Dessie.
Ferris, Martin.
Flanagan, Luke Ming.
Healy, Seamus.
Higgins, Joe.
Mac Lochlainn, Pádraig.

McDonald, Mary Lou.
McGrath, Finian.
McGrath, Mattie.
McLellan, Sandra.
Murphy, Catherine.
Ó Caoláin, Caoimhghín.
Ó Snodaigh, Aengus.
O'Brien, Jonathan.
Pringle, Thomas.
Ross, Shane.
Stanley, Brian.
Wallace, Mick.

Nil

Bannon, James.	Kenny, Seán.
Barry, Tom.	Kirk, Seamus.
Breen, Pat.	Kitt, Michael P.
Broughan, Thomas P..	Kyne, Sean.
Browne, John.	Lawlor, Anthony.
Bruton, Richard.	Lenihan, Brian.
Butler, Ray.	Lynch, Ciarán.
Buttimer, Jerry.	Lynch, Kathleen.
Byrne, Eric.	Lyons, John.
Calleary, Dara.	Maloney, Eamonn.
Cannon, Ciarán.	Martin, Micheál.
Carey, Joe.	Mathews, Peter.
Coffey, Paudie.	McCarthy, Michael.
Collins, Áine.	McConalogue, Charlie.
Collins, Niall.	McEntee, Shane.
Conaghan, Michael.	McFadden, Nicky.
Conlan, Seán.	McGinley, Dinny.
Connaughton, Paul J.	McGrath, Michael.
Conway, Ciara.	McGuinness, John.
Coonan, Noel.	McHugh, Joe.
Corcoran Kennedy, Marcella.	McLoughlin, Tony.
Costello, Joe.	McNamara, Michael.
Cowen, Barry.	Mitchell, Olivia.
Creed, Michael.	Moynihan, Michael.
Creighton, Lucinda.	Mulherin, Michelle.
Daly, Jim.	Murphy, Eoghan.
Deasy, John.	Nash, Gerald.
Deenihan, Jimmy.	Naughten, Denis.
Deering, Pat.	Neville, Dan.
Doherty, Regina.	Nolan, Derek.
Donohoe, Paschal.	Noonan, Michael.
Dooley, Timmy.	Ó Cuív, Éamon.
Dowds, Robert.	Ó Fearghaíl, Seán.
Doyle, Andrew.	Ó Ríordáin, Aodhán.
Durkan, Bernard J.	O'Dea, Willie.
English, Damien.	O'Donnell, Kieran.
Farrell, Alan.	O'Donovan, Patrick.
Feighan, Frank.	O'Dowd, Fergus.
Ferris, Anne.	O'Mahony, John.
Fitzgerald, Frances.	O'Sullivan, Jan.
Fitzpatrick, Peter.	Penrose, Willie.
Flanagan, Charles.	Perry, John.
Flanagan, Terence.	Phelan, Ann.
Fleming, Sean.	Phelan, John Paul.
Gilmore, Eamon.	Rabbitte, Pat.
Griffin, Brendan.	Ring, Michael.
Hannigan, Dominic.	Ryan, Brendan.
Harrington, Noel.	Smith, Brendan.
Harris, Simon.	Spring, Arthur.
Hayes, Brian.	Stagg, Emmet.
Hayes, Tom.	Stanton, David.
Heydon, Martin.	Timmins, Billy.
Humphreys, Heather.	Troy, Robert.
Humphreys, Kevin.	Tuffy, Joanna.
Keating, Derek.	Twomey, Liam.
Keaveney, Colm.	Wall, Jack.
Kehoe, Paul.	Walsh, Brian.
Kelleher, Billy.	White, Alex.
Kelly, Alan.	

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

Amendment declared lost.

Motion put and declared carried.

Adjournment Debate

Mortgage Arrears

Deputy Martin Ferris: Mortgage arrears and house repossessions present an increasing problem for tens of thousands of families. According to the most recent statistics, 5.7% of residential mortgages, or 44,508 mortgage accounts, are in arrears for longer than 90 days, an increase of 25,000 since 2009. Given the recent European Central Bank interest rate increases, with current levels of unemployment and wage cuts, this figure is certain to increase further, perhaps dramatically.

My party has proposed measures that could be taken to address this problem. Last year a group of respected economists urged the banks to introduce some form of debt resolution and accept part of the losses as their own. While I note the expert group on mortgage arrears did not go that far, individual members have called for similar measures. It is now time to consider writing off some of the negative equity on properties which are principal family homes where people are in arrears on mortgages that are clearly unsustainable. Mortgages should be calculated on the basis of current house values rather than the price at the time of purchase, when unscrupulous lenders gave massive mortgages to people who could not repay them. This would constitute not only a massive relief for those suffering the burden of unsustainable mortgages through no fault of their own, but it would also recognise the significant changes that have occurred in the property market and banking sector in the past four to five years.

Last Monday morning a young couple, Sharon and John-Patrick, with two young children came into my constituency office in Tralee. Several years ago they procured a mortgage to the value of €220,000 from Start Mortgages, of which they have drawn down €160,000 to build their home. However, they found it difficult to meet the repayments of €1,300 or more per month. They told Start Mortgages about their difficulties and indicated they were prepared to pay €400 per month to cover their mortgage. Last Friday in the court in Tralee Start Mortgages secured repossession of the house and the inevitable eviction of the two people concerned. That is happening throughout the country. It is happening to young couples who had employment secured loans and built their own homes. Most of those people are now in considerable difficulty. More than 90,000 people are in difficulty at this point.

A proactive approach must be taken to try to deal with this. What is happening is illogical in that people evicted as a result of the repossession of their homes by unscrupulous lenders, including the banks, inevitably find themselves on local authority housing lists. They must secure rent allowance from the HSE to rent a house and the taxpayer and the State are paying for that. We need to be imaginative and firm in how we approach this.

There are unoccupied houses throughout the country which have been taken over by the banks and mortgage lenders. I suggest State bodies, in particular local authorities, working together might be able to secure these houses by buying them at the current market value, rent them to the previous owners and give them the opportunity when the economy recovers, hopefully as a result of a progressive job creation programme when people will find work again, to meet mortgage repayments and live in their dream houses which they bought initially.

In regard to the two people about whom I spoke, one went public this morning on Radio Kerry which was inundated with calls from people throughout county who were in a similar position. Together we must stand up to sub-prime mortgage institutions which are effectively vultures. I cannot think of a word bad enough to describe them other than to say they are vultures. They penalise people even if they are a few days' late with their repayments. Collec-

tively we must stand up and say that is wrong as we must stand up to the banks. We now own the banks so we should be in a position to do everything in our power to help people in difficulty.

We must be cognisant of the reality of today. The reality is that people who purchased houses between 2004 and 2008 did so at totally inflated values. That must be taken into account in order that we can address this terrible grievance.

Minister of State at the Department of Finance (Deputy Brian Hayes): I thank Deputy Martin Ferris for raising this important matter and giving me the opportunity to respond. It is not an exaggeration to say Irish people value the ownership of their own home. It is a deeply rooted cultural tradition and characteristic. Unfortunately, the financial crisis has created conditions in which many home owners through no fault of their own now find themselves in arrears with their mortgage repayments and at risk of losing their homes. It is time, therefore, that society through the agencies of State, should seek to assist mortgage holders in arrears in a measured and proportionate way. This is happening. There are supports available to assist mortgage holders who are in arrears with their repayments in respect of their principal private residence.

However, before considering some of the aspects of that support, I would like to point out that the level of repossessions in Ireland has been very low. The Central Bank's quarterly data series on residential mortgage arrears and repossessions show that the level of repossession activity in the courts, with respect to the primary residence of borrowers, is not high when compared with the scale of mortgage arrears pertaining.

For example, the level of home repossessions per 100,000 mortgages in the UK is more than five times greater than the Irish rate. It can also be observed that the majority of repossessions taking place are not by way of a court order but rather via voluntary surrenders and abandonments.

The supports available to assist people in arrears with their mortgage repayments in respect of their principal private residences can be grouped under four headings. The first is the mortgage interest supplement scheme. The second is the availability of advice through the Money Advice and Budgeting Service. The third is the protection to mortgage holders provided by the Central Bank's code of conduct on mortgage arrears and the fourth is lender forbearance.

The mortgage interest supplement scheme managed by the Department of Social Protection provides assistance where the mortgage relates to a person's principal private residence. It currently supports approximately 18,000 mortgage holders. The Money Advice and Budgeting Service provides a national, free, confidential and independent service operating from 53 offices nationwide. The House will be familiar with these schemes and how they operate. Rather than recount them in detail, I wish to look more closely at the code of conduct on mortgage arrears.

The code of conduct on mortgage arrears sets out how mortgage lenders must treat borrowers in or facing mortgage arrears with due regard to the fact that each case of mortgage arrears is unique and needs to be considered on its own merits. The code sets out the framework that lenders must use when dealing with borrowers in mortgage arrears or in pre-arrears. For the purposes of the code, a pre-arrears case arises where the borrower contacts the lender stating that he or she is in danger of going into financial difficulties and-or is concerned about going into mortgage arrears.

The code has been amended twice since it was first introduced in 2009 to provide additional protections for mortgage holders. The most recent revision of the code was published on 6 December 2010 and came into effect on 1 January 2011. Lenders are required to comply with the revised code as a matter of law but have been given a period of six months grace, ending

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on 30 June 2011, to put in place some of the provisions of the code. The revised code contains a new provision on arrears charges. Lenders have been directed not to impose arrears charges or surcharge interest on borrowers who are in arrears and who are co-operating with the new mortgage arrears resolution process with effect from 1 January 2011.

The revised code also includes more detailed requirements for lenders when dealing with borrowers arrears and financial difficulties. I have provided the Deputy with the main aspects of the code in place since 1 January 2011 and I will not rehearse them here. Many of these changes follow on from the work of the expert group on mortgage arrears and personal debt. This group produced two reports — an interim report published in July last year and a final report published in November last year. The expert group, which was chaired by Mr. Hugh Cooney, included Mr. Matthew Elderfield, head of Financial Regulation at the Central Bank, as well as other external experts and senior officials from Departments.

One of the main recommendations of the expert group on mortgage arrears and personal debt was that a deferred interest scheme should be put in place. This was intended to allow borrowers to pay at least 66% of their mortgage interest but less than 100% and defer payment of the balance for up to five years. Mortgage lenders have been requested to commit to the scheme. Lenders representing the majority of the market have already indicated their willingness to implement the expert group's proposals for a deferred interest scheme or a variation of it. These are AIB, EBS, Bank of Ireland, Irish Life & Permanent, Irish Nationwide Building Society, Springboard and Start. While the deferred interest scheme is voluntary for all lenders, those who have signed up in support of the scheme will be monitored by the Central Bank to ensure compliance.

I welcome AIB's announcement that it is examining new ways to assist those in mortgage arrears.

Acting Chairman (Deputy Joe Costello): The Minister of State has exceeded the time.

Deputy Brian Hayes: The points raised by Deputy Martin Ferris are crucial. There is a code in place and it is the job of Government to ensure it is enforced. I accept the new scheme from the expert group in regard to parking part of the mortgage interest repayment must be monitored by the Central Bank and the Department of Finance to ensure options are available to people.

Vocational Education Committees

Deputy Nicky McFadden: In 2010 the previous Government made the decision to reduce the overall number of VECs in the country. The decision was made on the basis of recommendations from the report of the special group on public service numbers and expenditure programmes, also known as an bord snip nua. However, while the report recommended reducing the number of VECs from 33 to 22, the then Government decided to reduce the number from 33 to 16. This involves the merger of certain counties, including Westmeath and Laois-Offaly and Leitrim and Roscommon with Longford. The proposed plan did not take into account a number of significant factors that highlight the negative impact such a merger would have on the day-to-day operation and longer term goals of the VECs. In November, as a Senator, I raised the matter with the former Tánaiste and Minister for Education and Skills. I stressed the need to ensure the configuration of the midland VECs would be Longford-Westmeath and that the headquarters would remain in Mullingar. In response to the threat of a possible merger of Laois-Offaly and Westmeath, Westmeath VEC set up a sub-committee to produce a position paper. The findings supported the VEC proposition that all existing Westmeath VEC services should be provided from the current head office in Mullingar, as well as

providing services for additional clients if the need arises. I was acutely aware of this because I had been a member of the VEC since 1999.

The sub-committee based its decision on eight principal findings, including the strong geographical location. Mullingar is the centre of Ireland and is a commuter town. There are eight experienced and skilled staff, who have demonstrated extraordinary willingness to meet deadlines. The VEC has a strong record in further education. It has 12 centres and 6,227 people have benefited from the range of programmes and services. This represents one in eight of the 49,619 people who have left school in Westmeath. Some 6,122 learners are availing of aspects of FETAC learning, one of the highest *per capita* rates in the country. The centre has state-of-the-art ICT software, positive user experience and expertise. Westmeath VEC is the recipient of awards for innovative ideas and achievements. All courses are FETAC accredited up until level 6. There are strong third party external relations, including the Athlone Institute of Technology, Moate Community College, Athlone Community College, Westmeath County Council and the county development board. There is a growing population in Westmeath, which is important to acknowledge. Opportunities for further growth and development exist because Mullingar is part of the spatial strategy and it makes sense that the VEC is located in Mullingar.

Removal of the headquarters from Mullingar will have a serious negative impact on culture, it would be a major blow to the town and the county in terms of confidence and reputation and would lead to increased costs, retraining of unskilled staff, the disruption of services, additional software licences, an impact on services, the potential loss of capability and interference with well-developed services, the threat to the standard of education provided to adults and a dilution of services. A move would also have a serious impact on the staff, with the danger of losing key staff, their skills and capabilities. It will also have an impact on VEC effectiveness. This would lead to the diminution of local control. There will also be a financial impact, with a financial loss to Mullingar, and a negative impact on local banks, shops, hotels and ancillary services. Taking these matters into consideration, it is vital that the configuration of the Midlands VEC is Longford-Westmeath, with the headquarters located in the current head office in Mullingar. This should be done in order to continue to provide services to existing clients. I look forward to the Minister of State's reply.

Deputy Brian Hayes: I thank Deputy McFadden for raising this matter on the Adjournment. I am responding on behalf of the Minister for Education and Skills, Deputy Ruairí Quinn, who cannot be here tonight. He asked me to acknowledge the deep interest and expertise Deputy McFadden has in this area. I refer to what the VEC sector has achieved in her constituency and elsewhere. Deputy Quinn and I are aware of her interest in this issue as a Senator and as a member of the local authority in Westmeath. We are facing challenging times as a country. That is particularly true of the education sector. We need to build on the strengths of the VEC sector in tackling these challenges.

The VEC sector is well positioned to play a key role in the transformation of our education system given its long-standing ability to respond and innovate to new challenges across society. Earlier today the Minister announced that the City of Dublin VEC will operate as the new centralised authority for administering the student grants system. This is an excellent example of the VEC sector playing its part in public sector reform.

A reconfigured VEC sector with a reduced number of VECs will provide for a more efficient deployment of resources, a very important issue in the current difficult economic environment. Equally importantly, it will provide strengthened capacity at VEC level to drive improvements in our education system. The Minister for Education and Skills has already indicated his intention to proceed with a reduction in the number of VECs.

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Although the previous Government decided on the merger of particular counties, the Minister recently extended an invitation to the Irish Vocational Education Association, IVEA, to submit alternative rationalisation proposals, following the IVEA's expression of concerns regarding the specific configuration of the proposed new entities. While the Minister is open to proposals from stakeholders, this invitation should not be construed as meaning that the process of rationalisation will be slowed or diminished in any way. In parallel, the practical work needed for the restructuring is continuing. For example, departmental discussions are taking place with unions on staff related issues. No decision has been taken on where headquarters should be based. A range of factors need to be considered, including the configuration of the reduced number of VECs and the existing building stock in different VEC areas. Department officials have consulted on this issue and the Minister will be considering this and other implementation matters in due course.

In the programme for Government, the Government is committed to local devolution of administrative functions relating to maintenance, school building projects and co-ordination of support services currently carried out by principals. VEC rationalisation will enable and support such devolution and will not affect the delivery or quality of front line education provision in any way. In addition, the new VEC entities will be well positioned to bring enhanced purchasing power, through leveraging, to bear on securing value for money for schools and the wider provision of education providers at all levels of the school system.

The decision the Government will make on particular mergers and the location of the headquarters of the new entities will be driven by how we can deliver the most effective and efficient local structures to ensure high quality education outcomes at local and national level. I thank Deputy McFadden for affording me the opportunity to respond to the House on this matter. I will make sure the Minister is fully apprised of the comments made in the context of the Adjournment matter, which is of crucial significance to Deputy McFadden's constituency.

School Accommodation

Deputy Patrick O'Donovan: I thank the Ceann Comhairle for allowing me to raise a matter concerning Scoil Naomh Iosef, Dromcollogher, County Limerick. The school is seeking support from the Department of Education and Skills for the construction of an additional room for the school. Scoil Naomh Iosef is the primary school in Dromcollogher, catering for 107 pupils. The school has five classroom teachers and two learning support teachers. There are six classrooms in the building, with one being used as a staff room and storage area. There is no general purpose room, which causes a major problem for a school trying to deliver the 1999 primary curriculum in its entirety. This is particularly difficult during inclement weather, when teachers try to include a weekly one-hour slot of physical education together with other subjects including drama, art, music and the SESE subject areas that require space for children to engage in active, exploratory learning as set out in the in the foreword to the primary curriculum. The problem is also in evidence when the school tries to deliver annual Christmas concerts, parents events, demonstrations, whole school events and other curricular needs. It is simply not an option for the school to use the community centre in Dromcollogher for these activities as it is located at the opposite end of the town.

The school's two cloakrooms have been transformed into an office and learning support room and, as a result, the children's coats are being hung in the corridors, which is hardly ideal. Scoil Naomh Iosef is like many other rural primary schools in the sense that it plays an important part in the life of the wider community. For that reason, any investment by the Department is not just an investment in the school but is an important contribution towards the social infrastructure of the parish. Earlier this evening and last night, I listened to contri-

butions from all sides of the House urging the Government to ensure everything that can potentially be done is done for primary education. Specifically, Deputies encouraged the Minister to invest in school buildings and to reduce the State's dependence on portakabins as an alternative to permanent accommodation. The benefits of this approach — I understand there are budget limitations — are stimulation of the local economy through the construction of extensions and the modernisation of the children's learning environment, reflecting the needs of the school. As a teacher, I have seen at first hand the difference access to space and properly constructed facilities have on the learning experience. I am aware of the benefits that will accrue to Scoil Naomh Iosef if an investment of this order is made.

The school community at Scoil Naomh Iosef, Dromcollogher, is attempting to improve the physical infrastructure of its school and so be in a position to deliver the primary curriculum to its pupils. The quality of learning and teaching available in a modern school environment is partially dependent on the facilities available and it is for this reason I urge the Minister and his Department to look favourably upon the request to have this school included in any future round of funding allocation.

I pay tribute to the management, staff, parents and pupils of Scoil Naomh Iosef and wish them well in their endeavours. I again thank the Ceann Comhairle for affording me the opportunity to raise this matter. I look forward to hearing the Minister of State's reply.

Deputy Brian Hayes: 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 this matter as it provides me with the opportunity to outline to the House the Government's strategy for capital investment in schools building projects and the current position of the application for capital funding from Scoil Naomh Iosef, Dromcollogher, County Limerick.

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 to 2019. 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, thereby improving future productivity and growth prospects, and that the value for money obtained is significantly enhanced when compared with the most recent period. Modernising facilities in our existing building stock as well as 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. A proposed building project moves through the system commensurate with the band rating assigned to it. There are four band ratings, of which band 1 is the highest and band 4 the lowest. For example, band 1 projects include the provision of buildings where none currently exists but there is a high demand for pupil places, while a band 4 project provides for desirable but not necessarily urgent or essential facilities such as a library or new sports hall. Documents

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explaining the band rating system are available on the Department of Education and Skills website, *www.education.ie*.

Scoil Naomh Iosef has an enrolment of 105 pupils as of September 2010 and enrolment has remained steady over recent years. Staffing at the school comprises a principal, four mainstream teachers and one permanent learning support teacher. The school has accommodation for each of these staff members. The application by Scoil Naomh Iosef for a major extension has been assessed and has been assigned a band 2 rating under the published prioritisation criteria for large-scale building projects to which I have referred. I advise the Deputy that Scoil Naomh Iosef recently made another application to the Department for additional classroom accommodation. This is being assessed by officials from the Department and the school will be informed of the outcome of this application in due course.

The progression of all large-scale building projects, including the proposed project at Scoil Naomh Iosef, from initial design stage through to construction phase will be considered in the context of the Department's multi-annual school building and modernisation programme. In light of current competing demands on the capital budget of the Department, however, it is not possible at this time to give an indicative timeframe for progression of the project. I can confirm to the Deputy, however, that the school was granted funding for the replacement of windows under the summer works scheme 2010 and was approved contingency funding for roof repairs in September 2010 to assist it in maintaining the fabric of the existing building.

I again thank the Deputy for giving me the opportunity to outline to the Dáil the current position regarding the school building project for Scoil Naomh Iosef, Dromcollogher, County Limerick. I will ensure the Department, in particular the building and planning unit in Tullamore, is aware of the Deputy's contribution to the House on the necessity for works at the school to be progressed as soon as possible.

Scéimeanna Uisce agus Séarachais

Deputy Éamon Ó Cuív: Ba mhaith liom buíochas a ghlacadh leis an Aire Stáit as ucht teacht isteach sa Teach anocht. Tá súil agam go dtabharfaidh sé eolas an dáta dom faoin gceist seo. Is scéal fada é scéal uisce na Ceathrú Rua. Bhí truailliú ann blianta fada ó shin. Réitíodh an fhadhb sin nuair a cuireadh scéim nua séarachais isteach sa gCeathrú Rua, scéim atá fós le críochnú. Bhí contúirt ann go dtarlódh truailliú eile agus tharla sé sin le gairid nuair a sceith ola isteach san abhann agus isteach i Loch an Mhuilinn. Ag éirí as sin, tá gá le scrudú a dhéanamh cén fáth gur thóg sé chomh fada ón am a deir muintir na háite gur dhúirt siad leis an gcomhairle condae go raibh an fhadhb seo ann agus an t-am a dúirt an comhairle condae leis an bpobal nach ceart an uisce a úsáid. Tá sé fíor-thábhachtach go mbunóimid dea-chaidreamh arís idir an comhairle condae agus an pobal agus go bhfaighimid amach go díreach céard a tharla i gcaitheamh an ama sin.

An mhaidin a tharla an truailliú ní raibh urlabhraí ar fáil ó Chomhairle Chondae na Gailimhe ar Raidió na Gaeltachta le míniú don phobal céard a bhí tarlaithe agus cén contúirt a bhain leis, nó nár bhain leis, dóibh siúd a d'úsáid an t-uisce, sula bhfuair siad an foláireamh. Ba é an trua é nach raibh an comhairle condae in ann urlabhraí a chur ar fáil don raidió an mhaidin sin. Tá súil agam anois nach fada go mbeidh sé sábhailte uisce na Ceathrú Rua a úsáid.

I rith mo thréimhse mar Aire Chomhshaoil, agus ní raibh mé ann ach scaitheamh an-ghearr, thóg mé an cheist leis an Roinn faoi cén fáth go dtógann sé an oiread sin ama ón am go gceaptar go mba cheart dul ar aghaidh le scéim uisce go dtí go dtógtar an scéim. Le fada an lá, ní raibh mé sásta go dtógann sé an oiread sin ama agus go mbíonn an oireadh sin céimeanna i gceist le scéim uisce a chur chun cinn.

I gcás scéim uisce na Ceathrú Rua, tá an scéim ag dul ar aghaidh leis na cianta. Bhí sé cosúil le ping-pong go minic, an chaoi a raibh na cáipéisí ag dul suas agus anuas idir an comhairle condae agus an Roinn. Níl mé ag cur locht ar an Aire Stáit mar tuigim go maith nach raibh sé sa Roinn, ach impím air féin agus ar an Aire díriú ar an gceist sin. I rith an achair an-gherr a raibh mé sa Roinn, níor thuig mé ó thalamh an domhain cén fáth go gcaithfeadh innealtóirí a chuaigh ar an hollscoileanna céanna a bheith ag scrúdú obair a chéile. Feictear dom go mbeadh sé i bhfad ní b'fhearr dá dtabharfaí airgead dos na comhairlí condaethe, ar a laghad leis na scéimeanna measartha beaga a dhéanamh, seachas an chaoi a bhfuiltear ag oibriú i láthair na huaire.

Níl aon amhras ná gurb é an t-aon réiteach atá ar fhadhb an uisce, ní hamháin ar an gCeathrú Rua ach i gceantar na n-oileán agus i gCamus, Leitir Mucu agus an taobh sin ar fad, ná scéim uisce réigiúnach Chasla. Is é sin, an t-uisce a thógáil ó Loch Ghleannach Muireann atá thuas ins na cnoic in aice le Seanadh Phéistín. Ansin, bheadh uisce glan ann sa bhfad-téarm. Níl sé feiliúnach a bheith ag braith ar Loch an Mhuilinn mar tá an loch sin an-ghar do thithe i gceantair atá forbaithe go mór, agus beidh sé i gcontúirt i gcónaí. Tá an rud céanna fíor faoi na foinsí uisce i gceantar na n-oileán. Níl siad feiliúnach ach oiread. Tá i bhfad an iomarca contúirt ann má táthar ag braith ar locha beaga mar fhoinsé uisce, go mórmhór locha beaga atá an-ghar do thithe.

Nuair a bhí mé mar Aire chuir mé tuairisc leis an Roinn faoi dul chun cinn na scéime seo. Dúradh liom ag an am go raibh costas measta ar an sceim de thart ar €15.3 milliún agus go mbeidh an t-uisce ag teacht as Loch Ghleannach Muireann. Dúradh liom freisin go raibh an Bord Pleanála tar éis cead a thabhairt don EIS, le coinníollacha daingean. Bhí seo thar a bheith tábhachtach mar cé go raibh siad daingean ba choinníolacha iad gur féidir glacadh leo. Dúradh freisin ag an am go raibh an tuarascáil EIS, maraon le na doicimeidí conartha, á scrudu ag an Roinn i gComhairle le Comhairle Condae na Gaillimhe, go raibh an cás á phlé agus go mbeadh cinneadh ar an scéim i mí a Bealtaine, nach bhfuil uainn ach coicís.

Bheinn buíoch dá bhféadfadh an tAire deimhniú go gcloífear leis an scála ama seo agus go dtabharfar an cead dul ar aghaidh. Bheinn níos buíoch fós dá ndéarfadh sé cén dáta a bhéas an cead á thabhairt. Bheinn buíoch freisin dá bhféadfadh sé a dheimhniú go mbeidh an t-airgead ar fáil le dul ar aghaidh láithreach don scéim agus leis na tairiscintí a lorg agus an scéim a thógáil. Bheinn an-bhuíoch freisin dá bhféadfadh sé a rá liom cén buille faoi thuairim atá ann anois faoi cén uair a bhféadfadh an scéim a bheith tógtha agus ag feidhmiú.

Ar deireadh, ó tharla go mbeidh an t-uisce ag teacht ó Ghleannach Muireann tá súil agam go ndéanfar cinnte go cuirfear uisce ar fáil do mhuintir Bhaile Ghleannach Muireann, ó tharla go bhfuil daoine ar an mbaile sin nach bhfuil soláthar sásúil uisce acu. Má tá an t-uisce á thógáil sa ghleann ins na cnoic, ba cheart go mbeadh buntáiste beag ag muintir na gcnoc as an uisce, chomh maith leis na ceantair maguaird agus Conamara fré chéile.

Minister of State at the Departments of Communications, Energy and Natural Resources and Environment, Heritage and Local Government (Deputy Fergus O'Dowd): Gabhaim buíochas leis an Teachta Ó Cuív as ucht an deis seo a thabhairt dom an cheist thábhachtach seo a fhreagairt. I ndiaidh na díospóireachta seo, beidh mé ag caint leis an Roinn ionas go mbeimid ag gabháil amárach leis na ceisteanna bunúsacha atá curtha faoi bhráid na Dála anocht ag an Teachta agus nach bhfuil freagraí iomlán dóibh sa théacs atá agam.

Tá raon cuimsitheach de bhonneagar na seirbhísí uisce nua ceadaithe do Chontae na Gaillimhe foilsithe i gcáipéis na Roinne, Seirbhísí Uisce Clár Infheistíochta 2010-2012. Tá cóip de ar fáil i Leabharlann an Oireachtais. Is é luach iomlán na geonartha atá ar bun faoi láthair agus iad siúd atá molta le linn tréimhse an chláir i gContae na Gaillimhe ná €130 milliun. Tá scéim soláthair uisce réigiúnach Chasla — Costello san áireamh sa chlár do 2010-2012. Tá an tionsca-

[Deputy Fergus O'Dowd.]

dal, faoina dtabharfaidh an chomhairle ar fáil fearas nua coiréala uisce agus uasghrádú gréasan forleathan dáilte ar chostas measta de €15.3 milliún, i measc an liosta de na conarthaí sa chontae a churfear chun cinn le haghaidh togála faoi deireadh 2012. Is soiléir go mbeidh sé críochnaithe, le chúnamh Dé, roimh deireadh 2012.

D'fhormheas an Bord Pleanála an EIS don scéim Chasla — Costello le coinníollacha. Chuir Comhairle Chontae na Gaillimhe cóip den EIS faoi bhráid an Roinn i mí Dheireadh Fómhair seo caite, maraon lena thuarascáil ar na coinníollacha EIS. Tá an Roinn Comhshaoil, Oidhreacht agus Rialtais Áitiúil ag déanamh scrúdú ar an tuarascáil seo faoi láthair i gcomhar le cáipéisí conartha na comhairle le haghaidh na scéime. Tabharfaidh mé an chuid eile den fhreagra i mBéarla toisc nach bhfuil sé agam i nGaeilge. Gabh mo leithscéal faoi sin.

In regard to the leaking of heating oil from a property in Carraroe, Galway County Council has established the source of the oil leak and has taken steps to minimise the leak. These include liaising with the property owners from where the oil has leaked. The property owners are remediating their site by removing the affected soil and placing booms on the stream into which oil has seeped.

Galway County Council has also provided booms and straw baling to further restrict the seepage of oil into the source. At the water supply intake from Loughaunwillaun Lake the council have put in place a granular activated carbon filter. This filter has been operating since the middle of last week and it provides added protection to the water supply. Work is ongoing on cleansing the network of any residue. Specialist contractors were engaged to flush and clean out two reservoirs on the scheme. Daily sampling of the network and raw water is being undertaken.

Tankers of clean water have been placed throughout the affected network to provide the public with clean drinking water. All those in need of clean water are being attended to by Galway County Council staff in the area. It is liaising with the HSE to determine when a normal water supply can be resumed. Since Friday, 8 April the council, in agreement with the HSE, has eased the restrictions on the use of the water supply in Carraroe. Consumers can now use the water for washing and sanitary use.

All actions that could be taken to address the recent leaking of oil into the Carraroe water supply have been taken by the council in consultation with the HSE. On the broader issue of a new treatment plant, a decision by my Department in regard to the Casla — Costello regional water supply scheme will be conveyed to Galway County Council as soon as possible. I assure the Deputy that I will get in touch with the responsible official tomorrow to push this forward.

The Dáil adjourned at 9.30 p.m. until 10.30 a.m. on Thursday, 14 April 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. Questions Nos. 1 to 9, inclusive, answered orally.

Questions Nos. 10 to 22, inclusive, resubmitted.

Questions Nos. 23 to 33, inclusive, answered orally.

Milk Quota

34. **Deputy Liam Twomey** asked the Minister for Agriculture, Fisheries and Food if changes to the present milk superlevy regime are envisaged to allow Irish dairy farmers to prepare for the abolition of the milk quota in 2015; and if he will make a statement on the matter. [7753/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): As I mentioned in my response to a similar question earlier, it must be emphasised that the primary responsibility for producing within quota and ensuring the avoidance of a super levy rests with every individual milk producer. It is up to dairy farmers, who are familiar with the rules of the quota regime, to make the right decisions and protect themselves from exposure to potentially very damaging fines. The rules are very clear, and were confirmed as recently as last December by the European Commission.

Having said that, I want to see a soft landing for farmers in Ireland and in other member states, whether as a result of changes to the rate of super levy or some other mechanism. My officials have raised the matter with the Commission on a number of occasions in recent months, and I used the opportunity provided by my attendance at the Council of Agriculture Ministers last month to ask the Commission to consider whether a more flexible approach might be adopted for the limited number of member states, including Ireland, likely to have a super levy problem in the run-up to 2015. I also raised the matter in a bilateral meeting I had with Commissioner Ciolos prior to the Council meeting. I intend to continue to raise the issue with member state colleagues and with the Commission. However, the Commission has resisted attempts to revisit this issue, and there is, in any event, no guarantee that a majority of member states will support calls for a more flexible milk quota regime. Therefore Irish dairy farmers must continue to operate on the assumption that no further changes will be made to the quota arrangements agreed in the context of the CAP Health Check.

Question No. 35 answered with Question No. 33.

Agriculture Strategy

36. **Deputy Martin Heydon** asked the Minister for Agriculture, Fisheries and Food his views on whether the targets set out in the Food Harvest strategy can be achieved by 2020; and if he will make a statement on the matter. [7701/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The key growth targets in Food Harvest 2020 are as follows:

- Increase the value of primary output of the agriculture, fisheries and forestry sectors by €1.5 billion. This is a 33% increase compared to the 2007-2009 average.
- Improve the value added in the sector by €3 billion.
- Achieve an export target of €12 billion for the sector. This is a 42% increase compared to the 2007-2009 average.
- Increase milk production by 50%.
- Add 20% to the value of the beef sector.

These targets were agreed by a Committee made up of key figures from the agriculture, food, forestry and fisheries sectors. I am confident that these key targets will be achieved by 2020. They are fully supported by the programme for Government, which notes that “the expansion and innovation in our dairy and meat sectors will be a key priority under a reformed CAP and we will work with industry to achieve more intensive levels of production”. The Government is committed to delivering the required state actions to drive implementation.

Indeed, actions have already been taken to progress implementation. A high-level implementation committee (HLIC) was established specifically to

- ensure a fully joined up effort on the part of State bodies in the implementation of FH2020;
- encourage proactive engagement by the agri-food industry and private sector with the implementation process; and
- act as a “clearing house” for issues relating to the development of the sector.

The HLIC consists of the CEOs of Bord Bia, Enterprise Ireland, BIM, Teagasc, the Environmental Protection Agency and senior departmental officials. To date, this committee has met three times, and I look forward to chairing the next meeting, which is scheduled for next week, 19 April.

My focus for the next meeting will be to review progress made to date but also to actively engage with industry on the key issues of competitiveness, innovation and upskilling. Representatives from IBEC and FORFAS are attending this meeting and I am confident that our engagement and dialogue around these three key issues will facilitate the achievement of substantial progress towards the achievement of the agri-food industry targets.

The first progress report on the implementation of Food Harvest 2020 is due for publication in July 2011 and will outline progress to date in relation to each of the recommendations contained in the FH2020 report.

Animal Diseases

37. **Deputy Sandra McLellan** asked the Minister for Agriculture, Fisheries and Food if his attention has been drawn to the recent report suggesting that the cost to the State in tourism and other sectors during the 2001 foot and mouth epidemic was €210 million; and the measures he will put in place to prevent a similar crisis in the future affecting our tourism sector. [6193/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The report, entitled “An Economic Evaluation of Foot and Mouth Disease”, which was produced in March 2002, relates to a study undertaken of the economic evaluation of the effects of the 2001 FMD outbreak, with particular reference to

- the economic impacts of FMD and the control measures introduced on the main sectors affected and on the Exchequer; and
- an estimate of the likely economic impacts on these sectors if the control measures had not been taken.

The report sets out in detail the costs and benefits across the various sectors of the economy in respect of the single outbreak which was contained. The overall conclusion was that had a widespread outbreak occurred, overall GDP would have been reduced by between 0.96% (€1 billion) and 5.4% (€5.6 billion) through the impact on the agriculture sector. A widespread outbreak would also have had significant negative implications for the tourism sector and for non-tourist-related elements of the domestic economy such as sporting events.

My Department updates its contingency plans on an ongoing basis to ensure that measures are in place to contain potential outbreaks of exotic diseases so as to keep disruption of all trade to the minimum.

Departmental Offices

38. **Deputy Robert Troy** asked the Minister for Agriculture, Fisheries and Food the position regarding the proposed closure of his Department’s office in Mullingar, County Westmeath. [7790/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The impending closure of the Department’s local office in Mullingar represents the final phase of implementation of an extensive review carried out within the Department almost two years ago.

Paramount to restructuring the local office network was concern to ensure a high-quality service to farmers and food business operators throughout the country. The new structure not only maintains a high-quality service but will, in fact, enhance the level of service available, while at the same time driving greater efficiencies and encouraging broader flexibilities within the new regional office structure. Through greater use of modern technology, the simplification of schemes and programmes, the reduction in disease levels, the uptake and availability of on-line services and an improved telephone service as a result of electronic systems, quite apart from the reduction in office footfall, the Department’s public interface with its clients can now be carried out in any one of the sixteen new regional offices. Our analysis shows that many Westmeath farmers will have shorter journey times to the Navan, Tullamore or Roscommon regional offices than they currently have to Mullingar.

The financial savings from the reorganisation of the local offices are very significant. For 2011, the reduction in running costs amounts to some €20 million, along with a reduction of over 250 staff. For 2012, the reduction in running costs is expected to be some €30 million, with

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an overall staff reduction of over 400. These savings are vital to ensure that my Department stays within its allocated spending targets.

Common Agricultural Policy

39. **Deputy Joe Carey** asked the Minister for Agriculture, Fisheries and Food the bilateral meetings he has had with other EU agriculture Ministers on the reform of the Common Agricultural Policy; and if he will make a statement on the matter. [7704/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Since I assumed office on 9 March last, I have had bilateral meetings with my French and Spanish ministerial colleagues. I also had the opportunity to meet my ministerial colleagues from the 26 other member states at the recent EU Council of Agriculture Ministers meeting in Brussels on 17 March last. The meeting with my French counterpart, Bruno Lemaire, was devoted primarily to the reform of the CAP. We shared common ground on the strategic importance of agriculture in both Ireland and France and for the future of Europe as a whole. We agreed to work together to ensure that the reform of the CAP delivers an ambitious policy, adequately funded to reinforce and develop the strategic importance of agriculture to the EU. We also agreed on a number of important markers in the CAP negotiations, namely: — the distribution of future direct income support within member states should allow for the necessary flexibility of member states to take account of the agricultural and regional conditions which apply to that country; and — any future “greening” of the direct income support schemes should be simple to apply both for farmers and member state administrations and should not entail additional costs for either.

The meeting with my French counterpart also dealt with the MERCOSUR negotiations and the potential difficulties they could pose for the EU beef sector. The contribution which extensive EU beef production can make to the global fight against climate change was discussed and it was agreed that both countries would work together to highlight this.

While my meeting with my Spanish counterpart was devoted largely to fisheries matters, we did have the opportunity to exchange views on the broad parameters of the upcoming CAP negotiations.

Common Fisheries Policy

40. **Deputy Noel Harrington** asked the Minister for Agriculture, Fisheries and Food his priorities in the reform of the Common Fisheries Policy; and if he will make a statement on the matter. [7709/11]

41. **Deputy Noel Harrington** asked the Minister for Agriculture, Fisheries and Food his views on the reform of the Common Fisheries Policy; and if he will make a statement on the matter. [7708/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I propose to take Questions Nos. 40 and 41 together.

The Common Fisheries Policy (CFP) is the fisheries policy of the European Union, which was first put in place in 1983 and has been subject to reviews every 10 years. The most recent review in 2002 and the next is formally scheduled for 2012. The European Commission published a Green Paper on the latest reform of the CFP in April 2009 in order to launch a consultation with member states and stakeholders and to initiate a broad public debate on the future CFP reform. An extensive nationwide public consultation process was conducted under the chairmanship of Dr. Noel Cawley. These consultations with all stakeholders contributed to

the paper *Ireland's Response to the Commission's Green Paper*, which was submitted to the Commission early in 2010.

I have examined this submission and have met and discussed the priorities for reform with fishing industry representatives. I fully endorse the priorities for change set down in Ireland's response on the CFP reform. The reforms we are seeking reflect a pragmatic approach involving changes that collectively take account of economic, social, environmental and sustainability factors.

The priorities I will focus on are:

- retention of the Hague Preferences;
- a new focus on addressing the discarding of fish at sea, with a complete ban being introduced for stocks in a depleted state;
- the retention of a management system based on national quotas, supported by increased flexibility and a rejection of the mandatory privatisation of fish quotas or the introduction of international trading of fish quotas;
- new measures to strengthen the market for EU producers and increase quayside prices;
- reinvigoration of European aquaculture, with continued structural support and a roadmap that establishes a route for growth in harmony with Community environmental law;
- a new regional structure to decision-making at EU level, with increased industry responsibility and the development of a culture of compliance;

In the current economic climate, we need a policy that both simplifies and reduces the administrative burden while at the same time strengthening and supporting the industry's capacity to maximise employment in coastal communities dependent on fishing. In particular, I will be pursuing initiatives that will deliver and sustain jobs in coastal communities rather than those that promote the concentration of wealth and delivery of excessive profits for a few big international businesses. I support a system that maintains strong economic links between national quotas and traditional fishing communities, which these quotas were allocated to assist. This will be a key area for Ireland in the ongoing discussions on the CFP.

I have arranged a bilateral meeting for tomorrow with Commissioner Damanaki, where I intend to vigorously pursue Ireland's position on key aspects of the reform which are critical for Ireland.

Food Industry

42. **Deputy Liam Twomey** asked the Minister for Agriculture, Fisheries and Food his plans to establish a unified food marketing board for Irish food products; and if he will make a statement on the matter. [7752/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): We have a unified body, Bord Bia, with the role of promoting the marketing of Irish food, seafood, drink and horticulture. In its market research, development and promotional activities, Bord Bia works closely with producers, industry and existing and potential customers throughout the world to communicate the high-quality sustainable production systems operating in Ireland and identify and promote market opportunities. Actual selling of produce is reserved to the private sector

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under EU Treaty and Single Market rules, and public funds may not be used to advertise purely on the basis of origin. That is the function of the sector and the market.

Food Harvest 2020, which sets out a vision and plan for the agri-food and fisheries sector, recommends the establishment of a “Brand Ireland”. That recommendation reflected the advice in *Pathways for Growth*, a high-level assessment by Harvard Business School, which was engaged by Bord Bia in 2010 to assess export opportunities for the Irish food and drink industry and provide a new perspective on pathways for growth. The concept is to develop an umbrella brand or enhanced reputation for the industry which is credible and distinctive and which embraces all aspects of Irish food and drink.

Food Harvest 2020 details the key steps necessary to progress the development of this approach. These include detailed scientific and market research into consumer trends, a strategy to emphasise the green and natural reputation of Irish food and drink, a credible scientific basis for product claims and the creation of the highest standards of food safety and traceability implemented in all participating products. The complexity in delivering on such an umbrella concept is high. A three-to-five year timeframe will be required.

Bord Bia has taken a lead role on this and has conducted research on a number of successful brand models. In addition, working closely with Carbon Trust and Teagasc, it has achieved PAS2050 standard (Publicly Assured Systems) for the sustainability credentials of its Beef and Lamb Quality Assurance Schemes. This is a very positive step towards realising the Brand Ireland concept.

Common Fisheries Policy

43. **Deputy Jim Daly** asked the Minister for Agriculture, Fisheries and Food his proposals to consult with stakeholders in the fishing industry on the negotiations for reform of the Common Fisheries Policy; and if he will make a statement on the matter. [7711/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The European Commission published a Green Paper on the Reform of the Common Fisheries Policy (CFP) in April 2009 in order to launch a consultation process with member states and all stakeholders and to initiate a broad public debate on the future CFP reform. Dr. Noel Cawley was appointed to oversee an extensive nationwide consultation process involving all stakeholders, fishermen, processors, environmental NGOs, etc., to contribute to the development of Ireland’s formal response to the Commission’s Green Paper. Advertisements were placed in national newspapers and a web portal was set up on the Fishing Net website so that all stakeholders and the general public could submit their observations on the CFP. *Ireland’s Response to the Commission Green Paper*, which was informed and shaped by the results of the consultation process, was submitted to the European Commission early in 2010.

Under the planned EU timetable for the review, it is now expected that the much-awaited draft legislative proposals on the reform will be circulated before the summer recess. As recently as 30 March, I took the opportunity to discuss Irish priorities on the CFP agenda with industry representatives. It is my intention to continue the consultation process with industry representatives and other stakeholders over the coming months with a view to maintaining a coherent and unified Irish position.

I can assure the Deputy that I am fully committed to working closely with fishing industry representatives, other stakeholders, our member state colleagues and the European Commission to strengthen the fisheries policy as a whole, as well as the traditional coastal communities that are dependent on it.

Milk Quota

44. **Deputy Paul J. Connaughton** asked the Minister for Agriculture, Fisheries and Food if he is concerned that Ireland could be over quota in the new 2011 to 2012 milk quota year; and if he will make a statement on the matter. [7716/11]

58. **Deputy Paul J. Connaughton** asked the Minister for Agriculture, Fisheries and Food if he has the confirmed quota position for the 2010 to 2011 milk quota year; and if he will make a statement on the matter. [7717/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I propose to take Questions Nos. 44 and 58 together.

As of earlier today, with 99% of the national quota accounted for by returns from milk purchasers, estimated butterfat-adjusted deliveries for the 2010/2011 milk quota were 0.43% under quota. While these are estimated figures, and a definitive outcome will not be available for some months, at this juncture it appears that the country has, fortunately, avoided a superlevy.

I am of course concerned that Ireland could be over quota in the 2011/2012 milk quota year. Favourable market and weather conditions over the last twelve months have contributed to a dramatic increase in milk production, which has resulted in a remarkable turnaround from a position in which the country was 10% under quota at the end of the 2009/2010 milk quota year. Increased heifer retention is also a significant factor in what is expected to be a further increase in milk production in 2011/2012 and subsequent years. Indeed, anecdotal evidence suggests already that this year has got off to a flying start.

In such circumstances it is appropriate to again remind all dairy farmers of the need to carefully plan their production activities and pay close attention to the limitations imposed by the quota regime if they are to avoid potentially very damaging superlevy fines. Even allowing for a further increase of 1% in the national quota since 1 April 2011, recent delivery trends, if repeated, will put the country in serious danger of going over quota. It is therefore incumbent upon every milk producer to exercise the necessary caution and to seek advice from, for example, Teagasc on the most sensible approach to be taken in managing their enterprises as they enter a crucial phase of the preparations for quota abolition in 2015.

For my part, I intend to continue my efforts to raise the issue of a soft landing at every opportunity with member state colleagues and with the Commission. The latter has resisted attempts to revisit this matter, and there is, in any event, no guarantee that a majority of member states will support calls for a more flexible milk quota regime. Therefore, Irish dairy farmers must continue to operate on the assumption that no further changes will be made to the quota arrangements agreed in the context of the CAP Health Check.

Question No. 45 answered with Question No. 33.

Departmental Schemes

46. **Deputy Marcella Corcoran Kennedy** asked the Minister for Agriculture, Fisheries and Food the arrangements that will apply to the agri-environment options scheme in 2011; and if he will make a statement on the matter. [7719/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I announced the opening of the Agri-Environment Options Scheme (AEOS) for the submission of 2011 applications on Wednesday 6 April. The closing date by which applications must be submitted to my Department is 16 May. Scheme documentation is now available on my Department's web-

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site and printed documentation will be available shortly. To assist both planners and farmers intending to apply for the 2011 scheme, officials from my Department have arranged a series of information meetings. Details of these meetings are published in the national press.

To fund the scheme, I have put in place an allocation of €25 million per year, with a maximum payment to any farmer of €4,000 per annum, and this will determine the overall number of farmers accepted into the scheme.

While the contract will be for a five-year period, the terms and conditions and payment rates for the new participants in the scheme will apply until the end of 2013. At that stage, participants will have the option of either terminating the contract without penalty or of opting to join whatever scheme may be introduced in the new EU Financial Perspective programming period.

As happened last year, farmers with commonage land or designated Special Areas of Conservation or Special Protection Areas will have to follow a sustainable management plan prepared by a planner, and will be given priority access to the scheme. Applicants other than those requiring a sustainable management plan are not required to engage a planner to complete their application forms.

Common Fisheries Policy

47. **Deputy Joe McHugh** asked the Minister for Agriculture, Fisheries and Food his plans to meet the EU Fisheries Commissioner, Maria Damanaki; and if he will make a statement on the matter. [7712/11]

52. **Deputy Joe McHugh** asked the Minister for Agriculture, Fisheries and Food when he will meet the EU Fisheries Commissioner, Maria Damanaki, to discuss the reform of the Common Fisheries Policy; and if he will make a statement on the matter. [7713/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I propose to take Questions Nos. 47 and 52 together.

Following my appointment as Minister for Agriculture, Food and the Marine on 9 March, I immediately sought a meeting with Commissioner Damanaki in order to discuss Ireland's priorities regarding the Reform of the Common Fisheries Policy and indeed other items of key importance for the Irish fishing industry. It is important from the perspective of furthering Ireland's priorities that I build up a close working relationship with the Commissioner, so I see this as an opportunity to develop a rapport and connect in a meaningful way with Commissioner Damanaki. I welcome the fact that the Commissioner has agreed to participate in a bilateral meeting with me tomorrow, Thursday 14 April, in Luxembourg. I expect to have a frank and forthright discussion with her on the reform of the CFP, from an Irish perspective, and to reiterate our concerns as outlined to me at my meeting with industry representatives on 30 March.

From an Irish perspective, our long-term priority is to have a strong, sustainable and profitable seafood industry that supports fishing and related economic activities in our coastal communities. I will be taking this opportunity to demonstrate the importance to Ireland of retaining quotas as a public good, hence ensuring the economic returns are kept within our coastal communities, protecting jobs and our social infrastructure. I want to explain our dependence on the Hague preferences, why they were introduced and, crucially, why they must be reflected in the new CFP. The issue of discards is high on the reform agenda, with the Commissioner giving it her top priority. I want to assure her of Ireland's desire and my personal commitment to address this wasteful and unacceptable practice.

From a practical viewpoint, we need to look at the reform timetable and the implications it will have for the Irish Presidency, which commences in January 2013.

I also want to use this opportunity to discuss the implications of the current disagreement with Iceland and the Faroe Islands on the management of the North East Atlantic mackerel stock. Economically, mackerel is Ireland's most important fishery, and it is critical for the long term stability of our pelagic fleet and the processing industry that depends on mackerel. The declarations for 2011 of both Iceland and the Faroes are that they intend to continue fishing unilaterally, outside international agreement and safe biological limits. Their actions are irresponsible, untenable and a serious threat to the well-being of the stock that has been built up by prudent management over a number of stable years under a Coastal States framework. I want to press on the Commissioner the need to take strong action now, including the possibility of trade sanctions to bring pressure to bear on these two parties to come to the table with reasonable demands and agree a long-term management framework for mackerel.

I look forward to a positive and constructive meeting with Commissioner Damanaki. I will endeavour to give her a full understanding of Ireland's priorities for both the reform and for the coming months.

Forestry Sector

48. **Deputy Sandra McLellan** asked the Minister for Agriculture, Fisheries and Food his views on the negative impact the privatisation of Coillte would have on the tourism industry in Ireland. [6195/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Coillte is one of 28 commercial state bodies that are currently being reviewed by the Review Group on State Assets and Liabilities chaired by Mr. Colm McCarthy. No decisions have yet been taken by the Government about the future of Coillte.

Agriculture Policy

49. **Deputy Michael Colreavy** asked the Minister for Agriculture, Fisheries and Food the steps he will take to ensure the achievement of the targets outlined in Food Harvest 2020. [7786/11]

63. **Deputy Martin Heydon** asked the Minister for Agriculture, Fisheries and Food his plans to make progress on the recommendations of Food Harvest 2020; and if he will make a statement on the matter. [7700/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I propose to take Questions Nos. 49 and 63 together.

The implementation of Food Harvest 2020 is a key commitment of the programme for Government. I would assure the Deputy that I am personally focused on progressing the wide range of State actions needed to drive implementation of this strategic document, which also includes the following targets to be achieved by 2020:

- Increase milk production by 50%.
- Improve the value-added in the sector by €3 billion.
- Achieve an exports target of €12 billion, a 42% increase
- Increase the value of primary output of the agriculture, fisheries and forestry sector by €1.5 billion.

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Actions have already been taken to progress implementation. A high-level implementation committee (HLIC), involving the CEOs of the relevant state agencies, has been established specifically to

- ensure a fully joined up effort on the part of State bodies in the implementation of FH2020;
- to encourage proactive engagement by the agri-food industry and private sector with the implementation process; and
- act as a “clearing house” for issues relating to the development of the sector.

I chair this Committee and I look forward to chairing its next meeting, which is scheduled for 19 April next.

Other actions already taken include:

- A call for research proposals targeted on the priorities identified in Food Harvest 2020.
- An Agri Research Expert Advisory (AREA) Group has been established to facilitate input from the agriculture industry into primary research programmes.
- A Dairy Expansion Activation Group, comprised largely of private sector representatives, recently published a Dairy Sector Road Map, which sets out the actions required by the sector to achieve the target 50% increase in milk production by 2020.
- A Beef 2020 Activation Group has been established. The purpose of this group is to drive the implementation of the relevant recommendations of the FH 2020 strategy. The group first met on 24 February and is at present engaging with the various stakeholders. Both the beef and dairy groups are to report back to the HLIC.
- Bord Bia, Teagasc and the UK Carbon Trust are collaborating to verify and improve the sustainability aspect of Bord Bia’s Beef Quality Assurance Scheme. Based on the work to date, from January 2011 environmental and economic assurance will be provided for premium markets, particularly in the EU.
- The ‘Brand Ireland’ concept is being developed initially through the work of Bord Bia.

I will continue to work to make substantial progress towards the achievement of the agri-food industry targets, and this summer I will produce a progress report which will outline the actions taken on each of the 157 recommendations in Food Harvest 2020.

Proposed Legislation

50. **Deputy Brendan Smith** asked the Minister for Agriculture, Fisheries and Food if he will give a commitment to publish and introduce the Animal Health and Welfare Bill in 2011.

[7698/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): It is my intention to publish the Animal Health and Welfare Bill this year. However, as the Deputy will be aware, the Bill is a large and complicated one and will require extensive work in conjunction with the

Office of Parliamentary Counsel to complete the required legal drafting. Once a complete draft is available I intend to publish the Bill.

Live Exports

51. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the steps he is taking to support a live cattle trade to Britain; and if he will make a statement on the matter. [7606/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The live export trade complements the processed beef trade by providing alternative market outlets thereby underpinning the meat and livestock industry generally.

There are two major components to the live export trade: calf shipments to the Continent, and the export of forward stores and finished cattle to the UK. First quarter data for 2011 shows that live exports are 34% below the exceptionally high levels achieved during the corresponding period in 2010. Exports to Great Britain decreased by 59% on those for the same period in 2010, those to Northern Ireland are down by 36% and those to all other destinations fell by 33%. The strength of live cattle exports in recent years can be expected to impact on cattle supplies and disposals in 2011.

However, the main reason for the decline in live exports is the narrowing of the price differential between the average prices paid by processors for finished cattle in Ireland compared to Northern Ireland and Britain. This makes live exports to the sterling area less financially attractive when transport costs are taken into account.

As part of its remit to support the export of Irish livestock, Bord Bia provides up-to-date market information to exporters in the form of weekly livestock reports and bi-monthly updates from each of the major markets, as well as regular communication with market offices. In addition, Bord Bia's market offices promote contact with new customers, organise promotional events for Irish livestock, arrange inward buyer visits, attend livestock trade fairs and forecasting meetings, commission market research and organise credit rating and language interpretation services as appropriate on behalf of the sector.

Question No. 52 answered with Question No. 47.

Afforestation Programme

53. **Deputy Michael Colreavy** asked the Minister for Agriculture, Fisheries and Food his proposals for the 14,700 ha. annual forestry planting programme. [7785/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Under the programme for Government, there is a commitment to invest in a 14,700 hectares per annum afforestation programme. This is a challenging target, as the average afforestation rate over the last three years (2008-2010) was 7,000 hectares per year; the Government intends to increase that level of afforestation over the coming years. I am currently considering the best means to achieve this higher target.

Beef Industry

54. **Deputy Michael Moynihan** asked the Minister for Agriculture, Fisheries and Food the steps he will take to ensure a 20% increase in beef production over the next ten years, as set out in Harvest 2020. [7695/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The Food Harvest 2020 report provides a road map for the long-term development of the Irish agri-food and fishery sectors, including the beef industry, and contains a series of recommendations to realise the vision set out in that document. With regard to the beef industry, Food Harvest 2020 makes a series of recommendations focussed on enhancing farm competitiveness, improving technology uptake and knowledge transfer within enterprises at all levels, ensuring animal production systems optimise productivity while minimising Greenhouse Gas emissions, improving the efficiency of the processing sector, and developing an ‘Ireland’ brand image to attract a price premium for Ireland’s green, natural, grass-fed product. In our programme for Government, we have indicated our support for the overall 2020 strategy and its targets.

In relation to beef, an Activation Group, chaired by Mr. Michael Dowling, a former secretary general of my Department, has been established to progress implementation of the relevant recommendations in consultation with various stakeholders. It is envisaged that the group will complete its work towards the end of May 2011.

Common Agricultural Policy

55. **Deputy Michelle Mulherin** asked the Minister for Agriculture, Fisheries and Food his views on the reform of the Common Agricultural Policy; and if he will make a statement on the matter. [7702/11]

59. **Deputy Joe Carey** asked the Minister for Agriculture, Fisheries and Food his views on the agreement reached at the March EU Agriculture Council on the broad approach to Common Agricultural Policy reform; and if he will make a statement on the matter. [7705/11]

61. **Deputy Michelle Mulherin** asked the Minister for Agriculture, Fisheries and Food his priorities in the negotiations for reform of the Common Agricultural Policy; and if he will make a statement on the matter. [7703/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I propose to take Questions Nos. 55, 59 and 61 together.

Further reform of the CAP is under discussion because the current financial programming period for the EU budget, including funds for the CAP, will end in 2013. A Commission communication setting out broad policy options for the future CAP, “The CAP towards 2020”, was presented on 18 November 2010. Following discussion of this communication at the Council of EU Agriculture Ministers, a majority of member states lent their support last month to a series of conclusions drafted by the Hungarian Presidency.

The Commission communication was the first formal step in the negotiating process for the CAP after 2013. The formal legislative proposals are due to be tabled by the Commission later this year. In that respect, the Presidency conclusions provide a strong signal to the Commission of the views of member states in this process. I believe the Presidency’s text was an inclusive presentation of member states’ positions and provides good guidance for the legislative work of the Commission.

The key issue for Ireland is that future EU agriculture policy should be common and well-funded, should address the twin objectives of increased competitiveness and sustainability and should provide Ireland with a fair share of EU funds. The continuation of direct payments to farmers is fundamental to achieving these goals. Decoupled income supports, together with judicious use of market management measures, serve to support and stabilise farm incomes and provide a platform for the production of food, the sustainable management of our natural resources and balanced rural development.

We also need to provide a series of targeted measures in the second pillar so that member states can focus on the particular needs of their own regions and sectors. I am particularly focused on the need for investment measures to restructure and modernise family farms. We must also, of course, provide appropriate scope to assist farmers with measures to underpin and improve the sustainability of their production systems and to encourage afforestation.

The size of the CAP budget will be determined by Finance Ministers and EU Heads of State and Government in the negotiations on the next multi-annual financial framework. Aside from seeking a well- resourced CAP, my main priorities in the upcoming negotiations on the CAP are:

- to retain Ireland’s current share of funding both for direct payments and for rural development in any redistribution of CAP funds between member states;
- to obtain maximum flexibility in the payment model or method for distribution of single payment funds to farmers within member states; and
- to retain investment and afforestation measures in the list of options for member states in the Rural Development regulation.

It is very early days in these negotiations. We still have to see the detailed legislative proposals and there will be difficult negotiations ahead, firstly to secure adequate funding from the overall multi-annual financial framework, and then to secure the CAP policies that are best suited to Irish needs.

Sheep Industry

56. **Deputy Denis Naughten** asked the Minister for Agriculture, Fisheries and Food the steps he is taking to support the sheep industry; and if he will make a statement on the matter.
[7607/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The sheep sector in Ireland has experienced renewed confidence in recent times. The valuable contribution this sector makes to the overall agri-food economy cannot be overestimated. The industry’s future will depend on its ability to meet the needs of the market and to do this effectively the focus must be on competitiveness, innovation and the demands of the consumer.

In our programme for Government, we indicated our support for the overall Harvest 2020 Strategy, which provides a vision for Irish Agri-Food and Fisheries for the next 10 years. Food Harvest 2020 targets 20% growth in output value for the sector by 2020 and sets out specific recommendations for the sheep industry. It predicts that over the coming years, demand for sheepmeat on the European market will outstrip production levels, which could provide opportunities for exporting countries such as Ireland, which should in turn provide the potential for better returns, provided the market and product diversification we have seen in recent years continues. The producer too should benefit from improved price prospects provided there is an increased focus on production, efficiency and product quality.

The recommendations of Food Harvest 2020 for the sheep industry focus both on farm competitiveness and the processing sector. On the farm side the emphasis is on the use of on-farm labour efficiencies and new technologies breed improvement and the production of a quality product. On the processing side, the report highlights efficiencies, innovation and improved product range.

Food Harvest 2020 endorses the recommendations of the 2006 Sheep Industry Development Strategy Group. The responsibility for the implementation of most of the recommendations

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lies with the industry itself. However a number of its recommendations are the responsibility of my Department and the state agencies under its aegis, and significant progress has been made in implementing them. The initiatives taken include:

- The establishment of ‘Sheep Ireland’ to take over the Department’s current breed improvement programme and develop a new one. An interim Sheep Board, comprising representatives of farming organisations and breeders will oversee this process, with the Irish Cattle Breeders Federation (ICBF) providing the technical and professional service required.
- The establishment of the Lamb Quality Assurance Scheme in 2007. This Scheme is operated by Bord Bia and now has over 8,300 participants.
- As part of its efforts to promote lamb in the home and export market, Bord Bia, together with its UK and French counterparts, is part of a generic promotion campaign in the valuable French market.
- Teagasc has developed a comprehensive plan to restructure its sheep support services, including a Better Farm Programme for sheep, which aims to establish focal points for the on-farm implementation, development and evaluation of technology that is relevant to the sheep sector. This approach provides an opportunity to engage with sheep farmers on the use of the latest management practices and to identify research and development needs.

The sector has also benefitted from a number of key supports in recent years, most notably: €7 million from the 2009 Single Farm Payment National Reserve under the Uplands Sheep Payment Scheme; €54 million for the three year grassland sheep scheme which commenced last year; and €8 million for the sheep fencing/mobile handling equipment scheme. In addition, Bord Bia will also spend up to €1 million this year on the promotion of sheep and lamb at home and abroad and Teagasc has allocated almost €1.5 million for sheep research for 2010.

All of the initiatives and supports I have mentioned have bolstered the sheep industry. I am confident that the Food Harvest 2020 targets for the sector can be met, provided its recommendations are followed. I am committed to supporting this industry and will monitor its progress closely.

Agriculture Policy

57. **Deputy Brendan Smith** asked the Minister for Agriculture, Fisheries and Food his priorities for the next three months. [7699/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): My priority for the next three months is to provide a renewed impetus to the development of the agri-food and marine sectors of our economy.

In our programme for Government, we have indicated our overall support for the Food Harvest 2020 strategy. Over the coming months I intend to ensure that all of the relevant stakeholders are fully engaged in the process of implementing the report’s recommendations. As far as the dairy sector is concerned, Dr. Sean Brady, who chaired the Dairy Expansion Activation Group, continues to be involved in the implementation phase and, with assistance from my Department, will report at the end of June on progress to date with the implementation of the 55 actions identified in the Dairy Road Map. In addition, The Beef 2020 Action Group is at present engaged in a round of consultations with stakeholders to progress the

implementation of the recommendations in Food Harvest 2020. I will be actively involved in facilitating the implementation of the recommendations in other sectors. In this context my intention is to produce a progress report in mid year on Food Harvest 2020.

In Europe, I will continue my engagement with the Commission, the European Parliament and Agriculture Ministers from other member states to ensure a successful outcome for Ireland in the upcoming negotiations on reform of the CAP. However, a more immediate priority is the MERCOSUR negotiations, where I will be working to ensure that there is a thorough debate in the EU Agriculture Council of the impact assessment due shortly from the Commission and that no offers are exchanged unless they have been vetted in full by the Council and the European Parliament.

At EU level, the Commission's dairy package is at present being discussed at Council and I will continue to work to ensure the best possible outcome for the Irish dairy sector. In the context of the abolition of milk quotas, I will of course continue to seek to ensure a soft landing for all member states, by whatever mechanism is deemed appropriate. There is strong resistance, however, to the idea of a further adjustment to the milk quota regime in the run-up to 2015. In the meantime, therefore, I will be reminding dairy farmers that they must continue to operate within the constraints of the quota regime here at home in order to avoid potentially very damaging superlevy fines.

I am of course extremely conscious that the margins of farmers in the pig sector are under significant pressure at present, primarily as a result of increasing feed prices. I have already met with farmer representatives in relation to this issue and I will continue to work at EU level to ensure that appropriate mitigating measures are taken.

On the fisheries side, I will work on establishing relationships with the Commissioner and other Ministers with regard to Ireland's Common Fisheries Policy reform agenda. I will be supporting BIM in the delivery of the value-added and development agendas. Continued management of Ireland's fish quotas will also be important.

I will also work towards the elimination of the aquaculture licence backlog and continue working towards the establishment of an effective licence monitoring and compliance system. I intend to continue the development of foreshore licensing co-ordination with the Department of Environment, Community and Local Government. The ongoing review of all aquaculture legislation is very important to my Department, as is the continuing work towards the introduction of new aquaculture licence templates.

In relation to the six fishery harbour centres owned by the Department, I will work towards their continued maintenance and development, subject to the availability of resources. I also intend to publish a revised Rates and Charges Order in respect of these Centres.

Another priority will be to carry out the comprehensive expenditure review which was announced by Government earlier in the week. In this context, I will be examining efficiencies that can be achieved in the expenditure by my Department to ensure that it can comply with the demands for the National Recovery Plan. In addition I will focus on ensuring that the Croke Park Action Plan is implemented in my Department and that it will continue to meet its obligations in relation to the employment control framework.

Question No. 58 answered with Question No. 44.

Question No. 59 answered with Question No. 55.

Agri-Food Sector

60. **Deputy Seán Kyne** asked the Minister for Agriculture, Fisheries and Food the way the

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agri-food sector can contribute to the country's economic revival; and if he will make a statement on the matter. [7715/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): As mentioned in my reply to Parliamentary Question 7714/11, I would regard the key contribution which the agri-food sector will make to Ireland's economic revival relates to

Its potential to generate export led growth

Its embedded contribution to the economy and employment,

Its ability to garner foreign export earnings; and

Together these provide the solid foundation for positioning this progressive indigenous industry as one of the central components of the country's export driven recovery.

Question No. 61 answered with Question No. 55.

Inshore Fishing Industry

62. **Deputy Richard Boyd Barrett** asked the Minister for Agriculture, Fisheries and Food his plans to revive the inshore fishing industry; and if he will make a statement on the matter. [7784/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Firstly, I wish to give an assurance that I am strongly committed to the development of all aspects of the seafood sector, where I see considerable opportunity for job creation. In the current economic climate I am conscious of the economic importance of the inshore sector to our coastal communities and I wish to give a commitment that I will work to maintain and enhance this sector. I understand that the inshore sector has its own particular issues and challenges which I intend to examine over the coming period. The inshore fisheries are economically important and provide premium product for the home and export markets. The challenge for me will be to support environmental sustainability and to maximise returns from both the fresh and processed markets.

Bord Iascaigh Mhara (BIM) is the State body responsible for the development of the fishing industry. BIM's Strategy for the Seafood Sector is geared at improving the seafood sector's performance by assisting industry through programmes of skills development, enhanced environmental compliance, product differentiation and labelling, new product development and innovation and improved commercial practices. The Strategy's time frame and targets are designed to contribute to the achievement of 2020 targets in Food Harvest (FH 2020).

To date, BIM has made considerable progress in assisting the seafood sector in being more innovative. The BIM Seafood Development Centre, based in Clonakilty, Co. Cork, has assisted in excess of 60 companies in using its innovation facility since its launch in 2009. BIM is also taking a strong role in terms of working with inshore fishermen in relation to conservation and management issues.

An area of immediate priority is to deliver compliance with the Birds and Habitats Directives following the European Court of Justice (ECJ) ruling in 2007 that Ireland was not in compliance with the requirements of the Birds and Habitats Directives in a number of respects. Failure to comply with the Directives could see the imposition of fines on Ireland. The implementation of the Birds and Habitats Directives is particularly relevant to inshore fishermen as the areas designated as special areas of conservation or special protected areas are primarily

located in bays and inlets and other areas close to the coastline. There are over 90 such designated areas around the coastline. All activities in Natura sites, including inshore fisheries, are subject to assessment to determine significant impacts on the conservation objectives of the Natura sites. The immediate priority is to deliver compliance of fisheries activities with the requirements of these Directives. The National Parks and Wildlife Service, the Marine Institute, BIM and the Department are prioritising the assessment of compliance for inshore fisheries around the coast in Natura sites on a systematic basis. My objective is to deliver full compliance with the Birds and Habitats Directives for this sector at the earliest possible date.

Question No. 63 answered with Question No. 49.

Alternative Farm Enterprises

64. **Deputy David Stanton** asked the Minister for Agriculture, Fisheries and Food the number of applications received in the bioenergy scheme 2011; the number of hectares of planting which will be supported under the scheme; and if he will make a statement on the matter. [7780/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The Bioenergy Scheme for 2011 was launched on 16th November 2010, with a closing date for receipt of applications of 19th January 2011. Due to the adverse weather conditions experienced in December 2010 and early January 2011 which caused great difficulty for farmers, advisors and contractors in assessing suitability of land for planting with miscanthus or willow, the then Minister announced a two week extension of the closing date for receipt of applications until 2nd February 2011.

89 applications were received under the 2011 Bioenergy Scheme. To date, 42 pre-planting approvals have been issued, representing in the region of 200 hectares of willow and a further 200 hectares of miscanthus. 22 applications were either withdrawn after the Scheme closing date or did not meet the criteria for the Scheme. Some 25 further applications are still being processed.

Agri-Environment Options Scheme

65. **Deputy Marcella Corcoran Kennedy** asked the Minister for Agriculture, Fisheries and Food his plans to open the agri-environment options scheme in 2011; and if he will make a statement on the matter. [7718/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): I announced the opening of the Agri-Environment Options Scheme (AEOS) for 2011 on Wednesday 6 April. The closing date for the receipt of applications is 16 May 2011 and I have made available €25m per year to fund the scheme. The maximum annual payment to any farmer is €4,000. Scheme documentation is available on my department's web site and printed documentation will be available shortly.

While the contract for successful applicants will be for a 5 year period, the terms and conditions and payment rates for the new participants in the scheme will apply until the end of 2013. At that stage, participants will have the option of either terminating the contract without penalty or of opting to join whatever scheme may be introduced in the new EU Financial Perspective programming period.

As with last year, farmers with commonage land or designated Special Areas of Conservation or Special Protection Areas will have to follow a 'Sustainable Management Plan' prepared by a planner and will be given priority access to the scheme. Applicants other than those requiring a sustainable management plan are not required to engage a planner to complete their appli-

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cation form. These applicants will be accepted into the scheme based on the pre-determined selection criteria set out in the scheme Terms and Conditions.

Tax Code

66. **Deputy John Browne** asked the Minister for Finance if his attention has been drawn to the situation in which rights have been given to entities outside of Ireland not to disclose matters relevant to the European Free Movement of Goods (details supplied) thus adversely affecting small medium enterprises here and the economy and if he will act to close this VAT loophole and ensure that Irish companies are not put at a disadvantage. [7799/11]

Minister for Finance (Deputy Michael Noonan): I am advised by the Revenue Commissioners that under the European common system of Value-Added Tax a VAT-registered trader in one Member State supplying goods to a VAT-registered trader in another Member State may zero-rate the supply and the customer must self account for VAT in that other Member State. The Value-Added Tax treatment of intra-EU cross-border sales of goods means that where, for example, a UK VAT-registered supplier supplies goods to an Irish VAT-registered customer the transaction is not subject to UK VAT and the Irish customer must self-account for Irish VAT. In addition, the EU VAT Directives provide that any VAT registered trader who supplies goods to a VAT registered person in another Member State must complete a VAT Information Exchange System (VIES) Statement detailing all the VAT registered customers in other Member States to whom he/she has supplied goods in respect of which that customer is liable for payment of the VAT due. The VIES Statements form the basis of compliance programmes in Member States. The VIES Statements are a reporting requirement that is distinct from Financial Regulation Standard 8 and details of intra-Community supplies between a retailer established in another Member State and an Irish retailer should be included on a VIES Statement.

The information provided by the Deputy refers to UK suppliers shipping goods to Ireland on behalf of and for UK retailers using Irish VAT numbers. The Deputy suggests that this may be happening in some cases without applying the correct invoicing arrangements, resulting in a loss of VAT. I am advised by the Revenue Commissioners that their audit and assurance programmes in relation to VAT include an examination of intra-community acquisitions, where such imports are a feature of the businesses being audited. These examinations generally involve a cross check of the VIES system. Where there are indications that incorrect arrangements may be in operation the Revenue Commissioners on their own or, in the case of UK suppliers in conjunction with HM Revenue and Customs (under mutual assistance procedures), carry out further enquiries to ensure compliance with VAT legislation. If the Deputy has more specific details in relation to the alleged abuses he should forward those details to the Revenue Commissioners.

Local Authority Charges

67. **Deputy Olivia Mitchell** asked the Minister for Finance if he will consider, in the context of upcoming budgets, the practice by the Revenue Commissioners of demanding a second home payment from property owners operating multiple bed-sits or apartments within a single building and similarly where the second home fee is being charged on each home in holiday home developments, as both of these sectors are suffering grievously in the current economic conditions; and if he will make a statement on the matter. [7818/11]

Minister for Finance (Deputy Michael Noonan): The charge on non-principal private residences is a matter for the Minister for the Environment, Heritage & Local Government. I

understand from his Department that the Government decided in 2009 to broaden the revenue base of local authorities by introducing a charge on all non-principal private residences. The charge is payable by the owners of private rented accommodation, holiday homes and any other residential property that is not the owner's sole or main residence. The Local Government (Charges) Act 2009, which sets out the detail of the charge, defines residential property as including flats, apartments and bedsits. The €200 charge is payable on each unit of accommodation used, or suitable for use as a separate dwelling, whether or not any amenity or facility in the building or premises may be shared. The owner of a house split into a number of bedsits is thus liable for the charge on each unit in that house.

While there is no specific exemption from the charge for commercial holiday home developments, the Local Government (Charges) Act 2009 makes it clear that a property will be exempt from the charge if it is liable for commercial rates.

The view was taken when the Bill was being debated in the Oireachtas that this was the fairest approach.

There are no plans to amend the charge on non-principal private residences in either respect presently.

Capital Projects

68. **Deputy Sean Fleming** asked the Minister for Finance the construction projects planned by the Office of Public Works for Government agencies in the next five years and the next five to ten years and if he will provide a list of same. [7838/11]

Minister of State at the Department of Finance (Deputy Brian Hayes): The capital allocation of the Office of Public Works is expended upon flood relief works, purchase of sites and buildings, certain grants and building construction projects. The advancement of capital works over the next five to ten years, particularly construction projects, is dependant upon the availability of funding each year and prioritisation of projects by the various client Departments and Agencies served by OPW, eg An Garda Síochána, Revenue Commissioners, various Government Departments, etc. It is not possible to predict at this point what level of funding will be available and therefore not possible to provide a list of projects to be undertaken in the timeframes stated. OPW also undertakes capital works for certain State Agencies on a repayment basis, eg Courts Service, Prison Service, Coastguard Service. Predicting the advancement of projects for these bodies is subject to similar considerations.

Tax Code

69. **Deputy Tom Fleming** asked the Minister for Finance if he will reintroduce the excise duty rebate scheme or an alternative scheme of reduced fuel prices for the coach touring holiday business. [7852/11]

Minister for Finance (Deputy Michael Noonan): A derogation under EU Directive 2003/96 on Energy Taxation allowed the application of a reduced rate of Mineral Oil Tax to fuel used for the purposes of certain road passenger services. That derogation has expired and the arrangement was, therefore, terminated by the Finance Act 2008. It would not be possible, having regard to the relevant provisions of EU law, to re-introduce a scheme of that nature for those services.

Mortgage Debt

70. **Deputy Niall Collins** asked the Minister for Finance the number of mortgage holders who have tracker mortgages, variable mortgages and fixed mortgages here. [7863/11]

Minister for Finance (Deputy Michael Noonan): I am informed by the Central Bank that approximately 52 per cent of owner-occupier residential mortgage debt relates to trackers, 33 per cent to other variable rates and the remainder is on fixed rates of over one year duration.

71. **Deputy Niall Collins** asked the Minister for Finance if the numbers of mortgage holders and the type of mortgage they hold can be broken down on a county basis. [7864/11]

Minister for Finance (Deputy Michael Noonan): I am informed by the Central Bank that they do not compile such statistics on a county basis.

Departmental Expenditure

72. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the recent bank deal on Exchequer spending for 2011 and 2012 onwards; and if he will make a statement on the matter. [7901/11]

73. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the Exchequer commitments to Anglo Irish Bank on each budget until 2016; and if he will make a statement on the matter. [7902/11]

74. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the Exchequer commitments to AIB on each budget until 2016; and if he will make a statement on the matter. [7903/11]

75. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the Exchequer commitments to Bank of Ireland on each budget until 2016; and if he will make a statement on the matter. [7904/11]

76. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the Exchequer commitments to Irish Life & Permanent on each budget until 2016; and if he will make a statement on the matter. [7905/11]

77. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the Exchequer commitments to Irish Nationwide on each budget until 2016; and if he will make a statement on the matter. [7906/11]

78. **Deputy Thomas P. Broughan** asked the Minister for Finance the impact of the Exchequer commitments to EBS on each budget until 2016; and if he will make a statement on the matter. [7907/11]

Minister for Finance (Deputy Michael Noonan): I propose to take Questions Nos. 72 to 78, inclusive, together.

In terms of the recent banking announcement, it is not possible to be definitive at this time about the impact on the Exchequer position. The Government will require burden sharing from subordinated bond holders, will require capital generating asset disposals by banks and the banks will also be encouraged, where possible, to generate private sector investment. This will help reduce the requirement for funding for the banks from the Exchequer and alleviate the burden on the domestic taxpayer.

My Department is currently in the process of revising its overall macroeconomic and fiscal forecasts, including Exchequer borrowing estimates, in light of emerging economic, fiscal and banking data. These revised forecasts will be presented in the Irish Stability Programme Update

which is due to be submitted to the EU Commission by the end of April in line with the terms of the new EU Semester.

In terms of relevant background information, the position is as follows.

In 2010, €25.3 billion was committed to be provided to Anglo Irish Bank by way of Promissory Note. The terms of the Promissory Note provides, inter alia, that 10 per cent shall be paid to the Note holder each year. The first such payment, amounting to €2.53 billion, was made to the institution in March 2011 and similar payments will fall due for payment from the Exchequer each year up to and including 2016. Further payments will also arise beyond 2016 until the principal amount of the Anglo Promissory Note, including accrued interest, has been fully paid off.

In 2010, €5.3 billion was also committed to be provided to Irish Nationwide Building Society (INBS) by way of Promissory Note. Like the Anglo Note, the terms of the INBS Promissory Note also provides, inter alia, that 10 per cent shall be paid to the Note holder each year. The first such payment, amounting to €530 million, was made to the institution in March 2011 and similar payments will fall due for payment from the Exchequer each year up to and including 2016. Further payments will also arise beyond 2016 until the principal amount of the INBS Promissory Note, including accrued interest, has been fully paid off.

The combined payment to Anglo Irish Bank and INBS in March 2011 was €3.06 billion and this sum is provided for in the end-March Exchequer Statement under Note 6 “*Non-Voted Capital Expenditure*”.

In 2010, €250 million was also committed to be provided to Educational Building Society (EBS) by way of Promissory Note. Payment of the original principal sum will be made in equal annual instalments of €25 million, beginning in June 2011 and will continue beyond 2016 until the principal amount of the EBS Promissory Note, including accrued interest, has been fully paid off.

The non-voted capital expenditure estimates for 2011-2014 contained in Budget 2011 provide for these payments to Anglo Irish Bank, INBS and EBS in each of the years 2011-2014.

The requirement for additional capital for the banking sector, arising from the results of the PCAR/PLAR process, was announced on 31 March.

The results show that a further €24 billion is required by the banking sector to buttress their balance sheets. Allied Irish Banks (AIB) requires €13.3 billion, Bank of Ireland requires €5.2 billion, Irish Life & Permanent (IL&P) requires €4 billion and EBS €1.5 billion.

It should be noted that €5.3 billion of this €24 billion represents a buffer over and above what was required to meet the requirements of the stress test. Moreover €3 billion of this figure will represent contingent capital.

€10 billion of the €24 billion will be provided from the National Pensions Reserve Fund (NPRF) and thereby involves no impact on the Exchequer position. This was already included in the budgetary forecasts published in December 2010. All of the capital support provided to AIB and Bank of Ireland to date has been sourced from the NPRF.

Finally, as noted at the outset, the impact of the net additional capital support for the banking sector, over and above what had previously been factored in, is currently being assessed. If the full additional €14 billion had to be sourced by the Exchequer, this could require additional debt interest expenditure of the order of some €800 million per annum. This is a purely technical estimate and there are a number of factors which will determine the actual increase in debt interest expenditure. As I have already outlined, there are a number of mitigating factors which will help reduce the requirement for funding for the banks from the Exchequer and alleviate the burden on the domestic taxpayer.

Banking Sector Regulation

79. **Deputy Thomas P. Broughan** asked the Minister for Finance if he would reconsider his decision to merge the EBS into AIB in view of the relatively low level of State support for the EBS and the major financial and corporate governance issues at AIB; if he has considered permitting EBS to do a reverse takeover in view of AIB's record; and if he will make a statement on the matter. [7908/11]

Minister for Finance (Deputy Michael Noonan): In my Statement on Banking on 31 March 2011, I announced that the Government intends to combine the operations of AIB and EBS to build a second Pillar bank from the strengths of both institutions. This followed the announcement the previous day by the National Treasury Management Agency that the bid to purchase EBS did not represent good value for the State. The Government's decision followed an in-depth assessment of the future banking landscape in Ireland which was carried out by the authorities with the assistance of expert international consultants. The merger was also recommended to the Government by the Governor of the Central Bank and is consistent with the creation of viable and sustainable credit institutions able to lend to the real economy and to secure the maintenance of financial stability. The merger of AIB and EBS is an important and necessary step in the fundamental reorganisation of the banking system in Ireland in order to meet the Government's objectives for the sector. The merger will be subject to various regulatory approvals including in relation to EU State aid.

Departmental Expenditure

80. **Deputy Thomas P. Broughan** asked the Minister for Finance when he expects the first expenditure estimates for 2012; if Dáil Éireann will have any input into this process; and if he will make a statement on the matter. [7909/11]

Minister for Finance (Deputy Michael Noonan): The Comprehensive Review of Expenditure which is to take place over the coming months will examine all areas of public spending. The outcomes of the above process will be brought before Government in the autumn for consideration and decision in the annual Budget and Estimates process. I anticipate that expenditure estimates will be published in Budget 2012, as part of the unified budget process. The more detailed "Revised Estimates for Public Expenditure 2012" will follow and be discussed by the relevant Dáil select committee before being voted upon in the Dáil.

Jobs Initiative

81. **Deputy Thomas P. Broughan** asked the Minister for Finance if he will indicate the time-frame for the preparation and publication of the jobs budget; and if he will make a statement on the matter. [7910/11]

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 Initiative to put this strategy into effect, as set out in the Programme for Government. While a specific date for the publication of such an Initiative has yet to be finalised, I would envisage that it will be some time in May. 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.

State Banking Sector

82. **Deputy Thomas P. Broughan** asked the Minister for Finance his plans to establish a strategic investment bank; and if he will make a statement on the matter. [7911/11]

Minister for Finance (Deputy Michael Noonan): As I indicated in a reply to PQ 7400 (No. 128) on 12 April, the Government will only be in a position to decide on the timing and the structure for setting up the Strategic Investment Bank when the necessary detailed assessment and planning work has been done. Because the necessary work is not completed, the Government Legislation Programme for the summer session which was published on 5 April does not contain legislation in relation to the Strategic Investment Bank.

Debt-to-GDP Ratio

83. **Deputy Thomas P. Broughan** asked the Minister for Finance if he will indicate the debt-to-GDP ratio to the end of 2011; and if he will make a statement on the matter. [7912/11]

Minister for Finance (Deputy Michael Noonan): Based on the macroeconomic and fiscal outlook underpinning Budget 2011, my Department forecast, in Budget 2011, that the general Government debt-to-GDP ratio would be 98.6% in 2011. In addition to being based on the normal macroeconomic and fiscal forecasts, this forecast was also based on the assumption that a sum of €10 billion would be required to recapitalise the banking sector in 2011. It was assumed that this capital amount would be sourced from the National Pensions Reserve Fund and would therefore involve no addition to the stock of debt.

The PCAR/PLAR process has been completed and we now know that the Central Bank has concluded that a further €24 billion is required by the banking sector, some €14 billion above the amount assumed in the Budget forecast. On a purely technical assumption that this entire additional sum was to be added to the debt, the General Government debt ratio in 2011 would increase by just under 9 per cent of GDP, and would on that basis stand at approximately 107 per cent of GDP.

This technical estimate was set out in the “*Presentation on Banking Reorganisation*” that was published on the Department of Finance website in the aftermath of the banking announcement on 31 March. However, it is not expected that this full additional amount of recapitalisation will have to be borne by the Exchequer.

Finally, it is important to point out that there are a number of other variables that make up the estimate of the debt ratio such as the level and composition of economic growth and the prospects for the public finances. In this regard, my Department is currently in the process of revising its overall macroeconomic and fiscal forecasts, including debt estimates, in light of emerging economic, fiscal and banking data. While this process is ongoing, it is clear that the short-term prospects are somewhat weaker and this will have implications for the estimated debt ratio for 2011. These revised forecasts will be presented in the Irish Stability Programme Update which is due to be submitted to the EU Commission by the end of April in line with the terms of the new EU Semester.

Mortgage Arrears

84. **Deputy Regina Doherty** asked the Minister for Finance if his attention has been drawn to the fact that borrowers who apply for interest-only options on their mortgages with State-owned banks and who fully co-operate with the mortgage arrears resolution process are being labelled with bad credit ratings through the rolled-up value of their mortgages, which is affecting future lending ability; and if he will make a statement on the matter. [7917/11]

Minister for Finance (Deputy Michael Noonan): The Central Bank’s revised Code of Conduct on Mortgage Arrears states that when arrears arise on a borrower’s mortgage and remain outstanding for 31 days from the date the arrears arose, a lender must inform the borrower of the impact of missed mortgage repayments and repossession on the borrower’s credit rating.

[Deputy Michael Noonan.]

Under the Mortgage Arrears Resolution Process, a lender must explore alternative repayment arrangements including an interest-only arrangement for a specified period. Where an alternative repayment arrangement is offered by the lender, the lender must provide the borrower with a clear explanation, in writing, of the alternative repayment arrangement, including how the alternative repayment arrangement will be reported by the lender to the Irish Credit Bureau and the impact of this on the borrower's credit rating.

In the normal course of events, if a borrower enters an interest only repayment arrangement their credit rating may not be affected; however, where there are arrears outstanding on the mortgage account, the borrower's credit rating may be affected and the borrower must be advised of this.

Tax Code

85. **Deputy Richard Boyd Barrett** asked the Minister for Finance, in view of the fact that the one-parent family tax credit can be withdrawn on the basis that a person is living with another person as man and wife, if he will explain, when a person does not wish to declare themselves to be living with another person as man and wife, the criteria used by the Revenue Commissioners to make that decision on their behalf; the reason a person can be considered as a wife — or husband, in the case of a man — by the Revenue Commissioners for the purpose of withholding a one-parent family tax credit, while the same person will not be granted the status of wife or husband for the purposes of inheritance tax and other taxation matters. [7921/11]

Minister for Finance (Deputy Michael Noonan): Section 462 of the Taxes Consolidation Act 1997 provides for an additional credit to be granted to a person who proves that they have a qualifying child residing with them for the whole or part of the tax year.

A qualifying child is a child who is

- under 18 years old at the beginning of the tax year, or
- if over 18 years old at that time, in full-time education (including an apprenticeship), or
- permanently incapacitated by reason of mental or physical infirmity and became incapacitated before the age of 21 or while in full-time education, and who is either the child of the person or is in the care of and maintained by the person at his or her expense for all or part of the tax year.

The credit is designed to recognise the special circumstances and additional costs involved in a lone parent situation. For this reason the additional credit is not available to spouses who are residing together or to a man and woman living together as man and wife.

Where a dispute arises as to whether a person is entitled to the credit, Revenue staff examine the case based on the facts and information available to them. Where a taxpayer is dissatisfied with a Revenue decision he or she can appeal in the first instance to the Appeal Commissioners and then to the courts.

In addition to a person's statutory rights of appeal, every person has a right to seek a review of Revenue's handling of his or her tax affairs, or of decisions made by a Revenue official. This review can be carried out under one of the following procedures, at the taxpayer's choice:

- (a) local review by the appropriate District Manager or Regional Assistant Secretary,
- (b) by Revenue's Internal Reviewer alone, or

(c) jointly by Revenue's Internal Reviewer and an External Reviewer.

Further details are set out in Statement of Practice — Revenue Internal Review Procedures (SP-GEN/2/99 (Revised January 2005)).

Inheritance law has its basis in the Succession Act 1965, and tax law concerning inheritance, as contained in the Capital Acquisitions Tax Consolidated Act 2003, follows these general law principles as regards determining the status of relationships. Therefore, the relationship between a couple who are not married, although living together as man and wife, is not recognised for the purposes of the higher exemption thresholds that might be granted to married persons when calculating inheritance tax.

Finally, with regard to other Revenue matters concerning cohabiting couples, sections 1017 to 1019, inclusive, of the Taxes Consolidation Act 1997 deal with the joint assessment of married couples for a tax year. Persons assessed to tax under these provisions are entitled to married person's tax treatment. Before the tax year 2011, these provisions only applied to married couples. For the tax year 2011 and future tax years joint assessment treatment will be extended to civil partners (within the meaning of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010). The legislation to provide for this extension is currently being prepared.

All other persons are assessed for tax as single persons in accordance with section 1016 of the Taxes Consolidation Act 1997.

Coastal Protection

86. **Deputy Terence Flanagan** asked the Minister for Finance, further to Parliamentary Questions Nos. 176 of 30 March 2010 and 67 of 14 October 2010, the position regarding a flood defence wall (details supplied); and if he will make a statement on the matter. [7941/11]

Minister of State at the Department of Finance (Deputy Brian Hayes): The Office of Public Works is currently evaluating an application from Fingal County Council for funding under the Minor Flood Relief Scheme for coastal protection works at the location referred to by the Deputy.

The evaluation will have regard to the Major Flood Risk Assessment and Management Study for the Fingal — East Meath Catchment area (FEM CFRAM), which is nearing completion. It is important that any approved works for the location concerned are compatible with the findings of the study.

It is hoped to complete the evaluation process in the near future, having due regard to the overall availability of resources.

Podiatry Courses

87. **Deputy David Stanton** asked the Minister for Education and Skills the number of students who will graduate as podiatrists in the current year; and if he will make a statement on the matter. [7808/11]

Minister for Education and Skills (Deputy Ruairí Quinn): No students are scheduled to graduate as podiatrists in the current year. The National University of Ireland, Galway established a four-year BSc Honours course in Podiatry in 2008. This is the only Podiatry course available in Ireland at third level. The first intake of students to the course is due to graduate in 2012. The course intake is limited to a maximum of 25 students per annum.

Summer Works Scheme

88. **Deputy Pearse Doherty** asked the Minister for Education and Skills if he has received the health and safety concerns raised in a report supplied to him from a school (details supplied) in County Donegal; if he will consider providing funding for essential works to this school; and if he will make a statement on the matter. [7816/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I can confirm that the school submitted an application for the works referred to by the Deputy under the 2011 Summer Works Scheme. Unfortunately, due to the scale of demand for funding under the scheme, it was not possible to grant aid all applications. As outlined in the Circular governing the operation of the scheme, applications for works in the higher categories of eligible works were prioritised and it was not possible to include the school referred to by the Deputy in the list of 453 successful schools that was announced on 30 March 2011. A letter to this effect has issued to the school.

In the meantime, for works that are of a very urgent nature, it is open to the school authorities to consider if the works in question qualify for funding under the Department's Emergency Works Scheme. An emergency is deemed to be a situation which poses an immediate risk to health, life, property or the environment which is sudden, unforeseen and requires immediate action and, in the case of a school, if not corrected would prevent the school or part thereof from opening. Details of the Scheme, together with an application form for grant assistance, can be accessed on the Department's website at www.education.ie.

Special Educational Needs

89. **Deputy John Deasy** asked the Minister for Education and Skills if he has any policy in relation to special needs assistants; if he will introduce a panel for SNA's who are fully qualified; and if he will make a statement on the matter. [7817/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The qualifying criteria for the allocation of Special Needs Assistant (SNA) support is outlined in my Department's Circular 07/02. In addition, procedures for the appointment of SNAs and details of qualifications for SNAs are set out in Departmental Circulars 05/2001 and SNA 03/2003.

It is important to note that SNA allocations are not permanent, as the level of SNA support allocated to a school may be increased or decreased as pupils who qualify for SNA support enrol or leave a school. They are also decreased where a child's care needs may have diminished over time. There are no plans to introduce a panel for SNA's.

The National Council for Special Education (NCSE) is responsible, through its network of local Special Educational Needs Organisers (SENOs) for allocating resource teachers and SNAs to schools to support children with special educational needs. The NCSE operates within my Department's criteria in allocating such support, which now includes a requirement for the NCSE to have regard to an overall cap on the number of SNA posts.

This number is 10,575 whole time equivalent (WTE) posts. This is a significant number of posts and unlike other areas of the public sector vacancies are being filled up to this number. It also represents continual increases in the number of SNAs over recent years. For example, there were 10,543 WTE SNA posts in place at the end of 2010 and 10,342 at end 2009.

It is considered that with equitable and careful management and distribution of these resources that there should be sufficient posts to provide access to SNA support for all children who require such care support to attend school, in accordance with Departmental criteria.

The NCSE has issued a circular to all schools advising of the allocation process for the 2011/2012 school year. A key feature of the amended scheme will be to provide for an annual allocation of SNA support to eligible schools.

My Department and I will be glad to consider any suggestions from school management or parent representative organisations as to how the allocation of SNA resources can best be managed within the context of the overall limit on SNA numbers established. In this regard I am committed to making whatever improvements are possible to the resource allocation system.

Vocational Education Committees

90. **Deputy Ann Phelan** asked the Minister for Education and Skills if he will continue the decision of the last Administration to amalgamate vocational education committees. [7823/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I have recently extended an invitation to the Irish Vocational Education Association (IVEA), given their concerns about the current proposals for VEC aggregation, to submit alternative proposals for my consideration. The IVEA has indicated that it will respond later this month and I will be considering their proposals in the coming period.

While I am open to proposals on alternative configurations, I am anxious to ensure that swift progress continues to be made in the work of bringing about a reduction in the number of VECs.

Capital Projects

91. **Deputy Sean Fleming** asked the Minister for Education and Skills the construction projects that are planned by him for the next five years; and if he will provide the list of same and the stage that they have reached and the expected time line regarding the different projects going to construction. [7833/11]

Minister for Education and Skills (Deputy Ruairí Quinn): My Department's most recent projections indicate that enrolments at post-primary level will rise from current levels of circa 312,200 pupils to about 336,600 pupils by the year 2017 and at primary level enrolments are expected to increase from the current total enrolment of circa 505,600 pupils to an expected enrolment circa 567,300 pupils by the year 2017. It is within this context that the Forward Planning Section of my Department is finalising its analysis of all areas in the country in order to determine the level of additional school provision which will be required at both primary and post primary level up to 2017.

The 2011 school building work programme, which was announced in January, is outlined on my Department's website at www.education.ie. In addition, the current status of all projects on the school building programme is published on my Department's web-site and this programme will be regularly updated throughout the year.

School Enrolments

92. **Deputy Sean Fleming** asked the Minister for Education and Skills the primary schools in County Laois that have less than 50 pupils; and if he will make a statement on the matter. [7834/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The most recent data available refers to the last complete school year 2009/10.

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A full list of primary schools, including those in County Laois with their enrolments can be found on my Department's website www.education.ie.

Schools Building Projects

93. **Deputy Tom Fleming** asked the Minister for Education and Skills if he will investigate the unfinished school building infrastructure at a school (details supplied). [7848/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I can confirm that the school to which the Deputy refers has applied to my Department for major capital funding for an extension.

In accordance with the published criteria for large scale building projects, the project for this school has been assessed and assigned a Band 2 rating. Information in respect of the current school building programme along with all assessed applications for major capital works, including this project, is available on the Department's website at www.education.ie.

The progression of all large scale building projects, including this project, from initial design stage through to construction phase will be considered in the context of the Department's multi-annual School Building and Modernisation Programme. However, it is not possible to give an indicative timeframe for the progression of the project at this time.

In the meantime, the Department has approved grants under the Summer Works Scheme and the Contingency Fund to assist the school in maintaining the fabric of the existing school building.

Employment Support Services

94. **Deputy Willie O'Dea** asked the Minister for Education and Skills if he has received correspondence from FÁS on the subject of a European Globalisation Fund mobility allowance for an organisation (details supplied); and if he will advise if he is prepared for eligible workers to avail of these allowances. [7854/11]

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): FÁS has been designated to manage the European Globalisation Fund as it applies to former DELL and related workers in Limerick. The question of mobility allowances and their application to these workers is an operational one for FÁS.

Schools Refurbishment

95. **Deputy Paudie Coffey** asked the Minister for Education and Skills if he, in the interests of road and pedestrian safety, will approve an application for emergency funding to carry out essential works to make urgent safety improvement works for safe access and egress from the regional road to a school (details supplied) in County Waterford; and if he will make a statement on the matter. [7856/11]

Minister for Education and Skills (Deputy Ruairí Quinn): An application was made under the 2011 Summer Works Scheme by the school in question for a new drop off area at the school entrance. Unfortunately, due to the scale of demand for funding under the scheme, it was not possible to grant aid all applications. As outlined in the Circular governing the operation of the scheme, applications for works in the higher categories were prioritised. The Department of Education and Skills prioritised applications from schools for Summer Works that were either Mechanical, Gas or Electric in nature.

Site Acquisitions

96. **Deputy Michael Moynihan** asked the Minister for Education and Skills the position regarding the reimbursement of fees and charges incurred as part of the process of identifying and acquiring a site for the proposed amalgamated primary school at a location (details supplied) in County Cork. [7866/11]

Minister for Education and Skills (Deputy Ruairí Quinn): In 2002, agreement was reached to amalgamate the two primary schools referred to by the Deputy. The application for capital funding to facilitate this amalgamation was assessed and assigned a band rating of 1.4. The school authority engaged the services of a consultant to provide input into their proposals for a new greenfield site for the amalgamated school. However at no time did the Department undertake to meet the costs associated with same. In 2010 my Department approached County Cork Vocational Education Committee seeking their assistance towards identifying a suitable site for this proposed amalgamation. The acquisition of the site and the delivery of the school building project will be considered in the context of the capital budget available to my Department for school buildings generally.

Departmental Expenditure

97. **Deputy Mary Mitchell O'Connor** asked the Minister for Education and Skills if he will investigate the excess profit margins made by publishers here on school books in view of the fact that many publishers are cutting costs by printing school text books in China and other low cost countries and in view of the fact that his Department is paying for these books through funding assistance provided to schools. [7880/11]

102. **Deputy Michael Healy-Rae** asked the Minister for Education and Skills the position regarding the cost of school books (details supplied); and if he will make a statement on the matter. [7920/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos. 97 and 102 together.

The cost of school text books is determined on a commercial basis by the educational publishers who commission them. My Department has no role in the production and publication of school text books. Accordingly, I am not in a position to speculate on the profit margins to which the Deputies refer. I am pleased to inform the Deputies that my Department intends to issue funding to primary schools in April and post-primary schools in June to enable them to provide assistance for school books. Details of the funding were notified to schools by circulars 0023/2011 (primary level) and 0024/2011 (post-primary level), which are available on my Department's website.

In these circulars, schools are urged to use this funding to establish book rental schemes, as these are the most effective means of lowering costs for all students. Funding will be allocated on the following basis:

- €11 per pupil in primary schools;
- €21 per pupil in primary schools within the Delivering Equality in Schools (DEIS) scheme;
- €24 per pupil in post-primary; or
- €39 per pupil in post-primary schools within the DEIS scheme.

This funding arrangement affords schools the autonomy to utilise funding in the most effective way based on their particular knowledge of their student needs. The previous system required

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schools to apply each year to my Department for a book grant, which resulted in a significant administrative burden, both for schools and my Department.

Departmental Bodies

98. **Deputy Noel Harrington** asked the Minister for Education and Skills the attendance records of the members of the FETAC council at their council meetings over the past four years; the fees, remuneration, and expenses received by each member of the council for each of the past four years; and if he will make a statement on the matter. [7888/11]

Minister for Education and Skills (Deputy Ruairí Quinn): FETAC Council members do not receive any fees or remuneration for their service. Records in relation to attendance at FETAC council meetings and expenses received by Council members are not recorded at my Department. I have asked officials at my Department to request this information from FETAC and it will be forwarded to the Deputy as soon as possible.

Higher Education Grants

99. **Deputy Noel Harrington** asked the Minister for Education and Skills his plans to improve the administration of all third level grants; his further plans to create a uniform system to coordinate all third level grants; and if he will make a statement on the matter. [7889/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I am glad to be able to inform the Deputy that students can look forward to several significant improvements to the student grant schemes starting from the 2011/12 academic year when it is intended to introduce a single unified scheme to replace the existing four schemes. This development will make it easier for students when it comes to applying for a grant.

I am also moving ahead with plans to introduce a single grant awarding authority from 2012. In this regard, following the recommendation of an independent Selection Panel, I intend to designate the City of Dublin VEC as the single grant warding body following agreement with my Department of an implementation plan. The centralised body will operate on a transitional basis accepting all new applications from the 2012/13 academic year. The existing grant awarding authorities will continue to process grant renewals for their grant holders.

In tandem with these developments, my Department will continue to roll out the grants online application system and the payment of grants to students by EFT. In addition, commensurate with the provisions of the Student Support Act, an independent Appeals Board will also be established.

All of these developments will provide for fundamental reform of the student grants system and represent a concrete development in meeting the objectives set out in the action plan for the education sector on the Croke Park Agreement.

Bullying in Schools

100. **Deputy Robert Dowds** asked the Minister for Education and Skills if the new whole school evaluation MLL model at second level is being used to evaluate the effectiveness of the steps schools are taking to prevent and respond to each of racist bullying and homophobic bullying and if so, the number of schools that will be evaluated for each of these issues in each the school years 2010-11 and 2011-12. [7897/11]

Minister for Education and Skills (Deputy Ruairí Quinn): In the Whole-School Evaluation — Management, Leadership and Learning (WSE-MLL) process at second level, inspectors

examine a range of policies within the school plan. When reviewing anti-bullying policies and procedures, inspectors focus on the extent to which specific measures are included to prevent and respond to various forms of bullying such as racist and homophobic behaviour, within the framework of the school's overall code of behaviour required under the Education (Welfare) Act 2000.

In reviewing a school's curriculum and timetable within WSE-MLL, inspectors examine provision for Social Personal and Health Education (SPHE) which is a compulsory subject in the junior cycle of post-primary schools and which includes content on the issue of bullying.

Meetings with parent representatives and students during WSE-MLL allow opportunities to hear their opinions on school matters which impact directly on them and which may include the issue of bullying. In addition, questionnaires are distributed to large samples of students and parents, typically to all second-year and fifth-year students and their parents. Respondents to these questionnaires are asked specifically about their level of satisfaction with the manner in which bullying is dealt with in the school. Where responses indicate that students and/or parents do not believe that bullying is dealt with effectively, inspectors raise this issue with school management who have ultimate responsibility for anti-bullying policy and procedure.

The Inspectorate plans to conduct approximately 100 whole-school type evaluations in post-primary schools during the calendar year 2011, most of which will be WSE-MLL evaluations. It is expected that a similar number will be conducted in 2012.

Higher Education Grants

101. **Deputy James Bannon** asked the Minister for Education and Skills the position regarding an application for a student maintenance grant in respect of a person (details supplied) in County Longford; and if he will make a statement on the matter. [7916/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The decision on eligibility for a student grant is a matter, in the first instance, for the relevant grant awarding authority i.e. the applicant's local authority or VEC.

The grant awarding authority in question has advised my Department that an application for a grant from the student to which the Deputy refers was unsuccessful. It is open to the student to appeal this decision to the grant awarding authority.

Where a grant awarding authority decides to reject such an appeal, the applicant may appeal this decision to my Department by submitting an appeal form clearly outlining the grounds for the appeal. No appeal has been received by my Department in this case to date.

Question No. 102 answered with Question No. 97.

Value for Money Reviews

103. **Deputy Dominic Hannigan** asked the Minister for Education and Skills the guidance he will provide to schools participating in the value for money review; the criteria under which they are being assessed; if he has received an application from a school (details supplied); if he has issued any opinion on the submission; and if he will make a statement on the matter. [7929/11]

Minister for Education and Skills (Deputy Ruairí Quinn): As the Deputy will be aware, this review was initiated in October 2010 by the then Fianna Fáil/Green Party government in order to establish the value for money being achieved from State funding of small primary schools. This value for money review is part of the normal review processes undertaken by Departments on an annual basis on selected areas of expenditure. The terms of reference for the Steering

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Committee are published on my Department's website and accessed through the Featured Links on the home page.

It is not for schools to make applications as part of the review process. Rather, the invitation to the consultation process (published on my Department's website) contained guidance points for themes to cover in making submissions. In excess of 1,000 responses were received and these are currently being sorted and acknowledged. The Deputy will appreciate that in the context of this volume of submissions it is not feasible to respond substantively to each individual submission. However, all submissions will be read and their content will be considered when forming the recommendations of the review.

The terms of reference of the review are generic in nature and are relevant generally to all small primary schools with less than 50 pupils rather than individual schools. I do not have a pre-determined view on the outcome of the review. Educational quality for the pupils must be one of the main criteria in any consideration of primary school size and organisation, taking into account both the needs of local communities and wider social and cultural factors.

The review should be completed by the end of this year and I plan to consider the review's conclusions when it is finalised.

Schools Building Projects

104. **Deputy Bernard J. Durkan** asked the Minister for Education and Skills the position regarding a school (details supplied) in County Kildare; the degree to which the full extent of the accommodation has been determined; the current stage of the development plan; if it will be possible to proceed with the project at an early date; and if he will make a statement on the matter. [7951/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I can confirm that the school to which the Deputy refers has made an application to my Department for large scale funding for an extension. The application has been assessed in accordance with the published prioritisation criteria for large scale capital projects and assigned a band 2 rating.

Information in respect of the current school building programme, along with assessed applications for major capital works, including the project referred to by the Deputy, is available on my Department's website at www.education.ie. The progression of all large scale building projects, including a project for this school, from initial design through to construction phase will be considered in the context of my Department's multi-annual School Building and Modernisation Programme.

However, in the light of current competing demands on the capital budget of my Department, it is not possible to give an indicative timeframe for the progression of this projects at this time.

Leaving Certificate Syllabus

105. **Deputy David Stanton** asked the Minister for Education and Skills the number of students who study mathematics at a higher level but choose to opt for a lower level paper when sitting the Leaving Certificate examination; and if he will make a statement on the matter. [7957/11]

Minister for Education and Skills (Deputy Ruairí Quinn): All candidates in the Leaving Certificate examination have the option of changing levels at anytime, up to and including the day of the examination. In all subjects the numbers who enter for examinations and the numbers who finally sit those examinations are different. The same is true for the three levels

at which Mathematics are offered — Higher, Ordinary and Foundation. The figures for Mathematics in the Leaving Certificate 2010 are as follows:

Subject — Mathematics Higher Level, Number of entries = 10,516, Number of sittings = 8,390;

Subject — Mathematics Ordinary Level, Number of entries = 40,093, Number of sittings = 37,903;

Subject — Mathematics Foundation Level, Number of entries = 2,950, Number of sittings = 5,997.

It will be seen, therefore, that some 20% of students who applied to sit mathematics at Higher Level in the Leaving Certificate in 2010 actually sat the examination at a lower level.

A major programme of reform in mathematics is under way in all second level schools since September last, building on the experience of 24 schools which began the programme in 2008. Project Maths is designed to encourage better understanding of mathematics, to reinforce its practical relevance to everyday life, and to ensure better curriculum continuity across the system. A key objective is to improve attainment levels in maths and to encourage more students to take the subject at higher level. The programme is supported by a comprehensive investment in professional development for teachers which will run to at least 2013. The initial experience in the 24 Project schools where students sat the Leaving Certificate in 2010 indicated a modest increase in the proportion who sat the subject at Higher Level — 18.7%, compared with 16.0% nationally.

Higher education institutions have collectively agreed to operate a bonus points scheme for Higher Level Mathematics for a four year trial period from 2012 to 2015 inclusive, with a review in 2014. A bonus of 25 points will be allocated to students who achieve a grade D3 or above in LC Higher Level mathematics. This pilot scheme has been specifically designed with the objective of maximising the numbers of Leaving Cert students who study for and sit the Higher Level maths examinations, and in particular of reducing the numbers of students who might drop down from Higher to Ordinary Level during the senior cycle.

Taken together, these initiatives are an important part of the strategy to upgrade skills in mathematics in order to better meet the needs of the Smart economy.

European Social Charter

106. **Deputy Robert Dowds** asked the Minister for Enterprise, Trade and Innovation, concerning the Revised European Social Charter for each year from 2002 to 2011 inclusive, the date on which the national report by Ireland under the annual reporting procedure was due to have been submitted; the date on which each report was actually submitted; the reasons for any late submissions; and the steps he will take to ensure that no report due while he is Minister is submitted after the due date. [7894/11]

107. **Deputy Robert Dowds** asked the Minister for Enterprise, Trade and Innovation, concerning the provisions of the Revised European Social Charter, which the State has accepted, the reports in which the State has been found not to be in compliance; for each of these, whether the law, policy or practice that gave rise to the finding of non-compliance has been amended to ensure compliance; and if not, when this will happen. [7895/11]

Minister for Enterprise, Trade and Innovation (Deputy Richard Bruton): I propose to take Questions Nos. 106 and 107 together.

[Deputy Richard Bruton.]

The Revised European Social Charter of the Council of Europe of 1996 came into force on 1 July 1999. Ireland signed and ratified the Revised Charter on 4 November 2000. The human rights treaty comprises 31 Articles which updates and completes the rights protected in the original European Social Charter of 1961 in areas such as employment, social protection, non-discrimination, education and health.

The specific information that the Deputy has requested in respect of the national reports submitted by Ireland in the years 2002 to 2011 is included at Table 1.

In preparing Reports, my Department has to consult with a number of Government Departments in relation to their areas of substantive responsibility to seek information on any relevant legislative and/or administrative changes that have taken place which impact on our implementation of the Revised Social Charter and, on measures taken, where applicable, to bring the situation into conformity with the Charter. Given the range of issues to be covered and the number of Departments to be consulted, this can be a very time consuming and resource intensive process. Having regard to other pressing demands on scarce resources, my Department expects to complete the Eighth Report, outstanding since October 2010, within the next 6-8 weeks depending on when material is received from Departments and agencies.

At the time of signature and ratification of the Revised Charter, Ireland was in a position to implement almost all of the provisions of the Revised Charter, with the exception of certain elements imposed under Articles 8, 21, 27, and Article 31. In respect of all remaining Articles, and in the context of detailed examination of our national reports over a period of more than 40 years, Ireland has been found to be in non-conformity with a certain number of specific aspects of the provisions of individual Articles of the original and revised Charter. In this regard, in completing its national implementation reports in intervening periods since the issue of finding of non-conformity, Ireland has provided information on the developments, if any, in the intervening period including on measures it has taken to bring a situation into conformity with the Charter and/or explained the reasons for our non-conformity. The specific issues for which we remain in non-conformity are several, wide-ranging and diverse and it would not be possible in this reply to provide the Deputy with the full extent of issues arising and Ireland's response in each case. I would, however be happy to provide this information to the Deputy separately in follow-up correspondence.

In recognising the importance of the Council of Europe in its standard setting activities through implementation of the obligations that arise across a range of diverse areas under the Articles of the Revised European Social Charter, it must be recognised, of course, that Ireland already has an extensive legal framework in place in the area of protection of employment rights and fully meets its obligations under the requirements of EU legal instruments in this regard and is in compliance also with other international labour instruments, including those of the International Labour Organisation.

Table 1: National Reports submitted by Ireland in the years 2002-2011

Revised European Social Charter (1996)	Revised Charter Provisions covered in the Report	Date on which the Report was due	Date of Final Submission to the Council of Europe
1st Report	The core or more important Articles of the Revised Charter, viz. Articles 1, 5, 6, 7, 12, 13, 16, 19 and 20.	30th June 2003	Ireland submitted a report in several parts between 19 November 2003 and 29 April 2004.

Revised European Social Charter (1996)	Revised Charter Provisions covered in the Report	Date on which the Report was due	Date of Final Submission to the Council of Europe
2nd Report	All the non-core provisions of the Charter, which had been accepted by Ireland viz. Articles 2, 3, 4, 8, 9, 10, 11, 14, 15, 17, 18, 21-30a total of 21 Articles in all.	30th June 2004	Ireland submitted its second report under the Revised Charter in a series of instalments between 27 May 2005 and 1 April 2009.
3rd Report	An update on our first report on the nine core provisions of the Revised Charter viz. Articles 1, 5, 6, 7, 12, 13, 16, 19 and 20.	30th June 2005	Ireland submitted its third report under the Revised Charter in a series of instalments between 15 November 2005 and 25 April 2006.
4th Report	The following non-core provisions of the Revised Charter, Article 1, Paragraph 4, Articles 2, 3, 4, 9, 10, 15, 21, 22, 24, 26, 28 and 29	30th June 2006	Ireland submitted its fourth report under the Revised Charter on 1 April 2009 (together with our second report).
5th Report	The following (both core and non-core) provisions of the Revised Charter — Articles 1, 9, 10, 15, 18, 24 and 25	31st October 2007	Ireland submitted its fifth report under the Revised Charter on 23 May 2009
6th Report	The following (both core and non-core) provisions of the Revised Charter — Articles 3, 11, 12, 13, 14, 23 and 30.	31st October 2008	Ireland submitted its sixth report under the Revised Charter on 25 September 2009.
7th Report	The following (both core and non-core) provisions of the Revised Charter — Articles 2, 4, 5, 6, 21, 22, 26, 28 and 29.	31st October 2009	Ireland submitted its seventh report under the Revised Charter in a series of instalments between 11 October 2010 and 8 December 2010.
8th Report	The following (both core and non-core) provisions of the Revised Charter — Articles 7, 8, 16, 17, 19 and 27	31st October 2010	Ireland has yet to submit its eighth report under the Revised Charter but work is ongoing to complete this report.
9th Report	The following (both core and non-core) provisions of the Revised Charter — Articles 1, 9, 10, 15, 18, 20, 24 and 25.	31st October 2011	As above.

Employment Rights

108. **Deputy Robert Dowds** asked the Minister for Enterprise, Trade and Innovation the names of all of the cases in the European Court of Human Rights that give rise to the commitment in the programme for Government to reform the law on the right to collective bargaining; the issue in each case that gives rise to such a concern and the details of the relevant legislation, including where current legislation is in breach, the name of the Act and the number of the section or sections concerned. [7891/11]

Minister for Enterprise, Trade and Innovation (Deputy Richard Bruton): In the so-called “Wilson” judgment, (Wilson, National Union of Journalists and Others v. United Kingdom [2002] ECHR 552) the European Court of Human Rights Court found in favour of a UK-based journalist and a group of British dockworkers, who were denied pay increases after they refused to sign personal contracts. Their unions had appealed a UK law courts decision on the issue.

The ECHR judgment found that under United Kingdom law at the relevant time it was possible for an employer effectively to undermine or frustrate a trade union’s ability to strive for the protection of its members’ interests. Accordingly, the ECHR concluded that, by permitting employers to use financial incentives to induce employees to surrender important trade

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union rights, the UK had failed in its positive obligation to secure the enjoyment of the rights under the European Convention for the Protection of Fundamental Rights and Freedoms.

In Ireland Section 8 of the Industrial Relations Act 2004 provides for a prohibition on victimisation of an employee by his employer on account of him being or not being a member of a trade union or engaging or not engaging in trade union activity. ‘Victimisation’ is defined as any act, of commission or omission, which adversely affects the interests of the employee or his wellbeing. The prohibition applies where the mechanisms provided under the Industrial Relations Acts 2001 to 2004 to deal with situations where an employer does not engage in collective bargaining have been invoked.

There is a commitment in the Programme for Government to ensure that Irish law on employees’ right to engage in collective bargaining is consistent with recent judgements of the European Court of Human Rights. This process will require consultation with stakeholders and a review of the experience of the operation of the existing legislative framework as put in place under the Industrial Relations Acts of 2001 and 2004 and the consequences of the litigation that has arisen in the course of the operation of these Acts.

109. **Deputy Robert Dowds** asked the Minister for Enterprise, Trade and Innovation if any legislation on the rights of workers needs to be amended to ensure that the rights contained in the Lisbon treaty and in the European Union Charter of Fundamental Rights of the European Union are fully reflected in Irish law; if so, which provisions of the treaty or the charter give rise to such a need and which Acts of the Oireachtas need to be amended. [7892/11]

Minister for Enterprise, Trade and Innovation (Deputy Richard Bruton): The Lisbon Treaty recognises and underpins the positive developments in employment rights protection. Under the Treaty, fundamental rights are recognised through the incorporation of a legally binding reference to the Charter of Fundamental Rights of the European Union. This includes the right to negotiate collective agreements and to take collective action, the right to information and consultation within undertakings, the right of access to free placement services and protection against unjustified dismissals.

Ireland already has an extensive legal framework for collective bargaining and the protection of employment rights. In addition, statutory mechanisms have been put in place to ensure the protection of employee rights in the absence of arrangements for voluntary collective bargaining. Among the rights which underpin the legal structure in Ireland is the right to form and join trade unions which also features in article 12 of the Charter of Fundamental Rights of the European Union. The Charter does not, however, require an employer to recognise a trade union. Neither the ratification of the Lisbon Treaty nor the application of the Charter of Fundamental Rights, in circumstances where Member States are implementing Union law, require a revision of the existing legislative provision in Ireland on employment rights.

Social Welfare Benefits

110. **Deputy Andrew Doyle** asked the Minister for Social Protection the number of persons that received support from farm assist in 2010 by county; the total cost of the scheme in 2010 and for the first quarter of 2011; and if she will make a statement on the matter. [7933/11]

Minister for Social Protection (Deputy Joan Burton): The following table shows the number of recipients of farm assist by county at the end of 2010.

The cost of the scheme was just under €111 million in 2010 and almost €28 million in the first quarter of 2011.

Number of Recipients of Farm Assist by County, 2010

County	Number of Recipients
Carlow	102
Cavan	401
Clare	637
Cork	917
Donegal	1,389
Dublin	11
Galway	1,133
Kerry	742
Kildare	56
Kilkenny	173
Laois	149
Leitrim	331
Limerick	265
Longford	176
Louth	81
Mayo	1,684
Meath	90
Monaghan	516
Offaly	127
Roscommon	407
Sligo	478
Tipperary	350
Waterford	84
Westmeath	134
Wexford	202
Wicklow	79
Total	10,714

Community Employment Schemes

111. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if she will be taking on full responsibility for special community employment schemes and, if so, the commencement date of same; and if she will make a statement on the matter. [7805/11]

Minister for Social Protection (Deputy Joan Burton): From 1st January 2011 policy and funding responsibility for FÁS functions in relation to employment and community employment services was transferred to this Department in accordance with the provisions of the Social Welfare (Miscellaneous Provisions) Act 2010. The FÁS schemes involved include the community employment programme. FÁS remains responsible for the day to day operation of community employment in accordance with the terms of a Service Agreement/Framework Document which it has concluded with the Department.

A number of special community employment projects operate under the National Drugs Strategy 2009-2016. As part of the Strategy, FÁS is committed to providing 1,000 places on such projects as part of the overall funding for the community employment programme. The primary objective of the Strategy is to continue to tackle the harm caused to individuals and

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society by the misuse of drugs. It is my intention to ensure the continuation of such projects subject to the overall budgetary constraints for the community employment programme

Question No. 112 withdrawn.

Social Welfare Appeals

113. **Deputy Ciarán Lynch** asked the Minister for Social Protection when an appeal for domiciliary care scheme payment will be decided in respect of a person (details supplied) in County Cork; and if she will make a statement on the matter. [7809/11]

Minister for Social Protection (Deputy Joan Burton): The Social Welfare Appeals Office has advised me that the appeal from the person concerned was referred to an Appeals Officer who proposes to hold an oral hearing in this case. The person concerned will be informed when arrangements have been made.

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.

114. **Deputy Marcella Corcoran Kennedy** asked the Minister for Social Protection when an appeal will be heard in respect of a person (details supplied) in County Offaly; and if she will make a statement on the matter. [7826/11]

Minister for Social Protection (Deputy Joan Burton): Payment of illness benefit, to the person concerned, was disallowed by a Deciding Officer following an examination by a Medical Assessor of the Department who expressed the opinion that she was capable of work.

An appeal was registered on 15 March 2011 and the Social Welfare Appeals Office has advised me that, in accordance with statutory requirements, the Department was asked for the documentation in the case and the Deciding Officer's comments on the grounds of the appeal. In that context, an examination by another Medical Assessor will be carried out. The person concerned will be notified when arrangements for the examination have been completed.

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

115. **Deputy Paul J. Connaughton** asked the Minister for Social Protection the position regarding a jobseeker's allowance application in respect of a person (details supplied) in County Galway; and if she will make a statement on the matter. [7869/11]

Minister for Social Protection (Deputy Joan Burton): The person concerned applied for jobseeker's allowance on 12 February 2011. His file has been forwarded to a Social Welfare Inspector for examination. On completion of inquiries a decision will be made as soon as possible and he will be notified of the outcome.

Question No. 116 withdrawn.

Employment Support Services

117. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the number of persons currently participating in the Tús scheme. [7877/11]

Minister for Social Protection (Deputy Joan Burton): The Minister for Finance announced the introduction of a community work placement initiative for up to 5,000 persons in his Budget statement to Dáil Éireann on the 7th December 2010. The initiative, known as Tús, was launched on the 21st December 2010 and work on developing the necessary implementation structures has been under way since then. The aim of Tús is to provide short-term, quality work opportunities for those who are unemployed for more than a year. Tús will be delivered at local level by each of the 53 local development companies and by Údarás na Gaeltachta. Promotion of Tús to potential work placement providers has been under way for some weeks as part of a process of identifying suitable work placements and local development companies are currently recruiting supervisory staff. The random selection of participants by the Department will commence shortly once the necessary arrangements have been put in place by the local development companies.

Social Welfare Benefits

118. **Deputy Robert Dowds** asked the Minister for Social Protection if the free TV licence scheme will continue; and if she will make a statement on the matter. [7890/11]

Minister for Social Protection (Deputy Joan Burton): Under the National Recovery Plan 2011-2014, funding for the TV licence scheme is frozen at 2010 levels of expenditure for the duration of the plan. This decision has no impact on those benefiting from the scheme who will continue to receive a free TV licence. The cost of the free TV licence scheme, administered under the household benefit package, was €59.2 million in 2010 and the provision for 2011 is the same.

The current number of eligible customers for the free TV licence scheme is 396,850.

The household benefits package, which comprises the electricity/gas allowance, telephone allowance and free TV licence, is available to people living permanently in the State who satisfy specific qualifying criteria.

The package is payable to all customers in receipt of carer's allowance and persons aged over 70 years. It is available to customers under the age of 70 in receipt of qualifying payments from this Department or an equivalent payment from a country covered by EU regulation or bilateral social security agreement and who live with certain categories of persons. Customers aged between 66 and 69 years who do not satisfy the criteria may qualify under a means test.

For most people television is an essential support in preventing social isolation; it is the principle medium for information and entertainment. The advantage of the TV licence scheme is that it takes care of a large annual non-discretionary bill for a group who may find it difficult to budget.

Payment for the scheme is made by this Department to the Department of Communications, Energy and Natural Resources. Payments are made on a monthly basis using an agreed formula based on a percentage of the Department's customer base. I have no plans to change the scheme at this time.

Social Welfare Code

119. **Deputy Mattie McGrath** asked the Minister for Social Protection her views on stay-at-home parents who wish to return to work after 20 years being disqualified from going on the live register and subsequently being disqualified from back-to-work and education schemes; her further views on whether not allowing such persons to sign on the live register gives an incorrect reflection of the real unemployment figures; her plans to allow such persons to sign

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on the live register or make these schemes more accessible to stay-at-home parents; and if she will make a statement on the matter. [7931/11]

Minister for Social Protection (Deputy Joan Burton): A person is entitled to make an application for jobseeker's allowance in circumstances similar to those outlined in the Deputy's question. Jobseeker's allowance is a means-tested payment. If the person satisfies the means test and other criteria such as being available for and genuinely seeking work, she may qualify for payment. The Live Register includes applicants for credited contributions. If an unemployed person does not qualify for a payment, he or she may be entitled to credited contributions, if he or she has previously worked and paid PRSI. If there has been a break of contributions paid or credited for two full consecutive tax years, the person cannot get credits until he or she returns to work and pays PRSI contributions for at least 26 weeks.

The Live Register is not designed to measure unemployment. It includes part-time workers, seasonal and casual workers entitled to jobseeker's benefit or allowance. Unemployment is measured by the Quarterly National Household Survey conducted by the CSO. The Department of Social Protection operates a range of employment support measures that are designed to encourage and support social welfare recipients of working age to reduce their dependency on welfare payments. These measures assist unemployed people, particularly the long-term unemployed, lone parents and sickness related welfare recipients, to return to the active labour market either by taking up employment or becoming self-employed. This is done through a number of schemes, including the back to education allowance, back to work enterprise allowance, short term enterprise allowance and the employer job incentive scheme. In addition, the activation and family support programme offers support to social welfare customers and other disadvantaged people to help them to improve their employability.

Social Welfare Appeals

120. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the longest waiting times for social welfare appeals against refusals under the various schemes which were concluded in 2009, 2010 and to date in 2011. [7932/11]

Minister for Social Protection (Deputy Joan Burton): I have been informed by the Social Welfare Appeals Office that no figures are readily available for the longest waiting times. The overall average waiting time for an appeal dealt with by way of a summary decision in 2010 was 27.4 weeks — it was 24 weeks in 2009 — while the average time to process an oral hearing was 45.6 weeks, or 35 weeks in 2009. These processing times are calculated from the registration date of the appeal to the date of its finalisation. They include all activities during this period including time spent in the Department for comments by the deciding officer on the grounds of appeal put forward by the appellant and any further investigation, examination or assessment by the Department's inspectors and medical assessors that is deemed necessary. As can be seen from the figures, a considerable period of time is added to the process when an oral hearing is required because of the logistics involved in this process. In order to be fair to all appellants, these appeals are dealt with in strict chronological order.

There has been a significant increase in the number of appeals received by the Social Welfare Appeals Office since 2007, when the intake was 14,070. By 2010, the intake had increased to 32,432. In the context of dealing with the considerable number of appeals now on hand, the Department has made a further nine additional appointments to the office in recent weeks. I am assured by the Chief Appeals Officer that she is keeping current processes under continuous review with a view to achieving a more effective throughput of appeals, while ensuring progress

does not conflict with due process in terms of the rights of appellants and adherence to the requirements of natural justice.

121. **Deputy Bernard J. Durkan** asked the Minister for Social Protection the position regarding an appeal for carer's allowance in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [7950/11]

Minister for Social Protection (Deputy Joan Burton): The Social Welfare Appeals Office has advised me that the appeal from the person concerned was referred to an appeals officer who proposes to hold an oral hearing in this case. The person concerned will be informed when arrangements have been made. The Social Welfare Appeals Office functions independently of the Minister for Social Protection and the Department and is responsible for determining appeals against decisions on social welfare entitlements.

Offshore Exploration

122. **Deputy Paudie Coffey** asked the Minister for Communications, Energy and Natural Resources if he is in any negotiations with regard to the exploration or drilling of oil off the south east coast; if any agreements or contracts have been made with oil-drilling companies; and if he will make a statement on the matter. [7857/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): Seven standard exploration licences and five licensing options are active off the east and south coasts of Ireland. Exploration activities under these authorisations are ongoing and subject to the performance of agreed work programmes including detailed reporting and the release of exploration data and evaluation reports to my Department. In relation to exploration drilling, my Department is aware that plans are being advanced for exploration and appraisal drilling in the Irish offshore, although no application for drilling approval has been received to date this year. I expect that over the next few months greater certainty will emerge in relation to potential drilling in 2011.

Energy Resources

123. **Deputy Robert Dowds** asked the Minister for Communications, Energy and Natural Resources if the implementation of the commitment in the programme for Government to facilitate the development of energy co-operatives will include a specific programme to support the development of co-operatives to exploit geothermal energy sources. [7896/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): In line with the programme for Government commitment to facilitate the development of renewable energy co-operatives for small scale renewable energy providers, I have asked my Department and the Sustainable Energy Authority of Ireland, in the context of assessing ways of encouraging microgeneration, to explore the scope for cooperative approaches. I can advise the Deputy that small-scale geothermal technologies are included in the Greener Homes Scheme currently operated by the authority.

Telecommunications Services

124. **Deputy James Bannon** asked the Minister for Communications, Energy and Natural Resources the reason an area (details supplied) in County Longford does not have total broadband coverage; and if he will make a statement on the matter. [7913/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): The provision of broadband services is in the first instance a matter for private sector service providers operating in Ireland's fully liberalised telecommunications market. Broadband services are provided by private service providers over various platforms including DSL (over telephone lines), fixed wireless, mobile, cable, fibre and satellite. Details of broadband services available in each county can be found on the ComReg website, *www.callcosts.ie*. The Government will intervene in cases of market failure where it is appropriate and possible to do so. The National Broadband Scheme (NBS) represents such an intervention. EU state aid and competition rules govern how states can intervene in areas where existing service providers are operating. Accordingly, the NBS is prohibited from providing a service in served areas where to do so would give rise to an unacceptable level of market distortion. The mapping exercise undertaken by my Department at the time of designing the NBS found that broadband services were available in the area referred to in the Deputy's question and consequently the locality was excluded from the scheme. I am pleased to say that under the NBS, broadband is now available in all Electoral Divisions in the NBS Coverage Area.

It continues to be a priority of the Government that there will be broadband coverage across the entire country. I am aware that a small percentage of premises throughout the country continues to be incapable of receiving broadband services. This is primarily due to technical and other reasons, such as suitability of a telephone line, distance from an enabled exchange and there being no line of sight. The European Commission has set aside a portion of the European Economic Recovery Programme funding for rural broadband initiatives. Using this funding, which will be augmented by an Exchequer contribution, I intend to formally launch a Rural Broadband Scheme shortly. This scheme will aim to provide a basic broadband service to individual unserved rural premises outside the NBS areas. Information in relation to acceptance of applications and the process of qualification under the scheme will be made available in due course when the scheme is launched.

Semi-State Companies

125. **Deputy Seán Ó Fearghail** asked the Minister for Communications, Energy and Natural Resources if his attention has been drawn to potential job losses at Bord na Móna's peat operations in Kildare and the Midlands; and if so, if he has discussed this issue or will discuss this issue with management at Bord na Móna. [7923/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): Under the Turf Development Acts 1946 to 1998, day to day operational decisions are a matter for the Board of Bord Na Móna, and are not a function of the Minister for Communications, Energy and Natural Resources.

I am advised that the planned outage until mid September 2011 of West Offaly Power will result in Bord na Móna's peat supply operations to that plant not being required during the outage with a consequent loss of revenue to Bord na Móna.

Some 150 employees are employed in the peat supply operation to West Offaly and Bord na Móna's focus is to minimise lay-offs among these employees by redeployment to other necessary work. Bord na Móna has recently concluded an agreement with the Group of Unions with regard to a work plan for the duration of the outage.

126. **Deputy Seán Ó Fearghail** asked the Minister for Communications, Energy and Natural Resources if his attention has been drawn to the possible transfer of certain Bord na Móna operations out of the State and, if so, if he has met with management or will meet with management on this issue. [7925/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): Under the Turf Development Acts 1946 to 1998, day to day operational decisions are a matter for the Board of Bord Na Móna, and are not a function of the Minister for Communications, Energy and Natural Resources. I am advised that, in line with its New Contract with Nature Strategy, Bord na Móna is continuing the process of diversifying its activities in order to secure a sustainable future, which will underpin employment in Ireland. A core element of this strategy includes the development of Bord na Móna's export markets, which may require some local presence in key markets to support export growth, as opposed to the transfer of operations from Ireland.

Local Authority Funding

127. **Deputy Aengus Ó Snodaigh** asked the Minister for the Environment, Heritage and Local Government the amount of money each local authority collected in commercial water charges in 2010; and the total that remain outstanding on water bills for that year. [7804/11]

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): The information requested is not yet available in my Department. Local authorities are required to publish their 2010 annual financial statements by 1 July 2011, and audited annual financial statements for 2010 will be available by 31 March 2012.

Forestry Sector

128. **Deputy Brian Stanley** asked the Minister for the Environment, Heritage and Local Government if he will direct the Office of Public Works and Coillte to put in place fire boundaries, cleared strips of land of six metres in width in Sliabh Bloom in order to prevent the spread of gorse and forest fires; the steps he will take to prevent forest fires from spreading in the future; and if he will make a statement on the matter. [7813/11]

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): I understand a Working Group on Land and Forest Fires, established by the Department of Agriculture, Fisheries and Food reported earlier in 2011 and made 10 recommendations on tackling gorse and forest fires. The Group included representatives from a broad spectrum of interested stakeholders, including farmers, the forest industry, the Fire Service, An Garda Síochána, the Defence Forces, Coillte, Teagasc and the National Parks and Wildlife Service.

Uncontrolled burning of vegetation poses a serious risk to the lives and livelihoods of farmers and forest owners throughout the country. Also, Section 40 of the Wildlife Act 1976, as amended by Section 46 of the Wildlife Amendment Act, 2000, provides protection for vegetation on uncultivated land such as hedgerows by providing that “it shall be an offence for a person to cut, grub, burn or otherwise destroy, during the period beginning on the 1st day of March and ending on the 31st day of August in any year, any vegetation growing on any land not then cultivated or in course of cultivation for agriculture or forestry”.

The purposes of these provisions include prevention of forest fires, protection of bird life during the nesting season and protection of vegetation and wildlife habitats during the months of growth and reproduction.

In order to ensure that fire service personnel are not placed at unnecessary risk during a forest fire call-out, one of the working group's recommendations was for forest owners properly to maintain fire breaks within their forests and to further make sure that potentially inflammable undergrowth is kept under control in line with their individual Fire Plans. While I support these measures, as part of an integrated multi-agency response to the threat posed by forest fires, I do not have any powers, nor would it be appropriate for me, to direct Coillte or

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the Office of Public Works to undertake the works envisaged. However, I encourage all state bodies to be vigilant against the spread of forest and gorse fires as the response to such incidents is resource intensive and also detrimental to wildlife interests.

Private Rented Accommodation

129. **Deputy Robert Dowds** asked the Minister for the Environment, Heritage and Local Government the legal obligations landlords are under to ensure the outward appearance of their properties are maintained. [7853/11]

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Willie Penrose): Minimum standards for rental accommodation are prescribed in the Housing (Standards for Rented Houses) Regulations 2008, made under section 18 of the Housing (Miscellaneous Provisions) Act 1992. These Regulations were further amended by the Housing (Standards for Rented Houses)(Amendment) Regulations 2009 which expanded the definition of ‘a proper state of structural repair’ to allow for all aspects of the internal and external appearance of a dwelling to be taken into account for the purposes of the Regulations.

All landlords have a legal obligation to ensure that their rented properties comply with these Regulations. Responsibility for enforcing the Regulations rests with the relevant local authority, supported by a dedicated stream of funding allocated by my Department. It is a matter for each individual local authority to decide the specific details of its enforcement strategy and inspection arrangements. However, in discharging their responsibilities in relation to the rental sector, authorities have been asked to have regard to the Good Practice Guidelines for Local Authorities on Standards in the Private Rented Sector: Strategic Planning, Effective Enforcement published by the Centre for Housing Research in November 2007, which make a range of recommendations on relevant issues, including targeting inspection activities.

Architectural Heritage

130. **Deputy Willie O’Dea** asked the Minister for the Environment, Heritage and Local Government his plans to provide funding for built heritage as provided for under section 80 of the Planning and Development Act 2000. [7883/11]

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): The legislative provisions for the protection of the architectural heritage are set out in Part IV of the Planning and Development Act 2000, as amended. Section 80 of the Act provides that the Minister for the Environment, Heritage and Local Government may make grants to planning authorities in respect of any or all of their functions under this part.

The Local Authority Conservation Grants Scheme has operated to provide assistance for the conservation of buildings protected under the provisions of Part IV of the 2000 Act. Due to a significant reduction in the budgetary allocation to the built heritage within the vote of my Department, the operation of the scheme has been suspended. My Department is providing limited funding through a “Structures at Risk Fund” in 2011, to assist with works to safeguard structures protected under the 2000 Act. Details of the operation of the fund have recently been issued to each local authority.

The Department proposes to undertake a review of the operation of Part IV of the Planning and Development Act 2000. This review will include an examination of the funding provided towards the conservation and protection of the architectural heritage.

Planning Issues

131. **Deputy Thomas P. Broughan** asked the Minister for the Environment, Heritage and Local Government his plans to introduce legislation to ensure that rezoning proposals are decided on their merits alone and that agreements and contacts between developers and local community bodies to provide community facilities dependent on rezoning being approved will be made illegal; and if he will make a statement on the matter. [7898/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Willie Penrose): Decisions regarding the zoning of land are a reserved function of local authority elected members under the statutory development plan and local area plan processes. In accordance with Part II of the Planning and Development Act 2000, as amended, the members of a planning authority are restricted to considering the proper planning and sustainable development of the area in question when making, reviewing or varying a development plan or making, amending or revoking a local area plan.

My Department's Guidelines for Planning Authorities on Development Plans (2007) clearly state that, in setting objectives for the zoning of land, an appropriate balance needs to be struck between:

- making sure that enough land is zoned to meet the anticipated economic and social development needs and to allow for an element of choice over the plan period and for a reasonable period beyond (e.g. 3 years), and
- avoiding the zoning of too much land, thereby creating a situation where priorities for development are not clear and where as a result it is difficult to secure an orderly and progressive approach to the development of that area, particularly in the provision of essential infrastructure and services.

Under Part III of Schedule I of the Planning Acts, development plans may also include specific objectives in relation to facilitating the provision and siting of services and facilities necessary for the community, including, *inter alia*, health care, cultural, community, recreational and amenity facilities.

As a statutory consultee on draft development plans and draft local area plans, my Department provides constructive comments and advice to planning authorities in respect of policies set down in these plans, including where appropriate advice regarding the scale and location of lands proposed for zoning.

Moreover, the 2010 Planning and Development (Amendment) Act introduced a number of reforms to the development plan process to provide for greater consistency of plans at regional, city/county and local levels, to require a core strategy to be incorporated into development plans and to reinforce the practice of developing evidence-based policy objectives into future development plans. These new provisions are currently being reflected and implemented in new development plans and variations to existing plans.

Local Authority Housing

132. **Deputy Thomas P. Broughan** asked the Minister for the Environment, Heritage and Local Government the prospect of addressing the housing list in Dublin City Council's Area B in view of the 1,400 to 1,500 empty housing units in the North Fringe district; and if he will make a statement on the matter. [7900/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Willie Penrose): Housing authorities have scope to include an acquisitions programme

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within their Social Housing Investment Programme, which receives capital funding from my Department. The number of acquisitions in any particular area will depend on the total funding available to the authority and the priority it applies to the acquisition of new and second-hand units relative to other projects within its programme. Additional housing units are supplied through the leasing of suitable properties, including in the context of the Rental Accommodation Scheme.

During 2010, Dublin City Council acquired 168 units of accommodation under its Social Housing Investment Programme, consisting of a mixture of apartments and houses. The Council has been allocated over €100 million in 2011 under the capital investment programme, including Ballymun Regeneration.

In addition, in 2010, a total of 478 units were supplied by the Council under the Rental Accommodation Scheme and 285 by way of long-term leasing. A further 550 units are due for supply in 2011. Current spending under RAS and long-term leasing will amount to over €24 million for the Council in 2011.

My Department understands that Dublin City Council is currently in the process of developing a Local Area Plan for the North Fringe that will address issues such as the remediation and completion of estates and the provision of local services.

Water and Sewerage Schemes

133. **Deputy Bernard J. Durkan** asked the Minister for the Environment, Heritage and Local Government the number and location of group water schemes approved or funded by him in the past 12 months; the cost of such schemes; how the priority list was determined; if the proposed scheme at a location (details supplied) in County Kildare was considered in such context; if this scheme is likely to be included in the current year in view of the availability of funds in the relevant local authority; and if he will make a statement on the matter. [7949/11]

Minister for the Environment, Heritage and Local Government (Deputy Phil Hogan): Responsibility for the administration of the Rural Water Programme, which includes group water schemes, has been devolved to local authorities since 1997.

The selection and approval of individual group water schemes for advancement and funding under the programme, within the overall priorities set by my Department and subject to the block grant allocation provided, is therefore a matter for the local authorities. The information requested may, therefore, be sought from the local authorities including, in the case of the particular scheme referred to, Kildare County Council.

I understand that proposals for the Ballyna Group Water Scheme may be dependent upon related investment in major public water supply infrastructure. There is no provision for such schemes for Kildare County Council in my Department's Water Services Investment Programme 2010-2012.

Port Development

134. **Deputy Finian McGrath** asked the Minister for the Environment, Heritage and Local Government if he will not support any attempt to fill in Dublin Bay by the Dublin Port Company. [7952/11]

Minister of State at the Department of the Environment; Heritage and Local Government (Deputy Willie Penrose): Under section 30 of the Planning and Development Act 2000, I am

specifically precluded from exercising any power or control in relation to any particular case with which a planning authority or An Bord Pleanála is or may be concerned.

An application for foreshore consent would be required for any such proposed development. The application would be processed in the usual manner in exercise of my statutory functions under the Foreshore Acts 1933 to 2009.

Prison Building Programme

135. **Deputy Ciarán Lynch** asked the Minister for Justice and Equality the position regarding the proposed prison development on a site (details supplied) in County Cork; the proposed timeframe of same; if there are plans in place to improve conditions at Cork Prison, where slopping out is still required; and if he will make a statement on the matter. [7801/11]

Minister for Justice and Equality (Deputy Alan Shatter): I can assure the Deputy that this Government is committed to addressing the issue of in-cell sanitation in line with the Government Programme for National Recovery.

It is accepted that conditions at Cork Prison are less than ideal. Unfortunately, with limited resources in the present economic climate, it is likely that ambitious projects such as the development of new prison facilities at Kilworth will take longer to progress. However, the Irish Prison Service is appraising the logistical, financial, operational and other aspects of an outline proposal to provide in-cell sanitation in all cells in Cork Prison. This appraisal will be informed by the evaluation of the Mountjoy 'C' wing in-cell sanitation project which is currently under way.

Citizenship Applications

136. **Deputy Catherine Murphy** asked the Minister for Justice and Equality the position regarding an application for naturalisation in respect of a person (details supplied) in County Kildare; if documentation supplied with the application highlighting the person's professional need for a change in their immigration status will affect the timeframe in which the application is processed; and if he will make a statement on the matter. [7812/11]

Minister for Justice and Equality (Deputy Alan Shatter): A valid eligible application for a certificate of naturalisation from the person referred to in the Deputy's Question was received in the Citizenship Division of my Department in March 2011.

The application is being processed in the normal way with a view to establishing whether the applicant meets the statutory conditions for the granting of naturalisation and will be submitted to me for decision in due course. While the average time from application to decision is 25 months, processing requirements and time taken to carry out necessary checks vary from case to case. However, in response to Parliamentary Question Number 7104/11 of 7 April last, I outlined that I have initiated steps to provide for speedier processing of applications. That said, the Deputy will appreciate that the valid application in this case has only just been received.

The granting of a certificate of naturalisation is a privilege and an honour and never a right or an entitlement and all factors, including those referred to by the Deputy, will be taken into account in reaching a decision.

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

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

Telecommunications Services

137. **Deputy Joe Costello** asked the Minister for Justice and Equality if he will respond to correspondence (details supplied); and if he will make a statement on the matter. [7865/11]

Minister for Justice and Equality (Deputy Alan Shatter): The correspondence relates to a proposal for the introduction in Ireland of a blocking system in respect of websites containing child pornography. As the Deputy is no doubt aware, the internet is a worldwide phenomenon with no borders and no single organisation controlling it. There is, however, an existing self-regulatory framework for internet service providers (ISPs) in operation in Ireland which actively encourages the adoption of best practice procedures aimed at limiting the proliferation of illegal child pornography content online. Members of the public may report such material to the *www.hotline.ie* service of the Internet Service Providers' Association of Ireland (ISPAI). If the material is hosted here and deemed to be illegal and in contravention of Irish law, ISPAI members are obliged to remove such materials. If the material is hosted in another jurisdiction, it is notified to the internet hotline in that jurisdiction and/or to the relevant law enforcement agencies for follow up, with the aim of having illegal content taken down.

At present all of the mobile phone operators in Ireland, under a voluntary agreement brokered by the European Commission with the GSM Alliance Europe, the association representing European mobile phone operators, implement a form of filtering on their mobile internet service, which prevents access to websites which have been identified as containing child pornography content.

In a number of EU Member States, a system of internet blocking/filtering has been introduced on a voluntary basis, whereby a “blocklist” of sites containing child pornography is made available by the police or other competent authorities, and is utilised by individual ISPs to prevent access to such content. A number of other Member States have introduced legislation requiring ISPs to block access to websites containing child pornography. It is generally acknowledged that all such internet blocking or filtering systems are not foolproof and can be circumvented in certain circumstances. However, such filtering systems are understood to be useful in preventing internet users from inadvertently encountering such illegal content. Of course, the key objective from a law enforcement perspective is to achieve the removal of such material from the internet at source.

The issue of the possible utilisation of blocking/filtering methodologies to prevent access to identified web pages containing child pornography is being considered further by my Department's Office for Internet Safety with advice from the Internet Safety Advisory Council. In undertaking research in this area, the Office for Internet Safety has had discussions with a variety of relevant interests in relation to the possibility of introducing internet filtering, specifically in respect of illegal child pornography content, in Ireland.

In particular, it might be noted that a draft proposal for a Directive on combating the sexual abuse, sexual exploitation of children and child pornography was published last year by the European Commission and is currently being negotiated by the EU institutions. The draft Directive contains a proposal which may require Member States to implement some form of blocking system in relation to websites containing child pornography. Ireland's participation in the adoption and implementation of this measure has been approved by the Government and the Oireachtas.

Citizenship Applications

138. **Deputy Bernard J. Durkan** asked the Minister for Justice and Equality if he will clarify the position regarding citizenship in respect of a person (details supplied) in County Waterford; and if he will make a statement on the matter. [7867/11]

Minister for Justice and Equality (Deputy Alan Shatter): Officials in the Citizenship section of my Department inform me that there is no record of an application for a certificate of naturalisation from the person referred to in the Deputy's question.

The Irish Nationality and Citizenship Act, 1956, as amended, provides that the Minister may, in his absolute discretion, grant an application for a certificate of naturalisation provided certain statutory conditions are fulfilled. The conditions are that the applicant must

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

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

- periods of residence in respect of which an applicant does not have permission to remain in the State
- periods granted for the purposes of study
- periods granted for the purposes of seeking recognition as a refugee within the meaning of the Refugee Act, 1996.

It is open to any individual to lodge an application for citizenship if and when they are in a position to meet the statutory requirements as prescribed in the Irish Nationality and Citizenship Act 1956 as amended.

I should remind the Deputy that queries in relation to the status of individual Immigration cases may be made direct to INIS by e-mail 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.

Refugee Status

139. **Deputy James Bannon** asked the Minister for Justice and Equality the position regarding refugee status in respect of a person (details supplied) in Dublin 15; and if he will make a statement on the matter. [7914/11]

Minister for Justice and Equality (Deputy Alan Shatter): Arising from the refusal of her asylum application, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the person concerned was notified, by letter dated 5th January, 2005, that

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the Minister proposed to make a Deportation Order in respect of her. She was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why a Deportation Order should not be made against her. Representations have been received on behalf of the person concerned.

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

I should remind the Deputy that queries in relation to the status of individual immigration cases may be made directly to INIS by e-mail 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.

Proposed Legislation

140. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Equality his plans to amend the Irish Nationality and Citizenship Act 1956 to allow periods of residency in the Six Counties to be considered as part of reckonable residency for naturalisation purposes, in keeping with the spirit of the Good Friday Agreement; and if he will make a statement on the matter. [7946/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Irish Nationality and Citizenship Act 1956, as amended, sets out the law governing citizenship of Ireland. The Act distinguishes between the right to citizenship by birth and descent and the acquisition of citizenship through the naturalisation process. The provisions of the Act have been amended with due regard to the Good Friday Agreement and I have no plans to further amend the Act.

Departmental Funding

141. **Deputy Finian McGrath** asked the Minister for Justice and Equality if he will provide medical support and expenses to a person (details supplied) in Dublin 13. [7954/11]

Minister for Justice and Equality (Deputy Alan Shatter): As the Deputy will appreciate, my Department is not responsible for the provision of medical supports and services in the community generally. Arrangements were made some time ago to respond to any outstanding counselling or medical needs arising from the Stardust fire disaster and the Stardust Victims Committee was made aware of how individuals could express an interest in availing of those arrangements.

Citizenship Applications

142. **Deputy Catherine Murphy** asked the Minister for Justice and Equality the average timeframe for the processing of naturalisation applications; and if he will make a statement on the matter. [7955/11]

Minister for Justice and Equality (Deputy Alan Shatter): The average processing time from application to decision is now at 25 months. More complicated cases can at times take more

than the current average, while an element of straightforward cases can be dealt with in less than that timescale.

I am unhappy with the length of time it takes to process citizenship applications. I have initiated steps within my Department to provide for a speedier processing of applications and to bring about a substantial reduction in the timescale. When the Department is in a position to implement these new arrangements an announcement will be made.

Defence Forces Personnel

143. **Deputy Ciarán Lynch** asked the Minister for Defence his plans to introduce a redundancy scheme for the Defence Forces; and if he will make a statement on the matter. [7811/11]

Minister for Defence (Deputy Alan Shatter): There are no plans to introduce a redundancy scheme for the Defence Forces; in fact, limited recruitment has been taking place since 2010 in the context of the Employment Control Framework (ECF) for the Defence Forces. The Government is focused firmly on maintaining the operational efficiency of the Permanent Defence Force within the resource envelope made available by Government.

I am advised by the Military Authorities that the strength of the Permanent Defence Force as of 31 March 2011, the latest date for which figures are available, was 9,692 comprising 7,894 Army, 788 Air Corps and 1,010 Naval Service personnel. I am advised at this time that the Defence Forces retain the capacity to undertake the roles assigned by Government.

Milk Quota

144. **Deputy Michael Moynihan** asked the Minister for Agriculture, Fisheries and Food if he and the European Commission have looked at the markets for milk and milk-based products post-2015, when the expansion in the dairy industry will take place; and the steps he and the European Commission have taken to ensure that there will be a proper price paid to primary producers. [7843/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): There have been a number of reports on the impact of quota abolition on milk production in the EU. Most recently, the European Commission has analysed the market situation for milk and milk products post 2015, in a report published last December on the prospects for a ‘soft landing’, following the abolition of milk quotas. This report predicts that EU milk production over the period to 2020 will grow modestly, with production in 2020 expected to exceed that of 2009 by about 3%. It also suggests that cheese and fresh dairy product output is expected to grow in response to strengthening demand, with prospects for butter conditional on firm domestic demand. Milk powder prospects are somewhat uncertain, with a fall in EU production possible.

In 2009 the Commission established the High Level Group on Milk to examine a series of mid-term and long-term issues in the dairy sector arising from the expiry of milk quotas. It delivered its report in June 2010 and one of the recommendations was to look at measures to improve the bargaining power of dairy producers. This has resulted in a proposal for a legislative ‘dairy package’ making provision for contractual relations between producers and processors. It will also allow producer organisations to negotiate contract terms on behalf of dairy farmers with a view to strengthening their position in the supply chain. However, these elements are expected to have little impact in Ireland, where our processing structure is based on co-operatives.

The milk price paid to primary producers varies throughout the EU as market forces have a major influence on the price. World market prices determine the returns received by dairy

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processors and these in turn are reflected in the price paid to farmers. Over the medium to long term prospects for world dairy markets are positive, with growth in population and wealth predicted to stimulate strong levels of demand and improve returns to the dairy sector. Nevertheless, the CAP provides a range of support measures that can be used to manage the dairy market, and to provide a safety net in times of market decline such as 2009. There is now a broad acceptance at the Council of the need to retain such safety-net measures in the reformed CAP after 2013. In addition the Commission has undertaken to explore new instruments to help reduce income volatility.

On the domestic front we have also been preparing for the future. Last year my Department published *Food Harvest 2020* and the report outlines the positive prospects for the dairy sector over the medium- to long-term, and sets an ambitious target of a 50 per cent increase in milk production by 2020. It sets out a number of recommendations designed to support the realisation of this potential growth, ranging from milk processing to on-farm competitiveness, technology transfer, and R&D and marketing. I fully support the aims of this strategy and will work with the industry to help achieve its targets.

Grant Payments

145. **Deputy Marcella Corcoran Kennedy** asked the Minister for Agriculture, Fisheries and Food if he will review an application for single farm payment in respect of persons (details supplied) in County Offaly; and if he will make a statement on the matter. [7820/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Following contact by an official of my Department it was confirmed that the issue relates to the application of the second person named. An application under the 2010 Single Payment Scheme was received on 31 March 2010. During validation of the application an over-claim was identified on one of the parcels declared. This error was raised with the person named and a reply was received to state that the applicant was accepting the amended reference area. Payments were calculated on this basis: the advance payment issued on 18 October 2010 and the balancing payment on 1 December 2010.

146. **Deputy Marcella Corcoran Kennedy** asked the Minister for Agriculture, Fisheries and Food when a single farm payment will issue to a person (details supplied) in County Tipperary. [7822/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Three applications were received requesting the transfer of Single Payment entitlements from the person named to other farmers, two by way of sale and one by way of lease for one year.

As my Department was not satisfied that the two applications relating to the sale of entitlements were received prior to the closing date of 17 May 2010, these applications were rejected on 13 October 2010. The person named sought a review of this decision and the original decision was upheld following that review. The case has since been appealed to the Independent Appeals Office.

As the application to transfer entitlements by way of lease omitted the land parcels that form part of this transaction, a letter issued from the Transfer of Entitlements section on 13 October 2010 requesting the details of these parcels. A further request for this information issued on 11 February 2011. To date this information has not been provided by the person named and consequently this application remains outstanding.

147. **Deputy Timmy Dooley** asked the Minister for Agriculture, Fisheries and Food when 2010 agri-environment options scheme payments will issue. [7879/11]

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. Payments will commence at the earliest possible date once these checks have been completed.

Special Areas of Conservation

148. **Deputy Noel Harrington** asked the Minister for Agriculture, Fisheries and Food the criteria used in conducting the baseline study for the special area of conservation in Roaring Water Bay in west Cork; the terms of the contract; the body or company conducting the study; when he expects the study to be completed and published; and if he will make a statement on the matter. [7884/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The Marine Institute has undertaken the collection of baseline data in order to allow the National Parks and Wildlife Service set conservation objectives for the site in question, and thereafter to allow the Department of Agriculture, Marine and Food to reach a determination on permitting/licensing of relevance to the site. The data in question can be made publicly available by the Marine Institute, once the conservation objectives for the site have been completed by the National Parks and Wildlife Service. The Marine Institute is an independent statutory agency, hence the internal management is a matter for the board, in which the Minister does not have a role. However, the Department has forwarded the request to the Institute for its consideration and for a direct reply to the Deputy.

149. **Deputy Noel Harrington** asked the Minister for Agriculture, Fisheries and Food the criteria used in conducting the baseline study for the special area of conservation in Kenmare Bay, County Kerry; the terms of the contract; the body or company conducting the study; when he expects the study to be completed and published; and if he will make a statement on the matter. [7885/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The Marine Institute has undertaken the collection of baseline data in order to allow the National Parks and Wildlife Service to set conservation objectives for the site in question, and thereafter to allow the Department of Agriculture, Marine and Food to reach a determination on permitting/licensing of relevance to the site. The data in question can be made publicly available by the Marine Institute, once the Conservation Objectives for the site have been completed by the National Parks and Wildlife Service. The Marine Institute is an independent statutory agency; hence, the internal management is a matter for the board, in which the Minister does not have a role. However, the Department has forwarded the request to the Institute for its consideration and for a direct reply to the Deputy.

Foreshore and Aquaculture Licences

150. **Deputy Noel Harrington** asked the Minister for Agriculture, Fisheries and Food the steps he will take to reduce the processing time for foreshore and aquaculture licences; and if he will make a statement on the matter. [7887/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The current delay in the processing of new and renewal licence applications largely arises because the majority of areas for which the licences are sought are designated Special Areas of Conservation under the EU Habitats Directive and/or Special Protection Areas under the EU Birds Directive (Natura 2000 sites).

In the case of aquaculture sites located within Natura 2000 areas the Department of Agriculture, Fisheries and Food, in conjunction with the Marine Institute and the National Parks and Wildlife Service (NPWS) of the Department of the Environment, Heritage and Local Government is engaged in a comprehensive programme to gather the necessary baseline data appropriate to the conservation objectives of these areas. This process is ongoing and significant progress has been made. This comprehensive data collection programme, together with the setting of appropriate conservation objectives by the NPWS, will enable all new, renewal and review applications to be appropriately assessed for the purpose of ensuring compliance with the EU Birds and Habitats Directives. This work represents a significant financial, administrative and scientific investment by the State in resolving this issue. The appropriate assessment of aquaculture applications will be dealt with on a bay-by-bay basis.

My Department continues to make every effort to expedite the determination of all outstanding cases having regard to the complexities of each case and the need to comply fully with all national and EU legislation.

Grant Payments

151. **Deputy Tom Hayes** asked the Minister for Agriculture, Fisheries and Food when payment on a REP scheme application will issue to a person (details supplied) in County Tipperary. [7934/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The person named commenced REPS 4 in April 2008. He received his year 1 payment in April 2009 and his year 2 payment in December 2009.

During the SPS check some discrepancies relating to area were highlighted and an adjusted plan was requested. This adjusted plan has now been received and indicates a smaller area than that declared. The necessary clawback of payment is being calculated and the appropriate payment will issue as soon as possible.

152. **Deputy Tom Hayes** asked the Minister for Agriculture, Fisheries and Food when payment on a REP scheme application will issue to a person (details supplied) in County Tipperary. [7935/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The person named commenced REPS 4 in October 2009 and received his year 1 payment in March 2010.

On 31 March 2011 the file was chosen for investigation and an inspection will be carried out over the next few weeks. The application will be processed for payment upon completion of the on farm inspection.

Food Imports

153. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food his views on the volume of food imports from the United Kingdom in 2009 and 2010; the action he is taking on this issue; and if he will make a statement on the matter. [7936/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): In 2009, Ireland imported 2.4 million tonnes of agri-food products from the UK, with a value of €2.7 billion. Ireland's agri-food exports to the UK amounted to 2.5 million tonnes, with a value of €3.7 billion (source: CSO trade statistics). In 2010, Ireland imported 2.5 million tonnes of agri-food products from the UK, with a value of €2.7 billion. Ireland's agri-food exports to the UK amounted to 2.5 million tonnes, with a value of €3.8 billion (source: CSO trade statistics).

The food industry has a huge export orientation with exports currently worth over €7.8 billion (source: Bord Bia). Over the past decade, the Irish agri-food, forestry and fisheries sector has competed successfully on the world stage and has demonstrated its capacity to perform as a major player in the global food and drink market. Currently, Irish food and drink produce is exported to more than 160 countries. The Irish food industry benefits greatly from free trade with other EU Member States, and with the UK in particular. The UK remains the largest export destination for the Irish food industry, accounting for 44% of agri-food exports in 2010 (source: Bord Bia).

Grant Payments

154. **Deputy Tom Hayes** asked the Minister for Agriculture, Fisheries and Food when payment on a REP scheme application will issue to persons (details supplied) in County Tipperary. [7938/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): The person named commenced REPS in June 2008 and received the year 1 payment in March 2009 and the year 2 payment in December 2009.

Following redigitisation the area of the farm has been reduced slightly and an adjusted plan had to be drawn up. This adjusted plan has now been received and the necessary clawback of payment is being calculated. When this is finalised, payment will issue.

Departmental Schemes

155. **Deputy Dominic Hannigan** asked the Minister for Agriculture, Fisheries and Food the number of persons in County Meath that availed of the agri-environment options scheme in 2010; the amount allocated to them; the overall amount allocated in the scheme; and if he will make a statement on the matter. [7939/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): My Department received a total of 216 applications from applicants in County Meath. A total of 198 of these applicants have been approved into the scheme to date. Where applicants were notified that they were not successful and where an appeal has been received my Department is conducting reviews.

The AEOS budget is not allocated on a county basis. The total 2011 annual allocation for the AEOS 2010 scheme is €32 million. However, the actual outturn will not be known until the total payments for the first full scheme year have issued.

Sugar Industry

156. **Deputy Seamus Kirk** asked the Minister for Agriculture, Fisheries and Food if he is considering re-examining the potential of the Irish sugar industry; and if he will make a statement on the matter. [7940/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): As part of the reform of the EU sugar regime in 2006, a temporary restructuring scheme was introduced with the

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aim of the European Commission reducing EU sugar production in order to comply with WTO and other international obligations. The scheme provided an incentive for sugar processors to renounce sugar quota and dismantle the associated sugar processing plant and it provided compensation for affected stakeholders.

Greencore plc, the sole Irish sugar processor and holder of the entire Irish quota allocation, decided to avail of the restructuring scheme. Accordingly the company renounced the quota and dismantled the last remaining Irish sugar factory at Mallow in compliance with the conditions of the scheme. This brought the Irish sugar industry to an end.

As a result of the restructuring scheme the overall EU sugar quota was reduced by almost 6 million tonnes, of which the Irish quota contributed some 200,000 tonnes. Sugar production in the EU is now concentrated in 18 Member States, as opposed to 23 before the reform.

The sugar reform package secured consisted of a restructuring aid, diversification aids and single payment and was worth approximately €353m of which €220m went to Irish beet growers, €6m went to machinery contractors and €127m to Greencore plc. The beet growers' share was made up of diversification aid of €44m, compensation via the single payment which is €123m over 7 years and restructuring aid of €53m. The restructuring and diversification aids were paid out in 2007 and 2008.

There is no mechanism under the present regulations, which are in force to the end of the sugar marketing year in 2015, that would allow for the reinstatement of the sugar quota for the growing of sugar beet in Ireland for the processing of sugar. Any proposal to review the EU sugar quota regime would be a matter for the EU Commission in the first instance and any proposal to re-establish a sugar factory in Ireland would, subject to the availability of quota, be a matter for commercial decisions by interested parties.

I am aware that currently there are a number of proposals for feasibility studies, investigating the possibilities for the re-development of sugar production here together with the establishment of a bio-refinery plant, using sugar beet. I look forward to hearing the results of these studies, with interest.

I wish to add that a quantity of sugar beet has always been grown in Ireland for fodder purposes and this continues. It is not affected by the EU sugar regime.

Agricultural Colleges

157. **Deputy Andrew Doyle** asked the Minister for Agriculture, Fisheries and Food the action he is taking to ensure that the staff needed to fulfil the teaching requirements of courses being offered in agricultural colleges will be delivered as soon as possible, in view of the increased demand for places at the colleges; the action he is taking on this issue; and if he will make a statement on the matter. [7945/11]

Minister for Agriculture, Fisheries and Food (Deputy Simon Coveney): Under the Agriculture (Research, Training and Advice) Act, 1988, Teagasc has statutory responsibility for the provision of education, research and advisory services to the Agriculture sector. It is a matter for Teagasc and its Board to prioritise activities in the delivery of these services and to allocate its resources in accordance with these priorities.

I understand Teagasc employs over 180 staff and funds the salaries of a further 40 staff in the privately owned agricultural colleges to deliver their Education Programme. The Programme includes a wide range of education and training courses targeted at young people planning to embark on careers in farming, horticulture, equine, forestry and adult farmers wishing to acquire a skill set/training in a particular area.

Implementation of the Teagasc Education Programme is an operational matter for the Teagasc Authority. Teagasc must work within Government guidelines on public service numbers and match demand for education programmes and other services with available staff resources. Reallocation of work and redeployment of staff will be an essential part of this process.

Charities Act

158. **Deputy Terence Flanagan** asked the Minister for Community, Equality and Gaeltacht Affairs the position regarding the Charities Act (details supplied); and if she will make a statement on the matter. [7819/11]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Frances Fitzgerald): The Charities Act 2009 is structured in such a way as to allow for commencement, by Ministerial order, of its individual provisions on different dates over a period of time. While commencement of the majority of the Act is contingent on a Charities Regulatory Authority and a Charity Appeals Tribunal being in place, a number of initiatives to regulate and enhance the transparency of the sector have been progressed since the legislation was enacted.

Two commencement orders, bringing 7 sections of the Charities Act into law have been passed. These relate to:

- section 99 of the Act (which regulates the sale of pre-signed Mass cards and some relevant technical sections); and
- sections 4 and 90 of the Act (section 4 allows for Ministerial orders or regulations under the Act, while section 90 makes provision to grant powers in any proceedings to the courts to grant relief to charity trustees from personal liability for breach of trust).

In addition, the Deputy should note that:

- In relation to the Register of Charities, the Act provides that any organisation that holds charitable tax exemptions from the Revenue Commissioners on the day the Register of Charities is introduced will be automatically deemed to be entered onto the Register. Work on ensuring that the information legally required to be published on the Register will be in place on establishment day is being advanced. This is a considerable body of work as there are well over 7,000 such organisations.
- My Department is providing funding towards the development of a comprehensive public database and website of all not-for-profit entities operating in Ireland. It is considered that this project will greatly enhance the public transparency of the Irish non-profit sector.
- With regard to financial and activity reporting by charities, it is proposed to consult with the charities sector in relation to the type of financial and activity reporting that they will be required to make to the new Authority. This consultation is to be carried out parallel to a broader review of the UK & Ireland Generally Agreed Accounting Principles (GAAP) that is being undertaken by the Accountancy Standards Board at the moment. It is hoped that a public consultation process on this matter will be initiated over the coming months.
- With regard to the regulation of charitable fund-raising, my Department has been providing funding and working in partnership with the charities sector to develop a scheme to implement and monitor a voluntary Code of Practice for Fund-raising by

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charities. In this context, Guiding Principles for Fund-raising were recently produced and have been disseminated to the charities sector. A Monitoring Group, which will include representation from my Department, is also being established to monitor adherence to the codes and to generally review their operation over a 3 year period.

Finally, the Deputy should note that responsibility for this area will transfer to the Department of Justice and Equality over the coming weeks. Accordingly, continuing to advance the regulation of the Irish charities sector through both statutory and non-statutory means will be a matter for that Department to progress.

Departmental Funding

159. **Deputy Robert Troy** asked the Minister for Community, Equality and Gaeltacht Affairs when he will make a decision on the Multyfarnham and Milltownpass application for further funding as was recommended by Westmeath Community Development. [7840/11]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Frances Fitzgerald): Funding of €427m is to be made available under the Rural Development Programme (RDP) 2007-2013 for allocation to qualifying projects up to the end of 2013. One of the objectives of the RDP is to identify and provide appropriate amenity and leisure facilities to local communities not otherwise available to them.

There are 36 Local Action Groups contracted, on my Department's behalf, to deliver the RDP throughout the country, and these groups are the principal decision-makers in relation to the allocation of project funding. Such decisions are made in the context of the local development strategy of the individual groups and in line with Departmental operating rules and EU regulations. There is a procedure in place, in line with the operating rules, which facilitates final clearance from my Department when the proposed funding for an individual project is in excess of €150,000. Both projects referred to by the Deputy are currently under review through this procedure and I envisage that this process will be finalised very soon.

National Drugs Strategy

160. **Deputy Jonathan O'Brien** asked the Minister for Community, Equality and Gaeltacht Affairs the steps she will take to advance the national drugs strategy; and if she will make a statement on the matter. [7047/11]

Minister for Community, Equality and Gaeltacht Affairs (Deputy Frances Fitzgerald): Responsibility for co-ordinating policy on drugs is at present assigned to the Minister for Community, Equality and Gaeltacht Affairs. As the Deputy may be aware, the Government has agreed, with effect from 1 May 2011, to transfer the functions of the Minister for Community, Equality and Gaeltacht Affairs in relation to the National Drugs Strategy to the Minister for Health and Children.

The Government is committed to addressing problem drug use in a comprehensive way. In line with this, the National Drugs Strategy 2009-2016 aims to tackle the harm caused to individuals and society by the misuse of drugs through a concerted focus on the five pillars of supply reduction, prevention, treatment, rehabilitation and research. The Actions set out in the Strategy facilitate a planned and monitored approach to achieving the overall strategic objectives. It is envisaged that progress on the implementation of these Actions will continue to be reviewed on an ongoing basis.

I can assure the Deputy that the Government intends to build upon the progress already achieved in the implementation of the National Drugs Strategy 2009-2016 to the benefit of individuals, their families and their communities.

Health Service Staff

161. **Deputy James Bannon** asked the Minister for Health and Children the reasons the Health Service Executive proceeded with matters relating to the procurement of agency nurses without the involvement of the relevant unions, which is in direct contradiction of the public service agreement relating to procurement; and if he will make a statement on the matter. [7793/11]

162. **Deputy James Bannon** asked the Minister for Health and Children the reason the Health Service Executive gave a monopoly for the supply of agency nurses to a single company, which will not acknowledge, meet or negotiate with unions; and if he will make a statement on the matter. [7794/11]

164. **Deputy James Bannon** asked the Minister for Health and Children the reason the Health Service Executive is acting in contravention of guidelines and refusing to attend the Labour Relations Commission as recommended by the implementation body; and if he will make a statement on the matter. [7796/11]

Minister for Health and Children (Deputy James Reilly): I propose to take Questions Nos. 161, 162 and 164 together.

The Health Service Executive (HSE) introduced new arrangements for contracting agency staff on 14 March 2011. The appointment of agencies to provide health staff, including agency nurses, is a HSE procurement matter and neither I nor my Department had any involvement in this process. The use of agency staff has always been a feature of the health system and will remain an ongoing requirement to fill short-term vacancies and ensure continuity of service provision. Agency nurses are employed directly by the agencies that were successful in the HSE's tendering competition. The HSE is required as part of the Employment Control Framework to keep the use of agency staff to a minimum. The HSE have advised that where possible, in the context of the moratorium and Employment Control Framework, part time and work-sharing staff are being offered the opportunity to increase the number of hours they work before agency staff are used.

However, as the Deputy may be aware, the health sector trade unions objected to the new contract including the rates of pay. The matter was raised at the Health Sector Implementation Body established under the Public Service Agreement and subsequently considered by the national level Implementation Body. The Implementation Body has recommended that the parties should seek the assistance of the Labour Relations Commission in relation to implementation issues. The Body also noted that a process of engagement between both the social partners at national level and the parties within the public service, on the implications on the utilisation, terms and conditions of Agency staffing, arising from the transposition due by December of this year of the Directive on Temporary Agency Work (2008/104/EC), should commence as soon as possible.

However, the HSE, like all Government organisations, must review its procurement arrangements for all services to reduce costs, ensure efficiency and protect services. The new contract for agency staff is part of the approved service plan for 2011 and will deliver cost savings in excess of €40 million for the taxpayer across the health sector. In this regard, the contract

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negotiated by the HSE remains in place and it is my understanding that both parties will be attending the Labour Relations Commission.

163. **Deputy James Bannon** asked the Minister for Health and Children the reason the Health Service Executive, in its quest to save money, is targeting lower-paid front-line service providers and not tackling the excessive salary levels of senior administrative and front-line personnel, which is to the detriment of health service provision; and if he will make a statement on the matter. [7795/11]

Minister for Health and Children (Deputy James Reilly): On 2 December 2010, the Government approved the reduction by 10% of the salary scale and fixed allowances for new entrants to traditional recruitment grades in the public service, with effect from 1 January 2011. This was to achieve a medium-term structural reduction in the cost of the public service and gave effect to a commitment in the National Recovery Plan.

Therefore, this reduction was not applied to staff of the Health Service Executive alone. This measure is one which applies to all newly entrants at traditional recruitment grades across the entire public service. The reduction was targeted at grades where there is a preponderance of recruitment from external sources, so as to limit the effect on existing staff. As it happens, the vast majority of such grades are those of basic, entry-level grades. It should be noted that individuals currently employed in public health service in these basic, entry-level grades or new recruits who have previously worked in the same or similar grade in the public service are exempt from this reduction. The impact of this pay reduction is quite limited, given that the moratorium on recruitment continues to be in place and there is little external recruitment being undertaken either within the public health service, or across the wider public sector.

With regard to the pay of senior staff in the public health service referred to by the Deputy, staff in these grades were subject to the earlier pay reductions in January 2010, as provided for under the Financial Emergency Measures in the Public Interest (FEMPI) no. 2 Act, 2009, along with all other public servants. The Act was introduced in the context of the priority to be given to the stabilisation of the public finances and its purpose was to achieve a reduction of approx €1bn in the public service pay bill in 2010. Public Service salaries of up to €125,000 were reduced by the following:

- 5% on the first €30,000 of salary;
- 7.5% on the next €40,000 of salary; and
- 10% on the next €55,000 of salary.

This produced overall reductions in salaries ranging from 5% to just under 8% in the case of salaries up to €125,000. This was a progressive, measured reduction which provides that those that have higher salaries will contribute more. This resulted in reductions of 8% on all salary for persons with salaries from €125,000 to less than €165,000; 12% on all salary for persons earning from €165,000 to less than €200,000; and 15% on all salary for salaries of €200,000 or more.

Question No. 164 answered with Question No. 161.

Medical Cards

165. **Deputy Patrick O'Donovan** asked the Minister for Health and Children the position

regarding a medical card application in respect of a person (details supplied) in County Limerick. [7797/11]

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

166. **Deputy Timmy Dooley** asked the Minister for Health and Children the support he and the Health Service Executive will provide to an organisation (details supplied) in County Clare catering for children with special therapeutic needs, such as physiotherapy, occupational therapy, speech and language therapy. [7798/11]

Minister for Health and Children (Deputy James Reilly): As the Deputy's question relates to service matters, I have referred this question to the Health Service Executive for direct reply.

National Lottery Funding

167. **Deputy Sean Fleming** asked the Minister for Health and Children when payment will be made to an organisation (details supplied) in County Laois. [7835/11]

Minister for Health and Children (Deputy James Reilly): My Department has received an application for funding from the 2011 National Lottery allocation from the organisation in question. A grant was approved by the previous Minister for Health and Children and Tánaiste in February. The Department requested clarification in respect of aspects of the purpose of the grant from the organisation. Having received the requested clarification, the payment to the organisation is in the process of being issued.

Capital Projects

168. **Deputy Sean Fleming** asked the Minister for Health and Children the construction projects planned by the Health Service Executive or by him for the next five years and the following five to ten years; and if he will provide the list of same. [7837/11]

Minister for Health and Children (Deputy James Reilly): The Health Service Executive's capital infrastructure programme is a multi-annual programme which is developed over a rolling five year period. The Executive's capital allocation for the five year period is €1,876.55m, (an allocation of €374.25m is assumed for 2015). Allocations for 2011-2014 are as follows — all include €40m per annum in respect of ICT:

2011 — €392.25m (includes provision for €15m from the proceeds of disposal of surplus assets);

2012 — €361.85m;

2013 — €373.95m;

2014 — €374.25m.

In drawing up its capital programme for the current 2011-2015 period the HSE is required to prioritise its capital infrastructure projects within its overall capital funding allocation taking into account the programme's capital commitments and cost to completion over the multi-annual period. Given the level of commitments and the costs to completion already in place, there is limited funding available for new projects before 2014. The HSE has submitted its draft capital plan for the multi-annual period 2011-2015. This draft plan is under consideration and requires my approval with the

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consent of the Minister for Finance. Details of the capital infrastructure projects already in progress are set out in the HSE's capital plan 2010-2014 which is available on its website: <http://www.hse.ie/eng/services/Publications/corporate/capitalplan2010.html>

The HSE reviews its capital project proposals on a rolling five year basis and detailed information beyond this period is not available.

Health Services

169. **Deputy Paudie Coffey** asked the Minister for Health and Children his plans to restore the dental health scheme for medical card holders and social insurance contributors in the interests of oral hygiene and preventative dental decay; and if he will make a statement on the matter. [7855/11]

Minister for Health and Children (Deputy James Reilly): I am considering the measures introduced by the HSE to contain expenditure on the Dental Treatment Services Scheme at the level of €63m. Responsibility for the Dental Treatment Benefit Scheme (DTBS) rests with my colleague, the Minister for Social Protection. I understand that the expenditure and, as a consequence, the treatments available under the DTBS will be kept under review, taking account of the prevailing economic circumstances.

Medical Cards

170. **Deputy Jack Wall** asked the Minister for Health and Children the position regarding an appeal against a decision to refuse an application for a medical card in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [7858/11]

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 Waiting Lists

171. **Deputy John McGuinness** asked the Minister for Health and Children the reason a date has not been set for a procedure in respect of a person (details supplied) in County Kilkenny and if he will expedite a response. [7859/11]

Minister for Health and Children (Deputy James Reilly): The management of hospital services generally, including outpatient waiting lists, is a matter for the Health Service Executive and the individual hospitals concerned. Therefore, the Executive is the appropriate body to consider the particular case raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the case investigated and to reply directly to the Deputy.

Ministerial Responsibilities

172. **Deputy Éamon Ó Cuív** asked the Minister for Health and Children if he will be accountable to Dáil Éireann for the actions of the Health Service Executive; if he will respond directly to queries in relation to the HSE, whether raised through parliamentary questions or on the Adjournment; and if he will make a statement on the matter. [7862/11]

Minister for Health and Children (Deputy James Reilly): The Programme for Government contains a number of commitments in respect of improving the way parliamentary questions, Adjournment debates, etc. are dealt with. I expect that these initiatives will be progressed across all Departments in due course.

However, I have already made a change in the arrangements for responding to parliamentary questions by the Health Service Executive. I have decided that parliamentary questions about operational issues of a national nature will now be answered by me, as Minister. Whenever possible these questions will be answered on the relevant Dáil day. Where this is not possible, because the information is not readily available, I will issue a reply as soon as possible thereafter.

Questions about individual patients, such as individual applications for medical cards, and about local service issues, such as individual hospitals or local organisations, will continue to be referred to the HSE for direct reply to Deputies. I have already asked my Department to liaise with the HSE about how best to improve the HSE response times for such questions.

Adjournment Debates will continue to be taken by me, as Minister, or by the Ministers of State as required.

Hospital Waiting Lists

173. **Deputy Niall Collins** asked the Minister for Health and Children if a person (details supplied) in County Limerick is on the waiting list for a procedure; and if he will make a statement on the matter. [7870/11]

Minister for Health and Children (Deputy James Reilly): The management of hospital services generally, including waiting lists, is a matter for the Health Service Executive and the individual hospitals concerned. Therefore, the Executive is the appropriate body to consider the particular case raised by the Deputy. My Department has requested the Parliamentary Affairs Division of the Executive to arrange to have the case investigated and to reply directly to the Deputy.

In the event that a person is on an in-patient waiting list, and subject to the resources available to it and the overall waiting list situation in the hospital concerned, the National Treatment Purchase Fund may arrange treatment for patients who have been on a surgical waiting list for more than three months.

Hospital Staff

174. **Deputy Regina Doherty** asked the Minister for Health and Children the staff to patient ratio in the St. John of God hospital facilities, including residential and non-residential houses in Ireland for 2011, versus the staff to patient ratio in same facilities for the years 2008, 2009 and 2010; the effects the reduction in the staff to patient ratio has had on client services over these years; and if he will make a statement on the matter. [7878/11]

Minister for Health and Children (Deputy James Reilly): As the Deputy's question relates to service matters, I have referred this question to the Health Service Executive for direct reply.

Medical Cards

175. **Deputy Michael McGrath** asked the Minister for Health and Children the position regarding an application for an over 70s medical card in respect of persons (details supplied) in County Cork. [7881/11]

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.

176. **Deputy James Bannon** asked the Minister for Health and Children the position regarding an application for a medical card in respect of a person (details supplied) in County Longford; and if he will make a statement on the matter. [7915/11]

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

177. **Deputy Brendan Ryan** asked the Minister for Health and Children the reason for the delay in providing speech therapy to a person (details supplied) in County Dublin; when ongoing speech therapy will be provided; and if he will make a statement on the matter. [7922/11]

Minister for Health and Children (Deputy James Reilly): As the Deputy's question relates to service matters, I have referred this question to the Health Service Executive for direct reply.

Health Service Staff

178. **Deputy Bernard J. Durkan** asked the Minister for Health and Children the number of nurses qualified in the past ten years and to date 2011; the number of such that have obtained whole time permanent, whole time temporary or part time posts and are currently employed; and if he will make a statement on the matter. [7947/11]

Minister for Health and Children (Deputy James Reilly): The following data has been compiled by An Bord Altranais in relation to the numbers of newly qualified nurses that have registered in the past ten years and to date in 2011.

Total	2011	2010	2009	2008	2007	2006	2005	2003	2002	2001
16,848	303*	1,715	1,890	1,918	1,805	1,631	570	1,787	1,657	1,721

There are currently some 36,800 nursing whole time equivalents employed in the health service. The breakdown that the Deputy is asking for in relation to nursing graduates over the period outlined is not routinely available.

Health Services

179. **Deputy Bernard J. Durkan** asked the Minister for Health and Children the extent it is expected, intended or proposed to provide the necessary and urgently required extra accommodation at a health centre (details supplied) in County Kildare; if he has given instructions or directions in this regard; if it is expected to address these requirements as a matter of urgency; and if he will make a statement on the matter. [7948/11]

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.

Medical Cards

180. **Deputy Michael McGrath** asked the Minister for Health and Children the position regarding an application for a medical card in respect of a person (details supplied) in County Cork. [7956/11]

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.

Roads Network

181. **Deputy Pat Deering** asked the Minister for Transport, Tourism and Sport his plans to

allow more flexibility in the local authority road budget for 2011 in order that roads which were badly damaged during the recent bad winter may be repaired. [7860/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The improvement and maintenance of regional and local roads is the statutory responsibility of each local authority, in accordance with the provisions of Section 13 of the Roads Act 1993. Works on these roads are funded from local authorities' own resources and are supplemented by State road grants. The initial selection and prioritisation of projects to be funded is also a matter for local authorities.

In February this year it was announced that a total of €375.176 million would be provided to local authorities for the maintenance and improvement of regional and local roads in 2011. In addition, the restoration improvement programme was reintroduced to provide local authorities with flexibility to change their programmes if necessary, given the period of severe weather in late 2010. Furthermore, a winter maintenance grant category has also been introduced which local authorities may use for treating roads during periods of cold weather.

To provide increased expenditure flexibility to local authorities the discretionary maintenance grant and the discretionary improvement grant schemes have been combined as a single discretionary grant and this may be used for maintenance and for strengthening type works on the road network. Similarly, very considerable flexibility has been given to local authorities in respect of the utilisation of the Department of Transport 2011 Grant Allocations for regional and local roads.

It is also particularly important that local authorities do not reduce expenditure from their own resources in respect of roads this year in view of the current difficult situation and that they carefully reassess their planned road programmes for 2011 in the light of the impact of the bad weather on their road networks.

Coast Guard Equipment

182. **Deputy Noel Harrington** asked the Minister for Transport, Tourism and Sport the steps he will take to implement the proposal in the programme for Government to explore the provision of an emergency towing vessel for the Coast Guard; if he will consider the option of a partnership with other bodies or a commercial company which may be interested in such a project; and if he will make a statement on the matter. [7886/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): My Department has been pursuing efforts to develop, enhance and improve Ireland's marine pollution prevention, preparedness and response capability from within existing and available resources and funds. On foot of the programme for Government, there will be a review of the risk posed by international shipping of oil and hazardous substance pollution and an assessment of what steps can be taken for the provision of an emergency towing capacity for the Coast Guard.

The Deputy will be aware that responsibility for the Coast Guard is in the process of being transferred to the Department of Agriculture, Marine and Food.

Cycle Facilities

183. **Deputy John Lyons** asked the Minister for Transport, Tourism and Sport when a final decision will issue on an application for funding for sustainable modes of transport including cycle tracks and walkways in an area (details supplied); and if he will make a statement on the matter. [7937/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): This project was one of eleven short-listed for stage 2 of the smarter travel areas competition. As a result of changes to economic circumstances and the associated impact on availability of funding, future steps with the competition are currently under review. The local authorities concerned will be notified of the outcome of the review in due course.

Port Development

184. **Deputy Finian McGrath** asked the Minister for Transport, Tourism and Sport if he will not support any proposal to fill in 52 acres of Dublin Bay. [7953/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Dublin Port Company has recently announced the commencement of a public consultation to help develop a master plan for the port's future development. The company's statutory responsibilities under the Harbours Act 1996 include the development of the port, the provision of sufficient port facilities, and the promotion of investment in the port.

Once completed, the master plan will outline the Company's vision for the development of the port over the next 30 years. The issues paper published by the Company for consultative purposes raises a number of different options for consideration as part of the port's future development.

I welcome this initiative being taken by the company and would encourage all stakeholders to engage constructively in the process. It is in line with international best practice and is consistent with efforts to improve integrated transport planning more generally. It is an important method for facilitating the engagement of local communities and other stakeholders in the long term planning of the port.